



Annual Report

30 June 2026

Greening Australia Ltd and controlled entities
ABN 40 002 963 788



Greening Australia Ltd and controlled entities
Directors' report
30 June 2026

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 2026.

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
Alex Graham
John Hope
Radha Kuppalli
Robin Romero
Paul Elton

Principal Activities and Objectives

Greening Australia Ltd is a public company limited by guarantee. Its principal objective is to engage communities in protecting, restoring and conserving Australia's diverse landscapes. The Group delivers science-led restoration nationally by combining native seed sourcing and production, ecological design, on-ground delivery, carbon and nature-market capability, and monitoring of environmental outcomes. It works with First Nations organisations, landholders, governments, businesses, universities, donors and community partners to improve biodiversity, water quality, landscape resilience and carbon sequestration.

Under its 2025–2030 Strategic Plan, *Rebuilding Nature Together*, the Group aims to deepen and scale its impact toward a nature-positive future through restoration that enhances biodiversity, addresses land degradation and climate change, supports thriving communities, and contributes to Australia's commitment to restore 30% of degraded ecosystems by 2030.

As Australia's largest vertically integrated not-for-profit restoration organisation, Greening Australia will focus on opportunities that deliver the greatest benefits for the environment, communities and economies, including through emerging environmental markets.

Its priorities are to expand high-integrity restoration, strengthen Australia's native seed supply chain, develop responsible carbon and nature-market opportunities, improve the efficiency and commercial discipline of project delivery, and build partnerships that enable communities to rebuild nature. The Group's entities work collectively toward these objectives through complementary restoration, seed, technology, conservation and environmental-market activities.

Results

Greening Australia was not able to return the organisation to surplus as planned. For the 2026 financial year, the consolidated group recorded an operating deficit of \$3,609k, compared with an operating deficit of \$1,252k in the prior year. Greening Australia Ltd, as the parent entity on a standalone basis, recorded an operating deficit of \$2,305k, compared with an operating surplus of \$221k in the prior year.

The result reflects the impacts of timing of project delivery, and carbon transactions in a challenging environmental sector, including increased competition for environmental funding, slower conversion of revenue opportunities than anticipated and uncertainty across government, corporate and philanthropic markets.

Consolidated operating revenue declined by \$5,820k, or approximately 16%, from \$37,182k to \$31,362k. The decline was attributed to restoration works and revegetation, carbon sales, and donations and fundraising income, partly offset by growth in seed and plant sales and consultancy services.

Total operating revenue and other income was \$32,652k, a reduction of \$6,010k from \$38,662k in the prior year. Total direct and operating expenses decreased by \$3,653k, from \$39,914k to \$36,261k, reflecting cost control and actions taken to align the organisation with the lower-revenue environment. These savings did not fully offset the revenue decline.

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The group also recognised a net favourable impact of \$501k from separately presented non-operating items, comprising a \$1,377k non-cash gain on the fair value movement in financial derivatives, a \$168k non-cash fair value loss on biological assets, and \$708k of restructuring costs and provisions. The restructuring costs and provisions comprised \$533k of redundancy costs and a \$175k provision for seed inventory obsolescence following revision of the inventory valuation policy.

After these items and consideration of income tax, the consolidated group recorded a deficit after income tax of \$3,007k, compared with an after-tax deficit of \$1,580k in the prior year. A \$766k gain on the revaluation of land and buildings was recognised in other comprehensive income, resulting in a total comprehensive deficit of \$2,241k, compared with \$1,580k in the prior year.

Sources and Application of Funds

The following tables summarise the Group's principal funding sources and the main areas in which funds were applied during FY2026. Business, universities and corporate customers remained the largest source of funding, followed by government funding. Philanthropic support continued to contribute to the Group's capacity to advance its vision and mission.

Funding Source	Consolidated		Parent	
	2026 %	2025 %	2026 %	2025 %
State governments	16%	14%	18%	16%
Australian Government	6%	4%	7%	5%
Local governments	3%	6%	4%	7%
Total Government	25%	24%	29%	28%
Business, universities and corporates	63%	61%	60%	56%
Philanthropy	7%	11%	8%	12%
Interest and other sources	5%	4%	3%	4%
	100%	100%	100%	100%

Where the money was spent	Consolidated		Parent	
	2026 %	2025 %	2026 %	2025 %
Biodiverse restoration	57%	51%	61%	56%
Organisational and management support costs	18%	18%	21%	23%
Native seed supply and infrastructure	12%	15%	4%	3%
Gully and wetlands restoration	8%	11%	9%	13%
Seed production area development and research	4%	4%	3%	3%
Fundraising activities	1%	1%	2%	2%
	100%	100%	100%	100%

Biodiverse restoration remained a major area of expenditure, reflecting continued delivery of on-ground projects nationally. The group also continued to invest in native seed supply, infrastructure and research.

Across all activities, the Group continued to invest in capability intended to support future revenue and impact. Future investment will be assessed against measurable progress in sales, delivery performance, market development, capital requirements and alignment with the Group's environmental objectives.

Review of Operations

The 2026 financial year was characterised by increased competition for environmental funding and corporate sustainability investment, slower conversion of revenue opportunities, uncertainty across government, corporate and philanthropic funding markets, softer ACCU market conditions, and rising delivery costs. The Directors are proud of the efforts and resolve of management, who continue to respond to these challenges through cost discipline, active monitoring of project expenditure and margins, organisational restructuring, and a stronger focus on converting opportunities into contracted revenue. The following review is aligned with the Group's principal operating activities.

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Restoration

Greening Australia continued to design and deliver terrestrial, riparian, wetland and urban restoration projects with First Nations organisations, landholders, governments, businesses and community partners. Revenue and margins were affected by project timing, slower conversion of new partnerships, changing customer requirements and higher supply costs. Delivery highlights included large-scale planting at Nyadinang Najung (NSW) and Kulliparu Downs (SA), continued implementation of the Nestlé Global Reforestation Program, ten years of Reef Aid, and urban river and wetland restoration in South Australia, New South Wales and Queensland. Management has restructured restoration operations to strengthen regional accountability, delivery discipline, project forecasting and margins.

Engaging the community in rebuilding nature is core to our mission and a key part of every project. The Cooling the Schools programme continued to expand, supported by a \$2.3 million New South Wales Government commitment announced in June 2026, while two Fitzroy Catchment Traditional Owners Alliance forums supported whole-of-catchment planning and future investment pathways. The Urban Rivers program across NSW, SA and Qld continued to engage local communities in restoring critical habitat along key waterways.

Native seed

The Group continued to develop native seed supply through Nindethana Seed Service Pty Ltd and SeedX Pty Ltd. Seed and plant sales grew during the year, while investment continued in production systems, research, storage, digital sales capability and market development. Yield from the second commercial harvest at the Jarrega Seed Production Area in WA continued to increase, temperature-controlled storage was expanded on the Eyre Peninsula and installed in western and eastern Victoria, seed collection training was conducted with First Nations groups in WA, and Nindethana launched a new e-commerce website. These businesses remain in development and investment phases, and management is focused on sales growth, inventory management, operating efficiency and a clearer pathway to sustainable performance.

Carbon and nature markets

Carbon revenue declined because of softer market demand, lower transaction volumes and the timing of customer approvals and sales, although demand remained strong for high-integrity ACCUs linked to quality projects. During the year, 13 additional carbon sites were registered, bringing the portfolio to 68 registered sites across 16 projects, and more than 38,500 ACCUs were issued. The Group continued to invest selectively in future carbon and nature-market opportunities while monitoring market conditions, capital requirements and expected returns.

Developments and outlook

Greening Australia will continue to adapt its operations to the funding and cost environment while progressing its environmental objectives. Priorities for FY2027 include converting the revenue pipeline through the Go-to-Market strategy; strengthening and diversifying corporate, government, carbon, seed and philanthropic income; improving restoration delivery, project margins and accountability; growing seed sales through dedicated sales capability and e-commerce; strengthening project reporting, forecasting, invoicing and cash-flow management; reducing operating and overhead costs; and selectively realising non-core assets.

The FY2027 budget is directed toward returning the Group to a break-even operating position while maintaining positive free cash flow. Achievement of this outcome depends on converting material unsecured opportunities, delivering contracted projects to agreed timing and margins, improving seed and carbon sales, and completing planned cost and cash-flow initiatives.

The outlook remains subject to uncertainty, including the timing of contract execution, customer decisions, project delivery, ACCU sales, seed availability, market conditions and the realisation of non-core assets. Management will continue to monitor these assumptions and align expenditure, delivery capacity and investment priorities with secured revenue and available resources.

Strategic and Operational Risk Overview

Greening Australia operates in a dynamic environment and faces a range of strategic, financial and operational risks. These risks are regularly reviewed by management and the Board, with mitigation strategies implemented to reduce their likelihood and impact.

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Financial Sustainability and Revenue Generation

Risk: Continued operating deficits, increased competition for environmental funding, delays in converting revenue opportunities and changing market conditions may adversely affect the organisation's financial sustainability. The organisation remains exposed to uncertainty across corporate, government and philanthropic funding markets.

Mitigation Strategy: Management maintains a focus on financial sustainability through disciplined cost management, active monitoring of project margins, implementation of the Go-to-Market strategy, diversification of revenue sources, conversion of pipeline opportunities into contracted revenue, strengthening philanthropic and corporate partnerships, and ongoing review of operating models and organisational structures.

During FY2026, management undertook a comprehensive review of the Group's products, services, customer segments and market opportunities to better align resources with areas of strongest demand and strategic fit. The resulting Go-to-Market strategy is focused on prioritising target customer sectors, strengthening value propositions, improving sales capability and increasing the conversion of revenue opportunities into contracted work, with execution of the strategy a key priority for FY2027.

Land Access and Restoration Delivery

Risk: The ability to secure suitable land and successfully deliver restoration projects remains critical to achieving environmental outcomes and fulfilling customer and contractual commitments. Rising project costs, delivery delays and changing customer requirements may place pressure on project returns and organisational performance.

Mitigation Strategy: Greening Australia continues to maintain relationships with landholders, investors and delivery partners, including partnership arrangements that increase access to restoration land. Project performance, costing methodologies, delivery models and resource allocation are regularly reviewed to improve project outcomes, delivery efficiency and financial performance.

Native Seed Supply and Market Development

Risk: Native seed availability, provenance requirements, climatic conditions and increasing demand for restoration material may constrain project delivery and growth opportunities. In addition, slower-than-expected development of new seed markets may affect future revenue growth.

Mitigation Strategy: The organisation continues to invest in seed production, seed infrastructure, strategic inventory, seed production areas and market development. Actions include expanding seed sales capability, developing new customer segments and strengthening relationships with seed collectors, growers and First Nations partners.

Carbon and Emerging Environmental Markets

Risk: Changing carbon, biodiversity and environmental market conditions may reduce demand for services or impact expected project outcomes and returns.

Mitigation Strategy: Greening Australia continues to develop its presence in carbon and nature markets, diversify market opportunities, strengthen customer relationships and adapt service offerings to evolving customer and regulatory requirements.

Climate and Environmental Risk

Risk: Climate-related events, including bushfire, drought, flood and invasive species, may affect restoration outcomes, seed production, carbon projects and operational performance.

Mitigation Strategy: The organisation incorporates climate and environmental risk considerations into project planning, species selection, monitoring and land management practices. Risk mitigation activities include improving resilience of seed production areas, monitoring environmental conditions and undertaking ongoing weed, pest and fire management activities.

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.

After balance date events

Acquisition of the Pollies Plain conservation property

On 9 July 2026, Greening Australia Conservation Limited, a wholly-owned subsidiary of the Group, completed the acquisition of the Pollies Plain conservation property in South Australia. The property comprises approximately 1,800 hectares and will be used for environmental restoration and carbon sequestration activities.

Other than the Pollies Plain project and matters disclosed elsewhere in this report, no matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect, the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

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 and Director & Chair of the Investment Committee for the Cbus Super Fund since 2015.

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.

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.

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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.

Name: Alex 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 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 (former) Centre for Sustainability Leadership. 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, 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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30 June 2026

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, Hydrowood 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, Overland Food & Agriculture Group Pty Ltd and SeedX Pty Ltd.

Meetings of directors

The number of meetings of the company's Board of Directors held during the financial year ended 30 June 2026, and the number of meetings attended by each director were:

	Full Board	
	Attended	Held
Stephen Dunne	7	7
Glynn Scott Anderson	6	7
Paul Elton	7	7
Alex Graham	5	7
John Hope	7	7
Radha Kuppalli	5	7
Robin Romero	6	7

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

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Directors' report

30 June 2026

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

While the Group is not subject to the Australian Government's Safeguard Mechanism or any material mandatory environmental reporting obligations applicable to its own operations, its activities are undertaken within a highly regulated environmental and land management framework. The Group is required to comply with a range of Commonwealth, State and Territory environmental, cultural heritage, native vegetation, biodiversity, land access, water management and workplace obligations relevant to the projects it undertakes.

Compliance with these obligations is integrated into project planning, delivery and monitoring activities. The Group maintains processes and controls designed to support compliance with environmental approvals, permit conditions and contractual requirements, and to minimise environmental impacts associated with its operations. During the financial year, the Directors are not aware of any material breaches of environmental laws, regulations or permit conditions that would have a significant impact on the Group's operations or financial position.

Contributions on winding up

Limited liability of members

Greening Australia Ltd is a company limited by guarantee. Each member undertakes to contribute an amount not exceeding \$1.00 (or the amount specified in the Constitution) to the assets of the company in the event of the company being wound up while they are a member, or within one year after they cease to be a member, for payment of the company's debts and liabilities contracted before they cease to be a member and the costs, charges and expenses of winding 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 2026/183, 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 of the Board of Directors.

On behalf of the Directors



Stephen Dunne

22 October 2026

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 2026, 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

Date: 22 October 2026



PITCHER PARTNERS
Melbourne

Greening Australia Ltd and controlled entities
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Greening Australia Ltd and controlled entities
Statements of profit or loss and other comprehensive income
For the year ended 30 June 2026

	Note	Consolidated		Parent	
		2026 \$'000	2025 \$'000	2026 \$'000	2025 \$'000
Revenue					
Consultancy services		834	620	584	393
On-ground works and revegetation services		23,547	26,376	23,528	26,386
Sale of seeds and plants		3,664	2,980	516	422
Sale of publications and merchandise		10	6	7	4
Sale of carbon credits		939	3,063	55	232
Membership and event income		25	29	25	29
Donations and fundraising income		2,343	4,108	2,326	4,108
Management fees income		-	-	679	684
Total revenue	4	31,362	37,182	27,720	32,258
Less: Direct expenses		(16,088)	(18,795)	(14,743)	(15,847)
Gross profit		15,274	18,387	12,977	16,411
Share of profits of associate accounted for using the equity method		39	128	-	-
Other income	5	483	119	289	196
Interest revenue		768	1,233	648	963
Expenses					
Employment related expenses		(15,573)	(16,862)	(13,085)	(14,464)
Operational and administrative expenses	6	(2,209)	(1,957)	(1,455)	(1,302)
Depreciation and amortisation expense		(1,753)	(1,740)	(1,065)	(1,049)
Finance costs		(304)	(311)	(282)	(286)
Occupancy expenses		(334)	(249)	(332)	(248)
Total operating expenses		(20,173)	(21,119)	(16,219)	(17,349)
Operating surplus/(deficit)		(3,609)	(1,252)	(2,305)	221
Financial derivative gain/(loss)		1,377	(794)	1,298	(794)
Biological assets fair value gains/(losses)		(168)	448	-	-
Restructure costs and provisions		(708)	-	(465)	-
Asset and investment impairment loss		-	-	(111)	-
Deficit before income tax benefit		(3,108)	(1,598)	(1,583)	(573)
Income tax benefit	7	101	18	-	-
Deficit after income tax benefit for the year		(3,007)	(1,580)	(1,583)	(573)
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		766	-	766	-
Other comprehensive income for the year, net of tax		766	-	766	-
Total comprehensive deficit for the year		(2,241)	(1,580)	(817)	(573)

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 2026

	Note	Consolidated		Parent	
		2026 \$'000	2025 \$'000	2026 \$'000	2025 \$'000
Deficit for the year is attributable to:					
Non-controlling interest		(698)	(219)	-	-
Members of Greening Australia Ltd and controlled entities		<u>(2,309)</u>	<u>(1,361)</u>	<u>(1,583)</u>	<u>(573)</u>
		<u><u>(3,007)</u></u>	<u><u>(1,580)</u></u>	<u><u>(1,583)</u></u>	<u><u>(573)</u></u>
Total comprehensive income for the year is attributable to:					
Non-controlling interest		(698)	(219)	-	-
Members of Greening Australia Ltd and controlled entities		<u>(1,543)</u>	<u>(1,361)</u>	<u>(817)</u>	<u>(573)</u>
		<u><u>(2,241)</u></u>	<u><u>(1,580)</u></u>	<u><u>(817)</u></u>	<u><u>(573)</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 2026

		Consolidated		Parent	
	Note	2026 \$'000	2025 \$'000	2026 \$'000	2025 \$'000
Assets					
Current assets					
Cash and cash equivalents	8	25,185	23,688	14,780	14,342
Trade and other receivables	9	3,378	2,658	2,894	1,923
Contract assets	10	7,685	3,518	7,678	3,507
Inventories	11	264	44	58	18
Current tax assets	13	4	-	-	-
Biological assets	14	4,231	4,156	241	261
Financial assets	16	273	9,469	273	7,776
		41,020	43,533	25,924	27,827
Assets held for sale	17	945	-	945	-
Total current assets		41,965	43,533	26,869	27,827
Non-current assets					
Investment accounted for using the equity method	18	370	331	-	-
Investments	19	-	-	4,424	4,535
Property, plant and equipment	20	20,898	20,210	15,686	14,542
Right-of-use assets	12	3,363	3,923	3,122	3,582
Intangible assets	21	689	645	142	142
Bearer plants	23	1,551	1,598	-	-
Biological assets	14	-	448	-	-
Deferred tax asset	24	158	57	-	-
Other assets	22	155	179	155	179
Intercompany loan receivable	15	-	-	7,948	7,504
Total non-current assets		27,184	27,391	31,477	30,484
Total assets		69,149	70,924	58,346	58,311
Liabilities					
Current liabilities					
Trade and other payables	25	3,684	3,645	3,962	3,344
Lease liabilities	27	607	686	509	589
Provisions	28	2,291	2,394	1,648	1,741
Financial derivatives	30	866	451	945	451
Borrowings	26	4,793	7,347	1,140	3,695
Contract liabilities	31	19,340	16,977	14,977	15,990
Total current liabilities		31,581	31,500	23,181	25,810
Non-current liabilities					
Provisions	28	346	423	299	373
Lease liabilities	27	3,082	3,487	2,953	3,268
Financial derivatives	30	9,123	7,531	9,123	7,531
Borrowings	29	2,278	-	2,278	-
Total non-current liabilities		14,829	11,441	14,653	11,172
Total liabilities		46,410	42,941	37,834	36,982
Net assets		22,739	27,983	20,512	21,329

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

Greening Australia Ltd and controlled entities
Statements of financial position
As at 30 June 2026

	Note	Consolidated		Parent	
		2026 \$'000	2025 \$'000	2026 \$'000	2025 \$'000
Equity					
Reserves	32	7,799	9,196	3,558	3,466
Retained surpluses		13,418	15,053	16,954	17,863
Equity attributable to the members of Greening Australia Ltd and controlled entities		21,217	24,249	20,512	21,329
Non-controlling interest		1,522	3,734	-	-
Total equity		<u>22,739</u>	<u>27,983</u>	<u>20,512</u>	<u>21,329</u>

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 2026

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

Consolidated	Specific purpose fund \$'000	Capital profit reserve \$'000	Retained profits \$'000	Non-controlling interest \$'000	Total equity \$'000
Balance at 1 July 2025	894	8,302	15,053	3,734	27,983
Deficit after income tax benefit for the year	-	-	(2,309)	(698)	(3,007)
Other comprehensive income for the financial year, net of tax	-	-	766	-	766
Total comprehensive income for the financial year	-	-	(1,543)	(698)	(2,241)
Transfers to/(from) specific purpose fund	92	-	(92)	-	-
Capital return/share buy back	-	(1,489)	-	(1,514)	(3,003)
Balance at 30 June 2026	986	6,813	13,418	1,522	22,739

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 changes in equity
For the year ended 30 June 2026

Parent	Specific Purpose Fund \$'000	Capital Profits Reserve \$'000	Retained profits \$'000	Total equity \$'000
Balance at 1 July 2025	894	2,572	17,863	21,329
Deficit after income tax benefit for the year	-	-	(1,583)	(1,583)
Other comprehensive income for the year, net of tax	-	-	766	766
Total comprehensive income for the year	-	-	(817)	(817)
Transfers to/(from) specific purpose fund	92	-	(92)	-
Balance at 30 June 2026	986	2,572	16,954	20,512

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 2026

		Consolidated		Parent	
	Note	2026 \$'000	2025 \$'000	2026 \$'000	2025 \$'000
Cash flows from operating activities					
Receipts from customers (inclusive of GST)		31,741	38,151	23,788	31,903
Payments to suppliers and employees (inclusive of GST)		(37,541)	(41,114)	(31,962)	(34,391)
		(5,800)	(2,963)	(8,174)	(2,488)
Interest received		768	1,233	648	963
Income tax paid/(refunded)		(4)	27	-	-
Interest and other finance costs paid		(27)	(215)	(19)	(190)
Net cash used in operating activities	40	(5,063)	(1,918)	(7,545)	(1,715)
Cash flows from investing activities					
Payments for bearer plants		(13)	(46)	-	-
Payments for property, plant and equipment		(1,850)	(2,964)	(1,766)	(2,642)
Payments for intangible asset		(44)	(12)	-	-
Proceeds from redemption of financial assets		9,196	(2,945)	7,502	(5,094)
Proceeds from disposal of assets		81	134	81	67
Net cash from/(used in) investing activities		7,370	(5,833)	5,817	(7,669)
Cash flows from financing activities					
Proceeds/(repayment) of related party loans		(381)	(20)	(508)	(538)
Proceeds from derivative financial liability	30	3,383	2,683	3,383	2,683
Payments for share buy-backs		(3,003)	-	-	-
Repayment of lease liabilities		(809)	(657)	(709)	(540)
Net cash from/(used in) financing activities		(810)	2,006	2,166	1,605
Net increase/(decrease) in cash and cash equivalents		1,497	(5,745)	438	(7,779)
Cash and cash equivalents at the beginning of the financial year		23,688	29,433	14,342	22,121
Cash and cash equivalents at the end of the financial year	8	25,185	23,688	14,780	14,342

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 2026

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 22 October 2026.

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.

Note 2. Material accounting policy information (continued)

Going Concern

The financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

During the year ended 30 June 2026, the consolidated group recorded a deficit after income tax of \$3,007k and an operating cash outflow of \$5,063k. As at 30 June 2026, the consolidated group held cash and cash equivalents of \$25,185k and net assets of \$22,739k.

In assessing the appropriateness of the going concern basis, the Directors have considered the Group's FY2027 budget, cash flow forecasts and available funding arrangements for the 12 months from the date of this report. These forecasts include assumptions regarding the conversion of identified revenue opportunities, delivery of contracted projects, ongoing management of operating costs, moderate growth in seed and restoration revenues, and the completion of initiatives to improve cash flow and operational efficiency.

Management has implemented several actions to improve financial sustainability, including organisational restructuring, cost reduction initiatives, strengthened sales and business development activities, enhanced project management disciplines and the proposed sale of certain non-core assets.

While uncertainty remains regarding the timing and conversion of future revenue opportunities and prevailing market conditions, the Directors believe that the Group will be able to continue to meet its obligations as and when they fall due and therefore continue to adopt the going concern basis of preparation.

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 2026 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'.

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 two subsidiaries, Greening Australia (QLD) and Greening Australia Conservation Limited, 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.

Financial Derivatives

Financial derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. Any resulting gains or losses on revaluation are recognised in profit or loss.

Derivatives are classified as current or non-current depending on the expected period of realisation.

Assets held for sale

Non-current assets are classified as held for sale when their carrying amount will be recovered principally through a sale transaction rather than through continuing use and the sale is highly probable. Immediately before classification as held for sale, the assets are measured in accordance with the applicable Australian Accounting Standards. For land and buildings, this includes measurement at fair value in accordance with the consolidated group's accounting policy for property, plant and equipment.

Assets classified as held for sale are subsequently measured at the lower of their carrying amount and fair value less costs to sell. Any initial or subsequent write-down to fair value less costs to sell is recognised in profit or loss. Depreciation ceases when a depreciable non-current asset is classified as held for sale.

Assets held for sale are presented separately as current assets in the statement of financial position.

Note 2. Material accounting policy information (continued)

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.

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.

Note 2. Material accounting policy information (continued)

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 depreciated on a units-of-production basis as Australian Carbon Credit Units ('ACCUs') are generated. The depreciation rate is calculated by reference to the cost of the carbon sink asset and the estimated ACCUs to be obtained over the life of the project. As ACCUs are issued, a proportion of the carrying value of the carbon sink asset is transferred to inventory. Estimates of future ACCU production are reviewed periodically and any changes are accounted for prospectively as changes in accounting estimates. Carbon sink assets are assessed for impairment where indicators of impairment 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.

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.

Note 2. Material accounting policy information (continued)

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.

Software

Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 5 years.

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.

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.

Note 2. Material accounting policy information (continued)

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.

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.

Note 2. Material accounting policy information (continued)

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 2026/183, 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.

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.

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

Valuation of financial derivatives

In estimating the fair value of a financial derivatives, 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.

Note 4. Revenue

Disaggregation of revenue

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

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
<i>Timing of revenue recognition</i>				
Goods and services transferred at a point in time	6,981	10,186	3,607	5,479
Services transferred over time	24,381	26,996	24,113	26,779
	<u>31,362</u>	<u>37,182</u>	<u>27,720</u>	<u>32,258</u>

Note 5. Other income

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Gain/(loss) on sale of assets	63	(17)	63	6
Sundry income	420	136	226	190
	<u>483</u>	<u>119</u>	<u>289</u>	<u>196</u>

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Note 6. Operational and administrative expenses

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Consultancy, audit and professional fees	515	341	383	241
Legal fees	300	173	137	49
Insurance expenses	388	337	253	175
Telephone and internet expenses	163	161	140	141
Other and general expenses	657	817	567	841
Impairment loss on bearer plants	7	192	-	-
Foreign exchange loss/(gain)	(10)	(147)	(14)	(156)
Website expenses	189	83	(11)	11
	<u>2,209</u>	<u>1,957</u>	<u>1,455</u>	<u>1,302</u>

Note 7. Income tax

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
<i>Numerical reconciliation of income tax benefit and tax at the statutory rate</i>				
Deficit before income tax benefit	(3,108)	(1,598)	(1,583)	(573)
Tax at the statutory tax rate of 25%	(777)	(400)	(396)	(143)
Current financial year tax losses not recognised	349	326	-	-
Over provision in prior financial year	-	(27)	-	-
(Profit)/losses associated to tax exempt entities	288	102	396	143
Prior financial year tax losses not recognised	17	42	-	-
Prior year tax losses recognised	-	(61)	-	-
Current year temporary differences not recognised	22	-	-	-
Income tax benefit	<u>(101)</u>	<u>(18)</u>	<u>-</u>	<u>-</u>

Note 8. Cash and cash equivalents

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
<i>Current assets</i>				
Cash on hand	1	1	1	1
Cash at bank	25,184	23,687	14,779	14,341
	<u>25,185</u>	<u>23,688</u>	<u>14,780</u>	<u>14,342</u>

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Note 9. Trade and other receivables

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
<i>Current assets</i>				
Trade receivables	2,634	1,673	1,854	899
Trade receivables - common controlled entities	-	-	189	42
	<u>2,634</u>	<u>1,673</u>	<u>2,043</u>	<u>941</u>
Other receivables	8	277	6	273
Prepayments and deposits	661	395	778	507
Loans to associate	75	175	-	-
GST receivable	-	138	67	202
	<u>3,378</u>	<u>2,658</u>	<u>2,894</u>	<u>1,923</u>

Further information related to loan to associate is set out in note 37.

Note 10. Contract assets

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
<i>Current assets</i>				
Contract assets	<u>7,685</u>	<u>3,518</u>	<u>7,678</u>	<u>3,507</u>

Contract assets increased from \$3,518k to \$7,685k during the financial year, reflecting project delivery undertaken in advance of contractual billing milestones. The balance primarily relates to restoration projects where the Group had satisfied performance obligations through activities including site preparation, seed and seedling procurement, establishment works and initial planting activities prior to 30 June 2026.

Note 11. Inventories

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
<i>Current assets</i>				
Merchandise, packaging and planting supplies	59	19	58	18
Australian Carbon Credit Units ('ACCUs')	205	25	-	-
	<u>264</u>	<u>44</u>	<u>58</u>	<u>18</u>

Note 12. Right-of-use assets

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
<i>Non-current assets</i>				
Land and buildings - right-of-use	5,076	5,785	4,568	5,083
Less: Accumulated depreciation	(1,713)	(1,862)	(1,446)	(1,501)
	<u>3,363</u>	<u>3,923</u>	<u>3,122</u>	<u>3,582</u>

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Note 12. Right-of-use assets (continued)

Reconciliations

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

	Land and buildings \$'000	Total \$'000
Consolidated		
Balance at 1 July 2025	3,923	3,923
Additions	173	173
Modifications	(17)	(17)
Depreciation expense	(716)	(716)
Balance at 30 June 2026	<u>3,363</u>	<u>3,363</u>
	Land and Buildings \$'000	Total \$'000
Parent		
Balance at 1 July 2025	3,582	3,582
Additions	173	173
Modifications	(17)	(17)
Depreciation expense	(616)	(616)
Balance at 30 June 2026	<u>3,122</u>	<u>3,122</u>

Note 13. Current tax assets

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
<i>Current assets</i>				
Income tax refund due	<u>4</u>	<u>-</u>	<u>-</u>	<u>-</u>

Note 14. Biological assets

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
<i>Current assets</i>				
Plant stock on hand	<u>103</u>	<u>105</u>	<u>103</u>	<u>105</u>
Seed stock on hand	4,411	4,158	138	156
Less: Provision for seed obsolescence	(283)	(107)	-	-
	<u>4,128</u>	<u>4,051</u>	<u>138</u>	<u>156</u>
	<u>4,231</u>	<u>4,156</u>	<u>241</u>	<u>261</u>
<i>Non-current assets</i>				
Sandalwood Plantation	<u>-</u>	<u>448</u>	<u>-</u>	<u>-</u>
	<u>4,231</u>	<u>4,604</u>	<u>241</u>	<u>261</u>

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Note 15. Intercompany loans receivable

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
<i>Non-current assets</i>				
Intercompany loans receivable	-	-	7,948	7,504

Note 16. Financial assets

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
<i>Current assets</i>				
Short term bank deposits	273	9,469	273	7,776

Short term bank deposits comprise deposits with a maturity date within 90 days of 30 June 2026.

Note 17. Assets held for sale

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
<i>Current assets</i>				
Land	945	-	945	-

At 30 June 2026, two parcels of land, Nurcoun and Yarrabee, were re-classified as asset held for sale from land and buildings. The assets are being actively marketed, with completion of the sales expected within 12 months of the reporting date. The properties have a combined carrying amount of \$945k measured at fair value less costs to sell. The fair value was determined using an external third-party valuation and market assessment of like properties in the area. At the date of this report there have been no formal offers received.

Note 18. Investment accounted for using the equity method

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
<i>Non-current assets</i>				
Investment in Nature Company Pty Ltd	370	331	-	-

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	331	203	-	-
Surplus after income tax	39	128	-	-
Closing carrying amount	370	331	-	-

Refer to note 39 for further information on interests in associate.

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Note 19. Investments

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
<i>Non-current assets</i>				
Shares in unlisted entities - at cost	-	-	4,535	4,535
Less: Provision for impairment	-	-	(111)	-
	-	-	4,424	4,535

An impairment loss of \$111k was recognised against the Company's investment in Greening Australia - Sandalwood Australia Co Pty Ltd, following a review of the company's potential to generate future profits following the final Sandalwood harvest.

Note 20. Property, plant and equipment

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
<i>Non-current assets</i>				
Land and buildings - at valuation	4,507	4,687	2,931	3,111
Less: Accumulated depreciation	(1,166)	(1,133)	(1,128)	(1,108)
	3,341	3,554	1,803	2,003
Leasehold improvements - at cost	3,131	3,118	717	714
Less: Accumulated depreciation	(2,135)	(1,797)	(496)	(405)
	996	1,321	221	309
Plant and equipment - at cost	5,611	5,477	1,519	1,439
Less: Accumulated depreciation	(2,417)	(2,077)	(1,063)	(971)
	3,194	3,400	456	468
Furniture, fixtures and fittings - at cost	108	106	106	104
Less: Accumulated depreciation	(90)	(88)	(88)	(86)
	18	18	18	18
Motor vehicles - at cost	2,191	2,392	1,951	2,152
Less: Accumulated depreciation	(1,865)	(1,875)	(1,683)	(1,719)
	326	517	268	433
Computer equipment - at cost	723	839	708	821
Less: Accumulated depreciation	(655)	(714)	(640)	(696)
	68	125	68	125
Carbon sinks - at cost	10,761	10,842	10,761	10,842
Assets under construction - at cost	2,194	433	2,091	344
	20,898	20,210	15,686	14,542

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Note 20. 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	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 2025	3,554	10,842	1,321	18	517	3,400	125	433	20,210
Additions/ (Refund)	-	(81)	13	2	-	132	6	1,778	1,850
Revaluation	766	-	-	-	-	-	-	-	766
Disposals	-	-	-	-	(16)	-	-	(1)	(17)
Transfers from assets under construction	-	-	-	-	-	10	-	(16)	(6)
Transfers to assets held for sale	(945)	-	-	-	-	-	-	-	(945)
Depreciation expense	(34)	-	(338)	(2)	(175)	(348)	(63)	-	(960)
Balance at 30 June 2026	<u>3,341</u>	<u>10,761</u>	<u>996</u>	<u>18</u>	<u>326</u>	<u>3,194</u>	<u>68</u>	<u>2,194</u>	<u>20,898</u>
Parent	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2025	2,003	10,842	309	18	433	468	125	344	14,542
Additions/ (Refund)	-	(81)	3	2	-	78	6	1,758	1,766
Revaluation	766	-	-	-	-	-	-	-	766
Disposals	-	-	-	-	(16)	-	-	(1)	(17)
Transfers from assets under construction	-	-	-	-	-	10	-	(10)	-
Transfers to assets held for sale	(945)	-	-	-	-	-	-	-	(945)
Depreciation expense	(21)	-	(91)	(2)	(149)	(100)	(63)	-	(426)
Balance at 30 June 2026	<u>1,803</u>	<u>10,761</u>	<u>221</u>	<u>18</u>	<u>268</u>	<u>456</u>	<u>68</u>	<u>2,091</u>	<u>15,686</u>

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Note 20. Property, plant and equipment (continued)

Freehold land and buildings

Land and buildings are carried at fair value. Management conducted a combination of inhouse and independent valuations. One property was independently valued in May 2026 by Opteon Property Group 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 classified separately from land and buildings held for mixed use or for purposes. 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. Refer to note 30 for further information.

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.

Note 21. Intangible assets

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Goodwill	632	632	142	142
Trademark - at cost	21	13	-	-
Website - at cost	37	-	-	-
Less: Accumulated amortisation	(1)	-	-	-
	36	-	-	-
	689	645	142	142

The website costs relate to costs to develop and implement the integration platforms to support the ecommerce website.

Note 22. Other assets

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
<i>Non-current assets</i>				
Prepaid lease	500	500	500	500
Less: Accumulated amortisation	(345)	(321)	(345)	(321)
	155	179	155	179

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Note 23. Bearer plants

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
<i>Non-current assets</i>				
Bearer plants - under construction	927	963	-	-
Bearer plants - at cost	677	635	-	-
Less: Accumulated depreciation	(53)	-	-	-
	<u>1,551</u>	<u>1,598</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:

Consolidated	Bearer plants under construction \$'000	Bearer plants - at cost \$'000	Total \$'000
Balance at 1 July 2025	963	635	1,598
Additions	12	-	12
Transfer to bearer plants - at cost	(41)	41	-
Impairment of assets	(7)	-	(7)
Depreciation expense	-	(52)	(52)
Balance at 30 June 2026	<u>927</u>	<u>624</u>	<u>1,551</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.

Note 24. Deferred tax asset

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
<i>Non-current assets</i>				
Deferred tax asset	<u>158</u>	<u>57</u>	<u>-</u>	<u>-</u>

Note 25. Trade and other payables

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
<i>Current liabilities</i>				
Trade payables	2,568	2,085	2,475	1,869
Trade payables - common controlled entities	-	-	749	67
Accruals and other payables	938	1,560	738	1,408
GST Payable	178	-	-	-
	<u>3,684</u>	<u>3,645</u>	<u>3,962</u>	<u>3,344</u>

Greening Australia Ltd and controlled entities
Notes to the financial statements
30 June 2026

Note 26. Borrowings - Current

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
<i>Current liabilities</i>				
Loans from related parties	4,793	7,014	1,140	3,362
Accrued interest payable to a related party	-	333	-	333
	<u>4,793</u>	<u>7,347</u>	<u>1,140</u>	<u>3,695</u>

Further information related to loans from related parties is set out in note 37.

Note 27. Lease liabilities

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
<i>Current liabilities</i>				
Lease liability	<u>607</u>	<u>686</u>	<u>509</u>	<u>589</u>
<i>Non-current liabilities</i>				
Lease liability	<u>3,082</u>	<u>3,487</u>	<u>2,953</u>	<u>3,268</u>
	<u><u>3,689</u></u>	<u><u>4,173</u></u>	<u><u>3,462</u></u>	<u><u>3,857</u></u>

Greening Australia Ltd and controlled entities
Notes to the financial statements
30 June 2026

Note 27. Lease liabilities (continued)

Reconciliation

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2025	4,173	4,360	3,857	3,928
Add: New leases	173	356	173	356
Add: Interest expense	173	191	158	171
Less: Lease payments	(809)	(734)	(705)	(598)
Less: Lease Modifications	(21)	-	(21)	-
Balance at 30 June 2026	<u>3,689</u>	<u>4,173</u>	<u>3,462</u>	<u>3,857</u>

Short term leases not included in lease liabilities (included in rent) amount to \$98k (2025: \$79k).

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 28. Provisions

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
<i>Current liabilities</i>				
Employee benefits	2,260	2,394	1,617	1,741
Other	31	-	31	-
	<u>2,291</u>	<u>2,394</u>	<u>1,648</u>	<u>1,741</u>
<i>Non-current liabilities</i>				
Employee benefits	237	247	190	224
Make good provision for leased premises	109	176	109	149
	<u>346</u>	<u>423</u>	<u>299</u>	<u>373</u>
	<u>2,637</u>	<u>2,817</u>	<u>1,947</u>	<u>2,114</u>

Note 29. Borrowings - Non Current

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
<i>Non-current liabilities</i>				
Loans payable to a related party	1,937	-	1,937	-
Accrued interest payable to a related party	341	-	341	-
	<u>2,278</u>	<u>-</u>	<u>2,278</u>	<u>-</u>

Further information relating to loans from related party is set out in note 37.

Greening Australia Ltd and controlled entities
Notes to the financial statements
30 June 2026

Note 30. Financial derivatives

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
<i>Current liabilities</i>				
Derivative financial liability	866	451	945	451
<i>Non-current liabilities</i>				
Derivative financial liability	9,123	7,531	9,123	7,531
	<u>9,989</u>	<u>7,982</u>	<u>10,068</u>	<u>7,982</u>

Reconciliation

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 2025	7,982	4,505	7,982	4,505
Drawdown of facility	3,383	2,683	3,383	2,683
(Gain)/loss on fair value revaluation	(1,376)	794	(1,297)	794
Balance at 30 June 2026	<u>9,989</u>	<u>7,982</u>	<u>10,068</u>	<u>7,982</u>

Loan facility

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, drawdowns of \$3,383k were made to fund restoration activities on land purchased in the prior financial years. 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 year-end fair value assessment, a gain of \$1,376k was recognised in profit or loss, with a corresponding reduction in the derivative liability.

Seedx put option

The liability includes the value of a put option granted to USV, the non-controlling shareholder of SeedX Pty Ltd, which may require the parent entity to acquire shares held by USV. The put option is classified as a derivative financial liability and is measured at fair value using the Black-Scholes valuation model. The valuation resulted in a net derivative liability of \$79k (\$nil: FY2025).

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 2026

Note 30. Financial derivatives (continued)

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
As at 30 June 2026				
Financial liabilities				
Derivative financial liabilities	-	-	9,989	9,989
Total derivative financial liabilities	-	-	9,989	9,989

Note 31. Contract liabilities

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
<i>Current liabilities</i>				
Funds received in advance	19,340	16,977	14,977	15,990

Contract liabilities represent funding received in advance of the satisfaction of associated performance obligations. The balance at 30 June 2026 includes a significant funding receipt from a major foundation received late in the financial year.

During the year, the Group continued to recognise revenue from funding received in previous periods as project activities were undertaken and contracted deliverables were completed.

Note 32. Reserves

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Capital profits reserve	6,813	8,302	2,572	2,572
Specific purpose fund	986	894	986	894
	<u>7,799</u>	<u>9,196</u>	<u>3,558</u>	<u>3,466</u>

Capital profit reserve

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

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.

Note 33. Key management personnel

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'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	<u>2,244</u>	<u>1,991</u>	<u>2,219</u>	<u>1,991</u>

During the financial year the number of key management personnel positions increased from 8 to 11, this increase was the main driver of the increase in the total key management personnel compensation.

Greening Australia Ltd and controlled entities
Notes to the financial statements
30 June 2026

Note 34. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Pitcher Partners (Melbourne), the auditor of the company:

	Consolidated		Parent	
	2026	2025	2026	2025
	\$	\$	\$	\$
<i>Other services - Pitcher Partners (Melbourne)</i>				
Review services of funding and grant acquittals	17	3	17	3
Advisory and Taxation services	24	8	24	-
<i>Audit services - Pitcher Partners (Melbourne)</i>				
Audit of the financial statements	159	145	108	98

Note 35. Contingent liabilities

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Bank guarantees	257	257	257	257

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 36. 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 20 of Carbon Sink. 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 37. Related party transactions

Parent entity

Greening Australia Ltd is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in note 38.

Associate

Interests in associate are set out in note 39.

Key management personnel

Disclosures relating to key management personnel are set out in note 33.

Greening Australia Ltd and controlled entities
Notes to the financial statements
30 June 2026

Note 37. Related party transactions (continued)

Transactions with related parties

The following transactions occurred with related parties:

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Sale of goods and services to subsidiaries	-	-	244	434
Interest received from subsidiaries	-	-	70	73
Interest received from associate	6	11	-	-
Purchase of services from key management personnel	47	-	-	-
Purchase of goods and services from subsidiaries	-	-	1,708	1,506
Interest expense paid to a related party	105	96	105	96

Purchase of services from key management personnel includes amounts paid to directors for additional committee responsibilities and consulting services. These amounts are also disclosed in note 33.

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 25.

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	
	2026	2025	2026	2025
	\$	\$	\$	\$
<i>Current receivable:</i>				
Loan receivable from an associate	75	175	-	-
<i>Current borrowings:</i>				
Loan payable to a related party	4,793	7,014	1,140	3,362
Interest payable to related party	-	333	-	333
<i>Non-current borrowings:</i>				
Loan payable to a related party	1,937	-	1,937	-
Interest payable to related party	341	-	341	-

The loan receivable from an 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 loan payable to a related party loan was lent to the parent entity, Greening Australia Ltd, by another shareholder of a subsidiary. The loan bears interest at the greater of 2% per annum or the percentage change in the Consumer Price Index published by the Australian Bureau of Statistics over the preceding 12 months. Under a deed of variation executed during the year, the term and repayment date were extended to 30 June 2029. Quarterly repayments of \$285,000, comprising principal and interest, are due from 30 June 2026 and on the last day of each quarter thereafter until 31 March 2029, with the remaining principal and interest payable on 30 June 2029. The entire loan balance is secured by a registered first mortgage over a parent entity's property in Western Australia, registration of which was completed during the year, and by the parent entity's shares in SeedX Pty Ltd. The lender's recourse is limited to the mortgaged property and the pledged shares. In the event of default, the lender may enforce the mortgage and take possession of the pledged shares.

The loan payable to a related party provided to the subsidiary by another shareholder is non-interest bearing and is repayable on 30 June 2028, following a 12-month extension agreed by the shareholders. The amount of the loan classified as current reflects the total amount repayable under the renegotiated loan terms in the current financial year.

Greening Australia Ltd and controlled entities
Notes to the financial statements
30 June 2026

Note 38. 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	
		2026 %	2025 %
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	73.0%	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%
Greening Australia Conservation Limited	Australia	100.0%	-

Nindethana Seed Service Pty Ltd

On 1 July 2025, the company completed a share buy-back of 427,595 shares in Nindethana Seed Service Pty Ltd for total consideration of \$3 million. Following completion of the transaction, the parent's ownership interest in Nindethana increased from 67.5% to 72.97%, while the non-controlling interest decreased from 32.5% to 27.03%.

SeedX Pty Ltd

The company entered into a put and call option agreement in FY22 with the other shareholder of its subsidiary, SeedX Pty Ltd. Under the agreement, the company held a call option to acquire an additional 24% ownership interest in SeedX, and the other shareholder holds a put option to sell its 24% ownership interest to the company. The call option expired on 30 June 2026 and was not exercised. The put option remains exercisable until 30 June 2027.

Greening Australia Conservation Limited

Greening Australia Conservation Limited, a 100% owned subsidiary of Greening Australia Limited, was incorporated during the financial year.

Note 39. 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	
		2026 %	2025 %
Nature Company Pty Ltd	Australia	50.0%	50.0%

Greening Australia Ltd and controlled entities
Notes to the financial statements
30 June 2026

Note 40. Reconciliation of surplus/(deficit) after income tax to net cash from operating activities

	Consolidated		Parent	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Deficit after income tax benefit for the year	(3,007)	(1,580)	(1,583)	(573)
Adjustments for:				
Depreciation and amortisation	1,753	1,740	1,065	1,049
Impairment of bearer plant	7	192	-	-
Impairment of investments	-	-	111	-
Net loss/(gain) on disposal of non-current assets	(58)	17	(63)	(6)
Net fair value loss on investment biological assets	168	-	-	-
Share of profit - associate	(39)	(128)	-	-
Interest expense - loan with related party	105	96	105	96
Loss on revaluation of financial derivative	(1,377)	794	(1,298)	794
Reclassification receivables to intercompany loan	-	-	(318)	(303)
Lease interest accrual, net of non-cash lease modification income	169	-	159	-
Change in operating assets and liabilities:				
Increase in trade and other receivables	(720)	(105)	(971)	(635)
Increase in contract assets	(4,167)	-	(4,171)	-
Decrease/(increase) in inventories	(220)	7	(40)	7
Increase in deferred tax assets	-	(48)	-	-
(Decrease)/increase in biological assets	205	(857)	20	14
Increase/(decrease) in trade and other payables	39	(3)	618	19
Increase/(decrease) in contract liabilities	2,363	(2,232)	(1,013)	(2,232)
(Decrease)/increase in provision for income tax	(4)	27	-	-
(Decrease)/increase in deferred tax liabilities	(101)	29	-	-
(Decrease)/increase in employee benefits	(179)	133	(166)	55
Net cash used in operating activities	<u>(5,063)</u>	<u>(1,918)</u>	<u>(7,545)</u>	<u>(1,715)</u>

Note 41. Information and declaration to be furnished under the Charitable Fundraising Act 1991

	2026	2025	Change	Change
	\$'000	\$'000	\$'000	%
Gross proceeds from fundraising	2,343	4,108	(1,765)	(43%)
Interest income	12	39	(27)	(69%)
Wages	(286)	(515)	229	(44%)
Consultants	(17)	(7)	(10)	143%
Subscription fees	(1)	(3)	2	(67%)
Promotion materials	(1)	(118)	117	(99%)
Bank fees	(8)	(7)	(1)	14%
Other expenses	(1)	(9)	8	(89%)
Net fundraising revenue	<u>2,041</u>	<u>3,488</u>	<u>(1,447)</u>	<u>(41%)</u>

Note 42. Subsequent events

Acquisition of the Pollies Plain conservation property

On 9 July 2026, Greening Australia Conservation Limited, a wholly-owned subsidiary of the Group, completed the acquisition of the Pollies Plain conservation property in South Australia. The property comprises approximately 1,800 hectares and will be used for environmental restoration and carbon sequestration activities.

No other matter or circumstance has arisen since 30 June 2026 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.

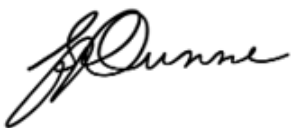
Greening Australia Ltd and controlled entities
Directors' declaration
30 June 2026

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 2026 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

22 October 2026

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 2026, the statements of profit or loss and other comprehensive income, statements of changes in equity 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 2026 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 2026, but does not include the financial report and our auditor's report thereon.

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

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

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

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



PITCHER PARTNERS
Melbourne

Date: 22 October 2026