



Australian Agricultural Company Limited
ABN 15 010 892 270

AACo 2025 Annual Report

18 June 2025

Manager
ASX Market Announcements
Australian Securities Exchange

Attached is the Company's Annual Report for the 12 month period ended 31 March 2025 in the form in which it will be distributed to shareholders of the Company.

This version will be mailed to those shareholders who have elected to receive a printed copy of the Annual Report as at 18 June 2025.

Shareholders who have elected to receive the Annual Report electronically will receive an email on 18 June 2025 providing a link to the report on the Company's website.

This announcement is authorised to be given to the ASX by the AACo Chairman.

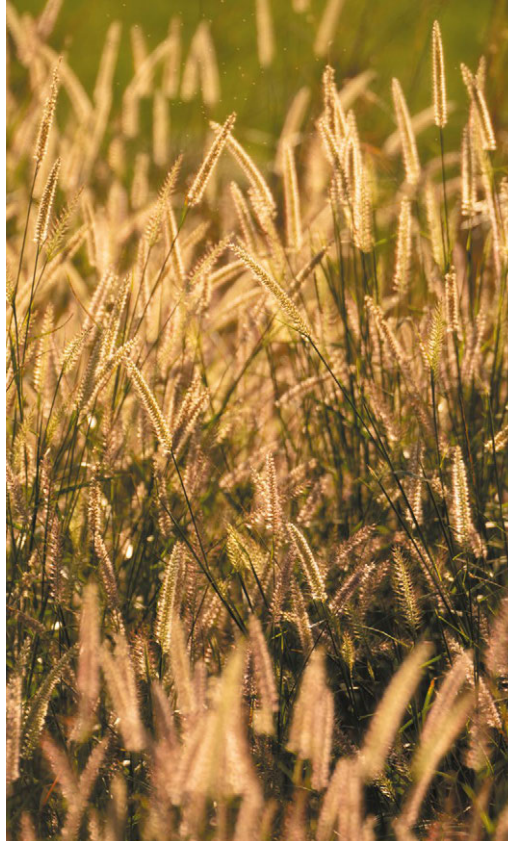
Issued by:
Emily Bird
Company Secretary and General Counsel

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Annual Report 2025

Australian Agricultural Company Limited
ABN 15 010 892 270



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About this Report

Reporting scope

This report covers the 12-month period ended on 31 March 2025. It should be read in conjunction with previous AACo Annual Reports, Market Announcements and Sustainability Updates and Reports, since some statements may refer to content detailed in those documents. Statements made in the introductory sections may be elaborated on later in this report.

In this report, the terms 'Australian Agricultural Company', 'AACo', 'our business', 'organisation', the 'company', 'we', and 'our' refer to Australian Agricultural Company Limited and its controlled entities, unless otherwise stated.

The Sustainability Information section of this report has been voluntarily prepared with reference to the Global Reporting Initiative (GRI) Universal Standards 2021 and the GRI 13: Agriculture, Aquaculture and Fishing Sector Standards 2022, the SASB Meat, Poultry and Dairy Standard, and the Taskforce for Climate-Related Financial Disclosures (TCFD) Framework. It has also been informed by the Australian Sustainability Reporting Standards (ASRS) – AASB S1 *General Requirements for Disclosure of Sustainability-related Financial Information* and AASB S2 *Climate-related Disclosures*.

To ensure AACo meets the requirements of key stakeholders and sustainability reporting obligations, we actively monitor the evolving sustainability reporting landscape, including the implementation and regulation of mandatory climate-related financial disclosures in Australia through AASB S2. We will continue to refine AACo's reporting suite to comply with the mandatory climate-related standard and will continue to consider certain voluntary standards.

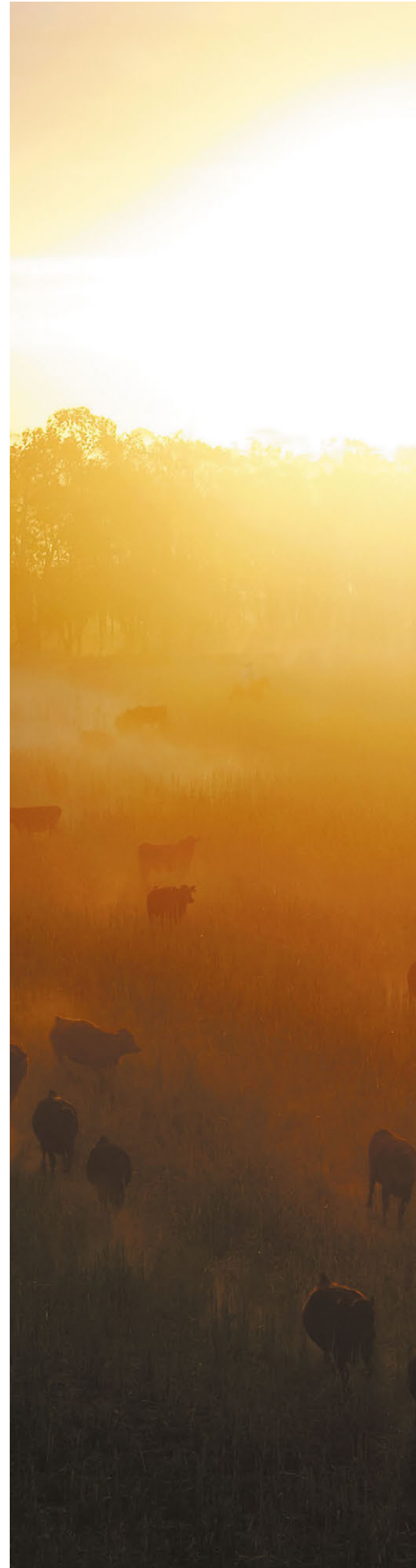
Forward-looking statements

This report contains statements that are or may be deemed to be 'forward-looking statements' which are prospective in nature including in relation to climatic conditions, market conditions, strategy and business operations, and risk management practices. Such statements may be identified using terminology such as 'outlook', 'plans', 'expects' or 'does not expect', 'is expected', 'continues', 'assumes', 'is subject to', 'scheduled', 'estimates', 'aims', 'intends', 'forecasts', 'risks', 'positioned', 'predicts', 'anticipates' or 'does not anticipate', or 'believes'.

These statements are based on AACo's current knowledge and assumptions. Readers should exercise caution and not place undue reliance on forward-looking statements and scenarios described in this report. By their nature, forward-looking statements involve known and unknown risks and uncertainties, many of which are beyond AACo's control, and are not guarantees of future performance. AACo does not provide any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this document will actually occur. Unless otherwise required by law, AACo is not under any obligation to update or revise any forward-looking statements, and expressly disclaims any intention, obligation or undertaking to do so.

Feedback

We welcome your feedback on this report. Additionally, for anyone seeking to use information from this report, please contact us at ir@aaco.com.au.



Acknowledgement of Country

AACo properties are the traditional homes of many First Nations Peoples, and we acknowledge them and offer our respects to their Elders past and present.

We recognise their culture and honour their deep connection to the land, waters, animals, and skies, especially across the places where we have lived and worked for our two centuries of operation.

As a food and agricultural company, we understand there is much to learn from their approach to community and their knowledge and care for Country.

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About AACo

Established in 1824, Australian Agricultural Company (AACo) is one of Australia's largest integrated cattle and beef producers and is the country's oldest continuously operating company. For more than two centuries, we have adapted and grown – shaped by our landscape, our livestock, and, most importantly, our people.

Our legacy is one of resilience. In the past decade alone, AACo has faced significant natural disasters in extreme drought and devastating floods. Yet through all of nature's trials, we have emerged stronger – more agile, more unified, and more focused.

Today, AACo owns and operates a strategic balance of stations, feedlots and farms spanning approximately 6.5 million hectares of land across Queensland and the Northern Territory. These vast areas are tended by exceptional people who live and work on country – dedicated to the animals, the environment, and the legacy we are building together.

Over the past 200 years we have been perfecting our art. Respect for the land and our cattle is our heritage; the desire to produce only the best has been passed down by generations before us, while adapting to the dynamic conditions we face across our integrated supply chain. AACo continues to evolve, investing in innovation, improving our systems and processes, and aims to set the standard for sustainable beef production. We are reimagining Australian agriculture to share with the world.

The extraordinary people, animals and land we care for and the exceptional product we create are the hallmarks of our success. Now, we are building on this foundation to reimagine what's possible – shaping a future where we deliver nature-led solutions with innovation and purpose. We see it as our responsibility to create a lasting impact for generations to come. Our legacy is not just what we've achieved, but what we choose to build next.





Celebrating 200 years



In FY25 AACo celebrated 200 years of continuous operation, an extraordinary milestone resulting from our resilience and continuous evolution.

Shaping modern Australia

The history of AACo is interwoven with the history of Australia. Our arrival was a defining moment in the birth of commercial agriculture in Australia. While we weren't the first farmers, our operations sparked rapid growth in livestock numbers and helped shape a national industry. Along the way, we helped establish and shape towns like Tamworth and Newcastle, and developed infrastructure pivotal to regional development, including building Australia's first railway line.

At its heart, our history is about people. Tens of thousands of men and women have worked with us over two centuries, and their efforts have built the legacy we are proud of today. Their stories of adaptation and resilience live on, and our history can be found in national libraries, museums and across nearly 90 properties. Their contribution is a testament to the scale and impact of their work to local communities dotted across the country.

Using the past to build a sustainable future

While livestock remains our foundation, the way we operate has transformed. Agriculture today is sophisticated, driven by data and grounded in science. As well as the team members on our stations, we now have environmental scientists, data analysts, geneticists and sustainability experts. Investments into breeding, genetics and land stewardship have been made to help produce high-quality beef in a way that keeps the planet and future generations in mind.

As we look to the next 200 years, we're focused on broadening revenue streams, growing beyond beef. We are fostering a culture that values safety, inclusion and opportunity. We're committed to integrating measures to care for our people, animals, and land into the way we do business, and to delivering food that's trusted and valued around the world.

The past gives us pride. The future gives us purpose.
Together, we are reimagining what AACo can be.

Purpose, Vision and Values

Our 200th anniversary year has been an opportunity to take stock, reflect on our past, consider our place today and launch into the next period of our existence. This has led to our refreshed *Purpose, Vision and Values*.

The result is not just a new set of statements, but a clearer articulation of why we exist today, who we are, the future we want to create and how we work together to get there. The language we use internally – *why we exist, what we want to achieve, and how we show up* – reflects this practical, people-led approach. Our new Purpose, Vision and Values are already being embedded across the business, from onboarding and leadership development to strategic and operational decision-making. This update allows us to draw upon creative solutions, fresh perspectives and drive transformative change.





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Our Purpose

Reimagining Australian agriculture to share with the world.

Our Vision

To be the leading food and agriculture company delivering nature-led solutions at scale.

Our Values



Be Curious

Look beyond the expected and always seek out opportunities to grow.



Be Generous

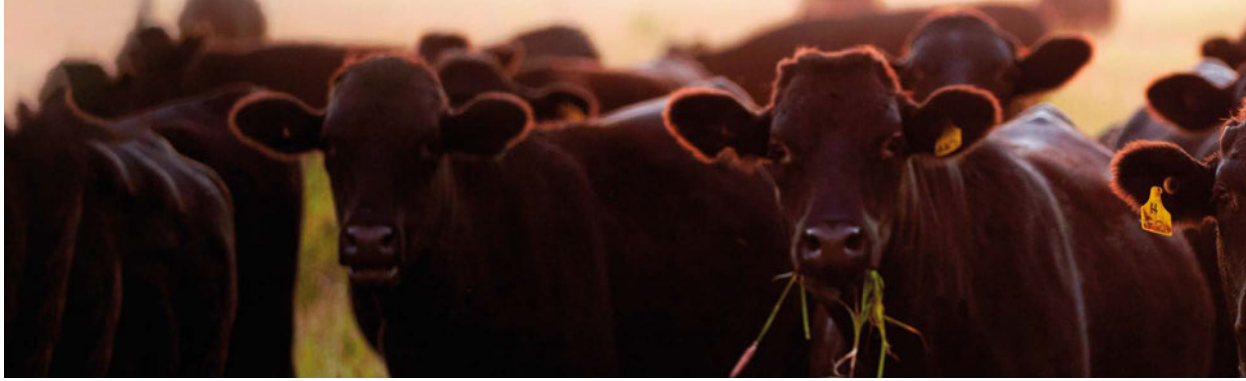
Reach beyond your patch and contribute to the bigger picture.



Own Your Impact

Take accountability for what you do and set your bar high.

Results Highlights for FY25



\$387.9m

TOTAL REVENUE
(UP 15% VS PCP)⁽¹⁾

16.5m kg cw⁽¹⁾

MEAT SALES VOLUME
(UP 21% VS PCP)

\$293.9m

MEAT SALES
(UP 9% VS PCP)

72.7m kg lw⁽¹⁾

KILOGRAMS PRODUCED
(UP 6% VS PCP)

\$58.4m

OPERATING PROFIT⁽²⁾
(UP 14% VS PCP)

\$(1.1m)

STATUTORY NET LOSS AFTER TAX
(UP \$93.6M VS PCP)

(1) PCP – Prior comparative period; CW – Carton weight containing saleable boxed meat; LW – Live animal weight.

(2) Operating profit is a key measure of profitability for AACo which removes unrealised livestock mark-to-market fluctuations, foreign exchange movements, and market-based LTI expenses from the statutory profit result, and measures cost of goods sold using production costs rather than fair value. Operating Profit is unaudited, non-IFRS financial information.



\$27.1m

OPERATING CASHFLOW
(UP \$17.8M VS PCP)

\$2.4bn

TOTAL ASSETS
(UP 3% VS PCP)

\$2.55

NET TANGIBLE
ASSETS PER SHARE
(UP 2% VS PCP)

(3) Free Cashflow includes net Operating and Investing Cashflow, as well as principal repayments of leases.

Financial performance

During this financial year, challenging market conditions experienced in recent periods continued, with increased beef supply in some regions and restrained consumer spending across the global economy.

Despite these challenging market conditions, we achieved 15% revenue growth, underscoring the resilience of our integrated supply chain and assets. This growth was realised whilst sustaining the size and quality of our herd, with 21% higher meat sales volumes and 38% higher cattle sales volumes. The increased volumes were supported by our previous feedlot expansion at our Goonoo property, with FY25 being the first full year of expanded operations.

Whilst our average meat sales price was impacted by global supply and macroeconomic pressures, our strategic approach to product allocation as well as our in-market investment in brands demonstrates our continued strength of adapting in dynamic market environments.

We achieved a \$58.4 million Operating Profit and \$27.1 million Operating Cashflow, up 14% and 191% respectively on the previous year, driven by increased volumes sold and disciplined cost control. Whilst our Free Cashflow⁽³⁾ improved by \$23.2 million on the prior year, our free cashflow result was an outflow of \$11.8 million.

Our total assets remain at \$2.4 billion and Net Tangible Assets are \$2.55 per share, supported by our pastoral properties improving in value by \$45.9 million this year. These properties remain some of the highest quality in Australia and are the core of our vertically integrated supply chain and sustainability activities.

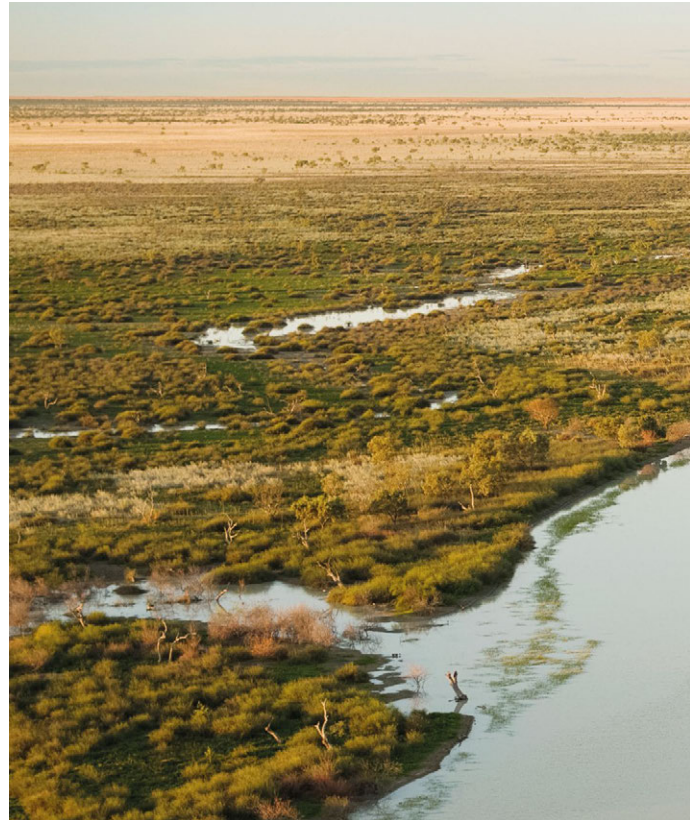
Statutory Net Loss After Tax of \$1.1 million includes our unrealised livestock revaluation as at 31 March 2025. Our livestock mark-to-market valuation resulted in a \$4.7 million fair value loss, however this was a \$144.7 million improvement on prior year, driven by the Australian cattle market price dynamics.

The strength of our extraordinary people, land, livestock and brands, continue to produce resilient results and set the company up for future growth.

Chair and CEO's Report

Dear Shareholders,

We are pleased to present
the 2025 Annual Report for
Australian Agricultural
Company Limited.



Donald McGauchie AO
Chairman



David Harris
Managing Director and CEO

This financial year, AACo reached the extraordinary milestone of 200 years of continuous operation. This 200th anniversary year has been an opportunity to reflect on our past, consider our place today and contemplate where we want to be in the future. This has been an important part of the process of updating our strategy, as we discussed with you at the FY24 AGM. It's also played a key role in refreshing our Purpose, Vision and Values.

Our updated Purpose – *Reimagining Australian agriculture to share with the world* – reflects our desire to continue evolving and innovating, exploring beyond what is possible and sharing this knowledge with our industry, partners, customers and consumers across the world.

AACo is unique globally for its combination of size and scale, its supply chain structure, its global reach and access to markets, its progressive and innovative approach to more sustainable and profitable beef production, and its history. There is much that we can already offer as we seek to achieve our purpose, and this will only grow as we deliver our strategy over the coming years.

Our updated Vision – *To be the leading food and agriculture company delivering nature-led solutions at scale* – reflects our belief that working with nature isn't just a philosophy, it's a fundamental part of who we are, and it's been that way for generations.

Our approach to the environment we operate in is also something that sets us apart. It's one of our competitive advantages.

Our updated Values – *Be Curious, Be Generous, Own Your Impact* – encompass the AACo spirit of working together to make a difference. At AACo we have what we call the 1AA approach. One AACo team, jointly focused on working towards our strategic goals. Our values help guide us on this journey. Working together in this way is how we will deliver our purpose and vision and successfully execute our strategy.

Our Purpose, Vision and Values guide us towards our strategic objectives. When we first discussed our strategic review with you at the FY24 AGM, we shared some of the potential opportunities that we see featuring as we move forward.

Under our refreshed strategy, we are innovating within our core branded beef business, building a better beef program to improve our herd and develop nature-led products. We will unlock the value of our land, leveraging our high-quality pastoral assets and properties, and pursue new revenue streams in a diverse and sustainable way. We will also seek to strategically invest in opportunities with key partners, who can help us build on our market-leading position and innovate for the future.



Refreshing our strategy will help us continue growing into the future. We move into that next stage with consecutive years of positive operating performances. In fact, FY25 includes our highest operating cashflow and second highest operating profit since 2017. It's a strong foundation, giving us greater confidence in the company's future as we build on the successes of this and previous years.

Financial and operating highlights

FY25 further demonstrates that we are heading in the right direction, with another year of resilient performance and progress. Global market conditions continuing from recent periods placed downward pressure on Wagyu meat prices, but despite the challenging environment, we achieved sustained branded beef sales growth in Australia and across key international markets.

Total revenue increased by 15% from the prior period to \$387.9 million, driven by a 21% uplift in meat sales volumes and 38% increase in cattle sales volumes. Increased meat sales volumes were supported by the first full year of expanded operations at the Goonoo Feedlot, which has significantly lifted our throughput and sales capacity,

and helped offset softer meat sales prices achieved during the year. Overall, meat sales revenue was up 9%, underscoring the strength of the demand for our premium products and our ability to strategically place products and volume in the markets that will achieve the best prices. Our disciplined and strategic approach to product allocation, together with a highly productive and efficient supply chain ensures we have multiple pathways to reaching a positive result.

Operating Profit increased by 14% to \$58.4 million, a result that speaks to the strength and resilience of our operating model and flexible market strategy in a dynamic environment. This is a pleasing outcome given the continued market volatility. This is also the fourth year of strong, consistent Operating Profit, with performance around or above \$50 million across this period demonstrating the resilience and reliability of our assets and people.

Cost discipline remained a priority, with overheads held largely in line with the previous year, up only 2%, despite increased activity and growth in branded meat volumes.

Operating Cashflow increased to \$27.1 million, as we remain focused on aligning capital and operating expenditure

with our long-term strategy and value creation priorities. That enabled us to continue investing back into the business, with almost \$31.7 million spent on a range of initiatives to enhance the quality, safety and performance of our assets, including finalisation of the solar bore program, upgrading station facilities and connectivity infrastructure.

Our assets underpin our results, with total assets remaining at \$2.4 billion. Our properties continue to improve in value, driven by pastoral property improvements, including those station and facility upgrades and boosting our land condition, which has a direct impact on cattle productivity. Our herd numbers remained stable in FY25. Despite those even numbers, we were able to produce more kilos and higher volumes of meat sold, further evidence of the improved productivity performance across our properties.

Conditions remain challenging, including increased uncertainty as a consequence of changes in the U.S. market, but we are satisfied with how we have progressed this financial year.

Chair and CEO's Report (continued)

Brand performance

Our brand portfolio of Westholme, Darling Downs and the re-established 1824 have been critical to value creation. These brands allow us to extract the full value of our production through strategic market placement. Investments in brand and our marketing strategy led to new partnerships and expanded reach to new global customers who are searching for premium quality beef products.

FY25 was a milestone year for Westholme, marking the global debut of its new positioning: 'Nature-Led Australian Wagyu'. This strategic shift reflects AACo's desire to keep nature as the foundation of its premium beef production and reinforces Westholme's place in an increasingly competitive global Wagyu market.

This year, Darling Downs continued to play a vital role in our brand portfolio, as a key retail brand focused on barbecue and secondary cuts that support carcase balance and retail strategy. While navigating various headwinds in key markets, the brand remained resilient with increased supply driven by expansion into new markets more broadly in Asia.

1824 is a highly recognised brand that honours our 200-year history and was relaunched after a period of strategic development. Positioned to bridge the gap between premium and broader consumer appeal, 1824 has become a valuable component of our market mix and saw considerable growth through the year.

The sophistication of our go-to-market approach with a hands-on, globally embedded customer-facing team continues to differentiate AACo from traditional commodity models.

Sustainability

This year, for the first time, we have integrated our Sustainability Information within the Annual Report – underscoring the extent to which sustainability is now embedded in our operations and is central to our strategic decision-making.





Our reporting in our Annual Report continues to evolve in line with this commitment, as we strive for greater transparency and accountability each year.

The integrated report also helps position us for mandatory climate reporting, a requirement that came into effect for some larger companies on 1 January 2025, and under which we will report in the near future.

In FY25, we advanced our investment in the Zero Net Emissions from Agriculture Cooperative Research Centre (CRC), completed our Rangelands Carbon by Satellite project, and made real progress in understanding and improving the condition of our land and natural assets. Our work with leading universities is helping shape the dialogue on nature-led practices in the agriculture sector.

Perhaps most significant is the results we are now seeing from our extended program of implementing more sustainable grazing practices. Our satellite forage budgeting program and sustainable stocking model were introduced more than five years ago and there have been visible improvements in the condition of large parts of our landscapes over that time. That has translated into our best ever productivity results, while reducing our impact on nature and the climate.

We have talked in previous reports about our desire to have a beneficial impact on nature where possible, and we have expanded our disclosures over time to provide greater transparency on how we are working towards that aim.

Our people

The success of our vast local and global supply chain would not be possible without our people. We are intentional in the investments made towards programs which deliver on our People Promise, of AACo being an extraordinary place to work. This year, we have continued to support diversity, inclusion and belonging, leadership and capability development, whilst promoting respect and safety at work. At AACo, extraordinary doesn't just live in what we produce – it lives in the people who make it happen.

Outlook

AACo is well positioned to enter the next phase of its growth. In the years ahead, we will continue to build on our strengths, deliver against our Purpose and Vision, and execute against our strategy. We will do this by focusing on expanding high-value beef sales, driving productivity and exploring and unlocking adjacent opportunities that leverage our unique assets and expertise to create additional value for the business. We expect continued progress in FY26 as we remain disciplined, customer-focused and values-led.

Two hundred years of continuous operation is a rare achievement. But history's significance largely lies in what it teaches us about today and how it points to where we are going tomorrow and beyond.

What matters most is not that AACo has lasted and what it has achieved, it's that we have evolved and endured, and that we are purposeful about where we are going and what we are doing next.

Our renewed Purpose, Vision and Values, together with our strategy, sit on the strong foundations of a resilient business model, a sophisticated operation and a committed team of people. Our focus now is to execute on the opportunities available to us.

On behalf of the Board and Executive Team, thank you for your support as we take AACo into its next century.

Yours sincerely,

Donald McGauchie AO

Chairman

David Harris

Managing Director and CEO

Operating Environment

Our world class assets – our brands, cattle and properties – contain significant value. Our understanding of how to extract or unlock even greater outcomes from them continues to mature each year. The success of our business model is evidenced by our ability to adapt, evolve, perform and grow while staying true to these core activities.

Our integrated cattle production system located across Queensland and the Northern Territory underpins our branded beef production. We distribute branded

beef to a range of customers across the world, tailoring our route-to-market model by country to capitalise on regional opportunities. We are large enough to obtain scale efficiencies but agile enough to adapt to market conditions, whilst producing some of the finest quality beef in the world.

Our continuous investment in our people, systems and assets serves to support operational excellence and resilience.

Business Model

We are a fully integrated branded beef business with three principal activities:

1

Sales and marketing of high-quality branded beef into global markets

2

Production of beef including breeding, backgrounding and feedlotting

3

Ownership, operation and development of pastoral properties

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Our pastoral assets are recognised as being amongst the *highest quality in the world*.



19

OWNED CATTLE STATIONS



3

LEASED CATTLE STATIONS



2

OWNED FEEDLOTS



2

OWNED FARMS



1

LEASED FARM

Our Operations

AACo's operations are grounded in a portfolio of world-class properties, a vertically integrated supply chain, and a long-term commitment to sustainability. This year, we continued to deliver operational excellence across our stations, feedlots and farms, with a strong focus on productivity, land stewardship and genetic improvement.

Our property

Our property portfolio spans 6.5 million hectares across northern Australia and underpins our vertically integrated beef supply chain. This land base includes a strategic mix of pastoral stations, cropping land, and feedlots, each playing a vital role in our production model. The quality of these assets enables us to produce high-quality beef at scale, and we are continuously improving the efficiency of our operations.

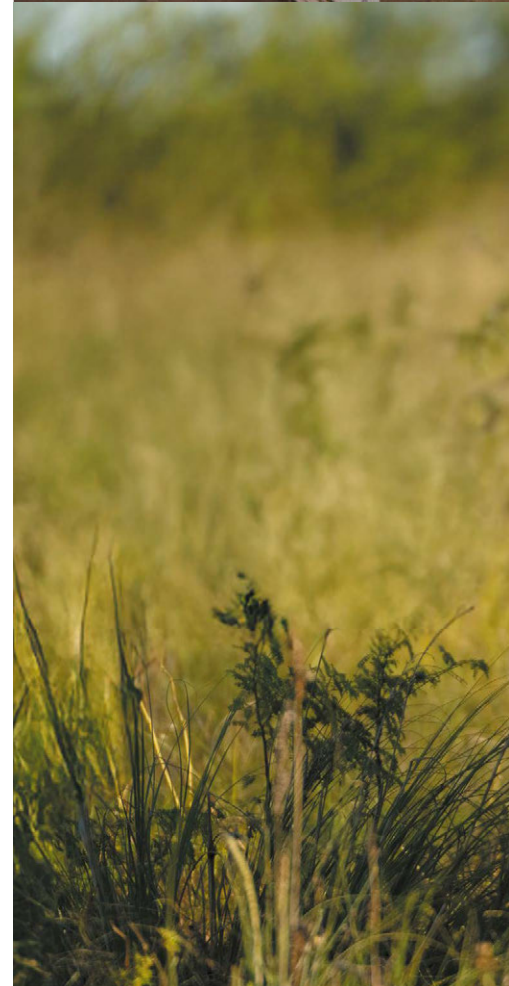
The carrying value of our pastoral property and improvements grew over the year by \$45.9 million, driven by market value increases. Our properties are reviewed annually by independent property valuers. The continual increase in value is a testament to the quality and capability of our assets. These assets are now worth \$1.6 billion, supporting our total asset value of \$2.4 billion.

Land stewardship

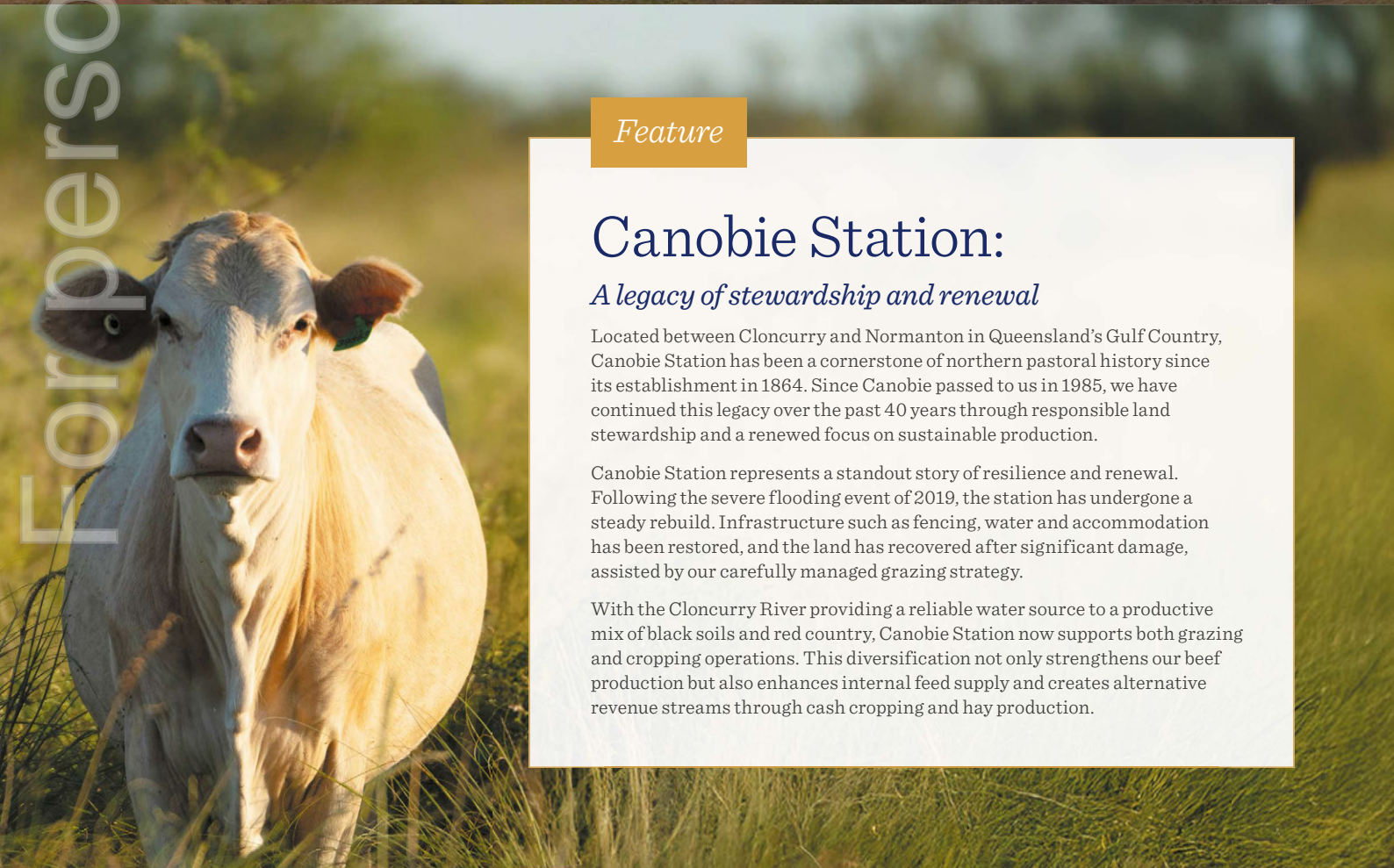
Our careful management of land resources continues to see improvement in quality in recent years. We've continued our sustainable stocking model and satellite assisted forage budget program, alongside our land management tools. Our herd numbers held at each location remain below our land carrying capacity. This has allowed us to improve the pasture health for large parts of the portfolio, regenerate certain degraded areas, and increase productivity through seasonal variability.

Respecting country

AACo recognises the enduring connection First Nations Peoples have to the lands and waters it operates on and aims to build authentic, trust-based partnerships grounded in respect and equity. The company continues to take steps to deepen its internal understanding and cultural capability. This will enable us to build on the work we have already undertaken, which includes mapping Native Title Determinations, identifying cultural heritage sites, engaging in dialogue and initiating targeted walkovers.



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Feature

Canobie Station:

A legacy of stewardship and renewal

Located between Cloncurry and Normanton in Queensland's Gulf Country, Canobie Station has been a cornerstone of northern pastoral history since its establishment in 1864. Since Canobie passed to us in 1985, we have continued this legacy over the past 40 years through responsible land stewardship and a renewed focus on sustainable production.

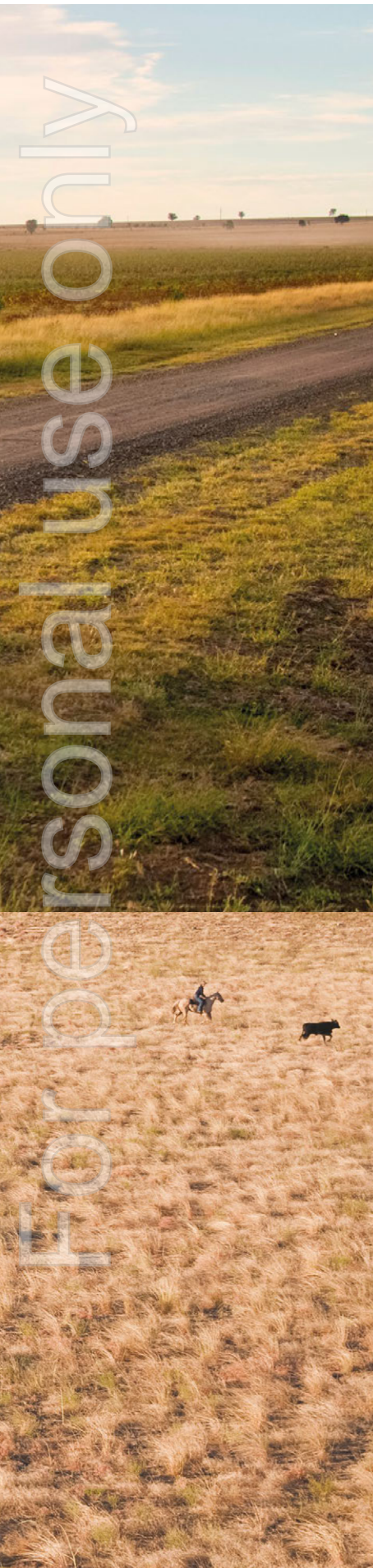
Canobie Station represents a standout story of resilience and renewal. Following the severe flooding event of 2019, the station has undergone a steady rebuild. Infrastructure such as fencing, water and accommodation has been restored, and the land has recovered after significant damage, assisted by our carefully managed grazing strategy.

With the Cloncurry River providing a reliable water source to a productive mix of black soils and red country, Canobie Station now supports both grazing and cropping operations. This diversification not only strengthens our beef production but also enhances internal feed supply and creates alternative revenue streams through cash cropping and hay production.

Our Operations
(continued)



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Infrastructure and equipment

Investment in infrastructure and fleet remains a core focus of our operational strategy. During the year, we continued our asset optimisation programs, with \$31.7 million spent on investment in the quality, safety and performance of our assets.

The benefits of our movable assets program are now being realised, with newer, more efficient equipment rolled out across properties. The upgraded fleet has reduced maintenance costs, improved safety and reliability, and contributed to our carbon reduction efforts through rationalisation.

We also implemented a new automated fuel management system this year, giving us greater visibility and control over usage across the business. This technology enhances operational efficiency and supports our broader sustainability goals by ensuring better monitoring and management of resource consumption.

\$31.7m

SPENT ON INVESTMENT
IN THE QUALITY, SAFETY
AND PERFORMANCE OF
OUR ASSETS

HERD HEADCOUNT
AT EOFY25

456k

Livestock and genetics

We run Australia's largest herd of Wagyu cattle, with world-class genetics producing consistently high-quality Wagyu beef that is exported around the world. We match our Wagyu sires with our own Mitchell cows, a breed we have developed to thrive in northern Australia. Mitchell cows are crossed with our Wagyu bulls to produce our F1 Wagyu cattle, which become the Westholme cross-bred branded beef.

This year, we continued to build on our genetics program, increasing the number of animals tested and leveraging new technology to evaluate marbling potential and carcass quality at the individual level.

Progress in our assisted reproduction programs and continued development of our polled bulls reflect our commitment to animal welfare and genetic improvement. We also saw consistently strong branding rates—averaging between 80% and 85% over a four-year period—which speaks to the quality of our breeding program and sustainable herd management practices.

These outcomes are supported by a deliberate strategy to match herd size to pasture availability, avoiding overstocking in strong seasonal years and ensuring long-term sustainability. The result is a stable livestock headcount of approximately 456,000, which is predominantly self-sustaining. The growth in processing volumes of live sales is linked to an optimised operational flow and now approaches 52,000 head annually.

Supply Chain

Our supply chain ensures the highest standards of quality, with an increasing focus on *sustainability* throughout our operations.

From breeding and grazing, to processing and distribution, each stage is designed to maximise value and deliver premium beef products to our global customers. Supply chain coordination ensures we can adapt to changing market conditions while maintaining control over quality and delivery. Our vertically integrated approach combines scientific innovation, modern practices and a deep commitment to improving animal welfare and environmental stewardship, from farm to table.

1 Breeding & Genetics

By combining the science of genetics and the art of breeding, we produce high-quality animals which will perform well under tough conditions and maximise their value.



2 Grazing

With properties spanning the rangelands of northern Australia, cattle graze for two to three years, roaming and eating a diverse natural diet.



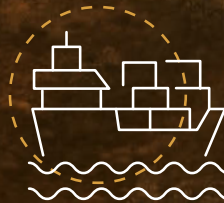
5 Processing

AACo partners with state-of-the-art processing facilities in Australia, where we spend time onsite engaging with these partners. Our people monitor the processing of our products, to see that they are processed in accordance with best practices, as specified by regulators and leading industry bodies, including low stress stock handling, hygiene, efficiency and quality control.



6 Distribution

Our supply chain is predominantly focused on delivering premium beef to key select global markets. We also sell the Mitchell composite and Brahman cattle from our internal supply chain to reputable customers to optimise both financial return and operational flow.



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3 Farming

Our farming operations focus on what grows well locally and what our cattle flourish on. At Wylarah, Rewan, Glentana, Gordon Downs, Comanche and Goonoo we farm a variety of crops for harvesting and foraging. We also undertake dryland cropping on our Dalgonally and Canobie properties.



4 Feedlotting

Our cattle are finished on a blend of grains for up to 550 days at Goonoo and Aronui. Our feedlots focus on optimising animal comfort, welfare and nutrition, producing consistently high-quality beef.



7 Sales & Marketing

Our customer-facing team regularly meet with chefs and distributors, sharing the stories of our product while seeking feedback on what's important to our customers. Based in our key global markets, their connections and knowledge facilitate our agile response to changing market dynamics. Our branded beef products are carefully curated to meet the specific channel and customer needs, with the value of our brand recognised through our retail and foodservice offerings.



★ Customers

Our entire business operation is focused on producing consistent high-quality product for our customers.

Our Strategy

Over the years we've adapted, while *remaining true to the core of our business*. We'll continue to move our company forward, to not just meet the demands of our markets, but to reimagine agriculture.

Over the past decade we've made strategic decisions which have shaped the company:

1

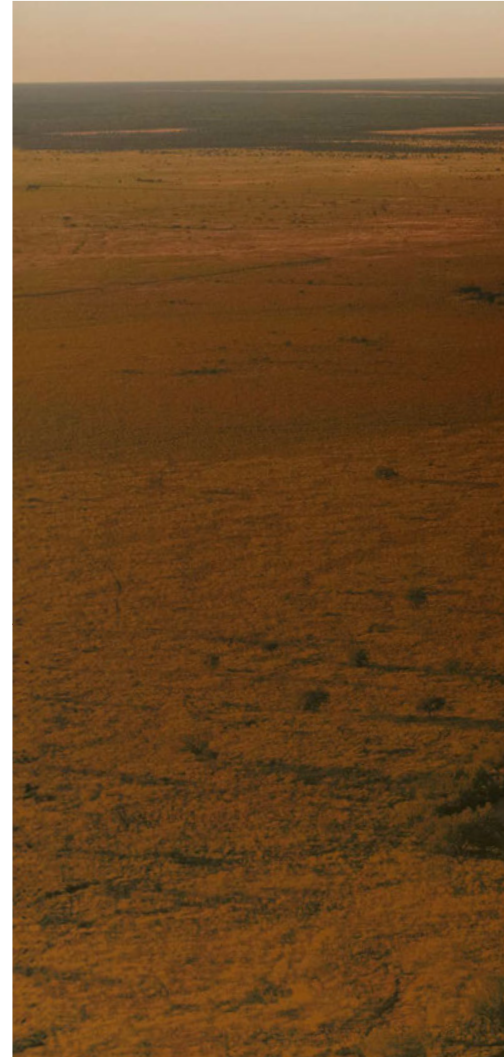
We transformed from a commodity meat company to a branded beef company, developing products that set the standard for chefs and diners worldwide.

2

We built a vertically integrated supply chain, proving the scalability of certain nature-led positive practices from station to plate.

3

We've streamlined our operations, giving us a strong foundation to grow with intention moving forward.



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This year, we have refreshed our strategy to focus on key areas which we believe will position AACo to be a world leading food and agriculture organisation:



Better beef

We will pursue acceleration and growth to positively impact revenue, and margin, by expanding our brand equity and branded beef programs.



Unlock the value of the land

We will generate alternative, more sustainable revenue streams and value from our vast asset base.



Partner & invest

We will opportunistically partner to solve problems for our organisation and the broader industry and embed future value.



People and Culture

At AACo, our people are at the heart of everything we do – from our northern Australia cattle stations to key global markets. We provide opportunities for people of all backgrounds, skills, talents and aspirations to forge a career pathway within agriculture and throughout our vast local and global operations.

Over the past year, we've continued to strengthen our culture, support our teams, and lay the foundations for a sustainable, inclusive and empowered workforce. This year of continuity and progress has been marked with renewed clarity with the activation of our refreshed **Purpose, Vision and Values**.

Our Purpose, Vision and Values were shaped through extensive consultation with our people across all levels of the organisation. In 2023, we invited our teams to reflect on what made AACo unique, what might be possible in the future, and what would be required to achieve these ambitions. This input now lives within our Values, providing our people a shared stake in the culture we are creating.

Community and diversity

- **Community Engagement:** We often say that the "Co" in AACo is for community. Our people are actively involved in local events, reflecting the strong community spirit in our rural and regional areas as well as our chef hubs. Whether in emergency situations (on the land, or even in Los Angeles with this year's devastating fires), fundraising or lending a hand; our teams reach out to support their neighbours. We continue to focus our efforts behind several charities that have a natural connection to our people and local communities.
- **Women of AACo:** AACo continues to make progress in supporting diversity, inclusion and belonging, with a specific emphasis on women in operations. The Women of AACo mentoring program doubled in size in its second year, with over 60% of participants from on-station roles. This program, alongside succession planning, personal development planning and flexible work support, are examples of how AACo is committed to fostering an inclusive environment where our people can thrive and grow.





Growth and development

- Leadership and Capability Development:** Two major leadership programs were delivered throughout the year—one for our senior leader community and another for our frontline leaders. Senior leaders participated in a 360-degree feedback process and a three-day development forum, the learnings of which were embedded through peer group mentoring circles led by our Executive Team. Frontline leaders received values-based coaching and participated in a tailored leadership forum, designed to reinforce cultural alignment and enhance their team management skills.
- Operations Onboarding for New Starters:** A major milestone each year is O-Week, our induction and training program for new pastoral operations-based team members. This year's event held in early March, was the largest in several years, with 75 attendees. The week focuses on technical training, and also covers key topics such as safety, behaviour expectations, and setting expectations for the year ahead. It's a critical opportunity to build skills and capability from day one.
- Employee Listening and Employee Sentiment:** Team member sentiment continues to trend positively year on year. Our people tell us that AACo is an extraordinary place to work, and that is our People Promise. Our latest engagement results show strong levels of pride and motivation, underpinned by a sense of connection to our strategy and shared future. As we continue to invest in leadership, learning and culture, we are seeing the impact in how people show up every day. At AACo, extraordinary doesn't just live in what we produce – it lives in the people who make it happen.
- Endless Opportunities:** This year saw continued momentum in developing our people through internal mobility. We supported several leader transfers and promotions across the business, enabling individuals to expand their impact and grow their careers. These moves not only strengthened our internal capability but also reinforced our commitment to developing from within. Our emerging leaders remain focused on building industry knowledge and driving meaningful outcomes wherever they are placed.

Innovation and opportunity

- Supporting Work, Life and Connection:** We continued to invest in our physical and digital environments, ensuring our people are well supported no matter where they work. Ongoing improvements to station accommodation, amenities and connectivity have created more comfortable and connected living conditions, enhancing the day-to-day experience of our operational teams.
- Promoting Respect and Safety at Work:** Creating a safe, respectful and inclusive workplace remains non-negotiable. In FY25, in addition to our existing training programs and Speak Up mechanisms, we expanded our partnership with Dolly's Dream to leverage their training programs that they deliver in the community. This included face-to-face training on bullying vs. banter, kindness in the workplace, awareness of youth suicide, and importantly ensuring our people, many of whom live and work remotely, know where they can access support if they need it. This was delivered to all team members across stations, and virtual sessions were held for our corporate and international teams.

454

FULL TIME
EQUIVALENT
EMPLOYEES

Health, Safety and Welfare

Wellbeing, Health and Safety (WHS)

Our team's wellbeing and health, both physically and mentally, is of the utmost importance in everything we do.

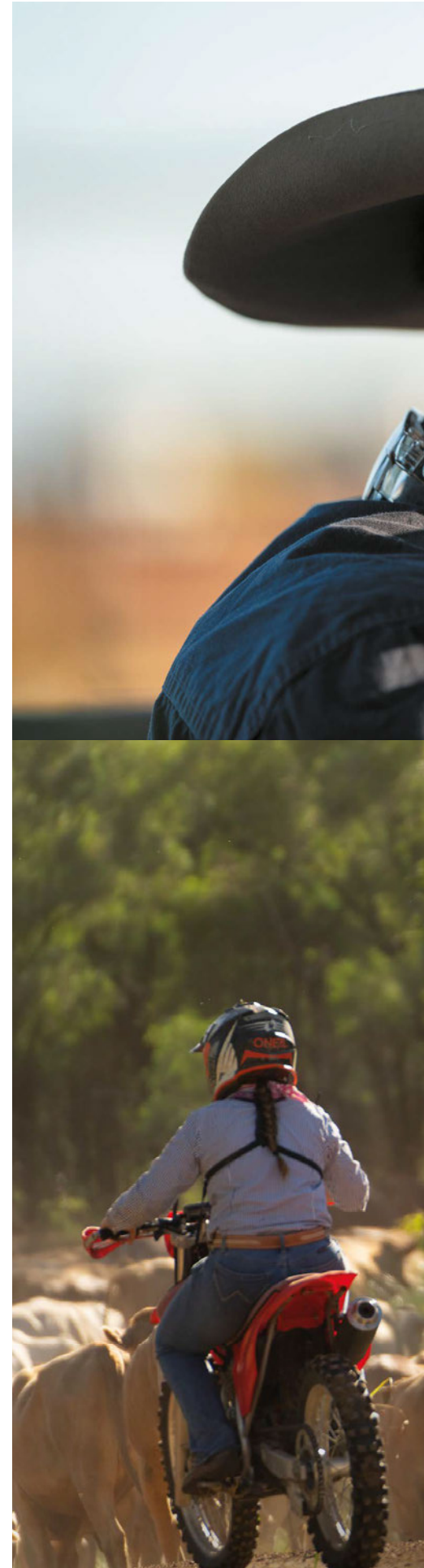
This year marked the completion of our comprehensive health and safety review and the development of a new three-year WHS strategy, positioning the business to manage operational risk and drive improved safety performance into the future. While the activation of the strategy will begin in FY26, we've already begun implementing several foundational initiatives that demonstrate our ongoing commitment to creating a safer and healthier workplace.

Key highlights

- **Strategy and Vision:** Our WHS strategy and safety vision have been refreshed, in line with our new Purpose, Vision and Values. This strategy was shaped through a comprehensive review of current performance and is focused on uplifting safety capability, improving training consistency, and embedding governance across a geographically dispersed workforce.
- **Frontline Capability and Training:** This year we delivered comprehensive incident investigation training for frontline leaders across our agricultural operations. This initiative is helping identify all factors that contribute to incidents, implement preventative actions, and support stronger safety reporting.
- **Technology and Emergency Support:** The business upgraded its emergency communications system, enabling team members in remote and isolated locations to send detailed assistance messages and improve response times.

- **Performance Metrics:** Our near miss reporting remains above our target and prior year, reflecting the strong and proactive safety culture across our operations. Importantly, there were no work-related fatalities during the reporting period. Whilst total recordable injuries increased, the company is focused on continuing targeted education programs to foster a culture of accountability and care, addressing the activities which are most attributable to incidents.
- **Employee Engagement:** We maintained high levels of team member engagement, with our internal Safety Engagement Index again scoring above 80% across physical, psychological, and overall wellbeing dimensions. Our people are also deeply embedded in the communities in which they work. This strong community connection is an important contributor to wellbeing, particularly in isolated settings.
- **Mental Health and Support:** We maintained our network of accredited Mental Health First Aiders, delivering refresher training to ensure capability was retained. These roles continue to play a valuable part in providing peer support and normalising conversations about mental health at work.

With systems, leadership, and training realigned under a new strategy, we are well positioned to drive continuous improvement in safety and wellbeing across our operations.





TOTAL RECORDABLE INJURY
FREQUENCY RATE (TRIFR)

85.4

AN INCREASE OF 7% ON PRIOR YEAR⁽¹⁾

At AACo our people matter, so we are reimagining wellbeing, health and safety to build a healthier and safer workplace. We are committed to fostering a culture where the health, safety, and wellbeing of our people are at the forefront of everything we do. As we look toward the future, we recognise that the world of agriculture is evolving, and so too must our approach. To meet these changes head-on, we are embarking on an ambitious journey to renovate our core foundations, reshape our health and wellbeing strategies, and redefine the standards of safety across our operations.

(1) The TRIFR for prior year has been restated. Refer to the Sustainability Information section at the end of this document for further details.

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Health, Safety and Welfare (continued)

Animal Health and Welfare

Animal health and welfare is fundamental to our operations, reflecting both our ethical responsibilities and our commitment to long-term sustainability. With a vast and geographically diverse network of properties, we take a nature-led approach to raising cattle, with careful attention to their safety and wellbeing.

We are dedicated to maintaining high standards for animal health and welfare through ongoing training, transparent communication, a culture of continuous improvement across our operations, and maintaining strong relationships with reputable suppliers and customers, as set out in this report. We are guided by regulations, key industry body standards, and our own internal animal health and welfare policies and processes.

Clear protocols and communication

We maintain strong communication across our operations to ensure consistency and alignment in animal welfare practices:

- **Experienced senior leadership oversight:** Our regional senior leadership team meet regularly to discuss operational imperatives, including consistent animal health practices across our expansive properties.
- **Consistent protocols:** Our policies and practices cover seasonal planning, animal treatments, and supply chain coordination – critical in ensuring that protocols are followed as livestock move between properties.



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Training and infrastructure

Investment in training and infrastructure remains a core pillar of our welfare strategy. During the reporting period, we continued to invest in the development of our people and assets:

- **Disease preparedness and response:** Training was delivered in relation to Foot-and-Mouth Disease (FMD) and Lumpy Skin Disease (LSD). While these threats are not currently active in Australia, ongoing training ensures team members know what to look for and how to act if needed.
- **Low-stress stock handling:** All properties continued to participate in training to promote humane and effective livestock handling, equipping team members with the skills to move and manage livestock calmly, supporting both welfare outcomes and productivity.
- **Livestock infrastructure:** We invested in infrastructure to support the application of industry leading practices for animal welfare. In FY25, \$2.1 million was spent on infrastructure supporting animal welfare.

Innovation and research

We are actively trialling new technologies and approaches to improve animal health outcomes, including:

- **Multiple research initiatives:** This year, we strengthened our collaboration with research institutions, universities, and agtech startups, contributing to projects that explore remote monitoring, improved diagnostics, and disease surveillance.
- **Creating industry best practice:** Our involvement in Meat & Livestock Australia projects and other collaborative initiatives ensures that our knowledge is shared and at the forefront of industry advancement.

Governance and oversight

Animal welfare is a priority at all levels of our organisation, starting from the top. This is upheld through robust governance and oversight frameworks:

- **Robust oversight and governance:** Our internal Animal Health and Welfare Committee continues to guide strategic priorities and oversee continuous improvement across all sites. The Committee brings together operational leaders and subject matter experts to evaluate practices, identify risks, and drive forward welfare initiatives. Any concerns raised in relation to animal welfare are identified, recorded and investigated, and escalated to Senior Management if required. Our near miss reporting also assists us to proactively reduce potential animal welfare incidents.
- **Strong compliance and external assurance:** Our external assurance framework continues to operate across key sites, reinforcing transparency and accountability in how we manage welfare risks and responsibilities. AACo and our third-party providers maintained compliance with relevant accreditation systems in FY25.
- **Strong relationships with reputable customers:** Our live cattle which are ultimately sold into foreign markets, are sold to reputable exporters with whom we have longstanding relationships. AACo engages with these exporters to inform ourselves about their standards and share AACo's animal health and welfare expectations.

Brand Market Overview

This year *our global sales and marketing teams continued to deliver results at scale*, from brand-building initiatives to nuanced in-market execution supporting our distributor partners and end customers.

Commercial highlights

We took a strategic approach to product allocation to optimise price and support future growth in key high-paying regions. Our results demonstrated how our activities supporting brand investment drive performance and resilience.

- **Higher volumes:** Increased volume supported overall performance, offsetting reduced meat sales price/kg, the result of global market conditions.
- **New customers and expanded verticals:** Investments in brand and marketing strategy created new partnerships and expanded reach to new customers globally. Foodservice and retail sales expanded, including new Westholme brand positioning and new partnerships for the distribution of Darling Downs and 1824.
- **Hands-on distribution model:** We remained closely involved beyond the point of sale, engaging directly with chefs, retailers, and foodservice partners to ensure quality, consistency, and brand integrity. This deep customer engagement sets AACo apart, ensuring that its premium beef offering is not just sold, but understood, valued, and properly positioned in-market.

- **Agility through partnerships:** Our global distribution network enabled rapid responses to regional market shifts. Dynamic inventory management saw increased volumes whilst protecting price and position in key markets. As a result, the business grew on-shelf and menu visibility for its core brands.

UP

9%

MEAT SALES
REVENUE VS PCP

DOWN

12%

PRICE/MIX VS PCP

UP

21%

VOLUME VS PCP





Our brands

WESTHOLME

NATURE — LED
AUSTRALIAN WAGYU

We're led by the land. Led by a belief that better land makes better beef. Raised better. Better tasting. Better for the environment. Better for the way we eat today.

Full flavour, cross-cultural, open kitchens. For open-pasture grazers and Michelin stargazers. The star chefs and rising stars. For the next 200 years.

Westholme is Nature-Led Australian Wagyu.



Darling Downs isn't just a product, it's a way of life.

Our people love what they do and take enormous pride in caring for the land and animals.

Their dedication ensures that Darling Downs provides you with high-quality goodness you can count on. By honing our craft and building on our experience, we deliver the most flavoursome, tender and versatile Wagyu.

We put our hearts and souls into it, so you can be sure you've chosen the best for your loved ones.

From our Australian family to yours.



Our story begins in 1824. Through droughts, fires and flooding rains, our grit has paid off season after season. Back in the early days, our stations defined the frontier between coast and desert.

1824 is what you get from two centuries of know-how.

This is real, primal meat.

WESTHOLME

NATURE — LED
AUSTRALIAN WAGYU

FY25 was a milestone year for Westholme, marking the global debut of its new positioning: *Nature-Led Australian Wagyu*.

UP

17%

TOTAL REVENUE VS PCP

DOWN

15%

PRICE/MIX VS PCP

UP

32%

VOLUME VS PCP

Westholme's strategic shift reflects AACo's desire to keep nature as the foundation of its premium beef production, reinforcing the brand's heritage and quality in an increasingly competitive global Wagyu market.

- **Significant growth in volumes:** Across the Westholme portfolio, now encompassing three programs – Pure, Cross and Forage – both volumes and total revenues increased, demonstrating the value of our product to our customers.
- **Global brand rollout:** Westholme was launched at scale across four key regions – Australia, the Middle East, the United States, and Europe – through a series of pop-up events, media activations, and immersive brand experiences. A fully integrated media campaign significantly boosted web traffic (up over 200% from the prior year), social engagement, and brand awareness. The messaging resonated with chefs, consumers, and retailers, anchoring the brand in quality, and provenance.
- **Direct-to-market engagement:** Our teams went beyond traditional distribution models, building on strong partnerships with chefs and restaurateurs, and delivering in-market education and marketing support. This hands-on approach was a major differentiator in strengthening brand presence and trust.
- **Resilience through market factors:** Despite global market challenges impacting price performance, Westholme protected its premium positioning through brand strength and partnerships, as well as our strategic approach to product allocation.

Westholme's *Nature-Led* platform will continue to guide innovation and portfolio development, with our unique story and reliability of product performance and supply resonating with customers.



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Darling Downs continues to play a vital role in our brand portfolio, as a key retail brand focused on high-quality barbecue and secondary cuts with the rich, flavourful Wagyu flavour profile.

깊고 진한
와규의 맛!
달링다운



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While navigating various headwinds in key markets, the brand remained resilient, with increased supply driven by expansion into new markets, particularly in Asia.

- **Resilient performance in Korea:** Despite pricing pressure from local Hanwoo beef, Darling Downs maintained its distribution points and market share with key Korean retail partner E-mart. Targeted promotions and in-store brand activations helped sustain brand presence in a challenging environment, supporting an increase in sales in the country.
- **Expanding regional footprint:** We've continued extending the brand's reach into other Asian countries, to unlock long-term growth potential.
- **Stronger brand engagement:** Increased investment in digital storytelling and consumer engagement elevated brand recognition across Asia reaching over 5 million people. A successful butcher incentive program supported education, and the creation of speciality packs and in-market activations were used to leverage key selling occasions.

The Darling Downs brand will continue its evolution, including increased penetration in Australia. With expansion into new markets and a clear focus on premiumisation at shelf, the brand is poised for regional growth and further consumer engagement.

UP

11%

TOTAL REVENUE VS PCP

DOWN

8%

PRICE/MIX VS PCP

UP

19%

VOLUME VS PCP





1824 is a *highly recognised brand* in the Australian beef industry that honours our 200-year history, relaunched during FY24 after a period of strategic development.



Designed to bridge the gap between premium and broader consumer appeal, 1824 has become a valuable component of our market mix.

- **Export-led growth:** 1824 gained momentum in the second half of the year, with increasing volumes into the Middle East and Europe. Key customers are now taking consistent orders, confirming market demand and growth potential.
- **Increasing availability:** 1824 is now available across both the retail butchery channel and food service within iconic venues. New distributors have been onboarded in Singapore and Australia to provide dedicated support for the brand in market.

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UP

455%⁽¹⁾

TOTAL REVENUE VS PCP

UP

9%

PRICE/MIX VS PCP

UP

446%

VOLUME VS PCP

- **Targeted tactical marketing:**
Lean, channel-specific brand initiatives are undertaken, reflecting 1824's unique role in our brand portfolio.

- **Capturing brand premium:**
1824 plays a crucial role in balancing the brand portfolio, capturing volume previously excluded from core brands and enhancing overall performance through improved returns.

As it matures, 1824 will play an increasingly important role in AACo's brand architecture and pricing strategy. We continue to expand export market penetration, whilst honouring this brand in its spiritual home.

(1) 1824 was launched in January 2024, making FY25 the first full year of sales.

Innovation

As our branded beef portfolio evolves, product innovation remains central to how we extend usage opportunities for our customers and consumers.

Our operational teams also focus on innovation, to deliver greater consistency and efficiencies across our supply chain.

Value-added products

Capitalising on our significant investment into research and development to date, we've shifted focus from product invention to commercial execution and scale-up. Innovation and new product development are key components of improving carcass utilisation and margin capture. These offerings enable portfolio diversification, meet consumer expectations for convenience, and stay ahead of market trends.

We continued to scale our value-add formats introduced under both the Westholme and 1824 brands:

- **Expanding our grass-fed Wagyu beef:** Following its successful trial last year, we introduced our grass-fed Wagyu beef to additional distributors and regions. U.S. consumers and chefs seek a tender, marbled product with a stronger beef flavour, which our grass-fed Wagyu delivers.

- **Increase penetration of our Wagyu bacon product:** In response to the demand for an alternative bacon product, we have expanded our Wagyu Bacon in various key global markets.
- **Demand for scalable new products:** Key customers have responded very positively to our new products, including ground beef and burgers, especially in the U.S. where interest has been strong, indicating future demand as production capacity increases.





Innovation in business operations

Our commitment to innovation and excellence is evident in our strategic initiatives and product development.

Over the past year, we have also made significant progress in implementing innovation through our business operations, to enhance our offerings, optimise resources, and engage with key consumers and stakeholders more effectively.



Genetics

Our Wagyu herd is underpinned by world-class genetics and a focus on long-term value. This year, we continued to build on our genetics program, increasing the number of animals tested and leveraging new technology to evaluate marbling potential and carcass quality at the individual level. This assists in improving herd management efficiencies and overall operational performance.



Brand engagement

Marketing innovation also played a role this year. We trialled new customer engagement formats, including butcher incentive programs, chef events, and podcasts. These initiatives helped elevate brand visibility and gather data to refine future campaigns.



Tech-enabled operations

Operational innovation included the rollout of an automated fuel management system, upgraded fleet infrastructure, and real-time visibility tools to support land and herd decisions. These improvements enhanced safety, efficiency, and environmental tracking.

Sustainability

Sustainability foundations and strategy

Our Sustainability Framework, first introduced in our FY22 Sustainability Report, continues to serve as a critical foundation of AACo's broader business strategy. While our core approach to sustainability remains consistent, our activities and initiatives are evolving in step with advancements in technology, data, and industry knowledge.

Guided by our three enduring pillars – Reimagining Agriculture, Valuing Nature, and Thriving Communities – we remain committed to driving meaningful outcomes for our business, the environment, and the communities in which we operate.

As operators of one of Australia's largest cattle herds and landholdings, we recognise the extent of our environmental footprint and aim for ongoing meaningful action. Some of those actions are detailed in the Nature & Climate Highlights section later in this report.

Our commitment to sustainability is long-term and focused on measurable progress. Whether through emissions

reduction, improved land condition, or biodiversity monitoring, our goal is to align environmental performance with commercial resilience.

The maturing of our sustainability approach has led to many aspects being embedded in our daily business activities. Sustainability is not a siloed function at AACo – it is integrated across leadership and operations. The Environment & Sustainability team works closely with station managers to implement strategy on the ground, applying new technologies and incorporating enterprise-level insights to inform both commercial and environmental outcomes.

Our Sustainability Framework also serves as our roadmap, helping us to track our progress and uphold the high standards we have set for ourselves and those our various stakeholders expect. We plan to continue to invest in science, partnerships, and innovation to help support our landscapes – and the communities and markets that depend on them – to thrive into the future.

Stakeholder engagement

We know that sustainability is also important to our stakeholders. We seek to maintain an open and ongoing dialogue with them to expand our own knowledge base, so that we can better understand, adapt and evolve in line with their needs and expectations. We seek to contribute to local and international conversations underpinning the development of policy and other frameworks that impact our operating environment. We also seek to share our expertise and learnings, encouraging stakeholders to evolve and improve their own approaches. Our stakeholder engagement includes:



Customers

Regular communication with chefs and distributors on sustainability related topics.

- Customer feedback
- Consumer trends
- Activations and events



Supply chain stakeholders

Collaboration with supply chain stakeholders including key suppliers, vendors, and third-party processors.

- Weekly performance catchups with third party processors and on-site management from AACo team members to monitor conditions
- Prioritisation, where the required supply is available, of local suppliers of feed inputs into our feedlots



Communities

Close connection to our local communities to support, create and work through a range of initiatives and social opportunities.

- Donating time and resources to local programs
- Fundraising events
- Leveraging local knowledge in management activities
- Participation in community events



Government and regulators

Regular and ongoing conversations about our activities and the policies and regulations that can help us advance our sustainability program.

- Direct engagement and meetings
- Letters and other formal correspondence
- Participation in forums and conferences
- Consultation into legislation, policies and reviews
- Departmental feedback sessions



Media

Initiated and approached opportunities to be involved in and inform the public conversations about our framework and agenda.

- Interviews and story participation
- Formal briefings and informal conversations
- On-station learning opportunities
- Dedicated media resource
- Social media presence



Industry associations

Close collaboration with a range of partners to create opportunities and help inform industry positioning and direction.

- Direct engagement through meetings, emails and phone calls
- Participation and attendance at conferences
- Briefings and round table discussions
- Engaging through working groups
- Association memberships



Other groups and global forums

Including experts, academics, interest groups, research organisations and environmental non-government organisations (NGOs) to develop capability, collaborate and educate across various policy and topic areas.

- Direct engagement
- Contributing to policy conversations and development
- Participation in forums, roundtables and working groups

- Formal consultation
- Briefing sessions and other education and extension activities, including on-station visits

Nature & Climate Highlights

Sustainability is deeply embedded in our operations. During FY25, we have continued to make progress in our commitment to sustainability.

Building climate resilience

Since 2019, we have implemented a sustainable stocking model, supported by satellite assisted forage budgeting and advanced pasture analytical technologies that our team of Rangelands specialists have developed. This approach stabilises cattle numbers and aligns stocking decisions with real-time environmental conditions.

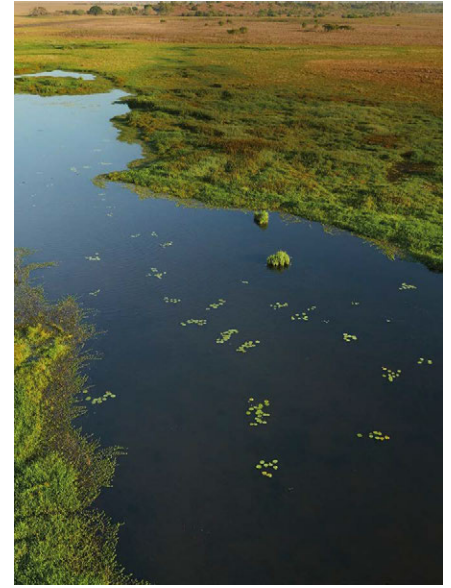
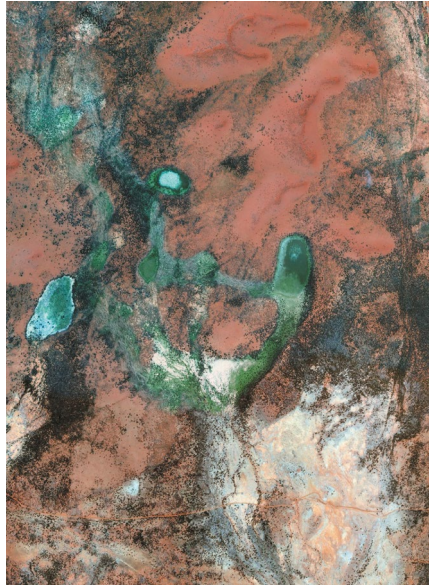
The benefits of this model are already evident across large parts of our landscape, including:

- Improved pasture health and rainfall responsiveness
- Enhanced landscape condition leading to carbon sequestration
- Improved animal efficiency leading to reduced emissions footprint
- More consistent productivity and supply to market

- Better protection of our genetic assets and our animals' welfare
- Improved operational efficiency over time

This sustainable grazing program is a cornerstone of our business strategy to build nature and climate resilience. It supports year-round market supply while reducing the impact of droughts and seasonal variability and improving the condition of nature in our care – benefiting both commercial outcomes and environmental performance.

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Rangelands Carbon by Satellite project

A key milestone this year was the completion of our Rangelands Carbon by Satellite project. This multi-year initiative has significantly advanced our capacity to estimate and track changes in carbon stocks across our landscapes—in soil, pasture and woody biomass. The project, completed in February 2025, generated over 40,000 soil data points across over 2,250 cores, making it one of the largest soil sampling programs ever undertaken in northern Australia.

We can now:

- Assess historical carbon change across our land holdings
- Model future carbon scenarios under different climate and management regimes
- Identify high-opportunity areas for carbon sequestration based on current carbon levels and storage potential

These capabilities open the door to future carbon projects under the Clean Energy Regulator, enable future opportunities to inset carbon captured in our landscape against our annual emissions, support our sustainability reporting, and provide insight into landscape health and management priorities.

This project also demonstrated, for the first time in Australia's rangelands, a statistically significant relationship between land condition and soil carbon. While further refinement is needed, this finding is a breakthrough in quantifying landscape resilience and confirms a relationship between our management actions and the ability of the landscape to sequester carbon.

Natural Capital: Measuring what matters

This year, we completed an ecological condition assessment process using the Accounting for Nature framework, covering approximately 1.29 million hectares of high-value conservation assets. These include wetlands, floodplains, watercourses, and native grasslands. Working with ecological experts, we collected intensive on-ground assessments of vegetation condition, calibrated to drone data and extrapolated across the landscape with ~95% confidence. This data is now being reviewed and a suite of externally verified and audited accounts based on these assessments are due to be released in FY26.

This allows us to:

- Track the condition of critical ecosystems
- Monitor the impact of our land management practices
- Set benchmarks for continuous improvement

We are also expanding our monitoring into other areas of biodiversity and ecosystem health, including the development of eDNA technology, camera traps, and acoustic monitoring. These innovations will enhance our ability to assess species richness and broader ecological outcomes over time.

Nature & Climate Highlights (continued)

GHG emissions inventory

We continue to prepare for expanded climate-related reporting, with an aspiration for our metrics and disclosures to exceed the minimum requirements under the Australian Sustainability Reporting Standards' mandatory A ASB S2: *Climate-related Disclosures*. Our emissions accounting and analysis program informs a more evolved understanding of the interaction between our actions and their impacts on climate.

Improvements to emissions calculation methodologies and the science underpinning them has led to adjustments to the previous year's emissions profile which are noted below. Further details regarding the adjustments and the GHG emissions profiling methodology used, are detailed in the Sustainability Information section of this report.

In FY25, AACo emitted 662,424 tCO₂-e of Scope 1 and 2 emissions, a 3.3% increase compared to the adjusted FY24 figures. This was primarily due to an increase in weight gain of livestock and increase in fuel-related emissions. Enteric methane represents our largest source of GHG emissions at 88% of Scope 1 and 2 emissions, proportionally remaining steady compared to FY24. A 17% increase in our feedlot population resulted in higher emissions from this part of our operations but also contributed to a proportional increase in the amount of liveweight kilograms produced, reducing our overall emissions footprint.

AACo's Scope 3 emissions for FY25 were 159,949 tCO₂-e, representing 19% of our overall emissions, with the most significant source being purchased goods and services such as feedlot inputs. Downstream transportation of boxed beef via air and sea freight to our global markets, meat processing, agistment and upstream freight were other significant sources of Scope 3 emissions.

AACo completed a lifecycle assessment of its GHG emissions footprint, or product carbon footprint (PCF), for both liveweight turnoff and post-processing boxed beef. Adjustments to previous year's PCF have been made to reflect changes to the feedlot enteric methane measurement methodology and values.

- AACo's liveweight turnoff PCF was 11.2kg CO₂-e/kg liveweight turnoff after feedlot in FY25. This remained steady compared to the previous year's adjusted liveweight turnoff PCF. Reductions driven by the improved herd performance associated with good seasonal conditions and improved production processes, were offset by an increase in cull beef sales, which have a higher emissions per kilograms of beef output. AACo's liveweight turnoff PCF remains below the national average.

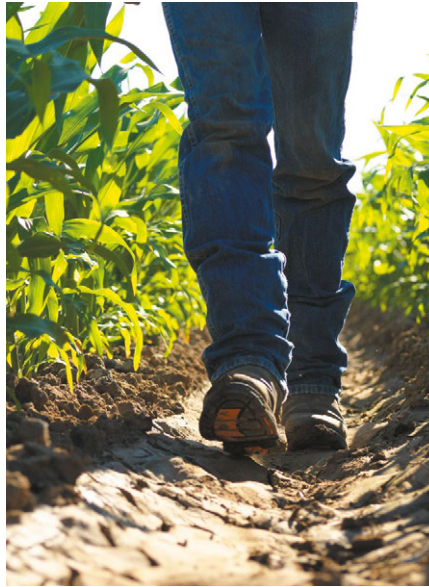
- AACo's boxed beef PCF was 23.0kg CO₂-e/kg beef produced after primary processing in FY25. This represents a 2% decrease on the previous year's adjusted boxed beef turnoff. As with the liveweight results, this was primarily driven by improved herd performance offset by increased cull beef sales. Boxed beef PCF results do not include some classes of cattle that are included in the liveweight results and are not directly comparable.

This year's results provide further data and insights into AACo's emissions profile, helping us to build on existing efforts to improve the efficiency of our herd while providing insights into new possibilities for future efforts to reduce our climate impact across our operations.

GHG Emissions (tonnes CO₂-e)

Item	FY23	FY24	FY25
Scope 1 – livestock and farming-related emissions	587,827	619,497	637,328
Scope 1 – energy emissions	29,068	19,211	22,290
Scope 2 – electricity emissions	3,108	2,609	2,806
Scope 3	NPR	158,085	159,949
Total – Scope 1, 2 and 3	NPR	799,402	822,373
Product Carbon Footprint			
GHG Emissions Footprint: Scope 1, 2 and 3 (Kg CO ₂ -e/kg liveweight turnoff)	-	11.2	11.2
GHG Emissions Footprint: Scope 1, 2 and 3 (Kg CO ₂ -e/kg boxed beef)	-	23.5	23.0

NPR – Not previously reported.



Climate action

Our previous efforts in progressing methane abatement in cattle are being built-upon and advanced as part of the Zero Net Emissions Ag CRC, with its first round of major projects expected to commence in FY26. This will support future initiatives to reduce methane emissions in cattle production systems and test emerging technologies and practices.

Our soil carbon project at Glentana Station was registered with the Clean Energy Regulator in FY25 and is now eligible to begin generating Australian Carbon Credit Units (ACCUs). As meaningful improvements in soil carbon levels from baseline measurements can take considerable time, we expect to include further details and outcomes from this project in future reporting cycles.

Our existing Beef Cattle Herd Management Program, in its fifth year of the seven-year program, is estimated to have generated an additional 146,000 ACCUs for FY25.

The program recognises the carbon abatement activities undertaken across our properties which are reducing emissions from our cattle.

We have completed our multi-year solar bore program, transitioning from diesel to solar across our target bore sites. This substantial investment significantly reduces our reliance on diesel at target bore sites now and into the future.

Preparing for nature-related disclosures

To position ourselves for the emerging Taskforce on Nature-related Financial Disclosures (TNFD) framework, we have launched a new project in partnership with a consortium of leading universities and other industry partners.

This work aims to define what being a “nature-positive” business means in practice and to develop shared metrics that companies can use to measure:

- Dependencies and impacts on nature
- The outcomes of nature-positive actions
- Progress against biodiversity goals

The aim of this project is to help us formulate and communicate clear, science-based, nature-related goals to stakeholders.



Sustainability Information

For further details regarding our sustainability-related risk management, governance, material topics, methodologies, reporting frameworks and external assurance for sustainability reporting, please refer to the Sustainability Information section of this report.

Financial Report

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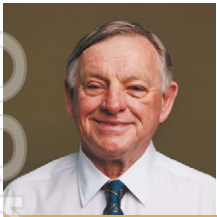
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Directors' Report

Your Directors submit their report for the year ended 31 March 2025

Directors

The names and details of the Company's Directors in office during the financial period and until the date of this report are set out in the following section. Directors were in office for the entire period unless otherwise stated.



Donald McGauchie AO

FAICD

(Chairman)

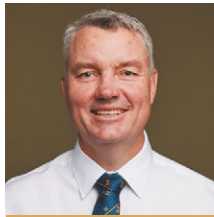
Mr McGauchie was appointed a Director of Australian Agricultural Company Limited on 19 May 2010 and subsequently Chairman on 24 August 2010.

His previous roles with public companies include Chairman of Telstra Corporation Limited, Chairman of NuFarm, Deputy Chairman of James Hardie, Director of GrainCorp Limited, Deputy Chairman of Ridley Corporation Limited, Director of National Foods Limited, Chairman of Woolstock, Chairman of the Victorian Rural Finance Corporation, Chairman of the Australian Wool Testing Authority, President of the National Farmers Federation from 1994 to 1998 and Director of Reserve Bank of Australia from 2000 to 2011.

In 2001, Mr McGauchie was named Rabobank Agribusiness Leader of the year and awarded the Centenary Medal for services to Australian society through agriculture and business.

In 2004 Mr McGauchie was appointed an Officer of the Order of Australia for services to the wool and grain industries.

During the past three years, Mr McGauchie has not served as a Director of any other listed company.



David Harris

BRurSc

(Chief Executive Officer)

Mr Harris was appointed Managing Director and Chief Executive Officer on 27 September 2022. Prior to this appointment, Mr Harris held the position of Chief Operating Officer from March 2020, and had also worked with AACo from 2016 in a contracted capacity reporting to the CEO and Board of Directors to improve operational aspects of the business.

With extensive supply chain experience across various aspects of Australian agriculture, Mr Harris has developed a broad depth of knowledge in the operation of large-scale intensive animal production systems, having previously held executive positions with Stanbroke, Smithfield Cattle Co. and having run a private agricultural consultancy business and family farming operations in central west New South Wales.

Mr Harris holds a Bachelor of Rural Science from the University of New England specialising in ruminant nutrition and meat science.



Stuart Black AM

FCA, FAICD, BA (Accounting)

Mr Black was appointed a Director on 5 October 2011. Mr Black is Chairman of the Audit and Risk Management Committee and a member of the Nomination Committee.

Mr Black has extensive experience in agribusiness. He is a non-executive director of Noumi Limited, a former non-executive director of Palla Pharma Limited, NetComm Wireless Limited, Coffey International Limited, and Country Education Foundation of Australia Limited, former Chairman of the Chartered Accountants Benevolent Fund Limited, and a past President of the Institute of Chartered Accountants of Australia. He was the inaugural Chair and is a past Board Member of the Australian Accounting Professional and Ethical Standards Board.

In 2012 he was appointed a Member of the Order of Australia for services to the profession of accounting, to ethical standards, as a contributor to professional organisations and the community.

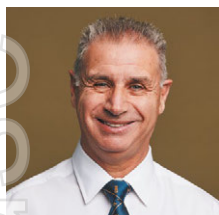
During the past three years, Mr Black has served as a Director of the following listed companies:

- Palla Pharma Limited – resigned April 2022
- Noumi Limited* – appointed March 2021

* Denotes current Directorship.

Directors' Report (continued)

Directors (continued)

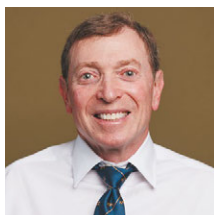
**Anthony Abraham**

BEc LLB (Accountancy and Law)

Mr Abraham was appointed a Director on 7 September 2014. Mr Abraham is Chairman of the People and Culture Committee and a member of the Audit and Risk Management Committee and Nomination Committee.

Mr Abraham has over 30 years' experience in banking, finance and investment management, including 20 years specifically in food and agriculture. Mr Abraham established Macquarie Group's agricultural fund's management business and is currently a member of ROC Partners' food and agricultural investment team.

During the past three years Mr Abraham has not served as a Director of any other listed company.

**Neil Reisman**

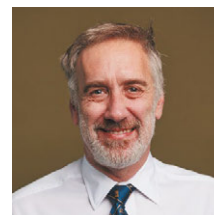
JD

Mr Reisman was appointed a Director on 10 May 2016. He is a member of the Audit and Risk Management Committee and the Nomination Committee and was appointed to the People and Culture Committee on 13 May 2025.

Mr Reisman has more than 30 years of business experience with emphasis on operations, legal, tax, investments and finance. He has worked at various multinational companies, including Tavistock Group, Arthur Andersen and Amoco Corporation.

He received his Juris Doctor in 1986 from the University of Pennsylvania Law School and his Bachelor of Science in Accountancy in 1983 from the University of Illinois.

During the past three years Mr Reisman has not served as a Director of any other listed company.

**Marc Blazer**

MSc (LSE), BA (UMD)

Mr Blazer was appointed a Director on 31 July 2019. Mr Blazer is Chairman of the Brand, Marketing & Sales Committee and a member of the Nomination Committee.

Mr Blazer is currently the Chairman and CEO of Overture Holdings, a consumer, food & beverage, and hospitality investment group. He was the co-owner and Chairman of the Board of Noma Holdings, the parent company of world-renowned restaurant noma based in Copenhagen; co-founder and Executive Chairman of New York based PRIOR, a global hospitality and travel company; and co-founder and CEO of Boutique Life Inc, the parent company for Boutique, a vacation rental booking platform.

In addition to his consumer and hospitality business activities, Mr Blazer has also had an extensive career in capital markets. He was a partner and the global head of investment banking at Cantor Fitzgerald, on the advisory board of Enertech, and also worked at ChaseMellon Financial Corp. Earlier in his career, Mr Blazer was an advisor to members of Congress in both the US House of Representatives and Senate on tax matters, banking and securities legislation, international trade policy, and foreign relations.

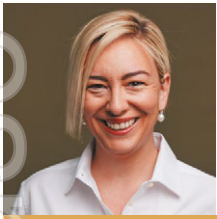
Mr Blazer earned a graduate degree from the London School of Economics in 1992, and a BA from the University of Maryland in 1990.

During the past three years Mr Blazer has not served as a Director of any other listed company.

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Directors' Report (continued)

Directors (continued)

**Jessica Rudd**

BCom LLB (Hons)

Ms Rudd was appointed a Director on 15 November 2017 and resigned on 13 May 2025. Ms Rudd was a member of the People and Culture Committee, Nomination Committee and Brand, Marketing & Sales Committee throughout the period, until her date of resignation.

In 2015, Ms Rudd founded Jessica's Suitcase, an e-commerce retail platform that offers high-quality Australian products direct to Chinese consumers through online cross-border channels. In 2018, Ms Rudd announced the sale of Jessica's Suitcase to eCargo Holdings (ASX:ECG), on whose board she served as a non-executive director until 2020.

Ms Rudd was the interim CEO of The Parenthood during 2023/2024 and is currently an Independent Director at Hostplus.

She has served on the Griffith University Council since January 2020 and was appointed co-chair of the National Apology Foundation in 2021. As of March 2023, Ms Rudd has served as Pro-Chancellor (People, Nominations and Remuneration) Griffith University.

Beginning her career as a media and intellectual property lawyer, Ms Rudd later worked in London as a crisis management consultant for a global communications firm before moving to Beijing, where she lived and worked for five years.

Ms Rudd served as Australia and New Zealand Lifestyle Ambassador for the Alibaba Group from 2016 until 2020. She holds a Bachelor of Laws (Hons)/ Bachelor of Commerce from Griffith University and was admitted to the Supreme Court of Queensland as a solicitor in 2007. She was awarded the Griffith University Arts, Education and Law Alumnus of the Year in 2013.

During the past three years Ms Rudd has not served as a Director of any other listed company.

**Sarah Gentry**

BEc, BCom

Ms Gentry was appointed a Director on 24 October 2022. Ms Gentry is a member of the Audit, Risk and Management Committee and Nomination Committee and was appointed to the Brand, Marketing & Sales Committee on 13 May 2025.

Ms Gentry is a Vice President at the Tavistock Group where she manages investments in the food, agriculture, health and technology sectors. She has experience in finance, operations, investments and marketing. Ms Gentry holds a Bachelor of Economics and a Bachelor of Commerce from the University of Queensland. She is a member of Chartered Accountants Australia and New Zealand.

During the past three years Ms Gentry has not served as a Director of any other listed company.

Directors' Report (continued)

Directors (continued)

**Joshua Levy**

BA (Hons), MSc

Mr Levy was appointed a Director on 22 December 2023. Mr Levy is a member of the People and Culture Committee and Nomination Committee.

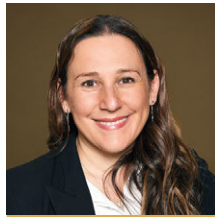
Mr Levy is Co-Chief Executive Officer of Tavistock Group, member of the Board of Directors and Executive Committee, where his responsibilities include investment strategy and portfolio management. He also serves as Chief Executive Officer of UK-headquartered specialist business lender, Ultimate Finance. Mr Levy has deep experience in food and hospitality serving as a non-executive Director of Mitchells & Butlers plc, a FTSE 250 group, and the UK's largest owner of managed pubs and restaurants, since 2015.

Mr Levy began his career in UK mergers and acquisitions and has worked at Tavistock Group since 2016. Prior to joining Tavistock, Mr Levy worked in investment banking at Investec Bank plc specialising in UK mergers and acquisitions and equity capital markets.

During the past three years, Mr Levy has served as a Director of the following listed company:

- Mitchells & Butlers plc* – appointed November 2015

* Denotes current Directorship.

**Nicole Sparshott**

BBus, MIB, EMC

Ms Sparshott was appointed a Director on 13 May 2025 and will stand for election as a Director at the Company's Annual General Meeting in July 2025. Ms Sparshott is a member of the Brand, Marketing & Sales Committee and Nomination Committee.

Ms Sparshott is a seasoned Executive and Director with more than 30 years of consumer goods and retail experience. She has lived and worked across international markets, with extensive time in Asia Pacific, UK, and Europe. Nicole's former Executive roles include Global Chief of Transformation for Unilever; CEO of Unilever Australia & New Zealand; Global CEO of luxury retailer, T2 Tea, and senior commercial roles spanning Asia Pacific. She was formerly a Non-Executive Director on the Australian Food & Grocery Council and Chair of Global Sisters.

Ms Sparshott currently serves as the Chair of the NSW based University of Technology's Vice Chancellors' Industry Advisory Board and is Non-Executive Director for the World Wildlife Fund.

During the past three years, Ms Sparshott has not served as a Director of any listed companies.

Company Secretary

Emily BirdLLB (Hons), BA (Psych), GDLP,
GD AppCorpGov, GAICD

Mrs Bird was appointed Company Secretary and General Counsel on 15 February 2024. Before joining the Company, Mrs Bird held the position of the General Counsel and Company Secretary of Michael Hill International Ltd. Mrs Bird has broad legal experience with in-house roles at Lactalis Australia (formerly Parmalat Australia), Virgin Blue (now Virgin Australia) and a secondment at Tarong Energy (now Stanwell Corporation), having started her legal career at Clayton Utz. Mrs Bird holds a Bachelor of Laws, Bachelor of Arts (Psychology), Graduate Diploma in Legal Practice, Graduate Diploma in Applied Corporate Governance and Risk, and has completed the Company Directors Course at the Australian Institute of Company Directors.

Directors' Report (continued)

Interests in the Shares and Options of the Company and Related Bodies Corporate

As at the date of this report, the interests of the Directors in the shares, options and performance rights of the Company were:

	Ordinary Shares	Options over Ordinary Shares	Performance Rights
Current Non-executive Directors			
D. McGauchie	1,120,774	–	–
S. Black	40,000	–	–
A. Abraham	30,000	–	–
N. Reisman	45,000	–	–
J. Rudd	32,258	–	–
M. Blazer	20,000	–	–
S. Gentry	9,261	–	–
J. Levy	–	–	–
N. Sparshott	–	–	–
Current Executive Directors			
D. Harris	102,807	–	1,172,625

Dividends and Earnings Per Share

	31 Mar 2025 Cents	31 Mar 2024 Cents
Earnings Per Share		
Basic earnings per share	(0.18)	(15.84)
Diluted earnings per share	(0.18)	(15.84)

No final or interim dividends were declared or paid during the current and prior financial period.

Operating and Financial Review

About AACo

The Australian Agricultural Company (AACo) is an Australian beef company with a heritage dating back to 1824. AACo is one of Australia's largest integrated cattle and beef producers, and is the oldest continuously operating company in Australia.

AACo's Business Activities

AACo controls a strategic balance of properties, feedlots, farms and a processing facility comprising around 6.5 million hectares of land and specialises in high-quality beef production.

Directors' Report (continued)

Operating and Financial Review (continued)

AACo's Business Model

AACo is a fully integrated branded beef business with three principal activities:

- Sales and marketing of high-quality branded beef into global markets;
- Production of beef including breeding, backgrounding and feedlotting; and
- Ownership, operation and development of pastoral properties.

AACo operates an integrated cattle production system across 19 owned cattle stations, three leased stations, two owned feedlots, two owned farms and one leased farm, located throughout Queensland and the Northern Territory.

AACo distributes branded beef to a range of customers across the world, tailoring its route-to-market model by country to capitalise on regional opportunities. The Company is large enough to obtain scale efficiencies but small enough to ensure the highest of production standards and produce some of the finest quality beef in the world.

Key Financial Indicators Used by Management

The following table summarises financial indicators used by Management to monitor and manage the Company. Operating Profit is one of the key performance metrics of the Company. It assumes all livestock inventory is valued on a \$/kg live-weight (LW) basis and is derived by adjusting statutory EBITDA to substitute the movement in livestock at market value with the movement at cost of production. Management therefore believe that external stakeholders benefit from this metric being reported, as it is a better reflection of actual financial performance under their control.

Operating Profit, Statutory EBIT and Statutory EBITDA are unaudited, non-IFRS financial information. Discussion on drivers of movements in key financial indicators are included in the Sales & Marketing, Production and Statutory Financial Results sections below.

	31 Mar 2025 \$000	31 Mar 2024 \$000	Movements \$000
Meat sales revenue	293,920	268,719	25,201
Cattle sales revenue	93,976	67,413	26,563
Operating Profit ⁽¹⁾	58,413	51,112	7,301
Statutory EBITDA	56,328	(87,856)	144,184
Statutory EBIT	27,550	(112,676)	140,226
Net loss after tax	(1,053)	(94,618)	93,565
Net cash inflow from operating activities	27,073	9,317	17,756

Operating Profit does not include unrealised livestock and foreign exchange movements, and market-based LTI expenses, while Statutory EBITDA does include these. A reconciliation of Operating Profit to Statutory EBITDA is included in note A5 to the financial statements.

Statutory EBITDA is earnings before interest, tax, depreciation and amortisation.

- (1) Operating Profit in the prior year has been restated to align with the current year's methodology. This change ensures consistency and improved comparability of financial information. The restatement does not impact previously reported net profit or net assets.

Directors' Report (continued)

Operating and Financial Review (continued)

Sales and Marketing

Meat sales revenues have increased on prior year, driven by 21% higher volumes from 16% more head processed versus prior year combined with an increase in cattle live weight kilograms. This was achieved through greater feeding capacity, with FY25 marking the first full annualised impact of the Goonoo Feedlot Expansion.

Increased volumes have been partially offset by lower average sales \$/kg, which were impacted during FY25 by challenging global market dynamics. Brand-building initiatives and nuanced in-market execution supported increased volumes, driven by the Westholme and 1824 brand activations, new retail partners and agile regional market shifts. Partnerships in key global regions enhanced brand execution, while the Company's global distribution network continues to be leveraged to protect price and position in key markets.

Cattle revenues have increased 39% on prior year, supported by improved market and pastoral conditions whilst maintaining the size and quality of the herd.

	31 Mar 2025	31 Mar 2024
Meat sales revenue – \$ mil	293.9	268.7
Meat kgs sold – mil kg CW ⁽¹⁾	16.5	13.6
Meat sold – \$/kg CW	\$17.85	\$19.85
Cattle revenue – \$ mil	94.0	67.4
Cattle sales – mil kg LW ⁽¹⁾	33.3	24.1

(1) CW – carton weight containing saleable boxed meat, LW – Live animal weight.

Production

Kilograms produced is a measure of the number of kilograms of live weight of cattle grown throughout the breeding, backgrounding and feedlot operations of the Company during the period, excluding the offsetting impact of attrition kilograms. Kilograms produced has increased 6% on the previous corresponding period, resulting from higher calving rates combined with an increase in average branding weights, achieved through sustainable land and herd management practices.

Cost of production is a measure of the operating costs to produce a kilogram of live weight of cattle throughout the breeding, backgrounding and feedlot operations of the Company during the period. This calculation is the sum of all annual production costs incurred at each of the Company's productive properties, divided by the number of total live weight kilograms produced over the period. Cost of production per kilogram produced has increased 5% on the previous corresponding period, primarily due to the impact of higher cattle expenses driven by inflationary impacts on inputs. Increased productivity and tight fiscal controls reduced the full impact of the commodity price increases.

Completion of the feedlot capacity expansion resulted in an increase of Wagyu production within the intensive feeding process which has a higher cost and higher value than other breeds, the impact of which has been partially offset by higher kilograms produced.

	31 Mar 2025	31 Mar 2024
Kilograms produced – mil kg LW	72.7	68.7
Cost of production – \$/kg LW	\$3.05	\$2.91

Operating Review

FY25 has been an opportunity to reflect on our 200-year history and set the foundation for a future of growth. We have continued to realise the benefit of our branded beef focus, generating resilient results despite challenging market conditions. This has been achieved from the strength of our partnerships and ability to leverage our global distribution network to maintain price tension. Investment and engagement with our brands and global distribution network softened the impact of these market conditions on overall price performance.

Whilst our results have been impacted by market price challenges for meat and cattle sales, our herd has produced materially higher output for meat and cattle sales, supporting a favourable sales revenue performance. Sustainable land and herd management has improved pasture health and led to increased productivity. Strategic investment in the development of natural assets continues to deliver benefits, as well as the continued investment in the quality, safety and performance of our assets. FY25 also marked the first full year of expanded operations at Goonoo Feedlot.

Directors' Report (continued)

Operating and Financial Review (continued)

Operating Review (continued)

We continue to build a simpler and more efficient AACo by leveraging our data across the breadth of our integrated supply chain, to provide decision making insights.

Livestock Movements

Livestock carrying values have reduced 3% on prior year, driven by a decline in market price of livestock, while herd size and animal weights remained stable.

Market values have fluctuated over the past year, leading to a net \$4.7 million market value decline on cattle values at the 31 March 2025 year-end date. This change in market price has been driven by supply in the market, and resulted in an unrealised mark-to-market adjustment on our herd. Our herd is primarily held for the production of beef and therefore the majority are not disposed of through the market sales process.

The herd headcount has remained stable following the herd rebuild in previous periods. The Company continues to leverage its integrated supply chain, supported by a largely self-sustaining herd, and maintains the flexibility to adjust its livestock holdings within sustainable carrying capacity parameters to align with strategic objectives.

Property

During FY25, the Company recorded a net \$45.9 million increase in the fair value of the Company's Pastoral Property and Improvements. This increase reflects continued investment to enhance the performance and safety of our high quality asset portfolio, as well as the uplift from the Goonoo Feedlot Expansion and market increases seen in comparable property sales.

Consistent with prior years, the Company reflects potential risks and impacts of climate change as part of the valuation methodology, by ensuring the pastoral property values are based on a long-term view of sustainable carrying capacity and rates applied that reflect sustainable management practices.

Statutory Financial Results

The FY25 results include a Statutory EBITDA profit of \$56.3 million, reflecting improved operating performance. This was driven by higher sales revenue and favourable cattle fair value adjustments, with the \$4.7 million unrealised market valuation decrease on the herd being significantly lower compared with FY24 (\$149.4 million decrease).

Key Financial Results are summarised as follows:

- Total sales revenue of \$387.9 million achieved, compared with \$336.1 million in FY24, driven by higher sales volumes of both meat and cattle;
- Operating Profit of \$58.4 million, compared with an Operating Profit of \$51.1 million in FY24. The operating performance reflects the strength and quality of our integrated supply chain and continued momentum of commercial brands which softened the impact of a challenging global beef market;
- Statutory EBITDA profit of \$56.3 million, compared with a Statutory EBITDA loss of (\$87.9 million) for FY24, primarily driven by the impact of unrealised mark-to-market valuation movements of the herd;
- Positive net operating cash flows of \$27.1 million, compared with \$9.3 million in FY24, driven by the strategic management of volumes and meat sales coupled with a disciplined approach to cost management;
- Cost of production per kilogram produced increased 5% on the previous corresponding period, primarily due to an increase of Wagyu production within the intensive feeding process which has a higher cost and higher value than other breeds, partially offset by higher kilograms produced;
- Average Wagyu meat sales price per kilogram decreased by 10% in FY25, impacted by global price dynamics in the branded meat market; and
- The Company maintained a strong balance sheet, with comfortable headroom under its bank covenants.

Directors' Report (continued)

Operating and Financial Review (continued)

Net Tangible Assets

The Company's net tangible assets per share was \$2.55 as at 31 March 2025, compared to \$2.51 as at 31 March 2024, primarily driven by the improvement in our Pastoral Property portfolio values, partially offset by the unrealised mark-to-market valuation decline of our herd.

Risk Management

As an international branded beef business with a global supply chain, AACo faces various risks which could have a material impact on its future strategy and financial performance.

The nature, likelihood, timing and potential impact of risks are not static and are impacted by the Company's ability to manage and mitigate these risks. In the current climate of heightened uncertainty, long established trade and geopolitical norms are shifting, which increases the difficulty of assessing the likelihood and impact of risks. This heightened climate also increases the potential for several relatively minor risks to converge into a new risk that was unforeseen and is material to the business. We concentrate our risk planning on those risks relating to factors that management can measure and reasonably control, and consider mitigation strategies if available.

AACo faces some material risks that cannot be mitigated by preventative strategies. In such instances, the Company's approach is to recognise the risk and have action plans in place to respond effectively if or when the risk crystallises. Some risks may crystallise in ways which present opportunities for AACo. The strength of AACo's balance sheet enables it to adapt to strategic risks and capture strategic opportunities as emerging climate and transition risks become apparent and possible impacts become clearer.

As noted in the Board Charter, overall accountability for risk management lies with AACo's Board. The AACo Risk Management Framework and risk appetite are reviewed and approved annually by the Board. The Audit and Risk Management Committee assists the Board in its oversight of risk management. Responsibility for establishing and implementing the risk management framework and for implementing the internal controls and processes to manage risk is delegated to the Managing Director/Chief Executive Officer with the Executive Leadership Team. Management monitor our strategic and tactical environment for new and emerging risks on a continual basis. Climate change and climate transition risks are managed in line with other business risks under this framework.

Further information on risk management can be found in the Risk Management Policy and Audit & Risk Management Committee Charter on the Company website. Further information on climate risk can be found in the Sustainability Information section of this report.

Below is an outline of material risks identified by the Company which could have an adverse effect on AACo's financial performance; this outline is not exhaustive and risks are not presented in order of materiality.

Business Risk	Description	Mitigation/Management
Business Disruption from Extreme Weather Events	<p>Adverse weather conditions have historically caused variability in the agricultural sector, including droughts, floods and wildfires. AACo's infrastructure and assets can be impacted by these events, including potential loss of livestock and damage to domestic buildings, pastoral infrastructure and farm crops.</p> <p>Widespread weather events such as the 2025 Queensland floods may cause extensive damage to regional communities and road networks, and cause disruptions to transport operations even when the Company's assets are not directly impacted. These events can also impact the procurement of key inputs such as feed grain, resulting in delivery delays or impacting the quality of feed inputs.</p>	<p>The Company is conscious of these climatic factors and invests in mitigation strategies where possible. Consideration of seasonal risk is incorporated into ongoing operations as well as budgeting and operational planning.</p> <p>AACo has property flood operational plans which identify higher risk areas and flood response plans. The Company also invests in flood preparedness such as the construction of flood refuge banks which provide temporary holding areas for cattle during flooding events.</p> <p>AACo monitors fire risk and implements management practices such as early burning in the dry system to suppress the risk of grass fuel.</p>

Directors' Report (continued)

Operating and Financial Review (continued)

Risk Management (continued)

Business Risk	Description	Mitigation/Management
Trade and Tariff Risk	<p>As a global exporter AACo is exposed to changes in long established trade relationships between the Americas, Europe, UK and Asia. The emergence of uncertainty and friction as trade flows realign may impact the Company through disruption to freight networks, availability of commodities and capital equipment or increased likelihood of conflict.</p> <p>Sudden changes to market entry requirements, including tariffs, import quotas, traceability requirements and licensing of abattoirs may directly or indirectly impact Australian beef exports. These impacts may constrain AACo's ability to access or compete in key markets.</p> <p>In addition to direct impacts on Australian beef, acute or sustained uncertainty may damage consumer and business confidence, increasing the likelihood of other macro-economic risks.</p>	<p>Realignment of global beef supply and demand dynamics may create both risks and opportunities for AACo.</p> <p>AACo views its Wagyu supply chain in the context of a global marketplace, and it has been intentionally structured to create flexibility and allow us to respond to changing market conditions with a strategic allocation of product.</p> <p>Changing conditions in one market may open opportunities in others, and the flexibility of AACo's global supply chain gives us agility to pursue those opportunities.</p>
Macro-economic Risk	<p>A significant global economic slowdown, recessions or other shocks such as a new pandemic may impact demand for AACo's product if consumers draw back on discretionary spending.</p> <p>A recession may precipitate a credit crunch that would constrain trade accounts for AACo's distributors.</p> <p>Monetary policy response to macroeconomic shocks may rapidly affect the relativity of exchange rates. AACo receives a significant portion of its revenue in US dollars and a sustained appreciation of the Australian dollar against the US dollar may impact financial performance.</p> <p>These macro-economic factors, either individually or in aggregate, may put pressure on market demand and pricing for AACo's product and adversely impact financial performance.</p>	<p>AACo's scale and strong relationships make it adaptable to changes in its key target markets for beef sales. The Company derives its revenue from premium food service and retail, and can access and supply other product tiers and channels in the event of a global economic slowdown.</p> <p>The Company's relationships and different channels for the sale of beef enable product to be strategically sold across the globe during challenging market conditions.</p> <p>Further information on foreign currency risk and how AACo hedges our foreign exchange exposure can be found in note D2 of the financial statements.</p>
Climate Change and Climate Transition	<p>AACo is exposed to physical and transition risks associated with climate change in the short, medium and long term.</p> <p>In the short to medium-term transition risks associated with a lower-carbon economy, including policy, legal, technology, market and reputation changes may influence AACo's strategy and business operations.</p> <p>Long term changes in climate patterns, such as precipitation and heat, may affect AACo's pasture productivity, land condition, and livestock production. Climate change may increase the frequency and severity of extreme weather events, causing business disruption.</p>	<p>The impact of climate change and transition may present both risks and opportunities for AACo.</p> <p>AACo's focus and investment in nature and land condition in its estate, and application of a sustainable stocking model are intended to place its supply chain in the best possible state to manage the physical risks of climate change.</p> <p>AACo regularly engages with a range of partners, such as universities, research organisations, government and industry on physical and transition risks. The Company continues to develop its approach to identifying and managing climate related risks and opportunities and preparing for Australia's mandatory climate disclosures.</p> <p>Further detail on climate related risks and opportunities can be found in the Sustainability Information which forms part of this integrated report.</p>

Directors' Report (continued)

Operating and Financial Review (continued)

Risk Management (continued)

Business Risk	Description	Mitigation/Management
Biosecurity	An outbreak of animal disease in Australia could significantly impact the Australian cattle industry. Australia's international trade status for cattle and beef products depends on its disease-free status. Trade controls imposed by international markets because of an animal disease outbreak in Australia may adversely impact revenue.	<p>AACo works closely with industry associations, external advisors, as well as the federal, state and territory governments to ensure the Company is obtaining the latest information and advice regarding biosecurity risks.</p> <p>AACo's biosecurity plans are continuously reviewed and updated, to monitor and mitigate risks to our supply chain from the potential spread of diseases across the industry. The Company undertakes biosecurity training for operational staff. We have also established offshore storage locations for genetic materials to safeguard lineages.</p>
Health and Safety	The health, safety, and wellbeing of our people is a core priority. The Company recognises the risks associated with not providing a safe working environment, including the potential for serious physical and psychological injuries or fatality. Such incidents would have a significant impact on our people, their families, and communities, with likely reputational, operational, and financial impacts.	<p>AACo addresses this risk through the implementation of its Wellbeing, Health and Safety Strategy and Safety Management System. These frameworks support ongoing risk and hazard identification, control, and mitigation, underpinned by targeted education programs.</p> <p>The Company remains focused on proactively managing both physical and psychological risks to embed a culture of accountability and care across our operations.</p>
Animal Health and Welfare	<p>AACo manages a significant number of animals as part of its ongoing operations. The cattle herd operates across expansive properties with the view of rearing them in the most natural possible conditions.</p> <p>As individual properties are up to 1.2 million hectares in size, it is not practicable to observe every animal at all times. Whilst various circumstances have the potential to result in animal related accidents and incidents, the health and welfare of these animals is of the utmost importance to the Company.</p> <p>An event related to actual or claimed animal health and welfare issues could cause substantial harm to the Company's reputation and brands.</p>	<p>The risk of animal stress or mishandling is managed as a strategic and operational imperative.</p> <p>AACo employs a strong operational team with experience in applying best practices to animal wellbeing. Ongoing training is provided to staff, supported by our Standard Operating Procedures. Handling or interacting with animals is undertaken applying the highest possible standards.</p> <p>AACo has an Animal Health and Welfare Committee which aims to ensure best practices are implemented across our operations. Any concerns raised in relation to animal welfare are identified, recorded and investigated, and escalated to Senior Management if required.</p> <p>In addition to dedicated animal welfare checks and activities, employees are trained to observe animal health as part of their routine operational activities. AACo also invests in infrastructure to support the application of industry leading practices.</p>

Directors' Report (continued)

Operating and Financial Review (continued)

Risk Management (continued)

Business Risk	Description	Mitigation/Management
Customer and Market Concentration Risk	A significant portion of AACo's meat sales are concentrated with a small number of customers and markets, as detailed in note A5 of the Financial Statements. Sudden variations in demand, such as the sudden loss of a key customer, loss of market access, or changes in foreign market dynamics impacting in-market beef supply/demand, may have an adverse impact on financial performance of the Company as alternative routes to market may generate lower margins.	<p>AACo has strong relationships with its distributors, many of which have significant scale and presence in their respective markets.</p> <p>The Company's Wagyu supply chain has been intentionally structured to create flexibility in the context of a global marketplace and allow us to respond to changing market conditions with a strategic allocation of product.</p> <p>Coupled with a sustained global demand for beef, this network gives AACo the ability to adapt to market dynamics.</p>
Commodity Pricing	Transactional commodity price risks exist in the sale of cattle and unbranded beef. Other commodity price exposures include feed inputs for our feedlot operations. Commodity pricing is influenced by local and global factors including climatic conditions and geopolitics.	<p>The strength of the Company's balance sheet provides the ability for it to adapt to fluctuating commodity pricing.</p> <p>For feedlot commodities, price risk is mitigated where possible through internal production, on-site storage & entering into forward purchase contracts. Purchases of commodities may be for a period of up to 12 months.</p> <p>Cattle price risk is managed through the monitoring of market performance. Where possible during sudden changes within market conditions, cattle are held until prices normalise.</p> <p>Beef price risk is managed through the flexibility of our Wagyu supply chain and global customer base.</p>
Cyber Risk	AACo relies on internal resources and third-party technology providers to support its IT operations. A cyber-attack could disrupt operations and/or result in unauthorised exposure of personal and commercial data, potentially causing reputational damage.	A robust IT monitoring and security program is in place to proactively manage and mitigate threats from malicious and unintended breaches of the Company's information, infrastructure, and systems. This includes a Cyber Crisis response plan and undertaking regular threat testing.
Debt Obligations	AACo's debt facilities are subject to financial covenants over a Loan to Value Ratio (LVR). If the Company fails to maintain these covenants its debt may become callable. The Company sets gearing ratios and safety thresholds to ensure no breach occurs. LVR is monitored regularly to ensure sufficient headroom is maintained under its current Club Debt Facility.	The Company's strategic asset base of Pastoral Property and Improvements and livestock provides significant headroom under current and foreseeable drawn debt levels. Strategic decisions regarding Company assets are considered with regards to implications on the Company's LVR, to mitigate the risk of financial covenants being breached.
Food Industry Risk	A significant majority of AACo's revenue is derived from the sale of branded Wagyu beef for human consumption. The risk of spoilage or contamination in this product exists. While AACo uses the services of third-party meat processors and typically exits the value chain before product reaches the end consumer, such an incident has the potential to harm the Company's brands which could lead to a loss of revenue.	<p>AACo applies strict animal health controls on its pastoral operations and in its feedlots, and this risk is managed in meat processing plants through the HACCP (Hazard Analysis and Critical Control Point) accreditation and audits.</p> <p>AACo monitors its product for the majority of supply chain, allowing the Company to maintain its own exacting standards for the handling of product.</p>

Directors' Report (continued)

Operating and Financial Review (continued)

Risk Management (continued)

Business Risk	Description	Mitigation/Management
Insurance Risk	AACo maintains insurance coverage in respect of its businesses, properties and assets. Some risks are not able to be insured at acceptable prices. Insurance coverage may not be sufficient and if there is an event causing loss, it may be that not all financial losses will be recoverable.	AACo structures its insurance program such that material risks closest to our customers and revenue are insured, minimising the risk of unrecoverable financial loss arising from disruptions in the terminal end of the Company's supply chain, where significant investment in cost of production is concentrated.
Renewal of Pastoral Leases	Land held under pastoral leases and similar forms of Crown leasehold in Queensland and the Northern Territory comprise a substantial portion of the assets of the Company. Leasehold properties in Queensland are mainly pastoral holdings which are rolling term leases with right of renewal. The Northern Territory pastoral leases held by AACo have been granted in perpetuity. In the unlikely event that these leases are not resumed; or future legislation in either Queensland or the Northern Territory changes the status or conditions of these leases, AACo's financial performance may be adversely affected.	There is no history in Australia of pastoral leases not being renewed in the normal course of events.
Regulatory Risk	AACo is regulated by the laws and regulations of the countries in which it operates. The introduction of new laws and regulations may impact AACo's financial performance by altering production processes, increasing expenditure on compliance or restricting access to certain markets.	<p>AACo monitors proposed regulatory changes which have the potential to impact our integrated supply chain domestically and internationally. AACo seeks opportunities to consult, make submissions and have ongoing dialogue with key Australian Federal, State and Territory Government ministries and departments, and Australian industry groups who advocate for our industry both domestically and globally.</p> <p>Where international regulatory developments impact on our global distribution network, the business ensures this is adequately considered, scenarios modelled and communicated at the appropriate levels of leadership and Board. The business is able to remain agile to changes and leverage its global distribution network for opportunities.</p>

Business Strategies, Likely Developments and Expected Results

The Board is committed to increasing shareholder value, and during the period has completed a review of the Company's strategic direction. Whilst we will remain focused on maximising earnings and value creation from our premium branded beef operations including our extensive global distribution network, the strategy development includes various alternative areas for value generation, through unlocking the value of our vast asset base and skill sets while furthering sustainability initiatives.

Directors' Report (continued)

Significant Changes in the State of Affairs

There have been no significant changes in the state of affairs of the Company during the financial year.

Significant Events After Balance Sheet Date

There have been no significant events after the balance sheet date which require disclosure in the financial report.

Environmental Regulation and Performance

Some regulated areas of operation are:

- The operations of Goonoo and Aronui Feedlots are regulated by licences issued under the *Environmental Protection Act 1994 (Qld)* and administered by the Queensland Department of Agriculture and Fisheries (DAFF). Each feedlot is required to report to the National Pollution Inventory each year with respect to water, air and soil quality. The Company recorded no breaches of licence requirements in the year to 31 March 2025.
- The pumping of water from the Comet River for irrigation and feedlot use at Goonoo Station is subject to licensing under the *Sustainable Planning Act 1997 (Qld)* and the *Water Act 2000 (Qld)*. Regulations specify minimum water flows and heights in the river to allow sufficient environmental flows. Goonoo Station and Wylarah Station have licences to harvest water for irrigation purposes. The pumping of underground water for the prescribed purpose of 'Livestock Intensive' requires licensing, and regular reporting and monitoring. The Company has several licences allowing this pumping subject to these regulations and conditions being met.
- The Company holds other water access rights in the Gulf region of Queensland that currently remain unused; however, should the Company begin to access water under these licenses, the pumping of water under these licenses would be subject to regulations under the *Sustainable Planning Act 2009 (Qld)* and the *Water Act 2000 (Qld)*.
- The pumping of water from the Adelaide River is subject to licensing under the *Water Act 1992 (NT)*. Tortilla Station holds a licence to harvest water, subject to regular reporting and monitoring.
- Stock watering facilities which utilise bores require licensing in Queensland and registration in the Northern Territory.
- Stock water facilities shared with Queensland Stock Routes are administered by local governments, guided by legislation and framework developed by the Queensland Government. Shared water facilities need to comply with registered Stock Route water agreement requirements. A Permit to Occupy is also required if this facility is unfenced within a station grazing area.
- Vegetation Clearing Permits are sought under the *Vegetation Management Act 1999 (Qld)* for any clearing required for ongoing operations including but not limited to the development of areas for land use change and the installation of infrastructure such as fence lines and water development.
- The Company continues to be involved in consultation processes; for example, in the areas of Water Resource Planning, Wild Rivers legislation and the conversion of land titles in relevant areas.
- The Company must abide by environmental and other obligations contained in Queensland's State Rural Leasehold Land Strategy in respect of the Company's pastoral leasehold interests in Queensland. The State Rural Leasehold Land Strategy is a framework of legislation, policies and guidelines supporting the environmentally sustainable, productive use of rural leasehold land for agribusiness.
- Northern Australian Beef Limited (NABL), a wholly-owned subsidiary of the Company, owns the Livingstone Beef Processing Facility and land at Livingstone Farm, Noonamah, Stuart Highway, Northern Territory. NABL holds, and must comply with an Environmental Protection Licence (EPL) under the *Waste Management and Pollution Control Act 1998 (NT)* for the storage, treatment, recycling and disposal of waste in connection with the facility.

The EPL contains stringent and detailed environmental requirements overseen by the Northern Territory Environment Protection Authority (NT EPA). NABL and the NT EPA continue to work together constructively to monitor compliance with the EPL.

There have been no known breaches of compliance with environmental regulations during the year ended 31 March 2025.

Directors' Report (continued)

Share Options

Unissued Shares

As at the date of this report, there were 7,825,847 unissued ordinary shares under performance rights. There are no unissued ordinary shares under options.

Performance rights holders do not have any right, by virtue of the performance right, to participate in any share issue of the Company or any related body corporate or in the interest issue of any other registered scheme.

Shares Issued as a Result of the Exercise of Options

During and since the end of the financial period, there were no options exercised to acquire shares in the Company.

The Company's Performance Rights Plan has been in place since 2011 for incentive awards comprising performance rights. The performance rights will remain until such time as they are either exercised or the rights lapse.

There were 208,451 shares issued on exercise of performance rights under the AACo Performance Rights Plan during the year, relating to the 2021 and 2022 performance year Deferred Equity Awards.

Indemnification and Insurance of Directors and Officers

Under the Company's Constitution, each of the Company's Directors, the Company Secretary and every other person who is an officer is indemnified for any liability to the full extent permitted by law.

The Company's Constitution also provides for the Company to indemnify each of the Company's Directors, the Company Secretary and every other person who is an officer to the maximum extent permitted by law, for legal costs and expenses incurred in defending civil or criminal proceedings.

Each Director has entered into a Deed of Access, Insurance and Indemnity, which provides for indemnity against liability as a Director, except to the extent of indemnity under an insurance policy or where prohibited by statute. The Deed also entitles the Director to access Company documents and records, subject to confidentiality undertakings.

The Company maintains Director's and Officer's insurance policies, to insure the Company's Directors, Company Secretary and those Directors and officers of its subsidiaries. The Company has paid or has agreed to pay the premium for these policies.

The terms of the insurance contracts prohibit the Company from disclosing the level of premium paid and the nature of the liabilities insured.

Corporate Governance Statement

The Company's Corporate Governance Statement sets out the corporate governance framework adopted by the Board of Australian Agricultural Company Limited. This statement is publicly available on the Company's external website: www.aaco.com.au/investors-media/corporate-governance.

Board Skills Matrix

The aim of the Board Skills Matrix is to set out the mix of skills that the Board currently has and is looking to achieve. It is a summary of the Company's internal assessments of the Board. Information is obtained from a Director review of skills and competencies completed for each Director. This information is summarised into the Board Skills Matrix.

Directors' Report (continued)

Corporate Governance Statement (continued)

Board Skills Matrix (continued)








The Board recognises that each Director will not necessarily possess experience in all areas relevant to the Company's operations and therefore seeks to ensure that its membership includes an appropriate mix of Directors with skills, knowledge and experience in agriculture, other relevant industry sectors, general management and finance. A summary of the Board's skills, knowledge and experience is set out in the table below:

Skill/Knowledge/Experience	Description of Skill	Out of 9 Directors ^{(1), (2)}
Leadership and Governance		
Legal and Organisational Governance	Knowledge and experience in corporate, environment, and social governance, compliance, legal, and regulatory requirements for listed entities.	
Strategy	Experience in identifying and critically assessing strategic opportunities and threats, including utilisation of assets to drive value and strategic objectives, and overseeing transformational programs and initiatives.	
Key Stakeholder Relationship and Management	Experience engaging with and considering expectations of shareholders, industry bodies, community groups and government and regulators (including engagement with policy changes and initiatives) and management of communications with relevant stakeholders.	
Board Leadership	Leadership experience, including previous, relevant experience as a non-executive director. Familiarity with Board processes and procedures, investor engagement and continuous disclosure regimes.	
Health and Safety	Knowledge and experience in identification and management of health and safety risks and monitoring the efficacy of health and safety systems and processes.	
Sustainability	Experience in (and understanding of) corporate sustainability and best practice to manage the Company's impact on the environment and community, and the potential impact of climate change on the Company.	
Technology, Data and Investment		
Innovation and Investment	Experience in (and understanding of) opportunities for innovation and investment (including in new products), overseeing the development of strategic investment.	
Technology and Data	Experience in innovative technology platforms (particularly with a focus on operational improvement) and data management and optimisation (including data security).	
Sectoral Experience		
Livestock	Experience in significant livestock operations and activities, including breeding, growing out, feed lotting and associated processing and manufacturing operations.	
Agribusiness	Experience in the agribusiness industry, including areas such as farming, cropping, grazing, land management.	

Directors' Report (continued)

Corporate Governance Statement (continued)

Board Skills Matrix (continued)

Skill/Knowledge/Experience	Description of Skill	Out of 9 Directors ^{(1),(2)}
Sales and Marketing		
Sales and Distribution	Experience developing and executing sales strategies across global markets, including experience in forecasting, logistics (including distribution) and customer relationship management.	
Branding and Marketing	Experience managing strategic branding initiatives and associated marketing strategies (including channel selection and prioritisation).	
Finance, Capital Management and Risk		
Accounting and Financial Reporting	Experience in relevant financial accounting or management and reporting practices for large organisations. Preparation and analysis of financial statements, budgets, and forecasts, and management of internal and external audit procedures.	
Capital Management	Experience in the strategic allocation and oversight of financial resources to ensure a company's liquidity, profitability, and long-term growth, and management of working capital, investment decisions, financing strategies, and financial risks to optimise the overall cost of capital and maximise shareholder value.	
Risk Management	Experience identifying, monitoring and managing material financial and non-financial risks.	
People		
People and Organisational Leadership	Experience with HR organisational structures, culture and capability, including values alignment and inclusion, as well as succession planning for key leadership roles in the organisation. Understanding of remuneration frameworks and their application, including linkage to strategy.	
Geographic experience		
International Markets	Experience managing business operations in international markets, including one or more of the Company's strategic international markets.	

Measurement of Skill



Specialist
Specialised knowledge and extensive experience in the relevant area, including formal qualifications (where relevant).



Experienced
Demonstrated and relevant prior experience in the area.



Developing
Some exposure, engagement and professional development in the relevant area.

(1) Includes the MD/CEO.

(2) Includes Directors appointed as at 31 March 2025.

Directors' Report (continued)

Remuneration Report (Audited)

This remuneration report for the year ended 31 March 2025 outlines the remuneration arrangements of the Company in accordance with the requirements of the *Corporations Act 2001* (the Act) and its regulations. This information has been audited as required by section 308(3C) of the Act.

The remuneration report details the remuneration arrangements for Key Management Personnel (KMP) of the Company, who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the Group, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

For the purposes of this report, the term 'executive' encompasses the Managing Director/Chief Executive Officer (MD/CEO), designated senior executives and the Company Secretary of the Company and the Group.

The remuneration report is presented under the following sections:

1. Individual Key Management Personnel (KMP)
2. Executive remuneration framework (overview)
3. Executive contractual arrangements
4. Link between remuneration and performance
5. Remuneration of Key Management Personnel – Executives
6. Board oversight of remuneration
7. Non-Executive Director (NED) remuneration arrangements
8. Equity instruments disclosures
9. Shareholdings and other mandatory disclosures

1. Individual Key Management Personnel

Details of KMP of the Company are set out in the following sections.

(i) Directors

D. McGauchie	Chairman, Non-executive Director	Independent	Appointed 19 May 2010
S. Gentry	Non-executive Director	Non-Independent ⁽¹⁾	Appointed 24 October 2022
J. Levy	Non-executive Director	Non-Independent ⁽¹⁾	Appointed 22 December 2023
S. Black	Non-executive Director	Independent	Appointed 5 October 2011
A. Abraham	Non-executive Director	Independent	Appointed 7 September 2014
N. Reisman	Non-executive Director	Independent	Appointed 10 May 2016
J. Rudd	Non-executive Director	Independent	Appointed 15 November 2017
M. Blazer	Non-executive Director	Independent	Appointed 31 July 2019

(ii) Non-independent Directors

S. Gentry	Ms S. Gentry is not considered independent as she is an officer of Tavistock Group which controls the AA Trust which is a major 53.09% shareholder of the Company
J. Levy	Mr J. Levy is not considered independent as he is an officer of Tavistock Group which controls the AA Trust which is a major 53.09% shareholder of the Company

(1) These Directors of the Company were determined to be non-independent. See (ii) above for further details.

Directors' Report (continued)

Remuneration Report (Audited) (continued)

1. Individual Key Management Personnel (continued)

(iii) Executive KMPs

D. Harris	Managing Director and Chief Executive Officer ⁽²⁾	Appointed 27 September 2022
A. O'Brien	Chief Commercial Officer	Appointed 17 December 2018
J. Huntington	Executive General Manager – Corporate Services	Appointed 13 December 2022
G. Steedman	Chief Financial Officer	Appointed 13 February 2023
E. Bird	Company Secretary/General Counsel	Appointed 15 February 2024

(2) Mr D. Harris is not an independent Director by virtue of his appointment to executive office as MD/CEO.

2. Executive Remuneration Framework (Overview)

Remuneration Strategy and Policy

CEO and Key Management Personnel (KMP)

Consistent with contemporary corporate governance standards, the Company's remuneration strategy and policies aim to set employee and executive remuneration that is fair, competitive and appropriate for the markets in which it operates whilst being mindful of internal relativities. The Company aims to ensure that the mix and balance of remuneration is appropriate to reward fairly, attract, motivate and retain senior executives and other key employees.

Appropriate remuneration policy settings will be achieved by consistently applying a clear remuneration strategy directed at supporting the Board approved business strategy, with appropriate and flexible processes, policies and procedures established by the Board from time to time.

Specific objectives of the Company's remuneration policies include the following:

- Provide competitive total rewards to attract and retain high calibre employees and executives;
- Provide fair and competitive fixed remuneration for all positions, under transparent policies and review procedures;
- Have a meaningful portion of remuneration "at risk", dependent upon meeting pre-determined performance benchmarks;
- Link MD/CEO and senior executive rewards to achieving short, medium and long-term key performance criteria;
- Establish appropriate and demanding performance hurdles for any executive incentive remuneration;
- Payment of cash bonus short-term incentives (STI), which is at the discretion of the Board after assessing the performance of the Company and the MD/CEO and other senior executives against agreed performance hurdles;
- Offer participation in the long-term incentives (LTI) plan to the MD/CEO and other senior executives; and
- Provide Deferred Equity Awards (DEA), in the form of grants of performance rights to the MD/CEO and other senior executives with deferred vesting of two years (50%) and three years (50%). The DEA awarded to an executive is generally set at 50% of the amount of any STI cash bonus paid to the executive.

Directors' Report (continued)

Remuneration Report (Audited) (continued)

2. Executive Remuneration Framework (Overview) (continued)

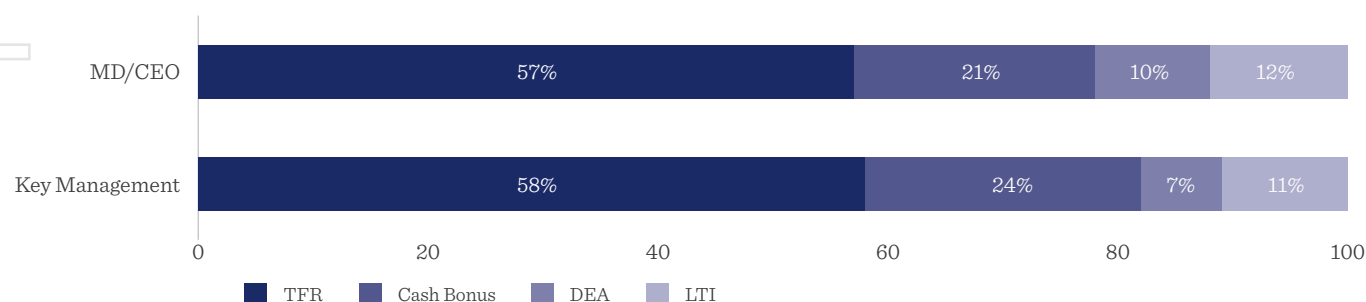
Remuneration Strategy and Policy (continued)

CEO and Key Management Personnel (KMP) (continued)

The following table illustrates the structure of the Company's executive remuneration arrangements for the year ended 31 March 2025:

Remuneration Component	Objective			
	Attract and Retain High Calibre Employees	Motivate and Reward Outstanding Performance	Align to Shareholder Returns	
	Total Fixed Remuneration	At Risk Remuneration		
Short-Term Incentive (STI)		Long-Term Incentive (LTI)		
Mechanism	Base salary, superannuation and any 'packaged' benefits including FBT grossed-up on a Total Employment Cost (TEC) basis	Cash bonus	Deferred Equity Award (DEA) (Performance Rights)	Deferred Equity (Performance Rights)
Purpose	Reward for role size and complexity and external and internal relativities	Reward for contribution to achievement of business outcomes and individual KPIs	Reward for contribution to achievement of business outcomes and individual KPIs, as well as retention	Aligns remuneration of the Company's senior executives with the long-term strategic goals of the Company and shareholders, as well as retention
Link to Performance	No link to Company performance although reviewed annually with consideration given to the performance of the Company and business unit in the remuneration review	STI for executives is calculated with a balance across financial, non-financial and individual performance against goals	Generally, equal to 50% of the STI cash bonus earned and subject to two-year (50%) and three-year (50%) service vesting conditions	Linked to the Company's stock price as well as meeting individual service conditions
Performance Measures	Key performance criteria that align with the strategic and financial priorities of the business	Financial, Strategy and Safety objectives	Financial, Strategy and Safety objectives	Volume weighted average price (VWAP) of Company shares sold on the ASX

The FY25 remuneration for current executives can be represented broadly, as follows:



Directors' Report (continued)

Remuneration Report (Audited) (continued)

2. Executive Remuneration Framework (Overview) (continued)

Remuneration Strategy and Policy (continued)

Structure

Remuneration is determined as part of an annual performance review process, having regard to market factors, relevant comparative data, a performance evaluation process and independent remuneration advice, where necessary.

Total Fixed Remuneration (TFR)

Total fixed remuneration comprises cash and other benefits and entitlements to provide a base level of remuneration which is both appropriate to the role and responsibilities, reflects current market conditions, the individual's seniority and overall performance of the Company and the relevant business units.

For all Australian based executives, superannuation is included in TFR, and benefits provided for Fringe Benefits Tax purposes, grossed up.

Executive contracts of employment do not include any guaranteed base pay increases.

The fixed component of the executives' and MD/CEO's base remuneration is detailed in the tables on page 72.

Short-Term Incentives (STI)

The Company operates an annual STI program that is available to executives and non-enterprise agreement covered employees, which awards a cash bonus subject to the attainment of business objectives which are set at the commencement of the performance period, as well as individual performance ratings.

The aim of the STI is to measure and drive success against business objectives, which are established annually by the MD/CEO and the Board. Targets are set at a level to provide sufficient incentive to executives to achieve its strategic and operational objectives, at a potential STI cost to the Company that is reasonable in the circumstances.

Actual STI payments awarded to each executive depend on the extent to which specific targets for a financial year are met. The targets consist of a number of key performance indicators covering financial, strategic and safety performance targets, as well as individual performance against role specific goals. These measures were chosen as they represent the key drivers for the short-term success of the business and provide a framework for delivering long-term value.

Under the arrangements approved by the Board, the general principles that will apply are that the executive will receive an STI in the form of a cash bonus that is generally set at a maximum of 50% of the executive's total fixed remuneration. The STI will be paid within three months of the financial year end in which the executive's performance is being measured.

In addition, executives who are paid an STI cash bonus will receive a Deferred Equity Award (DEA) which is generally equal to 50% of the amount of the STI cash bonus paid. The DEA is in the form of a grant of performance rights under the Performance Rights Plan and is subject to two-year (50%) and three-year (50%) service vesting conditions i.e. vesting of the DEA is subject to the executive still being employed by the Company at the relevant vesting date. The DEA is typically awarded subsequent to the financial year to which it relates, and formally granted shortly after.

The Company has a Good Leaver and a Bad Leaver Policy. If an executive ceases employment with the Company, then any unvested DEA will be automatically forfeited. If the executive was a Good Leaver, then the Board will consider the circumstances of the cessation of employment and may exercise its discretion to allow some or all of the unvested DEA to vest (and be exercised).

The Board assesses the performance of the Company against targets to determine the overall performance multiplier which applies to all Corporate employees. The Board also assesses the individual performance of the MD/CEO, to determine the actual STI payment based upon the recommendation of the People and Culture Committee.

The MD/CEO assesses the performance of other senior executives against their targets and determines the actual STI with oversight by the Board through the Chairman and the People and Culture Committee.

Directors' Report (continued)

Remuneration Report (Audited) (continued)

2. Executive Remuneration Framework (Overview) (continued)

Remuneration Strategy and Policy (continued)

Short-Term Incentives (STI) (continued)

The structure of the short-term incentive plan is as follows:

Feature	Cash Bonus	Deferred Equity Award (DEA)
Maximum opportunity	MD/CEO and other executives: 50% of fixed remuneration	MD/CEO and other executives: generally 50% of short-term incentive cash bonus
Minimum opportunity	MD/CEO and other executives: 0% of fixed remuneration	MD/CEO and other executives: 0% of short-term incentive cash bonus
Performance metrics	The STI targets align with the business objectives at both a Company and functional business unit level. The primary performance target categories for KMP are as follows: Financial, Strategic, People and Safety.	
Delivery of STI	The STI cash bonus is generally paid in the next financial year.	The DEA is subject to two-year (50%) and three-year (50%) service vesting conditions. This encourages retention and shareholder alignment.
Board discretion	The Board has discretion to adjust remuneration outcomes up or down to prevent any inappropriate reward outcomes, including reducing (down to zero, if appropriate) any deferred STI award.	

DEAs are provided to the MD/CEO and senior executives based on the level of STI cash bonus paid each year. The last offer under this plan was made on 28 August 2024 and subject to two (50%) and three (50%) year service vesting conditions.

There is also a tax exempt share plan that may be utilised at the discretion of the Board for general employee equity participation.

Long-term incentives

The Company operates a Long-Term Incentive (LTI) Plan in order to align remuneration of the Company's senior executives with the long-term strategic goals of the Company.

The LTI Plan is consistent with the Company's objectives for remuneration, which include providing competitive total rewards to attract and retain high calibre senior executives, having a meaningful portion of remuneration "at risk" and, above all, creating value for shareholders.

Under the current LTI Plan, eligible persons are granted performance rights, being a right to acquire shares in the Company subject to applicable performance conditions being satisfied and exercise of the vested performance right. Performance rights under the LTI Plan will be granted in three offers, each covering a three year period with an optional fourth year if performance targets to year three are not met.

The Company has granted performance rights relating to the three current LTI offers, on the terms summarised below.

Feature	FY25	FY24	FY23
Performance Rights granted	2,256,466	2,348,776	2,908,614
Grant Date fair value	\$0.57	\$0.70	\$0.68
Valuation methodology	Monte Carlo simulations	Monte Carlo simulations	Binomial model
Expected volatility	28.0%	29.0%	32.0%
Risk-free rate	3.9%	3.8%	3.1%
Expected dividends	Nil	Nil	Nil

Directors' Report (continued)

Remuneration Report (Audited) (continued)

2. Executive Remuneration Framework (Overview) (continued)

Remuneration Strategy and Policy (continued)

Long-term incentives (continued)

The following summary reflects the key features of the LTI Plan under all three offers.

Feature	FY23 Offer	FY24 Offer	FY25 Offer
Performance Condition and Performance Period	<p>Vesting of the performance rights is subject to a condition that the volume weighted average price (VWAP) of Company shares sold on the ASX over the period of 20 trading days up to and including:</p> <ul style="list-style-type: none"> 30 September 2025 is at least \$2.78, based upon a 15% annual growth rate over three years. <p>If the above performance condition is not satisfied, the performance rights will remain on foot and will be subject to an alternative performance condition relating to the VWAP of Company shares sold on the ASX over the period of 20 trading days up to and including:</p> <ul style="list-style-type: none"> 30 September 2026. <p>Under this alternative condition, if the relevant VWAP is:</p> <ul style="list-style-type: none"> at least \$2.88 (representing a compound annual growth rate of 12%), but less than \$3.20-50% of performance rights will vest; and at least \$3.20 (representing a compound annual growth rate of 15%) – 100% of performance rights will vest. <p>The vesting period is from the grant date of 30 November 2022 to 30 September 2025.</p>	<ul style="list-style-type: none"> 30 September 2026 is at least \$2.02, based upon a 15% annual growth rate over three years. <p>If the above performance condition is not satisfied, the performance rights will remain on foot and will be subject to an alternative performance condition relating to the VWAP of Company shares sold on the ASX over the period of 20 trading days up to and including:</p> <ul style="list-style-type: none"> 30 September 2027. <p>Under this alternative condition, if the relevant VWAP is:</p> <ul style="list-style-type: none"> at least \$2.09 (representing a compound annual growth rate of 12%), but less than \$2.33-50% of performance rights will vest; and at least \$2.33 (representing a compound annual growth rate of 15%) – 100% of performance rights will vest. <p>The vesting period is from the grant date of 15 December 2023 to 30 September 2026.</p>	<ul style="list-style-type: none"> 30 September 2027 is at least \$2.13, based upon a 15% annual growth rate over three years. <p>If the above performance condition is not satisfied, the performance rights will remain on foot and will be subject to an alternative performance condition relating to the VWAP of Company shares sold on the ASX over the period of 20 trading days up to and including:</p> <ul style="list-style-type: none"> 30 September 2028. <p>Under this alternative condition, if the relevant VWAP is:</p> <ul style="list-style-type: none"> at least \$2.21 (representing a compound annual growth rate of 12%), but less than \$2.45-50% of performance rights will vest; and at least \$2.45 (representing a compound annual growth rate of 15%) – 100% of performance rights will vest. <p>The vesting period is from the grant date of 17 December 2024 to 30 September 2027.</p>
Exercise Period	Performance rights that have vested may generally be exercised at any time until six years after the date of vesting. Where a holder of performance rights ceases employment with the Company group, the exercise period is abridged to 30 days after cessation of employment.		
Number of Available Performance Rights	Eligible persons were granted a number of performance rights equal to the value of their long-term incentive opportunity, divided by the VWAP of Company shares sold on the ASX over the period of 20 trading days up to and including:		
	<ul style="list-style-type: none"> 30 September 2022 being \$1.83. 	<ul style="list-style-type: none"> 30 September 2023 being \$1.33. 	<ul style="list-style-type: none"> 30 September 2024 being \$1.40.
Lapsing Conditions	<p>Unvested performance rights generally lapse upon the holder ceasing employment with the Company.</p> <p>If the holder of performance rights ceases to be an employee as a result of an “Uncontrollable Event” (e.g. death, permanent disablement, retirement, retrenchment, or such other circumstances which the Board determines is an Uncontrollable Event), any unvested performance rights held by that person are expected to continue to be subject to the requirements for vesting and exercise applying to those performance rights, unless the Board determines that the vesting conditions applying to some or all of those performance rights will be waived or that some or all of those performance rights will lapse.</p> <p>There are certain other circumstances in which a participant’s performance rights may lapse, including where the participant has committed any act of fraud, defalcation or gross misconduct, hedged the value of performance rights or purported to dispose or grant a security interest in respect of their performance rights.</p>		
Change of Control Event	If a change of control event for the Company occurs, the treatment of any unvested performance rights will be within the discretion of the Board to determine.		
On Market Acquisition of Shares	The requirement to deliver shares in the Company upon the vesting and exercise of performance rights under the LTI Plan must be satisfied by way of a past or future on market acquisition of shares in the Company.		

Directors' Report (continued)

Remuneration Report (Audited) (continued)

3. Executive Contractual Arrangements

Remuneration arrangements for KMP are formalised in employment agreements. Details of these contracts are provided below. Company employees are employed by the subsidiary company A.A. Company Pty Ltd, AACo Singapore Holdings Pty Ltd Singapore Branch and AACo (US) LLC.

	MD/CEO Description	Senior Executive Description
Total Fixed Remuneration	\$772,500 including superannuation (subject to annual review by Board)	Range between \$401,700 and \$625,700
Short-Term Incentive (STI) Cash Bonus	Maximum opportunity of \$386,250 (50% of TFR)	Maximum opportunity 50% of TFR
Deferred Equity Award	50% of the actual amount of the STI cash bonus earned	Generally 50% of the actual amount of the STI cash bonus earned
Long-Term Incentive	Subject to Company performance conditions being satisfied and the service conditions being met	Subject to Company performance conditions being satisfied and the service conditions being met
Contract Duration	Ongoing	Ongoing

The MD/CEO's termination provisions are as follows:

	Notice Period	Payment in Lieu of Notice	Treatment of STI on Termination	Treatment of Performance Rights on Termination
Employer-initiated Termination	6 months	Part or all of 6 months	Not eligible	Unvested performance rights lapse unless Good Leaver and Board exercises discretion to allow
Termination for Serious Misconduct	Nil	Nil	Not eligible	Unvested performance rights lapse
Employee-initiated Termination	6 months	Part or all of 6 months	Not eligible	Unvested performance rights lapse unless Good Leaver and Board exercises discretion to allow

Upon termination, the MD/CEO is subject to up to 12 months' restriction for competition, employee inducement and customer solicitation.

Other Key Management Personnel

The executive service agreements for other senior executives generally reflect that of the MD/CEO.

Standard Key Management Personnel termination provisions are as follows:

	Notice Period	Payment in Lieu of Notice	Treatment of STI on Termination	Treatment of Performance Rights on Termination
Employer-initiated Termination	3 to 6 months	Part or all of 3 to 6 months	Not eligible	Unvested performance rights lapse unless Good Leaver and Board exercises discretion to allow
Termination for Serious Misconduct	Nil	Nil	Not eligible	Unvested performance rights lapse
Employee-initiated termination	3 to 6 months	Part or all of 3 to 6 months	Not eligible	Unvested performance rights lapse unless Good Leaver and Board exercises discretion to allow

Directors' Report (continued)

Remuneration Report (Audited) (continued)

4. Link between Remuneration and Performance

Company Financial Performance Indicators

The table below shows measures of the Company's financial performance over the last five years. There may not always be a direct correlation between other statutory performance measures and the variable remuneration awarded.

Measure	2025	2024	2023	2022	2021
Operating profit (\$000)	58,413	51,112	67,385	49,886	24,360
Operating cash flow (\$000)	27,073	9,317	16,033	24,248	18,423
(Loss)/profit for the year attributable to owners (\$000)	(1,053)	(94,618)	4,611	136,930	45,474
Basic earnings/(loss) per share (cents)	(0.18)	(15.84)	0.77	22.94	7.62
Dividend payments (\$000)	–	–	–	–	–
Increase/(decrease) in share price (%)	10%	(12%)	(6%)	36%	5%

Additional Statutory Information

The table below shows the relative proportions of remuneration that were linked to performance and those that were fixed, based on the amounts disclosed as statutory remuneration expense (refer to the table on page 72).

	Fixed Remuneration		At Risk – STI – Cash		At Risk – STI – DEA ⁽¹⁾		At Risk – LTI	
	2025	2024	2025	2024	2025	2024	2025	2024
Executive KMP								
D. Harris	57%	64%	21%	19%	10%	9%	12%	8%
A. O'Brien	62%	66%	18%	17%	10%	10%	10%	7%
J. Huntington	56%	61%	21%	19%	11%	12%	12%	8%
G. Steedman	57%	64%	24%	23%	6%	3%	13%	10%
E. Bird	62%	96%	27%	–	4%	–	7%	4%

(1) Includes all share-based payment expense incurred by the Company in relation to DEA in the current year, of which a portion relates to prior year awards.

Assessment of Company Scorecard Relative to FY25 Goals

The Board's assessment of the Company's overall performance against business objectives for the year ended 31 March 2025 is detailed below, which sets a baseline for the STI opportunity which can be awarded to individuals. Performance against role-based objectives is also assessed by the Board to determine the appropriate STI amount awarded to the MD/CEO, with the MD/CEO assessing other executives against their goals for the performance year.

Category	Targets	Weighting	Performance			
			Not Achieved	Partially Achieved	Achieved	Exceeded
Financial	Sustainable profitable growth	40%				
Strategic	Deliver FY25 priority commitments	45%				
Safety	Deliver our 1AA Safety Strategy	15%				

Financial performance targets are measured against Operating Profit which excludes unrealised fair value gains or losses. Operating Profit is a better reflection of actual financial performance under Management's control and is therefore considered one of the key performance metrics of the Company.

Directors' Report (continued)

Remuneration Report (Audited) (continued)

4. Link between Remuneration and Performance (continued)

Performance Based Remuneration Granted During the Year

The Board have exercised their discretion to award 80% of the target STI cash bonus and DEA entitlement in relation to FY25 Company performance. Actual amounts awarded also reflect individual performance ratings. As a result, amounts accrued for Executive KMP, including the MD/CEO, in respect of performance year 31 March 2025 include the STI cash bonus for \$1,157,995 and DEA for \$578,998.

The DEA has not yet been formally offered to the MD/CEO or any other executives in respect of performance during the year to 31 March 2025 and will be granted upon acceptance of letters of offer. Letters of offer will be transmitted to participants once the Board approves the opening of the first trading window under the AACo trading policy, which is typically immediately following the AACo full-year announcement.

The DEA is awarded based on FY25 performance and will be expensed over the 4-year period commencing at the start of the service period for which it was awarded.

The STI cash bonus for the MD/CEO and any other executives in respect of performance during the year to 31 March 2024 was \$832,207. The DEA was awarded based on FY24 performance and is expensed over the 4-year vesting period commencing from the start of the service period, being 1 April 2023.

For each STI cash bonus and grant of rights to deferred shares (refer to tables on pages 72 to 75), the percentage of the available bonus or grant that was paid or vested during the financial year, and the percentage that was forfeited as a result of the Board's discretion is set out below.

	Current Year STI Entitlement (Cash Bonus and DEA)		
	\$000	Awarded % ⁽¹⁾	Forfeited %
Executive KMP			
D. Harris	486,675	84%	16%
A. O'Brien	377,297	80%	20%
J. Huntington	242,225	80%	20%
G. Steedman	371,700	84%	16%
E. Bird	259,097	86%	14%

(1) The DEA is awarded based on FY25 performance, and will be granted in FY26.

Directors' Report (continued)

Remuneration Report (Audited) (continued)

5. Remuneration of Key Management Personnel – Executives

Executives	Short Term		Non-Monetary Benefits	Post-Employment	Long-Term Benefit	Termination Benefits	Share-Based Payment		Total
	Salary & Fees ⁽¹⁾	Other Payments ⁽²⁾		Superannuation	Long Service Leave ⁽³⁾		Short Term Incentive (DEA) ⁽⁴⁾	Performance Rights (LTI)	
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Current									
D. Harris									
31/03/2025	826,066	324,450	15,663	29,299	–	–	146,444	181,518	1,523,440
31/03/2024	834,287	276,000	47,904	26,872	–	–	130,518	112,294	1,427,875
A. O'Brien⁽⁵⁾									
31/03/2025	840,918	251,531	–	–	–	–	129,791	142,652	1,364,892
31/03/2024	800,885	212,551	25,065	–	–	–	130,277	86,685	1,255,463
J. Huntington									
31/03/2025	364,079	161,483	42,395	29,299	–	–	86,176	95,822	779,254
31/03/2024	367,821	138,255	41,814	26,872	–	–	86,505	59,829	721,096
G. Steedman									
31/03/2025	568,400	247,800	–	29,299	–	–	59,245	137,052	1,041,796
31/03/2024	536,192	205,401	–	26,872	–	–	26,769	84,735	879,969
E. Bird⁽⁶⁾									
31/03/2025	363,839	172,731	–	29,299	–	–	22,460	44,615	632,944
31/03/2024	54,518	–	–	6,791	–	–	–	2,492	63,801
Total Remuneration: Executive KMP									
31/03/2025	2,963,302	1,157,995	58,058	117,196	–	–	444,116	601,659	5,342,326
31/03/2024	2,593,703	832,207	114,783	87,407	–	–	374,069	346,035	4,348,204

(1) Salary and fees include allowances in addition to TFR.

(2) Other payments include the STI cash bonus for the applicable performance year and any other contracted bonus amounts.

(3) Long service leave balances are only accrued from five years' service onwards.

(4) The STI (DEA) expense includes the DEA granted based on performance in the applicable performance year, and adjustments for amounts forfeited or not expected to vest.

(5) A. O'Brien's remuneration has been translated to AUD from SGD, and as such is subject to movements in the FX rate.

(6) E. Bird commenced in the role of Company Secretary/General Counsel on 15 February 2024.

Directors' Report (continued)

Remuneration Report (Audited) (continued)

6. Board Oversight of Remuneration

People and Culture Committee

The People and Culture Committee currently comprises four non-executive Directors (Mr A. Abraham (Committee Chairman), Mr D. McGauchie, Ms J. Rudd, and Mr J. Levy).

The People and Culture Committee is responsible for making recommendations to the Board on the remuneration arrangements of non-executive Directors (NEDs) and executives. The People and Culture Committee assesses the appropriateness of the nature and amount of remuneration of NEDs and executives on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of high performing Directors and an executive team. In determining the level and composition of executive remuneration, the People and Culture Committee may also seek external advice as set out below.

Mr D. Harris (MD/CEO) attends certain People and Culture Committee meetings by invitation but is not present during any discussions relating to his own remuneration arrangements.

Remuneration Approval Process

The Board is responsible for and approves the remuneration arrangements for the MD/CEO and executives, and all awards made under any deferred equity award (DEA) and long-term incentive (LTI) plan. The People and Culture Committee provide recommendations for these remuneration arrangements and obtain independent remuneration advice as necessary. In the case of the MD/CEO, these arrangements are then subject to shareholder approval when applicable.

The Board also sets the aggregate remuneration of NEDs, which is then subject to shareholder approval.

The Board oversees the MD/CEO's recommendations for remuneration of senior executives with the assistance of the People and Culture Committee and independent remuneration advice, where necessary.

The Board approves, having regard to the recommendations made by the People and Culture Committee, the level of any Company short-term incentive (STI) cash payments to employees, including KMPs and therefore the amount of any DEA entitlement. The level of STI cash payments to the MD/CEO are determined separately by the Board. Any DEA entitlement resulting in an issue of securities for the MD/CEO must be approved by shareholders.

Use of Remuneration Consultants

During the year ended 31 March 2025 no external parties provided assistance to the Company covering remuneration matters (31 March 2024: one external party engaged for the value of \$9,881).

Voting and comments made at the Company's 25 July 2024 Annual General Meeting ('AGM')

The Company received 92.77% of 'for' votes in relation to its remuneration report for the year ended 31 March 2024.

Directors' Report (continued)

Remuneration Report (Audited) (continued)

7. Non-Executive Director (NED) Remuneration Arrangements

Remuneration Policy

The Board seeks to set aggregate remuneration at a level that provides the Company with the ability to attract and retain Directors of the highest calibre, whilst incurring a cost that is acceptable to shareholders.

The amount of aggregate remuneration sought to be approved by shareholders and the fee structure is reviewed annually against fees paid to NEDs of comparable companies. The Board may consider advice from external consultants when undertaking the annual review process.

The Company's Constitution and the ASX Listing Rules specify that the aggregate remuneration of NEDs shall be determined, from time to time, by general meeting. An amount not exceeding the amount determined is then divided between the Directors as agreed. The latest determination was at the AGM held on 25 July 2024, when shareholders approved an increase to the aggregate remuneration, to \$1,500,000 per year.

Structure

The remuneration of NEDs consists of Directors' fees and committee fees. NEDs do not receive retirement benefits other than superannuation, nor do they participate in any incentive programs.

Each NED receives a base fee for being a Director of the Company. An additional fee is also paid for each Board committee on which a Director sits, with a higher fee paid if the Director is a Chair of a Board committee. The payment of additional fees for serving on a committee recognises the additional time commitment required by NEDs who serve on one or more committees.

The Board may also establish specialist working groups from time to time, comprised of Directors, to oversee and report back to the Board on any Board identified large or otherwise important projects. Generally, Directors are not separately remunerated for membership in such subcommittees.

NEDs are encouraged to hold shares in the Company. Any shares purchased by the Directors are purchased on market, which is in line with the Company's overall remuneration philosophy and aligns NEDs with shareholder interests. Director share purchases are confined to trading windows under our Share Trading Policy.

Directors' Report (continued)

Remuneration Report (Audited) (continued)

7. Non-Executive Director (NED) Remuneration Arrangements (continued)

Structure (continued)

The remuneration of NEDs for the years ended 31 March 2025 and 31 March 2024 is detailed in the table below.

	Short Term			Post-Employment	Long-Term Benefit	Termination	Share-Based Payment		Total \$000
	Salary & Fees \$000	Other Payments ⁽¹⁾ \$000	Non-Monetary Benefits \$000	Super-annuation \$000	Long Service Leave \$000	Benefits \$000	Short Term Incentive (DEA) \$000	Performance Rights (LTI) \$000	
Non-executive Directors									
D. McGauchie									
31/03/2025	253,333	–	–	28,796	N/A	–	N/A	N/A	282,129
31/03/2024	250,000	–	–	26,872	N/A	–	N/A	N/A	276,872
S. Black									
31/03/2025	126,667	–	–	14,410	N/A	–	N/A	N/A	141,077
31/03/2024	125,000	–	–	13,594	N/A	–	N/A	N/A	138,594
A. Abraham									
31/03/2025	141,867	–	–	16,140	N/A	–	N/A	N/A	158,007
31/03/2024	140,000	–	–	15,225	N/A	–	N/A	N/A	155,225
N. Reisman									
31/03/2025	116,544	13,259	–	–	N/A	–	N/A	N/A	129,803
31/03/2024	115,000	12,506	–	–	N/A	–	N/A	N/A	127,506
J. Rudd									
31/03/2025	131,733	–	–	14,987	N/A	–	N/A	N/A	146,720
31/03/2024	130,000	–	–	14,138	N/A	–	N/A	N/A	144,138
M. Blazer									
31/03/2025	126,667	14,410	–	–	N/A	–	N/A	N/A	141,077
31/03/2024	125,000	13,594	–	–	N/A	–	N/A	N/A	138,594
S. Gentry									
31/03/2025	118,522	11,269	–	–	N/A	–	N/A	N/A	129,791
31/03/2024	117,622	10,697	–	–	N/A	–	N/A	N/A	128,319
J. Levy									
31/03/2025	109,033	12,414	–	–	N/A	–	N/A	N/A	121,447
31/03/2024	27,740	3,051	–	–	N/A	–	N/A	N/A	30,791
Total Remuneration: Directors									
31/03/2025	1,124,366	51,352	–	74,333	–	–	–	–	1,250,051
31/03/2024	1,030,362	39,848	–	69,829	–	–	–	–	1,140,039

(1) Other payments relate to payments in lieu of post-employment benefits for overseas based Directors.

8. Equity Instruments Disclosures

2,256,466 performance rights under the LTI plan and 414,945 DEA performance rights were granted during the twelve months to 31 March 2025 (31 March 2024: 2,348,776 performance rights under the LTI plan and 294,189 DEA performance rights).

208,451 shares were distributed to Key Management Personnel during the year ended 31 March 2025, as a result of exercising vested performance rights (31 March 2024: 145,070 shares distributed as a result of exercising performance rights).

Directors' Report (continued)

Remuneration Report (Audited) (continued)

8. Equity Instruments Disclosures (continued)

Rights to Shares

The fair value of rights is determined based on the market price of the Company's shares at the grant date, with an adjustment made to take into account the two and three year vesting period (where applicable, i.e. on the issue of DEA) and expected dividends during that period that will not be received by the employees. Although the approved STI calculation relates to the year ended 31 March 2025, the DEA is not granted to participants until the Board approves the opening of the first trading window under the AACo Trading Policy, which is typically immediately following the AACo full-year announcement.

A summary of the outstanding performance rights relating to Key Management Personnel is provided below, with a full listing provided in note F8 Share-based Payments. Details on rights over ordinary shares in the Company that were granted as compensation or vested during the reporting period to each key management person during the reporting period are as follows:

	Fiscal Year Granted	Award	Balance at Beginning of Period	Granted as Remuneration	Exercised During the Year	Net Change Other	Balance at End of Period	Not Vested and not Exercisable	Vested and Exercisable	Value Yet to Vest
			Number	Number	Number	Number	Number	Number	Number	\$
Executive KMP										
D. Harris	2026 ⁽¹⁾	DEA	-	-	-	-	-	-	-	162,225
	2025	LTIP	-	275,636	-	-	275,636	275,636	-	157,113
	2025	DEA	-	99,281	-	-	99,281	99,281	-	138,000
	2024	LTIP	281,743	-	-	-	281,743	281,743	-	197,220
	2024	DEA	100,376	-	-	-	100,376	100,376	-	147,051
	2023	DEA	66,152	-	(33,076)	-	33,076	33,076	-	58,876
	2023	LTIP	382,513	-	-	-	382,513	382,513	-	258,501
	2022	DEA	34,866	-	(34,866)	-	-	-	-	-
A. O'Brien	2026 ⁽¹⁾	DEA	-	-	-	-	-	-	-	125,766
	2025	LTIP	-	222,748	-	-	222,748	222,748	-	126,966
	2025	DEA	-	75,142	-	-	75,142	75,142	-	104,448
	2024	LTIP	227,757	-	-	-	227,757	227,757	-	159,430
	2024	DEA	92,259	-	-	-	92,259	92,259	-	135,159
	2023	DEA	73,594	-	(36,797)	-	36,797	36,797	-	65,499
	2023	LTIP	292,096	-	-	-	292,096	292,096	-	197,397
	2022	DEA	48,362	-	(48,362)	-	-	-	-	-
J. Huntington	2026 ⁽¹⁾	DEA	-	-	-	-	-	-	-	80,742
	2025	LTIP	-	143,331	-	-	143,331	143,331	-	81,699
	2025	DEA	-	49,732	-	-	49,732	49,732	-	69,128
	2024	LTIP	146,506	-	-	-	146,506	146,506	-	102,554
	2024	DEA	60,484	-	-	-	60,484	60,484	-	88,609
G. Steedman	2026 ⁽¹⁾	DEA	-	-	-	-	-	-	-	123,900
	2025	LTIP	-	210,518	-	-	210,518	210,518	-	119,995
	2025	DEA	-	74,791	-	-	74,791	74,791	-	103,960
	2024	LTIP	212,246	-	-	-	212,246	212,246	-	148,572
	2023	LTIP	189,385	-	-	-	189,385	189,385	-	177,977
E. Bird	2026 ⁽¹⁾	DEA	-	-	-	-	-	-	-	86,366
	2025	LTIP	-	143,331	-	-	143,331	143,331	-	81,699
	2024	LTIP	128,578	-	-	-	128,578	128,578	-	90,005

(1) The 2026 DEA is awarded based on FY25 performance and expensed over the 4-year period commencing at the start of the service period for which it was awarded. The maximum value for the 2026 DEA is 50% of the short-term incentive cash bonus earned for the same performance period, with the number of rights to be granted subject to the share price on grant date. The minimum value of performance rights yet to vest is nil, as the rights will be forfeited if the vesting conditions are not met.

No other Directors or Executives, identified as Key Management Personnel, held options or performance rights during the period.

Directors' Report (continued)

Remuneration Report (Audited) (continued)

9. Shareholdings and Other Mandatory Disclosures

Shareholdings

The table below summarises the movements during the period in the shareholdings of Key Management Personnel, in the Company for the period.

	Balance at Beginning of Period	Granted as Remuneration	Exercise of Options/ Rights	Net Change Other	Balance at End of Period
2025	Number	Number	Number	Number	Number
Non-executive Directors					
D. McGauchie	1,120,774	-	-	-	1,120,774
S. Black	40,000	-	-	-	40,000
A. Abraham	30,000	-	-	-	30,000
N. Reisman	45,000	-	-	-	45,000
J. Rudd	32,258	-	-	-	32,258
M. Blazer	20,000	-	-	-	20,000
S. Gentry	9,261	-	-	-	9,261
J. Levy	-	-	-	-	-
Executive KMP					
D. Harris	34,865	-	67,942	-	102,807
A. O'Brien	98,361	-	85,159	-	183,520
J. Huntington	29,015	-	-	-	29,015
G. Steedman	-	-	-	-	-
E. Bird	-	-	-	-	-
Total	1,459,534	-	153,101	-	1,612,635

All equity transactions with Directors and executives, other than those arising from the exercise of remuneration options, have been entered into under terms and conditions no more favourable than those the entity would have adopted if dealing at arm's length.

Loans to Key Management Personnel and their Related Parties

There are no loans outstanding with Key Management Personnel at 31 March 2025 (31 March 2024: nil), nor have there been any transactions that would be considered a loan throughout the period.

Other Transactions and Balances with Key Management Personnel and their Related Parties

On 4 October 2024, the Company entered into a formal consultancy agreement with Non-Executive Director, Ms Jessica Rudd to lead the development of a sustainability-based pilot project. In accordance with this agreement, fees of \$80,000 plus GST were incurred during the financial year ended 31 March 2025 (31 March 2024: nil).

There have been no other transactions with Key Management Personnel or their related parties during the financial year to 31 March 2025 (31 March 2024: nil).

Directors' Report (continued)

Committee Membership

As at the date of this report, the Company had an Audit and Risk Management Committee, People and Culture Committee, Nomination Committee and a Brand, Marketing & Sales Committee.

Directors' Meetings

The number of Meetings of Directors (including meetings of Committees of Directors) held during the year and the number of meetings attended by each Director is as follows:

	Directors' Meetings		Audit & Risk Management Committee		People & Culture Committee		Nomination Committee		Brand, Marketing & Sales Committee	
	A	B	A	B	A	B	A	B	A	B
Current Non-executive Directors										
D. McGauchie	9	9	–	–	5	5	2	2	4	4
S. Black	9	9	9	9	–	–	2	2	–	–
A. Abraham	9	8	9	8	5	5	2	2	–	–
N. Reisman	8	7	9	9	–	–	2	2	–	–
J. Rudd	9	8	–	–	5	5	2	2	4	4
M. Blazer	9	8	–	–	–	–	2	2	4	4
S. Gentry	8	8	9	9	–	–	2	1	–	–
J. Levy ⁽¹⁾	8	8	–	–	2	2	2	2	–	–
Current Executive Director										
D. Harris ⁽²⁾	9	9	9	8	5	5	2	2	4	4

A = Number of meetings held during FY25.

B = Number of meetings attended during the time the Director held office.

(1) Mr. Levy was appointed to the People & Culture Committee in October 2024.

(2) Mr. Harris is invited to all Committee meetings in his role as MD/CEO, but as an Executive is not a member of those Committees.

Rounding

Amounts contained in this report and in the financial report have been rounded to the nearest thousand dollars for presentation where noted (\$000). This has been completed under the option available to the Company under *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*. The Company is an entity to which this legislative instrument applies.

Directors' Report (continued)

Lead Auditor's Independence Declaration

We have obtained the following independence declaration from our auditors KPMG.



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Australian Agricultural Company Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of Australian Agricultural Company Limited for the financial year ended 31 March 2025 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

KPMG

A handwritten signature in black ink that reads 'Scott Guse'.

Scott Guse
Partner

Brisbane
21 May 2025

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Directors' (continued)

Non-Audit Services

The following non-audit services were provided by the entity's lead auditor, KPMG. The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The nature and scope of each type of non-audit service provided means that auditor independence was not compromised. The lead auditor received or are due to receive the following amounts for the provision of non-audit services:

Metrics	31 Mar 2025 \$000	31 Mar 2024 \$000
Limited scope assurance of the Sustainability Report	47,040	37,000
Mandatory Sustainability reporting readiness	77,000	-
	124,040	37,000

Signed in accordance with a resolution of the Directors



Donald McGauchie AO
Chairman

Brisbane
21 May 2025



David Harris
Managing Director

Brisbane
21 May 2025

Consolidated Financial Statements

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Consolidated Income Statement

For the year ended 31 March 2025

	Note	31 Mar 2025 \$000	31 Mar 2024 \$000
Meat sales revenue		293,920	268,719
Cattle sales revenue		93,976	67,413
		387,896	336,132
Cattle fair value adjustments	A3	255,509	102,363
		643,405	438,495
Cost of meat sold		(215,492)	(197,332)
Cost of live cattle sold		(88,969)	(63,793)
Cattle and feedlot expenses		(123,486)	(108,344)
Gross margin	A2	215,458	69,026
Other income	F5	12,791	7,729
Employee expenses	F5	(73,268)	(66,927)
Administration and selling costs		(56,236)	(56,790)
Other operating costs		(38,550)	(35,592)
Property costs		(3,867)	(5,302)
Depreciation and amortisation		(28,778)	(24,820)
Profit/(loss) before finance costs and income tax		27,550	(112,676)
Finance costs	F5	(27,751)	(25,336)
Loss before income tax		(201)	(138,012)
Income tax (expense)/benefit	F4	(852)	43,394
Loss after tax		(1,053)	(94,618)
Loss share attributable to the ordinary equity holders of the parent		cents	cents
Basic earnings per share	C5	(0.18)	(15.84)
Diluted earnings per share	C5	(0.18)	(15.84)

The above Consolidated Income Statement should be read in conjunction with the accompanying notes.

Consolidated Statement of Comprehensive Income

For the year ended 31 March 2025

	31 Mar 2025 \$000	31 Mar 2024 \$000
Loss for the year	(1,053)	(94,618)
Other Comprehensive Income		
Items not to be reclassified subsequently to profit or loss:		
Movement in property revaluations, net of tax	31,347	45,643
Items to be reclassified subsequently to profit or loss:		
Revaluation of foreign currency operations, net of tax	(794)	(348)
Changes in the fair value of cash flow hedges, net of tax	(3,837)	2,849
Other comprehensive income for the year, net of tax	26,716	48,144
Total comprehensive income/(loss) for the year, net of tax	25,663	(46,474)

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

As at 31 March 2025

	Note	As at 31 Mar 2025 \$000	As at 31 Mar 2024 \$000
Current Assets			
Cash	B1	12,145	8,963
Trade and other receivables	B4	24,122	19,079
Inventories and consumables	B3	38,041	32,338
Livestock	A3	240,713	285,154
Other assets		8,742	8,325
Total Current Assets		323,763	353,859
Non-Current Assets			
Livestock	A3	355,120	326,142
Property, plant and equipment	A4	1,685,172	1,629,674
Intangible assets	F2	22,925	17,227
Right-of-use assets	F3	37,729	36,132
Investments		1,469	238
Other assets		3,329	1,182
Total Non-Current Assets		2,105,744	2,010,595
Total Assets		2,429,507	2,364,454
Current Liabilities			
Trade and other payables	B5	40,370	40,251
Provisions		5,298	4,889
Interest-bearing liabilities	C1	8,787	6,345
Lease liabilities	F3	10,018	8,180
Derivatives	C2	3,755	2,655
Total Current Liabilities		68,228	62,320
Non-Current Liabilities			
Provisions		1,093	876
Interest-bearing liabilities	C1	446,194	431,303
Lease liabilities	F3	32,180	32,651
Derivatives	C2	3,681	229
Deferred tax liabilities	F4	333,891	320,193
Total Non-Current Liabilities		817,039	785,252
Total Liabilities		885,267	847,572
Net Assets		1,544,240	1,516,882
Equity			
Contributed equity	C3	528,822	528,822
Reserves	F6	1,012,592	984,181
Retained earnings		2,826	3,879
Total Equity		1,544,240	1,516,882

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

For the year ended 31 March 2025

	Contributed Equity (Note C3) \$000	Reserves (Note F6) \$000	Retained Earnings/ (Losses) \$000	Total Equity \$000
At 1 April 2023	528,822	934,767	98,497	1,562,086
Loss for the year	-	-	(94,618)	(94,618)
Other comprehensive income	-	48,144	-	48,144
Total comprehensive income for the year	-	48,144	(94,618)	(46,474)
Transactions with owners in their capacity as owners:				
Cost of share-based payments	-	1,270	-	1,270
At 31 March 2024	528,822	984,181	3,879	1,516,882
At 1 April 2024	528,822	984,181	3,879	1,516,882
Loss for the year	-	-	(1,053)	(1,053)
Other comprehensive income	-	26,716	-	26,716
Total comprehensive income/(loss) for the year	-	26,716	(1,053)	25,663
Transactions with owners in their capacity as owners:				
Cost of share-based payments	-	1,695	-	1,695
At 31 March 2025	528,822	1,012,592	2,826	1,544,240

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

For the year ended 31 March 2025

	Note	31 Mar 2025 \$000	31 Mar 2024 \$000
Cash Flows from Operating Activities			
Receipts from customers		418,589	360,775
Payments to suppliers, employees and others		(363,923)	(326,438)
Interest received		400	275
Net operating cash inflow before interest and finance cost payments		55,066	34,612
Payment of interest and finance costs		(27,993)	(25,295)
Net cash inflow from operating activities	B2	27,073	9,317
Cash Flows from Investing Activities			
Payments for property, plant and equipment and other assets		(20,579)	(31,832)
Proceeds from sale of property, plant, and equipment		881	1,904
Investments in associates		(1,231)	-
Net cash (outflow) from investing activities		(20,929)	(29,928)
Cash Flows from Financing Activities			
Proceeds from interest-bearing liabilities		45,000	70,000
Repayment of interest-bearing liabilities		(30,000)	(30,000)
Principal repayments of leases		(17,962)	(14,445)
Net cash (outflow)/inflow from financing activities		(2,962)	25,555
Net increase in cash		3,182	4,944
Cash at the beginning of the year		8,963	4,019
Cash at the end of the year	B1	12,145	8,963

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the Consolidated Financial Statements

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Notes to the Consolidated Financial Statements

For the twelve months to 31 March 2025

A Financial Performance

A1 Significant Matters

Property Revaluation

The Company recorded a net \$45.9 million increase in the value of the Company's pastoral property and improvements, following a Directors' assessment of fair value at 31 March 2025, as well as factoring in movements during the period for additions, disposals and depreciation.

The fair value assessment utilised information provided by an independent valuation performed by LAWD Pty Ltd. The increase in fair value is a reflection of investment in our Intensive Supply Chain and capital works maintaining the quality of our assets, as well as comparable market value increases as evidenced by nearby property sales.

See note A4 for further details.

Herd Numbers

The closing herd headcount is stable compared to the prior year, with 455,852 head on hand at 31 March 2025 (453,968 at 31 March 2024). This stability in the herd reflects the combined effect of the Company's internal breeding program, stable seasonal conditions experienced across our properties, and minimal external purchases. The impact of these factors has been offset by additional live sales. Our herd size adapts for current business requirements and seasonal conditions.

Herd Valuation

Declines in Wagyu liveweight market prices since 31 March 2024 have resulted in an unrealised loss in the fair value of the herd of \$4.7 million. Over their lifecycle, market prices of cattle are expected to fluctuate and the value at the time of sale or processing may be higher or lower than the market valuation disclosed in the financial statements, which represents the fair value at a point in time.

A2 Gross Margin

Gross margin represents value added through the production chain. Margin is achieved through sales of meat products and cattle, as well as cattle production (pastoral and feedlot).

	Note	31 Mar 2025 \$000	31 Mar 2024 \$000
Meat Sales			
Sales revenue		293,920	268,719
Cost of meat sold ⁽¹⁾		(215,492)	(197,332)
Meat sales gross margin		78,428	71,387
Cattle Sales			
Sales revenue		93,976	67,413
Cost of cattle sold ⁽²⁾		(88,969)	(63,793)
Cattle sales gross margin		5,007	3,620
Cattle Production			
Fair value adjustments	A3	255,509	102,363
Cattle expenses		(51,060)	(43,489)
Feedlot expenses		(72,426)	(64,855)
Cattle production gross margin		132,023	(5,981)
Total Gross Margin		215,458	69,026

(1) Includes the transfer of cattle at the applicable fair value at the time they leave the property gate en route to a processing plant.

(2) Represents the fair value of the cattle at the time of live sale, which equates to the recorded fair value less costs to sell.

Notes to the Consolidated Financial Statements (continued)

A Financial Performance (continued)

A3 Livestock

Cattle at Fair Value	31 Mar 2025 \$000	31 Mar 2025 Head	31 Mar 2024 \$000	31 Mar 2024 Head
Current	240,713	145,024	285,154	143,674
Non-Current	355,120	310,828	326,142	310,294
Total livestock	595,833	455,852	611,296	453,968
Livestock Movement			31 Mar 2025 \$000	31 Mar 2024 \$000
Opening carrying amount			611,296	735,203
Changes in fair value			255,509	102,363
Purchases of livestock			1,504	1,003
External sale of livestock less selling expenses			(88,969)	(63,793)
Transfers for meat sales			(183,507)	(163,480)
Closing carrying amount			595,833	611,296
Cattle Fair Value Adjustments			31 Mar 2025 \$000	31 Mar 2024 \$000
Market value movements ⁽¹⁾			(4,690)	(149,368)
Biological transformation ⁽²⁾			169,659	176,075
Brandings/births			109,568	95,761
Attrition, net of recoveries			(14,947)	(17,401)
Other			(4,081)	(2,704)
Total cattle fair value adjustments			255,509	102,363

(1) As a biological asset, AASB 141 *Agriculture* requires the livestock to be valued at fair value less costs to sell at all times prior to sale or harvest. As such, market value movements occur through changes in fair value rather than sales margin.

(2) Biological transformation in accordance with AASB 141 *Agriculture*, includes reclassification of an animal as it moves from being a branded calf, grows, ages, and progresses through the various stages to become a trading or production animal.

Accounting Policies – Livestock

Livestock is measured at fair value less costs to sell, with any change recognised in the profit or loss. Costs to sell include all costs that would be necessary to sell the assets, including freight and direct selling costs.

The fair value of livestock is based on its present location and condition. If an active or other effective market exists for livestock in its present location and condition, the quoted price in that market is the appropriate basis for determining the fair value of that asset. Where the Company has access to different markets, then the most relevant market is used to determine fair value. The relevant market is defined as the market for which “access is available to the entity”, to be used at the time the fair value is established.

If an active market does not exist, then one of the following is used in determining fair value, in the below order:

- the most recent market transaction price, provided that there has not been a significant change in economic circumstances between the date of that transaction and the end of the reporting period;
- market prices, in markets accessible to us, for similar assets with adjustments to reflect differences; or
- sector benchmarks.

Notes to the Consolidated Financial Statements (continued)

A Financial Performance (continued)

A3 Livestock (continued)

Accounting Policies – Livestock (continued)

In the event that market determined prices or values are not available for livestock in its present condition, the present value of the expected net cash flows from the asset discounted at a current market determined rate may be used in determining fair value.

Livestock are classified as Current and Non-Current. Current livestock are trading cattle and feedlot cattle with less than a year remaining in the feedlot at the end of the financial year, as these animals are due to be sold or processed within the next 12 months. Non-Current livestock are the commercial and stud breeding herd, calves and feedlot cattle with over a year remaining in the feedlot at end of financial year.

Livestock Fair Value

At the end of each reporting period, livestock is measured at fair value less costs to sell. The fair value is determined through market price movements and changes in the weight of the herd due to growth, attrition, natural increase, beef transfers or sale.

The net increments or decrements in the market value of livestock are recognised as either gains or losses in the profit or loss, determined as:

- The difference between the total fair value of livestock recognised at the beginning of the financial year and the total fair value of livestock recognised as at the reporting date, less
- Costs expected to be incurred in realising the market value (including freight and selling costs).

Fair Value Inputs are summarised as follows:

- **Level 1 Price Inputs** – are quoted prices (unadjusted) in active markets for identical assets or liabilities that can be accessed at the measurement date.
- **Level 2 Price Inputs** – are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3 Price Inputs** – are inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair Value Input	Cattle Type	31 Mar 2025 \$000	31 Mar 2025 Head	31 Mar 2024 \$000	31 Mar 2024 Head
Level 1	None	–	–	–	–
Level 2	Commercial & stud breeding herd	324,664	228,404	291,411	227,706
Level 2	Trading cattle	122,048	102,944	146,474	103,817
Level 2	Unbranded calves	26,775	81,210	31,445	81,678
Level 3	Feedlot cattle	122,346	43,294	141,966	40,767
		595,833	455,852	611,296	453,968
Average value per head			\$1,307		\$1,347

Type	Level	Valuation Method
Commercial & Stud Breeding Herd	2	The value of these cattle (comprising principally females and breeding bulls) is determined by independent valuations with reference to prices received from representative sales of breeding cattle similar to the Company's herd. Prices for these cattle generally reflect a longer-term view of the cattle market. Independent appraisals were undertaken by Elders Limited. In performing the valuation, consideration is given to the class, age, quality and location of the herd. Direct comparisons are made to recent sales evidence in relevant cattle markets.
Trading Cattle	2	Relevant market indicators used include Roma store cattle prices, MLA over-the-hook market indicators, and cattle prices received/quoted for the Company's cattle at the reporting date. Prices for these cattle generally reflect the shorter-term spot prices available in the market place and vary based on the weight and condition of the animal. Live export cattle (Victoria River Group, Anthony Lagoon & Darwin Group) are valued based on market quotes available at each reporting date. Wagyu trading cattle are valued on the basis of an independent appraisal by Elders Limited. In performing the valuation, consideration is given to class, age, quality, breed, sex, recent comparable sales evidence and current market conditions for Crossbred Wagyu cattle.

Notes to the Consolidated Financial Statements (continued)

A Financial Performance (continued)

A3 Livestock (continued)

Livestock Fair Value (continued)

Type	Level	Valuation Method
Unbranded Calves	2	The value of unbranded calves is determined with reference to Roma store calf prices at the Company's reporting date. The number of calves is determined by applying the percentage of branding assessed each year to the number of productive cows and the results of pregnancy testing.
Feedlot Cattle	3	<p>Feedlot cattle are valued internally by the Company using the market approach as there is no observable market for them. The value is based on the estimated entry price per kilogram based on an independent appraisal performed by Elders Limited, which takes into account recent comparable sales evidence and current market conditions for animals of a similar class, age, quality, breed and sex. This value is then adjusted to account for value changes due to weight and other physiological changes of each animal as it progresses through the feedlot program. The key factors affecting the value of each animal are price/kg and average daily gain of weight. The average daily gain of weight is in the range of 0.7kgs to 1.9kgs. The value is determined by applying the average weight gain per day by the number of days on feed from induction to exit at which point the cattle are delivered to market. The value per animal is based on the breed and specifications of the animal and the market it is destined for. Significant increases/(decreases) in any of the significant unobservable valuation inputs for feedlot cattle in isolation would result in a significantly higher/(lower) fair value measurement.</p> <p>A review is performed over the valuation of feedlot animals, to ensure the fair value, factoring in current values and expected costs to complete for animals remaining on feed, does not exceed the expected realisable value from a market participant perspective.</p>

Unbranded Calves	31 Mar 2025 \$000	31 Mar 2025 Head	31 Mar 2024 \$000	31 Mar 2024 Head
Calf accrual opening	31,445	81,678	50,697	77,493
Movement ⁽¹⁾	(4,670)	(468)	(19,252)	4,185
Calf accrual closing	26,775	81,210	31,445	81,678
Average value per head		\$330		\$385

(1) Unbranded calves are assessed at each reporting date based on information available at the time. The Company does not track individual calves until such time as they have been branded and recorded in the livestock management system.

Feedlot Cattle	31 Mar 2025 \$000	31 Mar 2025 Head	31 Mar 2024 \$000	31 Mar 2024 Head
Opening values	141,966	40,767	148,671	33,809
Inductions	179,233	53,674	192,313	51,472
Transfers for meat sales	(170,967)	(50,933)	(168,891)	(44,263)
Attrition and rations	(872)	(214)	(1,016)	(251)
Fair value adjustments recognised	(27,014)	-	(29,111)	-
Closing values	122,346	43,294	141,966	40,767
Average value per head		\$2,826		\$3,482

Notes to the Consolidated Financial Statements (continued)

A Financial Performance (continued)

A4 Property

Property Plant and Equipment	Note	31 Mar 2025 \$000	31 Mar 2024 \$000
Pastoral property and improvements at fair value		1,588,478	1,542,600
Industrial property and improvements at cost	F1	36,635	37,213
Plant and equipment at cost	F1	51,720	47,747
Capital work in progress	F1	8,339	2,114
Total property, plant and equipment		1,685,172	1,629,674

Pastoral Property and Improvements at Fair Value

Pastoral Property and Improvements at Fair Value	31 Mar 2025 \$000	31 Mar 2024 \$000
Opening balance	1,542,600	1,464,500
Additions	8,071	20,409
Disposals	(8)	(1,202)
Net revaluation increment recognised in asset revaluation reserve (Note F6)	44,781	65,205
Depreciation	(6,966)	(6,312)
Closing balance	1,588,478	1,542,600

Accounting Policies – Pastoral Property and Improvements at Fair Value

Pastoral property and improvements, including freehold and those held under statutory leases with government bodies, are carried at fair value at the date of the revaluation less any subsequent accumulated depreciation on buildings and accumulated impairment losses.

Fair value is determined by the Directors with reference to work performed by external independent valuers on an annual basis according to market-based evidence, which is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date.

Any revaluation increment is credited to the asset revaluation reserve included in the equity section of the statement of financial position, unless it reverses a revaluation decrement of the same asset previously recognised in the profit or loss. Any revaluation decrement is recognised in the profit or loss unless it directly offsets a previous increment of the same asset in the asset revaluation reserve.

In addition, any accumulated depreciation as at revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation reserve relating to the particular asset being sold is transferred to the capital profits reserve.

Pastoral landholdings are generally held under a leasehold agreement with the Crown. Leasehold properties in Queensland are mainly pastoral holdings which are rolling term leases. In the Northern Territory, the pastoral leases held have been granted on a perpetual basis by the Northern Territory Government. We treat statutory leases held with government bodies as perpetual leases. Perpetual leases are outside the scope of AASB 16 *Leases*.

This accounting policy excludes Right-of-use Assets disclosed in note F3. Refer to note F1 and note G3 for the financial information and accounting policies as they relate to property, plant and equipment at cost respectively.

Notes to the Consolidated Financial Statements (continued)

A Financial Performance (continued)

A4 Property (continued)

Fair Value

In determining the fair value of pastoral property and improvements, the Directors initiate periodic independent valuations through registered property valuers. Once these valuations have been considered and reviewed by the Directors they are then adopted as Directors' valuations.

The following valuation techniques and key inputs are used for the Level 3 (there are no Level 1 and Level 2) property and improvement valuations:

31 Mar 2025 \$000	31 Mar 2024 \$000	Valuation Technique	Significant Unobservable Input	31 Mar 2025 Range/ (Average)	31 Mar 2024 Range/ (Average)
1,263,928	1,236,000	Direct Comparison (Productive Unit Approach)	Number of adult equivalents	6,600-89,200 26,947	6,600-89,200 26,947
			Dollar per adult equivalents	\$1,970-\$6,818 \$3,207	\$1,578-\$10,935 \$3,085
			Number of properties	17	17
			Dollar per hectare	\$2,662-\$4,156 \$3,410	\$2,659-\$4,141 \$3,400
156,450	156,100	Direct Comparison (Hectare Rate Approach)	Number of properties	2	2
			Dollar per hectare	\$8,072-\$8,561 \$8,316	\$8,072-\$8,561 \$8,316
168,100	150,500	Direct Comparison (Hectare Rate and Standard Cattle Unit Approach)	Standard cattle units	22,000-45,000 33,500	16,000-45,000 30,500
			Number of properties	2	2

An independent valuation of pastoral property and improvements was performed by valuers LAWD Pty Ltd to determine the fair value using the market based direct comparison method. One of three direct comparison method techniques were utilised, being either a Productive Unit Approach, Hectare Rate Approach or a Summation Approach using Standard Cattle Units and Hectare Rate. Valuation of the assets was determined by analysing comparable sales and allowing for size, location, rainfall, water supply, seasonal conditions, structural capital works and other relevant factors specific to the property and improvements being valued. From the sales analysed, an appropriate rate per adult equivalent or hectare has been applied to the subject property and improvements. The effective date of the valuation is 31 March 2025.

Under the Productive Unit Approach, a dollar per Adult Equivalent is adopted inclusive of all structures. This method takes into consideration the type and mix of land types, rainfall, extent of water, fencing and structural improvements, current and potential carrying capacity, and location relative to markets and services. An external expert, Dr Steve Petty of Spektrum, is engaged as part of the valuation process where changes to property or seasonal conditions occur that may result in an updated carrying capacity. When engaged, Dr Steve Petty performs an independent assessment of adult equivalent carrying capacity using a consistent methodology based on scientific analysis of grazing distribution, land system analysis, station and paddock stocking history and published data for the relevant regions.

Under the Hectare Rate Approach, a range of dollar per hectare rates are applied to land components exclusive of all structures. This method takes into consideration the land type composition of the property and therefore the proportion of land that lies outside the watered area and its potential or lack thereof. The basis of assessment is direct comparison with sales evidence on an analysed hectare rate, excluding structures. The improved market value is determined from the summation of land with the added value of structures, such as residences, sheds and yards.

Notes to the Consolidated Financial Statements (continued)

A Financial Performance (continued)

A4 Property (continued)

Fair Value (continued)

The Hectare Rate and Standard Cattle Unit Approach applies the same principles as the Hectare Rate Approach but includes a dollar per Standard Cattle Unit rate which is applied to feedlot infrastructure. The basis of assessment is direct comparison with sales evidence on an analysed Standard Cattle Unit rate. The improved market value is determined from the summation of land and feedlot infrastructure with the added value of structures, such as residences, sheds and yards. The derived valuation amount for the buildings and yards is obtained from an analysis of comparable sales evidence.

Significant increases (decreases) in any of the significant unobservable valuation inputs under the Productive Unit Approach, Hectare Rate Approach or Hectare Rate and Standard Cattle Units Approach in isolation would result in a significantly higher/(lower) fair value measurement. Permanent shifts in long-term climate and weather conditions could result in a lower or higher carrying capacity, dollar per adult equivalent and dollar per hectare.

Consistent with prior years, the Company reflects potential risks and impacts of climate change as part of the valuation methodology, by ensuring the pastoral property values are based on a long-term view of sustainable carrying capacity and rates applied that reflect sustainable management practices.

The Company holds water licences totalling approximately 89,200 megalitres, which are recognised and valued as part of the property portfolio. These licences are not disclosed separately as they are unable to be sold or traded separately from the land to which they are assigned.

Deemed Cost

If pastoral property and improvements were measured using the deemed cost model (the fair value of the assets in 2005 plus subsequent acquisitions at cost) the carrying amounts would be as follows:

	31 Mar 2025 \$000	31 Mar 2024 \$000
Deemed cost	408,258	396,315
Accumulated depreciation	(88,063)	(81,097)
Net carrying amount	320,195	315,218

A5 Segment Information

Identification of Reportable Segments

AASB 8 *Operating Segments* requires operating segments to be identified on the basis of internal reports about components of the Company, that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance. The Group has identified its operating segments based on the internal reports that are reviewed and used by the Managing Director/Chief Executive Officer (the chief operating decision maker) in assessing performance and in determining the allocation of resources. The Company is viewed as one operating segment for internal reporting to the Board and Executive Leadership team, including the Managing Director/Chief Executive Officer (MD/CEO), with financial information for the Company provided on at least a monthly basis.

Accounting Policies – Reportable Segments

The accounting policies used in reporting segments are the same as those contained in note G3 to the financial statements and in the prior year.

The measure of Operating Profit is a key indicator which is used to monitor and manage the Company and represents an adjusted Statutory EBITDA. Operating Profit is a key measure of profitability for AACo. It assumes all livestock inventory is valued on a \$/kg live-weight (LW) basis and is derived by adjusting statutory EBITDA to substitute the movement in livestock at market value with the movement at cost of production. Management therefore believe that external stakeholders benefit from this metric being reported, as it is a better reflection of financial performance within the control of management.

Notes to the Consolidated Financial Statements (continued)

A Financial Performance (continued)

A5 Segment Information (continued)

Accounting Policies – Reportable Segments (continued)

The following table presents the revenue and profit information regarding operating segments (incorporating a reconciliation of Operating Profit/(Loss) to Statutory NPAT) for the twelve months to 31 March 2025 and 31 March 2024. Segment assets and liabilities are not reported to the MD/CEO and therefore segment assets and liabilities are not separately disclosed.

	31 Mar 2025 \$000	31 Mar 2024 \$000
Segment revenue	387,896	336,132
Inter-segment revenue	–	–
Revenue from external customers	387,896	336,132
Operating Profit⁽¹⁾	58,413	51,112
Unrealised mark-to-market of herd	(4,691)	(149,368)
Cost versus Fair Value: kg sold or produced	3,576	10,032
Other (expenses)/income	(970)	368
Statutory EBITDA profit/(loss)	56,328	(87,856)
Depreciation and amortisation	(28,778)	(24,820)
Statutory EBIT profit/(loss)	27,550	(112,676)
Net finance costs	(27,751)	(25,336)
Income tax (expense)/benefit	(852)	43,394
Loss after tax	(1,053)	(94,618)

(1) Operating Profit in the prior year has been restated to align with the current year's methodology. This change ensures consistency and improved comparability of financial information. The restatement does not impact previously reported net profit or net assets.

Revenues from external customers

	31 Mar 2025 \$000	31 Mar 2024 \$000
Meat Sales Revenue		
South Korea	81,774	82,865
USA	64,240	57,364
Australia	33,606	27,382
China	25,401	31,043
Japan	18,898	8,982
Other	70,001	61,083
Total meat sales revenue per Income Statement	293,920	268,719

Meat sales revenues of \$117.0 million were derived from two of the Company's major external customers (31 March 2024: \$122.8 million from two of the Company's major external customers). No other individual customers contributed to more than 10% of the Company's revenue.

	31 Mar 2025 \$000	31 Mar 2024 \$000
Cattle Sales Revenue		
Australia	93,976	67,413
Total cattle sales revenue per Income Statement	93,976	67,413

Notes to the Consolidated Financial Statements (continued)

B Working Capital

B1 Net Working Capital

	Note	31 Mar 2025 \$000	31 Mar 2024 \$000
Cash		12,145	8,963
Inventory and consumables	B3	38,041	32,338
Trade and other receivables	B4	24,122	19,079
Trade and other payables	B5	(40,370)	(40,251)
Net working capital		33,938	20,129

B2 Cash

	31 Mar 2025 \$000	31 Mar 2024 \$000
Reconciliation of Net Profit/(Loss) After Tax to Net Cash Flows From Operations		
Net loss after income tax	(1,053)	(94,618)
Adjustments for:		
Depreciation and amortisation	28,778	24,820
(Increment)/decrement in fair value of livestock	15,463	123,907
Income tax expense reported in equity	(13,376)	(19,555)
Derivative movement reported in equity	3,767	(3,186)
Other income for carbon credit generation	(5,697)	(4,336)
Other non-cash adjustments	84	6,971
Changes in assets and liabilities:		
(Increase)/decrease in inventories & commodities	(5,703)	3,581
(Increase)/decrease in trade and other receivables	(5,043)	(8,777)
(Increase)/decrease in prepayments and other assets	(1,340)	(599)
(Decrease)/increase in deferred tax liabilities	13,698	(23,495)
(Decrease)/increase in trade and other payables	119	7,004
(Decrease)/increase in derivatives	(3,250)	(2,949)
(Decrease)/increase in provisions	626	549
Net cash inflow from operating activities	27,073	9,317

B3 Inventory and Consumables

	31 Mar 2025 \$000	31 Mar 2024 \$000
Meat inventory	12,340	11,754
Feedlot commodities	17,801	11,727
Bulk stores	6,138	7,236
Other inventory	1,762	1,621
	38,041	32,338

In the 12 months to 31 March 2025, inventories of \$83.6 million (31 March 2024: \$76.9 million) were recognised as an expense and included in 'cost of sales'.

During the year to 31 March 2025, inventories have been reduced by \$0.3 million (31 March 2024: reduction of \$0.7 million) as a result of the write-down to net realisable value. This write-down was recognised as an expense during FY25. The write-down is included in 'cost of sales'.

Notes to the Consolidated Financial Statements (continued)

B Working Capital (continued)**B4 Trade and Other Receivables**

	31 Mar 2025 \$000	31 Mar 2024 \$000
Trade receivables	15,450	13,856
Provision for impairment of receivables	(367)	(386)
Other receivables	9,039	5,609
	24,122	19,079

Trade receivables are non-interest bearing. Provision for impairment of receivables is the loss allowance for trade receivables and is measured at an amount equal to lifetime expected credit losses. This has increased in line with our increased volumes of meat and cattle sales.

The ageing of trade receivables and the provision for impairment of receivables is outlined below:

Trade Receivables Aging	31 Mar 2025 \$000	31 Mar 2024 \$000
Current or past due under 30 days	14,973	12,110
Past due 31-60 days	235	990
Past due 61+ days	242	756
Total trade receivables	15,450	13,856
	31 Mar 2025 \$000	31 Mar 2024 \$000
Provision for Impairment of Receivables Aging		
Current or past due under 30 days	(323)	(167)
Past due 31-60 days	(43)	(31)
Past due 61+ days	(1)	(188)
Total provision for impairment of receivables	(367)	(386)

Our maximum exposure to credit risk is the net carrying value of receivables. We do not hold collateral as security, nor is it our policy to transfer (on-sell) receivables to special purpose entities. Refer to section D for more information on the risk management policy of the Company.

B5 Trade and Other Payables

	31 Mar 2025 \$000	31 Mar 2024 \$000
Trade payables	27,325	29,574
Other payables	11,819	6,366
Deferred revenue	1,226	4,311
	40,370	40,251

Trade payables are non-interest bearing and are normally settled on agreed terms which are generally up to 30 days. Other payables are non-interest bearing. Deferred revenue relates to payments received in advance on sales.

Notes to the Consolidated Financial Statements (continued)

C Funding and Capital Management

C1 Interest-bearing Liabilities

	31 Mar 2025 \$000	31 Mar 2024 \$000
Current		
Asset financing	8,787	6,345
Non-Current		
Secured bank loan facility	427,716	412,748
Asset financing	18,478	18,555
	446,194	431,303

Asset financing has been obtained over some of the Company's vehicles, plant and equipment. These liabilities are discounted using the interest rate implicit in the financing arrangement. The weighted average rate at 31 March 2025 is 5.52% (31 March 2024: 5.29%).

Secured bank loan facility

The Company's Club Debt Facilities committed facility capacity is \$600 million, with an expiry of 8 October 2026. Interest drawn on borrowings under the Club Debt Facilities is charged at the applicable BBSY rate + Margin. The facility is currently drawn down by \$428.3 million (31 March 2024: \$413.7 million).

The Facility A limit is \$410 million, repayable on 8 October 2026. The Facility B limit is \$190 million, subject to extension on 8 October 2026 with a rolling 18 month tenor.

Financing facilities are provided on a secured basis, with security given over all assets under fixed and floating charges. Financial covenants are in place over the Company's Loan to Value Ratio (LVR). The following financing facilities are available:

	31 Mar 2025 \$000	31 Mar 2024 \$000
Borrowing Capacity under Facility A and Facility B	600,000	600,000
Guarantee Facility Capacity	3,000	3,000
Facility A and B Drawn-down	(428,264)	(413,656)
Bank guarantee utilised	(486)	(1,052)
Unused	174,250	188,292

Notes to the Consolidated Financial Statements (continued)

C Funding and Capital Management (continued)

C2 Derivatives

	31 Mar 2025 \$000		31 Mar 2024 \$000	
	Current	Non-Current	Current	Non-Current
Financial Assets				
Foreign currency contracts ⁽¹⁾	807	2,072	1,790	-
Interest rate swap contracts	60	153	-	-
	867	2,225	1,790	-
Financial Liabilities				
Foreign currency contracts	3,755	3,681	2,648	216
Interest rate swap contracts	-	-	7	13
	3,755	3,681	2,655	229

(1) Current foreign currency contract assets are included in Other assets in the Consolidated Statement of Financial Position. Non-Current foreign currency contract assets are included in Other assets in the Consolidated Statement of Financial Position.

Foreign currency contracts

	Notional Amounts (AUD) 31 Mar 2025 \$000	Notional Amounts (AUD) 31 Mar 2024 \$000	Average Exchange Rate 31 Mar 2025	Average Exchange Rate 31 Mar 2024
	Sell FX/Buy AUD			
Sell USD Maturity 0-12 months	143,147	134,408	0.6392	0.6547
Sell USD Maturity 13-48 months	214,305	130,797	0.6425	0.6590
	357,452	265,205		

Foreign currency contracts are attributed to forecast meat sales. As these contracts are hedge accounted, effectiveness was assessed under the requirements of AASB 9 *Financial Instruments*. The effective portion of the movement has been accounted for in Other Comprehensive Income and the ineffective portion posted to profit or loss. Forward currency contracts can have maturities of up to 48 months. These contracts are in US dollars. The total notional value of these contracts at 31 March 2025 was AUD \$357.5 million (31 March 2024: AUD \$265.2 million).

The net fair value gain on foreign currency derivatives during the twelve months to 31 March 2025 was \$4.6 million, with \$4.5 million effective and \$0.1 million ineffective (12 months to 31 March 2024: \$1.1 million, with \$0.8 million effective and \$0.3 million ineffective).

Interest Rate Swap Contracts

The Company has entered into interest rate swaps which are economic hedges. Interest rate swaps are utilised by the Company to manage the mix of borrowings between fixed and floating rates as per our Treasury Policy. The fair value of interest rate swaps at the reporting date is determined by discounting the future cash flows using the forward interest rate curves at reporting date. The Company had \$239 million interest rate swaps with differing tenors, which have been designated as effective hedges and therefore satisfy the accounting standard requirements for hedge accounting.

Notes to the Consolidated Financial Statements (continued)

C Funding and Capital Management (continued)

C2 Derivatives (continued)

Interest Rate Swap Contracts (continued)

The notional principal amounts and period of expiry of the interest rate swap contracts at balance date were as follows:

	31 Mar 2025 \$000	31 Mar 2024 \$000
0-1 years	87,000	170,000
1-7 years	152,000	42,000
	239,000	212,000

The gain or loss from remeasuring the interest rate swaps at fair value is recognised in Other Comprehensive Income and deferred in the hedging reserve component of equity, to the extent that the hedge is effective. It is reclassified into profit or loss when the hedged interest expense is recognised. In the twelve months to 31 March 2025 the related gain recognised in profit or loss was \$0.7 million (twelve months to 31 March 2024: gain \$0.4 million). There was no hedge ineffectiveness in the current or prior year.

C3 Equity

	31 Mar 2025 Shares	31 Mar 2024 Shares	31 Mar 2025 \$000	31 Mar 2024 \$000
Opening balance	597,277,670	597,132,600	528,822	528,822
Treasury shares issued on exercise of performance rights	208,451	145,070	–	–
Total contributed equity	597,486,121	597,277,670	528,822	528,822
Treasury shares ⁽¹⁾	5,280,626	5,489,077	–	–
Total shares on issue	602,766,747	602,766,747	528,822	528,822

(1) The treasury shares are expected to be reissued on exercise of rights under DEA and LTIP share-based payment plans.

C4 Capital Management

When managing capital, our objective is to maintain optimal shareholder returns and safeguard our ability to continue as a going concern. We also aim to maintain a capital structure that ensures the lowest cost of capital.

We monitor capital using the gearing ratio (net debt divided by total capital plus net debt), and our target gearing ratio remains between 20.0% to 35.0%. We include within net debt, interest-bearing loans and borrowings. For the Company's financial risk management objectives and policies refer to section D.

Assets and Capital Structure	31 Mar 2025 \$000	31 Mar 2024 \$000
Current debt		
Asset financing liabilities	8,787	6,345
Lease liabilities	10,018	8,180
Non-current debt		
Asset financing liabilities	18,478	18,555
Lease liabilities	32,180	32,651
Bank loan facility ⁽¹⁾	428,264	413,656
Bank guarantees	486	1,052
Cash	(12,145)	(8,963)
Net debt	486,068	471,476
Net equity	1,544,240	1,516,882
Total capital employed	2,030,308	1,988,358
Gearing (net debt/net debt+equity)	23.9%	23.7%

(1) The gearing ratio is calculated utilising the drawn-down balance of the bank loan facility. This is not offset for \$0.5 million of prepaid borrowing costs.

Notes to the Consolidated Financial Statements (continued)

C Funding and Capital Management (continued)**C5 Earnings Per Share**

The following reflects the income used in the basic and diluted earnings per share computations:

	31 Mar 2025 \$000	31 Mar 2024 \$000
Net loss attributable to ordinary equity holders of the parent (basic)	(1,053)	(94,618)
Net loss attributable to ordinary equity holders of the parent (diluted)	(1,053)	(94,618)

The following reflects the weighted average number of ordinary shares used in the basic and diluted earnings per share computations:

	31 Mar 2025 Shares	31 Mar 2024 Shares
Weighted average number of ordinary shares (basic)	597,395,463	597,209,891
Adjustments for calculation of diluted earnings per share:		
Weighted average performance rights	–	–
Weighted average number of ordinary shares (diluted) as at 31 March	597,395,463	597,209,891

At 31 March 2025, 7,825,848 performance rights (31 March 2024: 5,610,982) were excluded from the diluted weighted average number of ordinary shares calculation as their effect would have been anti-dilutive.

C6 Dividends

No final or interim dividends were declared or paid during the twelve months to 31 March 2025 (twelve months to 31 March 2024: nil).

There are no franking credits available for the subsequent financial years (31 March 2024: nil).

D Financial Risk Management

Exposure to key financial risks are managed in accordance with our financial risk management policy. The objective of the policy is to support the delivery of the Company's financial targets while protecting future financial security. The Audit and Risk Management Committee under the authority of the Board hold primary responsibility for the identification and control of financial risks. The Board reviews and agrees policies for managing each of the risks identified. Different methods are used to measure and manage the different types of risks to which the Company is exposed. The main risks arising from financial instruments are interest rate, foreign currency, commodity, credit and liquidity risk.

As at 31 March 2025 and 31 March 2024, the only financial instruments recognised at fair value were interest rate swaps and forward foreign currency contracts. These are valued using a Level 2 method (refer to note C2) which estimates fair value using inputs that are observable either directly (as prices) or indirectly (derived from prices). The carrying amount of all other financial assets and liabilities approximates the fair value.

D1 Interest Rate Risk

Our policy is to manage our finance costs using a mix of fixed and variable rate debt. In accordance with our Treasury Policy, we maintain at least 50% of our borrowings at fixed rates which are carried at amortised cost. It is acknowledged that fair value exposure is a by-product of our attempt to manage our cash flow volatility arising from interest rate changes. To manage this mix in a cost-efficient manner, we enter into interest rate swaps, in which we agree to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount. We regularly analyse our interest rate exposure taking into consideration potential renewals of existing positions, alternative financing and the mix of fixed and variable interest rates.

At 31 March 2025 the Company holds \$239.0 million interest rate swaps with differing tenors (31 March 2024: \$212.0 million), which have been designated as effective interest rate swaps and therefore satisfy the accounting standard requirements for hedge accounting. The net unrealised fair value gain on interest rate swaps during the twelve months to 31 March 2025 was \$0.7 million (31 March 2024: gain \$0.4 million). At 31 March 2025, after taking into account the effect of interest rate swaps, approximately 55.1% (31 March 2024: 51.3%) of our borrowings are at a fixed rate of interest.

Notes to the Consolidated Financial Statements (continued)

D Financial Risk Management (continued)

D1 Interest Rate Risk (continued)

At the reporting date, we had the following mix of financial assets and liabilities exposed to Australian variable interest rate risk:

	31 Mar 2025 \$000	31 Mar 2024 \$000
Financial assets		
Cash assets	12,145	8,963
Financial liabilities		
Bank loan	(428,264)	(413,656)
Interest rate swaps	239,000	212,000
	(189,264)	(201,656)
Net exposure	(177,119)	(192,693)

The following sensitivity analysis is based on reasonably possible changes in interest rates applied to the interest rate risk exposures in existence at the reporting date.

Judgements of Reasonably Possible Movements:	Effects on Profit Before Tax \$000	Effects on Other Components of Equity ⁽¹⁾ \$000
31 Mar 2025		
+1% (100 basis points)	(1,893)	5,290
-1% (100 basis points)	1,893	(5,290)
31 Mar 2024		
+1% (100 basis points)	(2,017)	3,205
-1% (100 basis points)	2,017	(3,205)

(1) Figures represent an increase/(decrease) in other components of equity.

D2 Foreign Currency Risk

A significant portion of our revenue is received in US dollars and the prices received are influenced by movements in exchange rates, particularly that of the US dollar relative to the Australian dollar.

We therefore have transactional currency exposures (refer note C2) arising from sales of meat in currencies other than in Australian dollars. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the functional currency of the relevant group entity. The risk is measured through a forecast of highly probable US dollar sales. The risk is hedged with the objective of minimising the volatility of the Australian currency revenue of highly probable forecast US dollar denominated sales.

In compliance with our Treasury Policy we have hedged our foreign exchange exposure arising from forecasted cash flows from sales less the forecast cash outflows from expenditure, through forward foreign exchange contracts. The Treasury Policy allows foreign exchange contracts to be entered into for up to 48 months into the future. These foreign exchange contracts have been designated as effective hedges and therefore satisfy the accounting standard requirements for hedge accounting. This resulted in a \$4.5 million movement in other comprehensive income and a \$0.1 million movement in profit or loss in the twelve months to 31 March 2025 (31 March 2024: \$1.1 million movement in other comprehensive income and a \$0.3 million movement in profit or loss).

Notes to the Consolidated Financial Statements (continued)

D Financial Risk Management (continued)

D2 Foreign Currency Risk (continued)

At reporting date, the following mix of financial assets and liabilities were exposed to foreign exchange risk.

	31 Mar 2025 \$000	31 Mar 2024 \$000
Financial assets		
Cash	6,883	3,819
Derivatives	2,879	1,790
Trade receivables	7,135	8,153
	16,897	13,762
Financial liabilities		
Derivatives	(7,436)	(2,864)
Net exposure	9,461	10,898

At 31 March 2025, had the Australian Dollar moved and all other variables held constant, profit before tax and equity would have been affected as illustrated in the table below.

Judgements of Reasonably Possible Movements:	Effects on Profit Before Tax \$000	Effects on Equity \$000
31 Mar 2025		
AUD/USD +10%	552	31,947
AUD/USD -10%	(675)	(39,044)
31 Mar 2024		
AUD/USD +10%	7,236	18,835
AUD/USD -10%	(8,844)	(23,020)

D3 Commodity Price Risk

Transactional commodity price risk exists in the sale of cattle and beef. Other commodity price exposures include feed inputs for our feedlot operations and operational costs such as fuel.

Price risks are managed, where possible, through forward sales of boxed beef for a period of up to six months. Forward sales contracts for boxed beef are classified as non-derivative and are not required to be fair valued. Revenues derived from these forward sales are recognised in accordance with the Company's revenue recognition policy for meat sales disclosed at note G3 (r).

For feedlot commodities, price risk is mitigated where possible through internal production, on-site storage & entering into forward purchase contracts. Purchases of commodities may be for a period of up to 12 months. As at 31 March 2025, stock on hand was approximately 26% (31 March 2024: 19%) of our expected grain & roughage usage for the coming 12 months and forward purchases for approximately 46% (31 March 2024: 32%) of our expected grain & roughage purchases for the coming 12 months. These forward purchases include expected internal supply. Without internal supply, forward purchases accounted for approximately 6% (31 March 2024: 10%) of our expected grain & roughage purchases for the coming 12 months. These contracts are entered into and continue to be held for the purpose of grain purchase requirements; they are classified as non-derivative and are not required to be fair valued.

D4 Credit Risk

Credit risk arises from our financial assets, which comprise cash, trade and other receivables and derivative instruments. Our exposure to credit risk arises from potential default of the counterparty, with a maximum exposure equal to the carrying amount of the financial assets, as outlined in each applicable note. We do not hold any credit derivatives to offset our credit exposure.

We manage our credit risk by maintaining strong relationships with our customers. The risk is also mitigated by paying an annual insurance premium in relation to certain sales. In addition, receivable balances are monitored on an ongoing basis with the result that our experience of bad debts has not been significant. We have no significant concentrations of credit risk. Credit risk and expected credit loss relating to trade receivables is disclosed in note B4.

Notes to the Consolidated Financial Statements (continued)

D Financial Risk Management (continued)

D5 Liquidity Risk

Liquidity risk arises from our financial liabilities and our subsequent ability to repay the financial liabilities as and when they fall due. Our objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans and leases.

We manage our liquidity risk by monitoring the total cash inflows and outflows expected on a monthly basis. We have established comprehensive risk reporting covering our business units that reflect expectations of management for the settlement of financial assets and liabilities.

The following liquidity risk disclosures reflect all contractually fixed repayments and interest resulting from recognised financial liabilities and derivatives as of 31 March 2025. The timing of cash flows for liabilities is based on the contractual terms of the underlying contract. However, where the counterparty has a choice of when the amount is paid, the liability is allocated to the earliest period in which we can be required to pay. Where amounts available are committed to be paid in instalments, each instalment is allocated to the earliest period in which payment is required.

The risk implied from the values shown in the table below, reflects a balanced view of cash inflows and outflows of financial instruments. Leasing obligations, trade payables and other financial liabilities mainly originate from the financing of assets used in our ongoing operations such as property, plant and equipment and investments in working capital (e.g. inventories and trade receivables). These assets are considered in the Company's overall liquidity risk.

	Less Than 6 Months \$000	6-12 Months \$000	1-2 Years \$000	2-5 Years \$000	More Than 5 Years \$000	Total \$000	Carrying Amount \$000
31 Mar 2025							
Financial assets							
Cash	12,145	–	–	–	–	12,145	12,145
Trade and other receivables	20,815	3,307	–	–	–	24,122	24,122
Derivatives	285	261	467	389	17	1,419	213
Financial liabilities							
Trade and other payables	(40,370)	–	–	–	–	(40,370)	(40,370)
Lease liabilities	(6,153)	(6,054)	(10,324)	(20,398)	(4,936)	(47,865)	(42,198)
Interest-bearing liabilities	(15,917)	(14,289)	(215,707)	(243,990)	–	(489,903)	(454,981)
Net maturity	(29,195)	(16,775)	(225,564)	(263,999)	(4,919)	(540,452)	(501,069)
31 Mar 2024							
Financial assets							
Cash	8,963	–	–	–	–	8,963	8,963
Trade and other receivables	16,772	2,307	–	–	–	19,079	19,079
Derivatives	193	151	186	143	16	689	(20)
Financial liabilities							
Trade and other payables	(40,251)	–	–	–	–	(40,251)	(40,251)
Lease liabilities	(4,887)	(4,623)	(8,505)	(19,037)	(8,619)	(45,671)	(40,831)
Interest-bearing liabilities	(14,275)	(14,289)	(213,327)	(244,676)	–	(486,567)	(437,648)
Net maturity	(33,485)	(16,454)	(221,646)	(263,570)	(8,603)	(543,758)	(490,708)

Notes to the Consolidated Financial Statements (continued)

E Unrecognised Items**E1 Commitments**

We have entered into forward purchase contracts for \$4.8 million worth of grain commodities as at 31 March 2025 (31 March 2024: \$8.9 million). There are no forward purchase contracts for cattle as at 31 March 2025 (31 March 2024: no forward purchase contracts). All forward contracts are expected to be settled within 12 months from the balance date.

Capital expenditure of \$11.3 million has been contracted in respect of property, plant and equipment as at 31 March 2025 (31 March 2024: \$4.7 million).

E2 Contingencies

At 31 March 2025, there are a number of long-standing native title claims over our pastoral holdings. Settlement negotiations between the Government, claimants and pastoral interests are ongoing, and we do not expect any material impact on our operations to result from this.

F Other**F1 Property, Plant and Equipment at Cost**

	Industrial Property and Improvement \$000	Plant and Equipment \$000	Capital Work in Progress \$000	Total \$000
31 Mar 2025				
Opening balance	37,213	47,747	2,114	87,074
Additions	–	–	22,059	22,059
Transfers	37	15,797	(15,834)	–
Disposals	–	(188)	–	(188)
Depreciation	(615)	(11,636)	–	(12,251)
Closing balance	36,635	51,720	8,339	96,694
Cost	86,036	229,135	8,339	323,510
Accumulated depreciation and impairment	(49,401)	(177,415)	–	(226,816)
31 Mar 2024				
Opening balance	34,384	32,055	4,975	71,414
Additions	–	–	26,049	26,049
Transfers	3,177	25,733	(28,910)	–
Disposals	(116)	(577)	–	(693)
Depreciation	(232)	(9,464)	–	(9,696)
Closing balance	37,213	47,747	2,114	87,074
Cost	85,999	213,526	2,114	301,639
Accumulated depreciation and impairment	(48,786)	(165,779)	–	(214,565)

Impairment of Property, Plant and Equipment at Cost

The Livingstone Beef Cash-Generating Unit (CGU) is the only location with property and improvements measured under the cost model by the Company per AASB 116 *Property, Plant and Equipment*. Under the requirements of AASB 136 *Impairment of Assets*, at each reporting period an assessment of internal and external factors must be made to determine whether there are indicators of impairment. Where indicators exist, a formal estimate of the recoverable amount of these assets is undertaken.

During FY25 operations continue to be suspended at Livingstone Beef. Management have not noted any indicators of impairment as at 31 March 2025.

Notes to the Consolidated Financial Statements (continued)

F Other (continued)

F2 Intangible Assets

	31 Mar 2025 \$000	31 Mar 2024 \$000
Opening balance	17,227	12,935
Additions	5,698	4,336
Amortisation	–	(44)
Closing balance	22,925	17,227

Additions to Intangible Assets during the year related to the recognition of 173,862 Australian Carbon Credit Units (ACCUs) under the Company's Beef Herd Management Plan. Refer note F5.

F3 Right-of-use Assets and Lease Liabilities

	31 Mar 2025 \$000	31 Mar 2024 \$000
Right-of-use assets		
Non-current	37,729	36,132
Lease liabilities		
Current	(10,018)	(8,180)
Non-current	(32,180)	(32,651)
	(42,198)	(40,831)

When measuring lease liabilities for property, the Company discounts payments using the incremental borrowing rate as at the lease commencement or remeasurement date. The weighted average rate applied is 4.45%.

Movements in Right-of-use assets and amounts recognised in the Income Statement relating to leases are shown below.

	31 Mar 2025 \$000	31 Mar 2024 \$000
Right-of-use Assets		
Opening balance	36,132	37,309
Depreciation charge for the year	(9,560)	(8,768)
Recognition of right of use asset additions	11,157	7,720
Derecognition of terminated lease	–	(129)
Closing balance	37,729	36,132

Right-of-use assets relate to buildings, property and vehicles leased by the Company excluding pastoral property held under perpetual leases. During the period, the Company recognised an increase in the Rewan lease as a result of a contractual rent review, an extension of the lease on Comet Downs, and the recognition of an extension option on Gordon Downs. This has resulted in additional right-of-use assets.

	31 Mar 2025 \$000	31 Mar 2024 \$000
Amounts Recognised in the Income Statement Relating to Leases		
Interest on lease liabilities	1,843	1,484
Expenses relating to short-term and low-value leases	500	584

The Company has elected to expense short-term and low value leases, as permitted under the recognition exemptions of AASB 16. The amount expensed during the period relating to short-term and low value lease assets was \$0.5 million (31 March 2024: \$0.6 million).

	31 Mar 2025 \$000	31 Mar 2024 \$000
Amounts Recognised in the Statement of Cash Flows Relating to Leases		
Payment of interest and finance costs	(1,432)	(1,158)
Principal repayments of leases	(9,764)	(6,437)
Total cash outflow relating to leases	(11,196)	(7,595)

Refer to note D5 for contractual cashflows and maturity analysis.

Notes to the Consolidated Financial Statements (continued)

F Other (continued)

F4 Tax

The Major Components of Tax Are:	31 Mar 2025 \$000	31 Mar 2024 \$000
Income statement		
<i>Current income tax</i>		
Current income tax charge/(benefit)	-	-
Foreign income taxes	530	-
<i>Deferred income tax</i>		
Relating to origination and reversal of temporary differences	(890)	(41,642)
Under/(over) provision in prior years	1,212	(1,752)
Research and development claims from prior years	-	-
Income tax expense/(benefit) in the income statement	852	(43,394)
Statement of changes in equity		
<i>Deferred income tax</i>		
Net (loss) on cash flow hedges	(58)	(6)
Net gain on revaluation of land and buildings	13,434	19,561
Income tax expense reported in equity	13,376	19,555
Tax reconciliation		
Accounting (loss) before tax	(201)	(138,012)
At the statutory income tax rate of 30%	(60)	(41,404)
Other items (net)	912	(1,990)
Income tax expense/(benefit) in the income statement	852	(43,394)
Deferred income tax in the balance sheet relates to:		
<i>Deferred tax liabilities</i>		
Adjustments to land, buildings and improvements	(325,794)	(312,112)
Revaluations of trading stock for tax purposes	(62,960)	(74,902)
Other	(7,638)	(4,896)
Offsetting deferred tax asset	62,501	71,717
Total net deferred tax liability	(333,891)	(320,193)
<i>Deferred tax assets</i>		
Accruals and other	204	227
Depreciable assets (PPE)	5,851	6,220
Interest rate swaps	64	6
Leave entitlements and other provisions	3,287	2,945
Carried forward debt deductions	3,410	-
Research and development offsets	417	-
Carried forward losses	47,576	59,526
Deferred income	368	1,293
Individually insignificant balances	1,324	1,500
Total deferred tax asset (offset against deferred tax liability)	62,501	71,717
Deferred income tax in the income statement relates to:		
Revaluations of trading stock for tax purposes	(11,942)	(22,176)
Accruals and other	23	79
Carried forward losses	10,715	(21,000)
Other	1,526	(297)
Total deferred tax expense/(benefit)	322	(43,394)

Notes to the Consolidated Financial Statements (continued)

F Other (continued)

F5 Other Earnings Disclosures

	31 Mar 2025 \$000	31 Mar 2024 \$000
Recognition of carbon credits ⁽¹⁾	5,697	4,336
Gain on disposal of fixed assets	617	9
Station income ⁽²⁾	4,215	771
Other income	2,262	2,613
Total other income	12,791	7,729
Interest expense	27,367	24,869
Other finance costs	384	467
Total finance costs	27,751	25,336
Remuneration and on-costs	61,533	55,594
Superannuation and post-employment benefits	5,112	4,543
Other employment benefits	4,929	5,520
Share-based payments expense	1,694	1,270
Total employee expenses	73,268	66,927

(1) Recognition of carbon credits in the current year relates to 173,862 Australian Carbon Credit Units (ACCUs). The Company holds a total 645,354 ACCUs with a carrying value of \$22.0 million at 31 March 2025.

(2) Station income is generated on an ad-hoc basis from the sale of goods, such as crops, or the provision of farm-related services, such as agistment.

Notes to the Consolidated Financial Statements (continued)

F Other (continued)

F6 Reserves

	Asset Revaluation Reserve \$000	Capital Profits Reserve \$000	Cash Flow Hedge Reserve \$000	Foreign Currency Translation Reserve \$000	Employee Equity Benefits Reserve \$000	Total \$000
At 1 April 2023	847,791	84,762	(3,639)	(1,702)	7,555	934,767
Revaluation of pastoral properties and improvements	65,205	-	-	-	-	65,205
Tax effect on revaluation of pastoral properties and improvements	(19,562)	-	-	-	-	(19,562)
Net movement in cash flow hedges, net of tax	-	-	2,849	-	-	2,849
Revaluation of foreign currency operations	-	-	-	(348)	-	(348)
Share-based payment	-	-	-	-	1,270	1,270
At 31 March 2024	893,434	84,762	(790)	(2,050)	8,825	984,181
	Asset Revaluation Reserve \$000	Capital Profits Reserve \$000	Cash Flow Hedge Reserve \$000	Foreign Currency Translation Reserve \$000	Employee Equity Benefits Reserve \$000	Total \$000
At 1 April 2024	893,434	84,762	(790)	(2,050)	8,825	984,181
Revaluation of pastoral properties and improvements	44,781	-	-	-	-	44,781
Tax effect on revaluation of pastoral properties and improvements	(13,434)	-	-	-	-	(13,434)
Net movement in cash flow hedges, net of tax	-	-	(3,837)	-	-	(3,837)
Revaluation of foreign currency operations	-	-	-	(794)	-	(794)
Share-based payment	-	-	-	-	1,695	1,695
At 31 March 2025	924,781	84,762	(4,627)	(2,844)	10,520	1,012,592

The asset revaluation reserve is used to record increments and decrements in the fair value of property and improvements and any fair value adjustments on intangible assets, to the extent that they offset one another. The reserve can only be used to pay dividends in limited circumstances.

The capital profits reserve is used to accumulate realised capital profits, and can be used to pay dividends.

The cash flow hedge reserve is used to record the portion of movements in fair value of a hedging instrument in a cash flow hedge that is recognised in other comprehensive income. The foreign currency translation reserve is used to accumulate the net impact of translating our US and Singapore denominated foreign currency balances and transactions into our presentational currency, Australian dollars.

The employee equity benefits reserve is used to record the value of equity benefits provided to employees as part of their remuneration. Refer to note F8 for further details of these plans.

Notes to the Consolidated Financial Statements (continued)

F Other (continued)

F7 Related Parties

Compensation for Key Management Personnel	31 Mar 2025 \$000	31 Mar 2024 \$000
Short-term employee benefits	5,355	5,044
Post-employment benefits	192	181
Share-based payment	1,046	630
Termination benefits	–	–
Long-term benefits	–	–
Total compensation	6,593	5,855

Transactions with other related parties

On 4 October 2024, the Company entered into a formal consultancy agreement with Non-Executive Director, Ms Jessica Rudd. In accordance with this agreement, fees of \$80,000 plus GST were incurred during the financial year ended 31 March 2025 (31 March 2024: nil).

From time to time Directors may buy goods from the Group. These purchases are on the same terms and conditions as those entered into by other employees.

There were no other transactions between the Company and associates or other related parties during the year ended 31 March 2025 (31 March 2024: nil). Associates are entities considered to be related parties, due to the Company having significant but not controlling influence over the entity.

Notes to the Consolidated Financial Statements (continued)

F Other (continued)

F8 Share-based Payments

The Company's share-based payment plans are described below. During 2025, expenses arising from equity settled share-based payment transactions were \$1,694,063 (31 March 2024: \$1,270,109).

Performance Rights Plan (PRP)

The Company's Performance Rights Plan has been in place since 2011 for incentive awards comprising performance rights. Performance rights remain until such time as they are either exercised or the rights lapse, and have a nil exercise price. Vesting of the performance rights is dependent on the satisfaction of a service vesting condition and/or a performance condition. Any performance rights which fail to meet the service condition on the vesting date will lapse immediately. Once the performance rights have vested, they are automatically exercised and shares in AACo issued to either the AACo Employee Share Scheme Trust (ESST) or acquired on-market by the ESST Trustee on behalf of the participant.

Deferred Equity Award

Executives who are paid an STI cash bonus will receive a Deferred Equity Award (DEA) which is generally equal to 50% of the amount of the STI cash bonus earned. The DEA is in the form of a grant of performance rights under the Performance Rights Plan and is subject to two-year (50%) and three-year (50%) service vesting conditions i.e. vesting of the DEA is subject to the executive still being employed by the Company at the relevant vesting date. The DEA is typically awarded subsequent to the financial year to which it relates, and formally granted shortly after.

The Company has a Good Leaver and a Bad Leaver Policy. If an executive ceases employment with the Company, then any unvested DEA will be automatically forfeited. If the executive was a Good Leaver, then the Board will consider the circumstances of the cessation of employment and may exercise its discretion to allow some or all of the unvested DEA to vest (and be exercised).

Long-Term Incentives

The Company operates a Long-Term Incentive (LTI) Plan in order to align remuneration of the Company's senior executives with the long-term strategic goals of the Company.

The LTI Plan is consistent with the Company's objectives for remuneration, which include providing competitive total rewards to attract and retain high calibre senior executives, having a meaningful portion of remuneration "at risk" and, above all, creating value for shareholders.

Under the LTI Plan, eligible persons are granted performance rights, being a right to acquire shares in the Company subject to applicable performance conditions being satisfied and exercise of the vested performance right. Performance rights under the LTI Plan will be granted in three offers, each covering a three year period with an optional fourth year if performance targets to year three are not met.

The Company has granted performance rights relating to the three current LTI offers, on the terms summarised below.

Feature	FY25	FY24	FY23
Performance rights granted	2,256,466	2,348,776	2,908,614
Grant date fair value	\$0.57	\$0.70	\$0.68
Valuation methodology	Monte Carlo simulations	Monte Carlo simulations	Binomial model
Expected volatility	28.0%	29.0%	32.0%
Risk-free rate	3.9%	3.8%	3.1%
Expected dividends	Nil	Nil	Nil

Notes to the Consolidated Financial Statements (continued)

F Other (continued)

F8 Share-based Payments (continued)

Long-Term Incentives (continued)

Feature	FY23 Offer	FY24 Offer	FY25 Offer
Performance Condition and Performance Period	<p>Vesting of the performance rights is subject to a condition that the volume weighted average price (VWAP) of Company shares sold on the ASX over the period of 20 trading days up to and including:</p> <ul style="list-style-type: none"> 30 September 2025 is at least \$2.78, based upon a 15% annual growth rate over three years. 30 September 2026 is at least \$2.02, based upon a 15% annual growth rate over three years. 30 September 2027 is at least \$2.13, based upon a 15% annual growth rate over three years. <p>If the above performance condition is not satisfied, the performance rights will remain on foot and will be subject to an alternative performance condition relating to the VWAP of Company shares sold on the ASX over the period of 20 trading days up to and including:</p> <ul style="list-style-type: none"> 30 September 2026. 30 September 2027. 30 September 2028. <p>Under this alternative condition, if the relevant VWAP is:</p> <ul style="list-style-type: none"> at least \$2.88 (representing a compound annual growth rate of 12%), but less than \$3.20-50% of performance rights will vest; and at least \$3.20 (representing a compound annual growth rate of 15%) – 100% of performance rights will vest. at least \$2.09 (representing a compound annual growth rate of 12%), but less than \$2.33-50% of performance rights will vest; and at least \$2.33 (representing a compound annual growth rate of 15%) – 100% of performance rights will vest. at least \$2.21 (representing a compound annual growth rate of 12%), but less than \$2.45-50% of performance rights will vest; and at least \$2.45 (representing a compound annual growth rate of 15%) – 100% of performance rights will vest. <p>The vesting period is from the grant date of 30 November 2022 to 30 September 2025.</p> <p>The vesting period is from the grant date of 15 December 2023 to 30 September 2026.</p> <p>The vesting period is from the grant date of 17 December 2024 to 30 September 2027.</p>		
Exercise Period	<p>Performance rights that have vested may generally be exercised at any time until six years after the date of vesting. Where a holder of performance rights ceases employment with the Company group, the exercise period is abridged to 30 days after cessation of employment.</p>		
Number of Available Performance Rights	<p>Eligible persons were granted a number of performance rights equal to the value of their long-term incentive opportunity, divided by the VWAP of Company shares sold on the ASX over the period of 20 trading days up to and including:</p> <ul style="list-style-type: none"> 30 September 2022 being \$1.83. 30 September 2023 being \$1.33. 30 September 2024 being \$1.40. 		
Lapsing Conditions	<p>Unvested performance rights generally lapse upon the holder ceasing employment with the Company.</p> <p>If the holder of performance rights ceases to be an employee as a result of an “Uncontrollable Event” (e.g. death, permanent disablement, retirement, retrenchment, or such other circumstances which the Board determines is an Uncontrollable Event), any unvested performance rights held by that person are expected to continue to be subject to the requirements for vesting and exercise applying to those performance rights, unless the Board determines that the vesting conditions applying to some or all of those performance rights will be waived or that some or all of those performance rights will lapse.</p> <p>There are certain other circumstances in which a participant’s performance rights may lapse, including where the participant has committed any act of fraud, defalcation or gross misconduct, hedged the value of performance rights or purported to dispose or grant a security interest in respect of their performance rights.</p>		
Change of Control Event	<p>If a change of control event for the Company occurs, the treatment of any unvested performance rights will be within the discretion of the Board to determine.</p>		
On Market Acquisition of Shares	<p>The requirement to deliver shares in the Company upon the vesting and exercise of performance rights under the LTI Plan must be satisfied by way of a past or future on market acquisition of shares in the Company.</p>		

Notes to the Consolidated Financial Statements (continued)

F Other (continued)

F8 Share-based Payments (continued)

Equity Settled Awards Outstanding

The table below shows the number (No.) and weighted average exercise prices (WAEP) of performance rights outstanding under the Performance Right Plan (PRP). There have been no cancellations or modifications to the PRP during the twelve months to 31 March 2025.

31 Mar 2025	PRP No.
Outstanding at the beginning of the period	5,610,982
Granted during the period	2,741,968
Forfeited during the period	(318,652)
Exercised during the period	(208,451)
Outstanding at the end of the period	7,825,847
Exercisable at the end of the period	-
Weighted average remaining contractual life (days)	577
Weighted average fair value at grant date	0.77
Range of exercise prices (\$)	-
31 Mar 2024	PRP No.
Outstanding at the beginning of the period	3,388,776
Granted during the period	3,000,618
Forfeited during the period	(633,342)
Exercised during the period	(145,070)
Outstanding at the end of the period	5,610,982
Exercisable at the end of the period	-
Weighted average remaining contractual life (days)	705
Weighted average fair value at grant date	0.85
Range of exercise prices (\$)	-

Notes to the Consolidated Financial Statements (continued)

F Other (continued)

F9 Controlled Entities

The consolidated financial statements include the following controlled entities:

Name of Entity	Notes	Country of Incorporation	31 Mar 2025 % of Shares Held	31 Mar 2024 % of Shares Held
Parent Entity				
Australian Agricultural Company Limited	(a)	Australia		
Controlled Entities				
A. A. Company Pty Ltd	(a)	Australia	100	100
Austcattle Holdings Pty Ltd	(a)	Australia	100	100
A. A. & P. Joint Holdings Pty Ltd	(a)	Australia	100	100
Shillong Pty Ltd	(a)	Australia	100	100
James McLeish Estates Pty Limited	(a)	Australia	100	100
Wondoola Pty Ltd	(a)	Australia	100	100
Waxahachie Pty Ltd	(a)	Australia	100	100
Naroo Pastoral Company Pty Limited	(a)	Australia	100	100
AACo Nominees Pty Limited	(a)	Australia	100	100
Chefs Partner Pty Ltd	(a)	Australia	100	100
Polkinghorne Stores Pty Limited		Australia	100	100
Northern Australian Beef Limited	(a)	Australia	100	100
AACo Innovation Pty Ltd		Australia	100	100
AACo Innovation (US) Pty Ltd		Australia	100	100
AACo US Holdings Pty Ltd		Australia	100	100
AACo Innovation (US) LLC		United States of America	100	100
AACo Operations (US) LLC		United States of America	100	100
AACo (US) LLC		United States of America	100	100
AACo (US) Distribution LLC		United States of America	100	100
AACo Singapore Holdings Pty Ltd		Australia	100	100

- (a) These companies have entered into a deed of cross guarantee dated 22 November 2006 (amended 1 April 2015) with Australian Agricultural Company Limited which provides that all parties to the deed will guarantee to each creditor payment in full of any debt of each company participating in the deed on winding-up of that company. As a result of a Class Order issued by the Australian Securities and Investments Commission, these companies are relieved from the requirement to prepare financial statements. The Consolidated Income Statement and Consolidated Statement of Financial Position of all entities included in the Class Order "Closed Group" are set out in (b).

Notes to the Consolidated Financial Statements (continued)

F Other (continued)

F9 Controlled Entities (continued)

(b) Financial information for the Class Order Closed Group:

	31 Mar 2025 \$000	31 Mar 2024 \$000
Current Assets		
Cash	10,583	7,535
Trade and other receivables	23,884	19,079
Inventories and consumables	38,041	32,338
Livestock	240,713	285,154
Other assets	8,225	7,183
Total Current Assets	321,446	351,289
Non-Current Assets		
Livestock	355,120	326,142
Property, plant and equipment	1,685,171	1,629,606
Intangible assets	22,925	17,227
Right-of-use assets	37,729	36,132
Investments	–	238
Intercompany receivable	49,221	31,096
Total Non-Current Assets	2,150,166	2,040,441
Total Assets	2,471,612	2,391,730
Current Liabilities		
Trade and other payables	38,711	38,899
Provisions	5,046	4,615
Interest-bearing liabilities	8,787	6,345
Lease liabilities	10,018	8,180
Derivatives	3,755	2,655
Total Current Liabilities	66,317	60,694
Non-Current Liabilities		
Provisions	1,093	876
Interest-bearing liabilities	446,194	431,303
Lease liabilities	32,180	32,651
Derivatives	3,681	229
Deferred tax liabilities	333,891	320,193
Total Non-Current Liabilities	817,039	785,252
Total Liabilities	883,356	845,946
Net Assets	1,588,256	1,545,784
Equity:		
Contributed equity	528,822	528,822
Reserves	1,015,403	986,199
Retained earnings/(losses)	44,031	30,763
Total Equity	1,588,256	1,545,784

Notes to the Consolidated Financial Statements (continued)

F Other (continued)

F9 Controlled Entities (continued)

Income Statement of the Closed Group	31 Mar 2025 \$000	31 Mar 2024 \$000
Meat sales revenue	293,855	268,719
Cattle sales revenue	93,976	67,413
	387,831	336,132
Cattle fair value adjustments	255,510	102,362
	643,341	438,494
Cost of meat sold	(215,448)	(197,332)
Deemed cost of cattle sold	(88,969)	(63,793)
Cattle and feedlot expenses	(123,486)	(108,344)
Gross margin	215,438	69,025
Other income	12,812	7,720
Employee expenses	(68,176)	(62,230)
Administration and selling costs	(48,215)	(51,074)
Other operating costs	(38,363)	(35,354)
Property costs	(3,380)	(4,656)
Depreciation and amortisation	(28,778)	(24,819)
Profit/(loss) before finance costs and income tax expense	41,338	(101,388)
Net finance costs	(27,748)	(25,336)
Profit/(loss) before income tax	13,590	(126,724)
Income tax (expense)/benefit	(322)	43,393
Net profit/(loss) after tax	13,268	(83,331)

Notes to the Consolidated Financial Statements (continued)

F Other (continued)

F10 Parent Entity

	31 Mar 2025 \$000	31 Mar 2024 \$000
Current assets	7,341	8,212
Non-Current assets	522,961	517,466
Total Assets	530,302	525,678
Current liabilities	75	60
Non-Current liabilities	427,716	412,761
Total Liabilities	427,791	412,821
Net Assets	102,511	112,857
Contributed equity	538,822	538,822
Asset revaluation reserve	74,596	71,841
Cash flow hedge reserve	(4,627)	(790)
Accumulated losses	(506,280)	(497,016)
Total Equity	102,511	112,857
(Loss) of the parent entity	(9,355)	(36,753)
Total comprehensive (loss) of the parent entity	(15,946)	(109,311)

Australian Agricultural Company Limited and the wholly-owned entities listed in note F9 are parties to a deed of cross guarantee as described in F9. In accordance with the deed of cross guarantee, each Company which is party to the deed guarantee, to each creditor, payment in full of any debt. No deficiency of net assets existed for the Company as at 31 March 2025. No liability was recognised by Australian Agricultural Company Limited in relation to these guarantees, as the fair value of the guarantees is immaterial.

The accounting policies of the parent entity, which have been applied in determining the financial information shown above, are the same as those applied in the consolidated financial statements except for investments in subsidiaries which are accounted for at cost in the financial statements of Australian Agricultural Company Limited.

F11 Auditor's Remuneration

	31 Mar 2025 \$000	31 Mar 2024 \$000
Remuneration received, or due and receivable, by KPMG for:		
An audit or review of the financial report of the entity and any other entity in the consolidated Group	426,000	401,700
Limited scope assurance of the Sustainability Report	47,040	37,000
Mandatory Sustainability reporting readiness	77,000	-
Total	550,040	438,700

F12 Significant Events After the Balance Sheet Date

There have been no other significant events after the balance sheet date which require disclosure in the financial report.

Notes to the Consolidated Financial Statements (continued)

G Policy Disclosures

G1 Corporate Information

Australian Agricultural Company Limited is a company limited by shares, incorporated and domiciled in Australia. The Company's shares are publicly traded on the Australian Securities Exchange (ASX).

The consolidated financial statements of Australian Agricultural Company Limited (AACo, the Company or parent Company) for the year ended 31 March 2025 were authorised for issue in accordance with a resolution of the Directors on 21 May 2025.

We recommend the financial statements be considered together with any public announcements made by the Company during the year ended 31 March 2025 in accordance with the Company's continuous disclosure obligations arising under the *Corporations Act 2001* and ASX listing rules.

The nature of the operations and principal activities of Australian Agricultural Company Limited are described in the Directors' Report.

G2 Basis of Preparation

The financial statements are general purpose financial statements, prepared by a for-profit entity, in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board.

(a) Terminology used in the financial statements

In these financial statements, any references to we, us, our, AACo, the Company and consolidated, all refer to Australian Agricultural Company Limited and the entities it controlled at the financial year end or from time to time during the financial year. Any references to subsidiaries or controlled entities in these financial statements refer to those entities that are controlled and consolidated by Australian Agricultural Company Limited.

(b) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for Pastoral Property and Improvements, livestock and derivative financial instruments, which have been measured at fair value. Under the historical cost basis, assets are recorded at the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire them at the time of their acquisition. Liabilities are recorded at the amount of proceeds received in exchange for the obligation, or in some circumstances, at the amounts of cash expected to be paid to satisfy the liability in the normal course of business.

(c) Compliance with IFRS

The financial statements also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

(d) Rounding amounts in the financial statements have been rounded to the nearest thousand dollars for presentation noted (\$000)

This has been completed under the option available to the Company under *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*. The Company is an entity to which this legislative instrument applies.

Notes to the Consolidated Financial Statements (continued)

G Policy Disclosures (continued)

G3 Accounting Policies

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) New accounting standards and interpretations

The Company adopted no new and amended Australian Accounting Standards and AASB Interpretations during the year ended 31 March 2025.

Accounting Standards and Interpretations issued but not yet effective

There are a number of Standards and/or Interpretations that will be mandatory in future reporting periods. We have not elected to early adopt these Standards and Interpretations. There are no Standards and Interpretations that would have a material impact on the Company.

(b) Basis of consolidation

The consolidated financial statements comprise the financial statements of Australian Agricultural Company Limited, and its subsidiaries (as outlined in note F9) as at 31 March each year or from time to time during the year. All intra-group balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full.

Subsidiaries are all those entities which we control as a result of us being exposed, or have rights, to variable returns from our involvement with the subsidiary and we have the ability to affect those returns through our power over the subsidiary. Such control generally accompanies a shareholding of more than one-half of the subsidiaries voting rights. We currently hold 100% of the voting rights of all our subsidiaries.

We consolidate subsidiaries from the date on which control commences and up until the date on which there is a loss of control.

We account for the acquisition of our subsidiaries using the acquisition method of accounting. The acquisition method of accounting involves recognising at acquisition date, separately from goodwill, the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree. The identifiable assets acquired and the liabilities assumed are measured at their acquisition date fair values.

Any excess of the fair value of consideration over our interest in the fair value of the acquiree's identifiable assets, liabilities and contingent liabilities is recognised as goodwill.

(c) Significant accounting judgements, estimates and assumptions

The preparation of the financial statements requires us to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. We continually evaluate our judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. We base our judgements and estimates on historical experience and on other various factors we believe are reasonable under the circumstances, the result of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources.

We have identified the following accounting policies for which significant judgements, estimates and assumptions have been made:

- Fair value determination of livestock, refer to note A3;
- Fair value determination of pastoral property and improvements, refer to note A4; and
- Valuation of share-based payment transactions, refer to note F8.

Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods. Further details of the nature of these assumptions and conditions may be found in the relevant notes to the financial statements.

Notes to the Consolidated Financial Statements (continued)

G Policy Disclosures (continued)

G3 Accounting Policies (continued)

(d) Foreign currency translation

Items included in each of the group entities' financial statements are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in Australian dollars which is the Company's functional and presentation currency.

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at balance date;
- income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates; and
- all resulting exchange differences are recognised in other comprehensive income.

(e) Cash

Cash in the Statement of Financial Position comprise cash at bank and in hand which are subject to an insignificant risk of changes in value. For the purposes of the Statement of Cash Flows, cash is as defined above, net of outstanding bank overdrafts. Bank overdrafts are included within interest-bearing loans and borrowings in current liabilities on the Statement of Financial Position.

(f) Trade and other receivables

Trade and other receivables are considered financial assets. They are recognised initially at the fair value of the amounts to be received and are subsequently measured at amortised cost using the effective interest method, less a provision for expected credit loss. These financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and we have transferred substantially all the risks and rewards of ownership.

We review the collectability of trade receivables on an ongoing basis at the Company level.

Provision for expected credit loss of receivables is recognised as the loss allowance for trade receivables and is measured at an amount equal to lifetime expected credit losses. Trade receivables that do not contain a significant financing component are measured for the loss allowance at an amount equal to the lifetime expected credit losses.

AACo's maximum exposure to credit risk is the net carrying value of receivables. We do not hold collateral as security, nor is it our policy to transfer (on-sell) receivables to special purpose entities.

(g) Inventories and consumables

Inventories and consumables held for sale or for use in our operations are valued at the lower of cost and net realisable value. Cost is determined on the average cost basis and comprises the cost to purchase or produce, including transport cost. In the case of meat inventories, cost comprises the fair market value at the time of beef transfers, any over-the-hook purchases, cold storage and processing costs.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The quality of inventories is taken into account in the assessment of net realisable value.

Notes to the Consolidated Financial Statements (continued)

G Policy Disclosures (continued)

G3 Accounting Policies (continued)

(h) Derivative financial instruments and hedge accounting

We use derivative financial instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts, to hedge our foreign currency risks, interest rate risks and commodity price risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to the income statement, except for the effective portion of cash flow hedges, which is recognised in other comprehensive income.

For the purpose of hedge accounting, hedges are classified as:

- (a) Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.
- (b) Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

At the inception of a hedge relationship, we formally designate and document the hedge relationship to which we wish to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how we will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated. Hedges that meet the strict criteria for hedge accounting are accounted for as described below:

Cash flow hedges

AASB 9 *Financial Instruments* addresses classification, measurement, and derecognition of financial assets and financial liabilities, sets out rules for hedge accounting, and requires impairment models based on expected credit losses.

All derivatives are recognised in the balance sheet at fair value and are classified as FVTPL except where they are designated as part of an effective hedge relationship and classified as hedging derivatives. The carrying value of a derivative is remeasured at fair value throughout the life of the contract. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

The method of recognising the resulting fair value gain or loss on a derivative depends on whether the derivative is designated as a hedging instrument and, if so, the nature of the item being hedged.

The Company designates its derivatives as hedges of highly probable future cash flows attributable to a recognised foreign currency asset or liability or a highly probable foreign currency forecast transaction (cash flow hedges).

The Company documents at the inception of the transaction the relationship between hedging instruments and hedged items, the risk being hedged and the Company's risk management objective and strategy for undertaking these hedge transactions. The effectiveness of the cash flow hedge is measured throughout the life of the hedging relationship. Ineffectiveness arises in the event of over hedging, whereby the notional amount of the designated hedge instrument exceeds the notional amount of the hedged item attributable to the hedged risk, or timing mismatches. Where ineffectiveness is identified, any revaluation gains or loss on the ineffective portion of the hedging instrument are immediately recognised in the statement of profit or loss in foreign exchange gains or foreign exchange losses.

The effective portion of changes in the fair value of derivatives that are designated as cash flow hedges are recognised in the cash flow hedge reserve within equity. Upon recognition of the forecast transaction ("hedged item") the carrying value is not adjusted. Amounts accumulated in equity are transferred to the statement of profit or loss in the period(s) in which the hedged item affects the statement of profit or loss.

Notes to the Consolidated Financial Statements (continued)

G Policy Disclosures (continued)

G3 Accounting Policies (continued)

(i) Plant and equipment

(i) *Recognition and measurement*

Refer to note A4 for the accounting policy note for Pastoral Property and Improvements held at fair value. Plant and equipment and industrial property and improvements are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement only if it is eligible for capitalisation. Directly attributable costs for the acquisition and construction of an asset are capitalised if the relevant recognition criteria are met. All other repairs and maintenance are recognised in the income statement as incurred.

We review and adjust, if appropriate, the residual values, useful lives and amortisation methods of all property, plant and equipment at the end of each financial year.

(ii) *Depreciation*

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

Property, Plant And Equipment	Average Useful Life
Land (freehold lease, pastoral/perpetual lease, industrial)	Not depreciated
Buildings	30 years
Fixed improvements	30 years
Owned plant and equipment	3-10 years

(j) Intangible assets

Intangible assets are stated at historical cost less accumulated amortisation and accumulated impairment losses, unless acquired free of charge or for nominal consideration.

Australian Carbon Credit Units ("ACCUs") have been acquired by the Company without consideration through the Clean Energy Regulator for carbon abatement. ACCUs meet the definition of an intangible asset under AASB 138 *Intangible Assets*, and are recognised in accordance with AASB 120 *Accounting for Government Grants and Disclosure of Government Assistance* at fair value.

ACCUs are initially recognised at fair value upon receipt, and are subsequently measured under the AASB 138 *Cost Model*.

(k) Assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

The Company considers a sale to be highly probable when key decision-makers have approved the sale plan, a qualified buyer has been identified or is being actively sought, the asset is being actively marketed at a price reasonable in relation to its current fair value, and it is unlikely that the plan will be significantly changed or withdrawn.

Assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Depreciation on these assets ceases from the date of classification as held for sale.

Notes to the Consolidated Financial Statements (continued)

G Policy Disclosures (continued)

G3 Accounting Policies (continued)

(l) Leases

(i) AACo as a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group's incremental borrowing rate is used as the discount rate. The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payment made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

Judgement has been used to determine the lease term for some lease contracts in which it is a lessee, that include renewal options.

The assessment of whether it is reasonably certain the Company will exercise such options impacts the lease term, which can significantly affect the amount of lease liabilities and right-of-use assets recognised.

(ii) Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

Right-of-Use Assets	Average Useful Life
Plant and equipment under lease	2-5 years

(iii) Pastoral and perpetual property leases

Freehold pastoral property and improvements and pastoral property and improvements held under statutory leases with government bodies have been included in Property, Plant and Equipment (refer note A4).

(m) Trade and other payables

Trade and other payables are carried at amortised cost and due to their short-term nature they are not discounted. They represent liabilities for goods and services provided to us prior to the end of the financial year that are unpaid and arise when we become obliged to make future payments in respect of the purchase of these goods and services. Trade payables are unsecured and are usually paid within 30 days of recognition. Other payables are unsecured and are usually paid within 90 days of recognition.

(n) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. Provisions recognised by the Company include those for employee benefits (annual leave and long service leave), onerous contracts and make good provisions. The discount rate used to determine the present value of each type of provision is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Notes to the Consolidated Financial Statements (continued)

G Policy Disclosures (continued)

G3 Accounting Policies (continued)

(o) Borrowings

Borrowings are included as non-current liabilities except for those with maturities less than 12 months from the reporting date, which are classified as current liabilities.

We recognise borrowings initially on the trade date, which is the date we become a party to the contractual provisions of the instrument.

We derecognise borrowings when our contractual obligations are discharged or cancelled or expire.

All borrowings are initially recognised at fair value plus any transaction costs that are directly attributable to the issue of the instruments and are subsequently measured at amortised cost. Any difference between the final amount paid to discharge the borrowing and the initial borrowing proceeds (including transaction costs) is recognised in profit or loss over the borrowing period using the effective interest method.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in profit or loss. Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use or sale) are capitalised as part of the cost of that asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that we incur in connection with the borrowing of funds.

(p) Share-based payment transactions

We provide benefits to our employees (including key management personnel) in the form of share-based payments, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions).

We recognise an expense for all share-based remuneration determined with reference to the fair value at the grant date of the equity instruments. We calculate the fair value using the Black Scholes model, Monte Carlo model, or other applicable models. The fair value is charged to the income statement over the relevant vesting periods, adjusted to reflect actual and expected levels of vesting. In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Australian Agricultural Company Limited (market conditions).

(q) Contributed equity

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

(r) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

(i) *Livestock and meat sales*

Revenue is recognised to the extent that the Company has satisfied a performance obligation and the transaction price can be readily identified. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

Revenue from the sale of livestock and meat is recognised when the performance obligation of passing control of meat or livestock, at an agreed-upon delivery point to the customer, has been satisfied.

(ii) *Interest revenue*

We record interest revenue on an accruals basis. For financial assets, interest revenue is determined by the effective yield on the instrument.

Notes to the Consolidated Financial Statements (continued)

G Policy Disclosures (continued)

G3 Accounting Policies (continued)

(s) Income tax and other taxes

The Company and its wholly-owned Australian resident entities are part of a tax consolidated group. As a consequence, all members of the tax consolidated group are taxed as a single entity. The Company is the head entity within the tax consolidated group. Foreign entities are taxed individually within their respective tax jurisdictions. Income tax expense represents the sum of current tax and deferred tax.

Current tax

Current tax is calculated on accounting profit, after allowing for non-taxable and non-deductible items based on the amount expected to be paid to taxation authorities on taxable profit for the period. The current tax is calculated using tax rates that have been enacted or substantively enacted at the reporting date.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the income statement.

Deferred tax

Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- When the deferred income tax liability arises from the initial recognition of goodwill or of 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 profit nor taxable profit or loss; and
- When the taxable temporary difference is associated with investments in subsidiaries and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- When the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

(t) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated as net profit attributable to ordinary shareholders divided by the weighted average number of ordinary shares outstanding during the period.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- The after tax effect of interest and other financing costs associated with dilutive potential ordinary shares that have been recognised as expenses; and
- The weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

Consolidated Entity Disclosure Statement

As at 31 March 2025

Name of Entity	Body Corporate, Partnership or Trust	Country of Incorporation	% Share Capital Held by the Company	Australian or Foreign Tax Resident	Jurisdiction for Foreign Tax Resident
Australian Agricultural Company Limited	Body Corporate	Australia	N/A	Australian	N/A
A. A. Company Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Austcattle Holdings Pty Ltd	Body Corporate	Australia	100	Australian	N/A
A. A. & P. Joint Holdings Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Shillong Pty Ltd	Body Corporate	Australia	100	Australian	N/A
James McLeish Estates Pty Limited	Body Corporate	Australia	100	Australian	N/A
Wondoola Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Waxahachie Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Naroo Pastoral Company Pty Limited	Body Corporate	Australia	100	Australian	N/A
AACo Nominees Pty Limited	Body Corporate	Australia	100	Australian	N/A
Chefs Partner Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Polkinghorne Stores Pty Limited	Body Corporate	Australia	100	Australian	N/A
Northern Australian Beef Limited	Body Corporate	Australia	100	Australian	N/A
AACo Innovation Pty Ltd	Body Corporate	Australia	100	Australian	N/A
AACo Innovation (US) Pty Ltd	Body Corporate	Australia	100	Australian	N/A
AACo US Holdings Pty Ltd	Body Corporate	Australia	100	Australian	N/A
AACo Innovation (US) LLC	Body Corporate	United States of America	100	Foreign	United States of America
AACo Operations (US) LLC	Body Corporate	United States of America	100	Foreign	United States of America
AACo (US) LLC	Body Corporate	United States of America	100	Foreign	United States of America
AACo (US) Distribution LLC	Body Corporate	United States of America	100	Foreign	United States of America
AACo Singapore Holdings Pty Ltd ^(a)	Body Corporate	Australia	100	Australian	N/A

(a) AACo Singapore Holdings Pty Ltd operates in Australia and has a registered branch in Singapore. The branch operations have tax obligations in Singapore under the *Singapore Income Tax Act 1947*.

Consolidated Entity Disclosure Statement (continued)

Basis of Preparation

Key Assumptions and Judgements

Determination of Tax Residency

Section 295 (3A) of the *Corporation Acts 2001* requires that the tax residency of each entity which is included in the Consolidated Entity Disclosure Statement (CEDDS) be disclosed. In the context of an entity which was an Australian resident, "Australian resident" has the meaning provided in the *Income Tax Assessment Act 1997*. The determination of tax residency involves judgment as the determination of tax residency is highly fact dependent and there are currently several different interpretations that could be adopted, which could give rise to a different conclusion on tax residency.

In determining tax residency, the consolidated entity has applied the following interpretations:

- **Australian tax residency:** The consolidated entity has applied current legislation and judicial precedent, including having regard to the Commissioner of Taxation's public guidance in *Tax Ruling TR 2018/5* and Section 6(1) of the *Income Tax Assessment Act 1936*.
- **Foreign tax residency:** The consolidated entity has applied current legislation and where available judicial precedent in the determination of foreign tax residency. Where necessary, the consolidated entity has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with.

Partnerships and Trusts

Australian tax law does not contain specific residency tests for partnerships and trusts. Generally, these entities are taxed on a flow-through basis so there is no need for a general residence test. There are some provisions which treat trusts as residents for certain purposes, but this does not mean the trust itself is an entity that is subject to tax.

Additional disclosures on the tax status of partnerships and trusts have been provided where relevant.

Branches (permanent establishments)

Foreign branches of Australian subsidiaries are not separate legal entities and therefore do not have a separate residency for Australian tax purposes. Generally, the Australian subsidiary that the branch is a part of will be the relevant tax resident, rather than the branch operations.

Additional disclosures on the tax status of Australian subsidiaries having a foreign branch with a taxable presence in the applicable jurisdiction have been provided where relevant.

Directors' Declaration

In accordance with a resolution of the Directors of the Australian Agricultural Company Limited, we state that:

1. In the opinion of the Directors:
 - a. The financial statements, notes and remuneration report of Australian Agricultural Company Limited for the year ended 31 March 2025 are in accordance with the *Corporations Act 2001*, including:
 - i. Giving a true and fair view of its financial position as at 31 March 2025 and of its performance for the year ended on that date.
 - ii. Complying with Australian Accounting Standards and Corporations Regulations 2001.
 - b. The financial statements and notes also comply with International Financial Reporting Standards as disclosed in note G2.
 - c. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
 - d. The Consolidated Entity Disclosure Statement as at 31 March 2025 is true and correct.
2. This declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the *Corporations Act 2001* for the year to 31 March 2025.
3. In the opinion of the Directors, as at the date of this declaration, there are reasonable grounds to believe that the members of the Closed Group identified in note F9 will be able to meet any obligations or liabilities to which they are or may become subject, by virtue of the Deed of Cross Guarantee.

On behalf of the Board



Donald McGauchie AO

Chairman

Brisbane

21 May 2025

Independent Auditor's Report



Independent Auditor's Report

To the shareholders of Australian Agricultural Company Limited

Report on the audit of the Financial Report

Opinion

We have audited the **Financial Report** of Australian Agricultural Company Limited (the Company).

In our opinion, the accompanying Financial Report of the Company gives a true and fair view, including of the **Group's** financial position as at 31 March 2025 and of its financial performance for the year then ended, in accordance with the *Corporations Act 2001*, in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The **Financial Report** comprises:

- Consolidated statement of financial position as at 31 March 2025;
- Consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows for the year then ended;
- Consolidated entity disclosure statement and accompanying basis of preparation as at 31 March 2025;
- Notes, including material accounting policies; and
- Directors' Declaration.

The **Group** consists of the Company and the entities it controlled at the year end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 *Corporations Act 2001* 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 fulfilled our other ethical responsibilities in accordance with these requirements.

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Independent Auditor’s Report (continued)



Key Audit Matters

The **Key Audit Matters** we identified are:

- Quantity and valuation of livestock; and
- Valuation of pastoral property and improvements.

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current period.

These matters were addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Quantity and valuation of livestock \$595,833,000	
Refer to Note A3 Livestock to the Financial Report	
The key audit matter	How the matter was addressed in our audit
<p>The quantity and valuation of livestock is considered a key audit matter due to:</p> <ul style="list-style-type: none"> • the size of the balance (being 24.5% of total assets); • the significant audit effort involved in quantifying livestock (number and weight) at year end given the level of judgement and estimates used by the Group. The Group uses estimates, such as pregnancy rates, branding percentages, average weight gain per day, and rates of attrition, in conjunction with the annual muster results in determining the final livestock quantities at year end; and • the significant audit effort required by us in evaluating the market prices for livestock used by the Group, including where there is no readily observable market price. <p>The judgements made by the Group in assessing the quantity and value of livestock have a significant impact on the Group’s financial performance and financial position.</p> <p>In assessing this key audit matter, we involved senior audit team members who understand the industry and the complexities involved in quantifying and valuing livestock.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> • assessing the appropriateness of the Group’s accounting policies against the requirements of the accounting standards and our understanding of the business and industry practice; • visiting three of the Group’s cattle properties to understand and observe the livestock accounting process; • testing the Group’s roll forward movement schedule of the number of livestock at the beginning of the year to the number recorded at the end of the year by: <ul style="list-style-type: none"> • testing a sample of livestock purchases, sales transactions and transfers for meat sales to various sources of evidence such as purchase invoices, transport documentation and cash receipts; and • comparing estimates of pregnancy rates, branding percentages, average weight gain per day and rates of attrition to historical data and our understanding of environmental and market trends in the industry; • comparing livestock market prices adopted by the Group, including those determined by the external valuer, to a range of recent observable market prices, such as from the publicly available Meat and Livestock Australia Market Information reports, • for feedlot cattle, where there is no readily

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Independent Auditor’s Report (continued)



	<p>observable market price, assessing the Group’s valuation process including entry price, cost of production and average daily weight gain to observable inputs and our understanding of the industry;</p> <ul style="list-style-type: none"> evaluating the scope, competence, and objectivity of the external valuer used by the Group for valuing livestock with no readily observable market price; evaluating the report of the external valuer for consistency with our understanding of the business, industry and environmental conditions, trends in historical livestock prices and other information available to us; and assessing the disclosures in the financial report using our understanding obtained from our testing and against the requirements of the accounting standard.
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Valuation of pastoral property and improvements \$1,588,478,000

Refer to Note A4 Property to the Financial Report

The key audit matter	How the matter was addressed in our audit
<p>The valuation of pastoral property and improvements is considered a key audit matter due to:</p> <ul style="list-style-type: none"> the size of the balance (being 65.4% of total assets); and the level of judgement required by us in evaluating the Group’s assessment of the fair value of pastoral property and improvements. <p>The most significant areas of judgement we focused on were:</p> <ul style="list-style-type: none"> the valuation technique applied to each property; the Adult Equivalent carrying capacity of each property; and the corresponding dollar per Adult Equivalent, Standard Cattle Unit or hectare. <p>The Group has appointed external valuers and other external experts to assist in the determination of these key valuation inputs.</p> <p>The judgements made by the Group in assessing</p>	<p>Working with our valuation specialist, our procedures included:</p> <ul style="list-style-type: none"> evaluating the scope, competence, and objectivity of external valuers and other external experts used by the Group; reading the reports of the external valuer and other external expert and evaluating their work regarding Adult Equivalent carrying capacity of each property and the dollar per Adult Equivalent, Standard Cattle Unit or hectare for consistency with our understanding of the properties, environmental conditions, recent comparable market transactions and other information available to us; checking the completeness and accuracy of properties included in the Group’s external valuer’s report to publicly available property searches; assessing the external valuer’s valuation report and comparing the valuation technique for each property to accepted market practices, industry norms, and criteria in the accounting

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Independent Auditor's Report (continued)



the fair value of property and improvements have a significant impact on the Group's financial position.

In assessing this key audit matter and, in particular, given the level of judgement involved, we involved senior audit team members, including a valuation specialist, who understand the nature of the Group's properties and recent comparable market transactions.

standards; and

- assessing the disclosures in the financial report using our understanding obtained from our testing and against the requirements of the accounting standard.

Other Information

Other Information is financial and non-financial information in Australian Agricultural Company Limited's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

The Other Information we obtained prior to the date of this Auditor's Report was the Directors' Report, including the Remuneration Report, ASX Additional Information and Company Information. The Chairman's and Managing Director's messages and financial and operating highlights information are expected to be made available to us after the date of the Auditor's Report.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not and will not, express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we 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.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*;
- implementing necessary internal control to enable the preparation of a Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and that is free from material misstatement, whether due to fraud or error; and
- assessing the Group and Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

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Independent Auditor's Report (continued)



Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf. This description forms part of our Auditor's Report.

Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of Australian Agricultural Company Limited for the year ended 31 March 2025, complies with *Section 300A* of the *Corporations Act 2001*.

Directors' responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with *Section 300A* of the *Corporations Act 2001*.

Our responsibilities

We have audited the Remuneration Report included in pages 63 to 77 of the Directors' report for the year ended 31 March 2025.

Our responsibility is to express an opinion as to whether the Remuneration Report complies in all material respects with *Section 300A* of the *Corporations Act 2001*, based on our audit conducted in accordance with *Australian Auditing Standards*.

KPMG

Scott Guse
Partner

Brisbane
21 May 2025

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Sustainability Information

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Sustainability Information

Foundations

Unless otherwise specified, the term ‘sustainability’ in this report encompasses nature and climate, AACo’s approach to agriculture and AACo’s interaction with its people and communities – topics that form the three pillars of our Sustainability Framework.

‘Natural Capital’ is a collective term to describe the stocks of natural assets and includes soil, water, carbon and biodiversity, which can generate economic value.

Sustainability Governance

The AACo Board of Directors is responsible for the overall direction, performance and governance of AACo, including oversight of the company’s approach to sustainability and its management of related risks and opportunities. The Board also approves AACo’s Sustainability Framework, along with the programs, targets and commitments it contains, and oversees sustainability reporting and its alignment with relevant reporting standards.

The Executive Leadership Team (ELT) and Board Committees collectively assist the AACo Board in fulfilling these responsibilities. The Audit and Risk Management Committee (ARMC) assists the Board in its oversight of risk management, compliance processes, and emerging laws and regulations related to sustainability. The ARMC also oversees the preparation of sustainability reporting and disclosures, promotes internal controls across AACo through appropriate oversight and delegation to the ELT and management, and is responsible for arranging appropriate assurance over data contained within public reports. The ARMC meets at least four times annually and escalates any relevant material risks, opportunities and themes to the AACo Board.

The Sustainability Directors Working Group (SDWG) is a channel for informal discussions on key sustainability matters. The Group was formed in 2022 and continued to meet in FY25, bringing together select Board members to engage in informal discussion with management on the development and implementation of initiatives aligned to the Sustainability Framework. The Group acts as a forum for early-stage dialogue on sustainability topics, with Directors contributing perspectives and exploring ideas with management. Matters considered at the SDWG were, from time to time, shared with the full Board by participating Directors. During FY25, the SDWG met five times.

Responsibility for the delivery of our sustainability approach and performance is shared across the business and ultimately led by the CEO. The Environment and Sustainability Team, under leadership of the Executive General Manager for Corporate Services, oversees the day-to-day execution of AACo’s Sustainability Framework, and with oversight from the CEO, implements the programs, commitments, and metrics within it.

At both the ELT and Board levels, sustainability related risks and opportunities, including any associated trade-offs, are considered as a part of strategic decision-making processes. These matters are addressed in Board and ARMC meetings and are also discussed by the SDWG. At the management level, proposed projects across the business are assessed through a planning process which aligns initiatives with the broader business strategy.

It is important that AACo’s Directors and ELT are equipped with sufficient awareness and understanding of the evolving dynamics and potential impacts of sustainability matters. To support this, the Board and ELT periodically assess the skills and competencies required for the effective implementation of AACo’s sustainability strategy and participate in education or training as appropriate. In FY25, this included education sessions on key topics, such as the Australian Sustainability Reporting Standards (ASRS), with a focus on AASB S2 and quantifying the impacts of climate-related risks and opportunities.

Sustainability is also embedded more broadly across the organisation. Our Operational Skills Framework in the pastoral division includes capabilities linked to the Sustainability Framework, and our annual performance management process gives relevant employees the opportunity to map their individual annual goals and key performance indicators to the Framework.

Further information on AACo’s corporate governance, including sustainability-related responsibilities, can be found in the relevant Committee Charters and our annual Corporate Governance Statement, available at www.aaco.com.au/investors-media/corporate-governance.

Sustainability Information (continued)

Foundations (continued)

Sustainability Risk Management

Risk management supports decision making at AACo, including decisions which relate to sustainability risks and opportunities. AACo's Risk Management Policy defines the responsibilities of the Board, ELT, management and employees in risk management and can be viewed at www.aaco.com.au/investors-media/corporate-governance. AACo's Risk Management Framework further defines these responsibilities and establishes the responsibilities of the dedicated Risk Team in supporting the Board, ELT, management and employees in discharging their responsibilities under the policy. The Framework also establishes internal standards for the identification, assessment, prioritisation and management of business risks.

The process for identifying, assessing, prioritising and monitoring sustainability-related risks and opportunities is fully integrated into AACo's enterprise risk management process and is managed in alignment with other business risks. Within the sustainability topic the physical and transition risk of climate change are assessed to be a material business risk, as referenced in the OFR within this report. AACo conducted its initial detailed climate-related risk assessment in 2022, which included a qualitative climate-related scenario analysis. Each year management has built on this and provided relevant updates in past Sustainability Reports. These sustainability risk management activities inform updates to the Enterprise Risk Register which facilitates oversight and monitoring of risks, including financial and non-financial sustainability-related risks. For further information on AACo's sustainability-related risks and opportunities, including FY25 updates, please see the Risks and Opportunities section below.

The scope of the sustainability-related risk assessment and the AACo greenhouse gas emissions account apply common boundaries, which are detailed in the GHG emissions profiling methodology below. The process for identifying, assessing, prioritising and monitoring both financial and non-financial sustainability-related risks and opportunities is fully integrated into AACo's enterprise risk management process and are managed in alignment with other business risks.

Material Topics

The term 'material' is used within this section of the document to describe topics for voluntary sustainability reporting which we consider to be important in terms of stakeholder interest and potential business impact. This differs to the definition of materiality for the purposes of our financial statements, as defined by accounting standards.

We strive to be transparent and purposeful in our communication on sustainability and where we consider it appropriate to do so, we work towards improving our reporting to more closely align with best reporting practices.

In 2021, we engaged a third party to complete an assessment to identify AACo's most important environmental, social and economic focus areas. In 2023, we mapped these topics to the relevant topics within the GRI Sector Standard for Agriculture, Aquaculture and Fishing. This mapping is shown in the table below.

In 2024, we included a Sustainability Accounting Standards Board (SASB) Index table for the first time, further expanding our sustainability reporting scope in line with evolving expectations. We have incorporated the SASB disclosure topics from their Meat, Poultry and Dairy industry standard which we disclose to in the below material topics table, clarifying the reason for their inclusion.

These disclosure topics within the SASB – Meat, Poultry & Dairy industry standard were chosen based on the materiality topics and the applicability of the metrics that underpin the disclosure topics. AACo's disclosure against the relevant GRI sector topics and SASB Industry Standard disclosure topics are located within the GRI and SASB Indices section of this report.

Identifying and reporting against material topics provides consistency and comparability with our industry and our peers, and has assisted in enhancing our sustainability reporting. In preparation for compliance with the ASRS, we plan to undertake a refreshed and comprehensive materiality assessment in FY26 that will better inform our future reporting and the focus of our sustainability work in this context.

Sustainability Information (continued)

Material Topics (continued)

GRI Sector Topics	SASB Topics	AACo Categories
Emissions	Greenhouse Gas Emissions Energy Management	<ul style="list-style-type: none"> Climate change and emissions Renewable energy transition
Biodiversity	–	<ul style="list-style-type: none"> Biodiversity and ecosystem Air quality Land management and sustainable farming
Water and effluents	–	<ul style="list-style-type: none"> Water stewardship
Waste	–	<ul style="list-style-type: none"> Plastics, packaging and waste
Food safety	Food Safety	<ul style="list-style-type: none"> Food nutrition, quality and safety
Animal health and welfare	Environmental & Social Impacts of Animal Supply Chain	<ul style="list-style-type: none"> Animal health and welfare
Local communities	–	<ul style="list-style-type: none"> Community engagement
Rights of Indigenous Peoples	–	<ul style="list-style-type: none"> First Nations engagement
Non-discrimination and equal opportunity	–	<ul style="list-style-type: none"> Diversity and equal opportunity
Occupational health and safety	Workforce Health & Safety	<ul style="list-style-type: none"> Employee health, safety and wellbeing
Supply chain traceability	–	<ul style="list-style-type: none"> Sourcing local raw materials Responsible value chain management Product provenance, traceability and transparency
Public policy	–	<ul style="list-style-type: none"> Climate and nature lobbying
Climate adaptation and resilience	Animal & Feed Sourcing	<ul style="list-style-type: none"> Climate change and emissions
Natural ecosystem conversion	–	<ul style="list-style-type: none"> Biodiversity and ecosystem Land management and sustainable farming

Sustainability Metrics

Our sustainability metrics are how we transparently measure our performance against our material topics and align with prominent sustainability reporting standards.

As we continue the journey towards alignment with the ASRS, we have further refined the metrics reported for FY25 and have expanded the number of metrics subject to limited assurance, providing greater reliability in our disclosures. Our progress prepares us for adherence with mandatory reporting under AASB S2 and potential alignment with AASB S1 in the coming years.

This year, we have also continued to refine our emissions profiling with support from reputable agricultural and environmental consultancy, Integrity Ag. Adjustments to our FY24 emissions profile based on the latest science and emissions calculation standards have also been made and noted. Further information on the methodology behind AACo's FY25 greenhouse gas (GHG) emissions account is located in the following section.

Sustainability Information (continued)

Sustainability Metrics (continued)

Item	FY23	FY24	FY25
Herd Size (Number of Head)	432,926	453,968	455,852
GHG Emissions (tonnes CO₂-e)⁽¹⁾			
Scope 1 and 2			
Enteric Methane	500,197	568,617 ⁽²⁾	584,787
Manure and urine (methane and nitrous oxide)	84,131	44,291 ⁽²⁾	46,137
Atmosphere deposition	1,746	4,034	4,157
Other land and livestock	1,753	2,555 ⁽²⁾	2,247
Sub-total: Scope 1 – land and livestock	587,827	619,497⁽²⁾	637,328[^]
Diesel	12,310	12,965 ⁽²⁾	15,508
Other fuels	16,759	6,246 ⁽²⁾	6,782
Sub-total: Scope 1 – energy	29,069	19,211⁽²⁾	22,290[^]
Sub-total: Scope 2 – electricity (location based)	3,108	2,609⁽²⁾	2,806[^]
Total: Scope 1 and 2	620,004	641,317⁽²⁾	662,424
Scope 3			
Purchase goods and services	–	56,635 ⁽²⁾	88,051
Downstream transportation and distribution	–	38,472 ⁽²⁾	41,445
Capital goods	–	30,904 ⁽²⁾	5,067
Processing of sold products	–	15,215 ⁽²⁾	17,690
Other assessed sources	–	16,859 ⁽²⁾	7,696
Total: Scope 3	–	158,085⁽²⁾	159,949[^]
Total: Scope 1, 2 and 3	620,004	799,402⁽²⁾	822,373
Product Carbon Footprint			
GHG Emissions Footprint: Scope 1, 2 and 3 (Kg CO ₂ -e/kg liveweight turnoff)	–	11.2 ⁽²⁾	11.2
GHG Emissions Footprint: Scope 1, 2 and 3 (Kg CO ₂ -e/kg boxed beef)	–	23.5 ⁽²⁾	23.0
Energy Management			
Total energy consumption (fuel + electricity)	NPR	336,837 GJ ⁽³⁾	350,564 GJ [^]
Fuel consumption	NPR	323,980 GJ ⁽³⁾	336,593 GJ [^]
Electricity consumption from the grid	NPR	12,857 GJ	13,971 GJ [^]
Annual renewable energy generation to the grid	NPR	16 MWh	7 MWh [^]
Carbon Projects			
ACCU generated in the reporting year	191,036	155,502 ⁽⁴⁾	146,260
Natural Assets			
Hectare of Ecosystem in Tier 1 (Highest value)	NPR	1,266,870 ha	1,285,424 ha
Hectare of Ecosystem in Tier 2 (Moderate value)	NPR	4,423,723 ha	4,390,311 ha
Hectare of Ecosystem in Tier 3 (Lowest value)	NPR	761,044 ha	756,864 ha
Other ecosystems	NPR	70,618 ha	68,108 ha
Primary woodland or primary forest cleared for grazing purposes	0 ha	0 ha	0 ha
Animal Welfare			
AACo properties compliant with LPA	NPR	100%	92% ^{^(5)}
AACo feedlots compliant with NFAS	NPR	100%	100% [^]
Third-party processing facilities compliant with AAWCS	NPR	100%	100% [^]
Corrective actions taken for non-compliance with LPA & NFAS	NPR	None required	1 ^{^(6)}
Food Safety			
Number of recalls issued for food safety reasons	0	0	0 ^{^(7)}
Volume of products recalled for food safety reasons	0 kgs	0 kgs	0 kgs ^{^(7)}
Third-party processing facilities certified to a GFSI certification program	NPR	100%	67% ^{^(8)}
Number of market bans in the reporting year	0	0	0 [^]
Corrective actions taken for non-compliance ⁽⁹⁾	None required	None required	None required [^]

Sustainability Information (continued)

Sustainability Metrics (continued)

Item	FY23	FY24	FY25
Safety Management			
Fatalities	0	0	0 [^]
Total recordable injury frequency rate (TRIFR)	NPR	18% Increase ⁽¹⁰⁾	7% Increase ⁽¹¹⁾
Employment			
FTE employees	NPR	466	454 [^]
Number of employees by female/male		F: 202 M: 264	F: 200 [^] M: 254 [^]
Female representation in leadership – Board	22% ⁽¹²⁾	22% ⁽¹²⁾	22% [^]
Female representation in leadership – People leaders	32%	34%	36% [^]
Female representation in leadership – Executive Leadership Team	36%	38%	43% [^]
Female representation in leadership – Executive and Senior Leadership Team	NPR	50%	53% [^]
Number of new appointments	273	254	250 [^]
Number of internal promotions/appointments	28	45	60
Turnover rate ⁽¹³⁾	48%	49%	42% [^]

[^] Limited assurance provided by KPMG – refer to KPMG's Independent Limited Assurance Report included in this report and the prior year Sustainability Report for further details.

- (1) FY23 GHG emissions values calculated using the Primary Industries Climate Challenges Centre (PICCC) and University of Melbourne's Greenhouse Accounting Framework (GAF) for Australian Beef production and feedlots. FY24 and FY25 GHG emissions values calculated using overarching guidelines: GHG Protocol Agricultural Guidance, GHG Protocol Corporate Accounting Reporting Standard, GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard, the National GHG Inventory and the National Greenhouse Accounts Factors. FY24 and FY25 product carbon footprint was determined following the methods outlined in the ISO Standard 14067:2018.
- (2) Restated FY24 metric in line with updated science and emissions calculation standards to ensure consistency in comparison between FY24 and FY25.
- (3) Restated FY24 metric following the identification of inaccuracies subsequent to release of the FY24 report in natural gas usage. This resulted in a 31% decline for the previously reported fuel consumption and a 30% decline in previously reported total energy consumption by the Company.
- (4) Restated FY24 metric following the updated calculator becoming available. In prior year, an estimate of ACCUs generated under the fourth year of the Beef Cattle Management Herd Project was required, due to Clean Energy Regulator calculator remaining unavailable. During FY25, a true-up of 27,602 units was recognised to align with the result through the updated Clean Energy Regulator calculator for the FY24 period.
- (5) In FY25, 23 of the 25 livestock carrying properties underwent LPA audits. Two properties did not receive LPA quality assurance certification covering FY25. While annual LPA audits are not mandated by regulation and are generally conducted on a random basis, AACo aims to have all properties audited annually by qualified AUS-MEAT auditors. However, the timing of audits is influenced by auditor availability, particularly given the remote locations of our operations. Audits for the remaining two properties are scheduled for FY26.
- (6) A single corrective action request was issued by LPA auditors in relation to one property, concerning a minor administrative oversight involving the transfer of cattle intake data between livestock system databases. The issue has been resolved by the Company and subsequently verified by the auditor.
- (7) A limited quantity of a trial product (1,872kg) outside of AACo's main beef portfolio, was voluntarily withdrawn following the identification of foreign matter within the packaging of a small number of units. An investigation found that contamination incidences were low (<0.22% of the withdrawn product).
- (8) Two of the six third-party processors were not certified under a GFSI-recognised program. For one of these processors, the Company commissioned an independent third-party assessment based on HACCP principles and the FSANZ Food Standards Code (Chapters 3 & 4), which the processor successfully passed. The other processor holds all legally required food safety certifications, including accreditation from Safe Food Queensland. This metric reflects certification status only and does not indicate non-compliance with GFSI standards.
- (9) Food safety corrective actions related to the commercial sale of AACo products.
- (10) Restated FY24 metric following the identification of inaccuracies subsequent to release of the FY24 report.
- (11) KPMG provided limited assurance over the FY25 TRIFR value (85.4) as noted in the Health, Safety & Welfare section of this report that underpins this percentage, and not the percentage itself. Assurance was not undertaken on the FY24 TRIFR value and percentage.
- (12) Restated FY23 & FY24 figures to include the Managing Director and CEO.
- (13) The pastoral industry is one which relies heavily on a transient workforce. AACo employs a significant number of young people who come to our team for short term employment periods.

NPR – Not previously reported.

Sustainability Information (continued)

GHG Emissions Profiling Methodology

We engaged agricultural and environmental consultancy, Integrity Ag, to support us with calculating AACo's GHG emissions profile. The calculations utilise industry leading intellectual property that is relevant to AACo's operational context and provides us with additional confidence for more robust disclosure of our Scope 1, 2 and 3 GHG emissions, which have been included within the scope of our limited independent external assurance assessment. The below details form the basis of preparation of AACo's GHG emissions calculations, with the outcomes detailed in the GHG Emissions Inventory section on of this report, and in the metrics presented in the Sustainability Metrics table.

GHG Accounting Standards

The GHG account is prepared using the following precedent documents:

1. Australian National Greenhouse Gas (GHG) Inventory – referenced here as the National Inventory Reports (NIRs), for methods to determine agricultural emission sources, and some model input data.
2. Australia's National Greenhouse Accounts Factors (NGAF) for applicable Scope 1 and 2 emission factors and/or calculation methods.
3. GHG Protocol Agricultural Guidance (WRI & WBCSD 2011) and GHG Protocol Scope 3 (WRI & WBCSD 2022) agricultural and Scope 3 carbon account guidance.

These precedent documents are consistent with the recommendations of the ASRS where National Greenhouse and Energy Reporting (NGER) methods are not practicable, which is the case for livestock-related emissions.

The principles followed, as described by the GHG Protocol, are as follows:

- **Relevance** – Ensure the GHG inventory appropriately reflects the GHG emissions of the company and serves the decision-making needs of users – both internal and external to the company.
- **Completeness** – All attributable and accountable emission sources included. Non-attributable and non-reported emissions are described. A 1% materiality threshold was accepted (and not more than 5% in aggregate).
- **Consistency** – Methods have remained consistent to previous accounts unless scientific changes have occurred in the previous reporting period. Calculation method or emission boundary changes have been based on new science and documented. Adjustments have been made to previous accounts where appropriate or differences have been quantified if possible. This has been documented.
- **Transparency** – Clear disclosure and documentation has been maintained. Non-attributable and non-reported sources have been documented and justified.
- **Accuracy** – Input data is verifiable. Calculations are verifiable. Uncertainty has been noted where this can be quantified.

Sustainability Information (continued)

GHG Emissions Profiling Methodology (continued)

Emission Boundary

The emission boundary – temporal, spatial and business boundary, is defined in this section. The temporal boundary was between the period 1 April 2024 and 31 March 2025. Spatial and business boundaries are described by the following list of facilities:

- Agistment⁽¹⁾
- Anthony Lagoon Station
- Aronui Feedlot
- Austral Downs Station
- Avon Downs Station
- Brisbane – Corporate Office
- Brunette Downs Station
- Camfield Station
- Canobie Station
- Carrum Station
- Comanche Station
- Dalgona Station
- Delamere Station
- Eva Downs Station
- Feedlot, custom feeding⁽²⁾
- Glentana Station
- Goonoo Feedlot
- Goonoo Station
- Goonoo Farm
- Gordon Downs Station
- Headingly Station
- Homehill Station
- La Belle Station
- Livingstone
- Montejinni Station
- Overseas operations where AACo has operational control
- Pell Airstrip Station
- Rewan Station
- South Galway Station
- Tortilla Station⁽³⁾
- Wondoola Station
- Wylarah Farm
- Wylarah Station

(1) Livestock owned by AACo that are agisted on property owned by a third-party.

(2) Livestock owned by AACo that are custom fed at facilities operated by a third-party.

(3) Leased to a third-party.

GHG Sources – Scope 1 and 2

Emissions were converted to carbon dioxide equivalent units (CO₂-e) using 100-year global warming potentials (GWP₁₀₀) aligned to the International Panel on Climate Change's (IPCC) AR6 report.

Scope 1 sources include:

- Enteric methane, grazing cattle
- Enteric methane, feedlot cattle
- Nitrous oxide, grazing cattle
- Nitrous oxide, feedlot cattle – feed pad
- Nitrous oxide, feedlot cattle – stockpile
- Manure methane, grazing cattle
- Manure methane, feedlot cattle
- Nitrous oxide – field emissions – fertiliser
- Carbon dioxide – urea and lime
- Nitrous oxide – field emissions – crop residues
- Nitrous oxide atmospheric decomposition
- Nitrous oxide, leaching and runoff
- Nitrous oxide, feedlot manure applied to land
- Fuel uses, all types (diesel, unleaded, LPG, natural gas, Avgas, Jet A1)

Methods for calculating livestock emissions were not inconsistent with the NIR across all emission sources with the exception of feedlot enteric methane, which was calculated using a feedlot enteric methane emissions formula as appears in Almeida, McMeniman, Van der Saag, Cowley, 2025.

Scope 2 sources include:

- Grid, electricity.

Sustainability Information (continued)

GHG Emissions Profiling Methodology (continued)

GHG Sources – Scope 3

The entire supply chain has been reviewed and considered, including upstream and downstream, to identify the categories included in the Scope 3 greenhouse gas emissions disclosures, in accordance with the AASB S2 standard. Scope 3 emissions were analysed with greater detail and segregation for FY25, contributing to the increase in the Scope 3 emissions profile compared to prior year analysis.

Scope 3 sources include:

- Category 1: Purchased goods and services:
 - Stockfeed, feedlot
 - Stockfeed, station, supplements
 - Livestock, cattle purchases
 - Contract mustering and in-yard processing
 - Repairs and maintenance
 - Farming
 - Advertising
 - Animal health and treatments
 - Insurance
 - Consulting
 - Service/management fees
 - Innovation
 - Computers and software
- Category 2: Capital goods:
 - Capital, infrastructure and buildings
 - Capital, plant, vehicles, equipment
- Category 3: Fuel and energy-related activities:
 - Energy, diesel
 - Energy, unleaded petrol
 - Energy, LPG
 - Energy, natural gas
 - Energy, grid electricity
 - Energy, Avgas
 - Energy, Jet A1
- Category 4: Upstream transportation and distribution:
 - Freight, road
- Category 5: Waste generated in operations
- Category 6: Business travel:
 - Travel, international
 - Travel, domestic
- Category 9: Downstream transportation and distribution:
 - Freight, road
 - Freight, air
 - Freight, sea
- Category 10: Processing of product sold, meat processing

Sustainability Information (continued)

GHG Emissions Profiling Methodology (continued)

Non-Attributable and Non-Reported Emissions Sources

The emission boundary included potential land sector (land use and land use change) emissions. These were attributable but not reported in the current year, pending data and analysis techniques suited to broad scale assessment, which are under development. We note that for well managed grazing land, 'zero change' is the standard assumption in carbon accounting practices in Australia (Australian Minimum Standards for Red Meat Carbon Accounting) and Climate Active draft guidance and has been adopted here, resulting in this being a non-material emission source.

AACo did not report emissions on the following Scope 3 sources, with reasons included:

- Category 7: Employee commuting:
 - Immaterial to AACo's emissions account based on the 1% threshold noted above.
- Category 8: Upstream leased assets
 - Immaterial to AACo's emissions account based on the 1% threshold noted above.
- Category 11: Use of products sold:
 - Immaterial to AACo's emission account based on 1% threshold noted above. Constraints relating to data collection, and the diversity in end use of the products by AACo's customer group and supply regions.
- Category 12: End-of-life treatment of sold products:
 - Immaterial to AACo's emission account based on 1% threshold noted above. Constraints relating to data collection, and the diversity in waste-disposal behaviours by AACo's customer group and supply regions.
- Category 13: Downstream leased assets:
 - Immaterial to AACo's emission account based on 1% threshold noted above.
- Category 14: Franchises:
 - Not applicable to AACo.
- Category 15: Investments:
 - Not applicable to AACo.

Product Carbon Footprint

The product carbon footprint followed ISO 14067:2018 and the Livestock Environmental Assessment and Performance Partnership (LEAP) large ruminant guidelines, as applied in the published studies of Wiedemann *et al.* (2015), Wiedemann *et al.* (2016) and Wiedemann *et al.* (2017). These methods are the same as applied for the national benchmarks published in the Australian Beef Sustainability Framework (ABSF) which are calculated for industry by Integrity Ag. Scope 1, 2 and 3 emissions were included.

Sustainability Information (continued)

Risks and Opportunities

Since 2022, AACo has reported in reference to the TCFD with the intention to provide greater transparency to our stakeholders on climate-related information. As noted within the Reporting Scope section of this report, the finalisation of the ASRS has seen AACo further refine its reporting as we work towards future alignment with them.

This year, we have expanded the focus from climate-related risks to more explicit inclusion of opportunities in the TCFD index, which will form the basis of AACo's future disclosures to the mandatory standard AASB S2.

We note that not all potential impacts listed below are considered material for AACo. For a list of material risks, please refer to the OFR in this report.

Climate-related Scenario Analyses

In FY22, AACo engaged a third-party specialist to complete a qualitative climate-related scenario analysis to identify the organisation's transition and physical climate-related risks. The analysis was informed by two warming scenarios: <math><2^{\circ}</math> and $>3^{\circ}$. This first stage analysis combined internal business data and external assumptions to test the resilience of the business to these future scenarios. More detail on the methodology of this climate-related scenario analysis can be found in AACo's FY22 Sustainability Report.

We have continued to build on this assessment, with plans to undertake a refreshed climate-related scenario analyses that are aligned to AASB S2 in FY26. As such, in order to continue to provide consistent, clear and accurate information to the extent possible this year, the below table lists the detailed physical and transitional climate-related risks and opportunities, including FY25-relevant updates to those provided in AACo's FY24 Sustainability report.

Physical Risks and Opportunities

Risks associated with acute event-driven weather impacts – for example, the increasing severity of extreme weather events – and chronic long-term shifts in climate patterns.

Potential Scenario	Potential Impact	Management Practices
Extreme weather events	<p>Floods and wildfires can damage built infrastructure (buildings, fences, roads).</p> <p>These events can cause operational disruption by burning pasture and vegetation as well as the potential loss of livestock.</p> <p>Extreme events, such as periods of high rainfall, can also provide an opportunity by positively impacting operations when correct management plans are in place, as they provide conditions for strong pasture growth.</p> <p>In the supply chain, extreme events can impact procurement, by directly impacting the production of purchased inputs, or disrupting supply routes.</p>	<ul style="list-style-type: none"> Individual flood-exposed properties are equipped with a flood operations plan which documents historical flood risk and rainfall data, geographic locations on the property at higher risk, and actions to take in the event of a flood. Where appropriate for the land type, land use and flood risk level, we develop infrastructure to support flood preparedness, such as the flood refuge banks constructed following the 2019 floods, which provide temporary holding areas for cattle during high rainfall and flooding events. We regularly monitor areas of high wildfire risk by assessing seasonal conditions and standing dry matter. Operational teams utilise The Northern Australian Fire Information (NAFI) service, which displays maps of fire activity based on information from satellites. We employ several management practices to mitigate the risk of potential wildfires, such as early season fuel reduction burning. This creates physical fire breaks in the landscape that can help reduce the risk of wildfires late in the dry season. To seek to manage disruption to procurement, we grow some of our own feed, which provides a level of feed stability to our AACo owned feedlots. We also engage with a flexible and diverse supply base, which mitigates risk of procurement interruptions. High rainfall events have the potential to increase pasture yield and encourage more vigorous growth. Our grazing approach provides AACo with the opportunity to convert this increase in pasture yield into improved land condition, benefitting to the cattle and the environment in the medium to long term.

Sustainability Information (continued)

Risks and Opportunities (continued)

Climate-related Scenario Analyses (continued)

Physical Risks and Opportunities (continued)

Potential Scenario	Potential Impact	Management Practices
Drought and long-term changes in precipitation	<p>Drought can directly impact livestock productivity, pasture productivity, and land condition.</p> <p>Conversely, long term changes in precipitation can deliver higher rainfall values, providing conditions for strong pasture growth.</p>	<ul style="list-style-type: none"> Managing our stocking model is a key component of how we seek to manage against weather variability. We have several management practices in place such as the satellite assisted forage budget which aim to ensure a balance between stocking rates and carrying capacity. We are increasingly using spatial tools, such as Cibo Labs, the outputs from which inform decision making around pasture management and land condition. We undertake strategic infrastructure development such as additional fencing and additional water points that enables greater control of grazing and pasture management.
Extreme heat	<p>Extreme heat over a prolonged period presents risks to outdoor workers' health and safety.</p> <p>Increased temperatures have the potential to influence livestock growth rates, likelihood of disease, reproductive success, and mortality rates.</p>	<ul style="list-style-type: none"> Heat management is included as a safety topic in our toolbox talks with operational employees. We provide shading for team members working in yards. We have a critical incident management plan which seeks to ensure safety of workers during extreme weather events including heat waves. We monitor heat load in our feedlot operations on a daily basis and plan cattle movements and practices around this. Operational staff utilise the Cattle Head Load Toolbox platform to monitor the forecast heat load for cattle at a given site. The provision of shade in feedlot pens further helps livestock escape extreme heat events and to regulate their body temperature. We follow the Australian Lot Feeder Association (ALFA) shade requirements. Our breeding and genetics program includes a focus on selecting for traits in our herd that we consider are more suitable to the environment we operate in and reduce the impact of heat on our animals.

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Sustainability Information (continued)

Risks and Opportunities (continued)

Climate-related Scenario Analyses (continued)

Transition Risks and Opportunities

Risks associated with the transition to a lower carbon economy including policy, regulatory and legal changes, and technological developments.

Potential Scenario	Potential Impact	Management Practices
Domestic and international policy	Emerging regulatory requirements, such as those related to deforestation, may restrict access to market. This presents as both a risk and an opportunity to access existing or new markets that our competitors may not be able to.	<ul style="list-style-type: none"> We invest in preparedness for emerging requirements in market access, regulations and consumer requirements through our sustainability program which connects through all relevant business units. For example, we have drawn together subject matter experts from across the business to form a working group to prepare for the EU Deforestation Regulations which are expected to come into force in December 2025.
	Domestic and international commitments to net-zero or emissions reduction targets, including those made by industry or representative bodies, which have a flow-on impact on AACo's operations. This might include, for instance, an increase in production costs resulting from compulsory use of methane mitigants or purchase of offsets.	<ul style="list-style-type: none"> We engage with other stakeholders such as government, industry bodies, advisory services and influencers who are connected to market access frameworks to advance our understanding of emerging regulations such as EU Deforestation Regulations and related compliance requirements. We regularly engage with industry bodies on current and emerging decarbonisation and related policies. Similarly, we regularly engage with state and federal governments to progress our sustainability efforts and seek to ensure that the industry's perspectives are considered in policies which could impact our business. We directly invest in Innovation and R&D to prepare for emerging requirements for Net-Zero transition including the Zero Net Emissions Ag Cooperative Research Centre, in which we are a Tier-1 partner.
Compliance and reporting requirements	Fiduciary duty for organisations to disclose their contribution to and mitigation of climate change.	<ul style="list-style-type: none"> Our sustainability team undertakes an annual emissions accounting process supported by a qualified third party. This account is published in the Sustainability Metrics section of the Annual Report. Risk assessment by the Risk and Environment and Sustainability teams in accordance with the governance processes outlined above. This risk assessment is primarily recorded in our OFR.
	Challenges to quantify GHG emissions including Scope 3 emissions.	<ul style="list-style-type: none"> We continue to seek external subject matter expertise on GHG emissions calculation and reporting and work on improving our approach to emissions accounting and quantifying our climate impact.
Fluctuations in input prices	Decarbonisation of the transport sector potentially resulting in a period of increased costs for freight.	<ul style="list-style-type: none"> For feedlot commodities, we seek to mitigate price risk where possible through internal production, on-site storage & entering into forward purchase contracts.
	Fluctuations in prices for fertiliser and supplements resulting in increased costs of production.	<ul style="list-style-type: none"> We produce our own lick block supplementation at the Aronui site which allows us to manage supplementation costs, to an extent. This forms a substantial percentage of our total annual lick block usage. We also apply manure as fertiliser on the Goonoo farm which reduces our reliance on external purchases of fertiliser.

Sustainability Information (continued)

Risks and Opportunities (continued)

Climate-related Scenario Analyses (continued)

Potential Scenario	Potential Impact	Management Practices
Access to finance	Potential impacts to insurance costs due to increasing physical risks which may increase insurance costs.	<ul style="list-style-type: none"> As part of the annual renewal process, our insurance program is reviewed and calibrated to optimally balance risk transfer with cost.
	Financial institutions seeking to limit exposure to sustainability impacts in their portfolio, resulting in increased scrutiny from financial providers.	<ul style="list-style-type: none"> We are continuing to progress our sustainability initiatives, expanding our ESG data capture and reporting capabilities to seek to provide greater transparency to financial providers and investors on our sustainability progress. This is highlighted at external reporting periods in our investor presentations at half-year and year-end, as well as our annual sustainability reporting.
Shifting consumer perception and preferences	Consumer expectations in relation to product sustainability and climate impacts are growing and are increasingly influencing consumer decision-making, presenting both a risk in potential loss of revenue, and also an opportunity through product development and communications.	<ul style="list-style-type: none"> Cross functional collaboration between the Sustainability Team and the Commercial Team seeks to ensure strong lines of communication about sustainability initiatives and changing customer expectations. We develop products and brands such as our Westholme product, which reflect AACo's desire to keep nature as the foundation of its premium beef production to meet customer values and expectations.
Carbon projects, opportunities, and fluctuations in the carbon price	<p>Potential exposure to increased carbon costs in the future, such as the introduction of carbon border tariffs and emission reduction compliance obligations imposed on the agricultural industry which may limit market access or increase cost of market entry.</p> <p>Emissions reduction and sequestration projects that have the potential to generate ACCUs, enhance market access and product develop opportunities.</p>	<ul style="list-style-type: none"> We are exploring multiple emissions reduction and methane abatement options in our operations, including feed supplements and genetic selection in our breeding program. Through the Rangelands Carbon by Satellite project, we are developing a process to directly account for carbon sequestered in the landscape within our emissions profile or through an insetting process, potentially bypassing the need to develop carbon credits through registered projects and the associated costs and exposure to carbon credit price risks.

Sustainability Information (continued)

Risks and Opportunities (continued)

TCFD Index

Summary of Management Approach	Location for More Information
Governance: Disclose the organisation's governance around climate-related risks and opportunities.	
<ul style="list-style-type: none"> The Board is responsible for the overall direction, performance, and governance of AACo. It provides leadership and strategic direction to AACo on the sustainability program, including climate-related matters, and it monitors management's performance related to this. The ARMC assists the board with the identification and management of climate-related risks, monitoring developments in laws and regulations, and overseeing climate disclosures and reporting. AACo has an Environment and Sustainability function which is overseen by the Executive General Manager for Corporate Services. This team provides regular updates on sustainability to the Board of Directors. The team works closely with the Risk and Finance teams led by the Chief Financial Officer. Collectively, the teams report to the ARMC on sustainability reporting and compliance requirements. The Board and ARMC meet separately at least four times a year. Updates are also provided to the Sustainability Directors Working Group (SDWG) on a regular basis. This Group acts as a forum, sharing relevant matters with the Board. The Managing Director and CEO attends SDWG meetings. 	<ul style="list-style-type: none"> Board Charter ARMC Charter Sustainability Governance
Strategy: Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material.	
<ul style="list-style-type: none"> In FY22 AACo engaged a climate change advisory firm to complete an initial climate scenario analysis to test the resilience of the business model under future climate scenarios. The analysis was informed by two scenarios: Transition risk scenario (<2°) and a physical risk scenario (>3°). In FY25 we continued to integrate internal knowledge in relation to climate risk, such as best practice land management from across our business, building on the scenarios through desktop research, internal knowledge, and enhancing our mitigation and management plans. Whilst the current analysis identifies risks and opportunities, further quantification is required to understand the materiality of these risks and the potential financial implications. We plan to conduct refreshed climate-related scenario analyses and risk assessment that are aligned to AASB S2 in FY26 We are currently laying the groundwork towards setting a climate transition plan. We have engaged a third-party consultant to support our work on a climate transition plan and emissions target setting, which we will publish in due course. 	<ul style="list-style-type: none"> Climate-related Scenario Analysis Nature & Climate Highlights Physical Risks & Opportunities

Sustainability Information (continued)

Risks and Opportunities (continued)

TCFD Index (continued)

Summary of Management Approach	Location for More Information
Risk management: Disclose how the organisation identifies, assesses, and manages climate-related risks.	
<ul style="list-style-type: none"> In accordance with AACo’s Risk Management Framework, climate change has been identified as a business risk and is included in our internal risk register and noted as a business risk in the OFR. AACo’s Board has the responsibility to ensure that the Company’s business risks are being appropriately managed. This is delegated to the ELT which assists the Board as it seeks to ensure that risk is appropriately managed within the business and reported to the Board and ARMC as appropriate. AACo’s ELT is responsible for assisting the Board in overseeing AACo’s understanding and management of risk, including climate-related risk, and the integration of risk management into decision making and overseeing of operations. Individual business units are responsible for identifying and managing these risks as they relate to the relevant business unit. AACo management owns risk in the company’s day-to-day operations. Individual business units are responsible for implementing internal control systems in their respective business processes. The Risk Team advises business units in the design and implementation of internal control systems. Internal controls form part of the assessment of residual risks in AACo’s Risk Register which is a key tool for overseeing and monitoring financial and non-financial risks across the business. 	<ul style="list-style-type: none"> Board Charter ARMC Charter Risk Management Policy Sustainability Risk Management
Metrics and targets: Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	
<ul style="list-style-type: none"> Climate Action and Regenerating Nature are focus areas for AACo’s sustainability program and help underpin AACo’s overall strategy. AACo is a Tier-1 Partner of the Zero Net Emissions Agriculture Cooperative Research Centre (CRC). The CRC is a multi-stakeholder body which aims to transition Australian agriculture to net-zero, healthy, resilient, and profitable food systems by 2040. In FY25 AACo has disclosed its Scope 1 and 2 GHG emissions profile, Scope 3 GHG emissions analysis and product carbon footprint metrics. In FY25 AACo has disclosed its energy usage and renewable electricity exported to the grid We will continue to enhance our data collection and reporting of climate-related metrics as we prepare for reporting under AASB S2. 	<ul style="list-style-type: none"> Climate Action GHG Emissions Inventory Sustainability Metrics

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Sustainability Information (continued)

GRI & SASB Indices

Australian Agricultural Company Limited has reported information cited in this GRI content index for the 12-month period to March 31, 2025, with reference to GRI and SASB Standards.

Global Reporting Initiative Standards

Global Reporting Initiative Standards

GRI Topic	Disclosure	Location
General		
GRI 2: General Disclosures 2021	2-1 Organisational details	About AACo
	2-2 Entities included in the organisation's sustainability reporting	Australian Agricultural Company Limited and its wholly owned Australian subsidiary entities, as noted in note F9 Controlled Entities in the Notes to the Financial Statements of the FY25 Financial Report.
	2-3 Reporting period, frequency and contact point	12-month period to March 31, 2025. AACo reports annually in accordance with the financial year ended 31 March. Contact: ir@aaco.com.au
	2-4 Restatements of information	Wellbeing, Health & Safety GHG Emissions Inventory Sustainability Metrics
	2-5 External assurance	External Assurance Letter
	2-6 Activities, value chain and other business relationships	Operating Environment Brand Market Overview
	2-7 Employees	Sustainability Metrics – Employment
	2-8 Workers who are not employees	Not Disclosed in FY25 Reporting Period
	2-9 Governance structure and composition	Corporate Governance Statement
	2-10 Nomination and selection of the highest governance body	Corporate Governance Statement
	2-11 Chair of the highest governance body	Corporate Governance Statement
	2-12 Role of the highest governance body in overseeing the management of impacts	Sustainability Governance
	2-13 Delegation of responsibility for managing impacts	Sustainability Governance
	2-14 Role of the highest governance body in sustainability reporting	Audit and Risk Management Committee Charter
	2-15 Conflicts of interest	Board Charter
	2-16 Communication of critical concerns	Not Disclosed in FY25 Reporting Period
	2-17 Collective knowledge of the highest governance body	Not Disclosed in FY25 Reporting Period
	2-18 Evaluation of the performance of the highest governance body	Not Disclosed in FY25 Reporting Period
	2-19 Remuneration policies	Remuneration Report
	2-20 Process to determine remuneration	Remuneration Report
	2-21 Annual total compensation ratio	Not Disclosed in FY25 Reporting Period
	2-22 Statement on sustainable development strategy	Sustainability Foundations and Strategy
	2-23 Policy commitments	Sustainability Policy
	2-24 Embedding policy commitments	Not Disclosed in FY25 Reporting Period
	2-25 Processes to remediate negative impacts	Not Disclosed in FY25 Reporting Period

Sustainability Information (continued)

GRI & SASB Indices (continued)

Global Reporting Initiative Standards (continued)

Global Reporting Initiative Standards

GRI Topic	Disclosure	Location
GRI 2: General Disclosures 2021 (continued)	2-26 Mechanisms for seeking advice and raising concerns	Whistleblower Policy
	2-27 Compliance with laws and regulations	Not Disclosed in FY25 Reporting Period
	2-28 Membership associations	Not Disclosed in FY25 Reporting Period
	2-29 Approach to stakeholder engagement	Stakeholder Engagement
	2-30 Collective bargaining agreements	Not Disclosed in FY25 Reporting Period
Agriculture, Aquaculture and Fishing Sectors		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Material Topics
	3-2 List of material topics	Material Topics
GRI 13.1 Emissions	3-3 Management of material topics	GHG Emissions Inventory Climate Action GHG Emissions Profiling Methodology
	305-1 Direct (Scope 1) GHG emissions	GHG Emissions Inventory Sustainability Metrics – GHG Emissions GHG Emissions Profiling Methodology
	305-2 Energy indirect (Scope 2) GHG emissions	GHG Emissions Inventory Sustainability Metrics – GHG Emissions GHG Emissions Profiling Methodology
	305-3 Other indirect (Scope 3) GHG emissions	GHG Emissions Inventory Sustainability Metrics – GHG Emissions GHG Emissions Profiling Methodology
	305-4 GHG emissions intensity	GHG Emissions Inventory GHG Emissions Profiling Methodology
	GRI 13.2 Climate adaptation and resilience	3-3 Management of material topics
GRI 13.3 Biodiversity	3-3 Management of material topics	Natural Capital: Measuring What Matters Preparing for Nature-related Disclosures,
	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Natural Capital: Measuring What Matters Sustainability Metrics – Natural Assets
GRI 13.4 Nature ecosystem conversion	3-3 Management of material topics	Sustainability Metrics – Natural Assets
GRI 13.10 Food safety	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Sustainability Metrics – Food Safety
GRI 13.11 Animal health and welfare	3-3 Management of material topics	Animal Health and Welfare Sustainability Metrics – Animal Welfare
	3-3 Management of material topics	People and Culture Stakeholder Engagement
GRI 13.12 Local communities	413-1 Operations with local community engagement, impact assessments, and development programs	People and Culture

Sustainability Information (continued)

GRI & SASB Indices (continued)

Global Reporting Initiative Standards (continued)

Global Reporting Initiative Standards

GRI Topic	Disclosure	Location
GRI 13.15 Non-discrimination and equal opportunity	3-3 Management of material topics	People and Culture Sustainability Metrics – Employment
	405-1 Diversity of governance bodies and employees	Sustainability Metrics – Employment
GRI 13.19 Occupational health and safety	3-3 Management of material topics	Wellbeing, Health & Safety Sustainability Metrics – Safety Management
	3-3 Management of material topics	Stakeholder Engagement
GRI 13.24 Public policy	3-3 Management of material topics	Stakeholder Engagement

Sustainability Accounting Standards Board – Meat, Poultry and Dairy Standard




Sustainability Accounting Standards Board – Meat, Poultry and Dairy

SASB Topic	Disclosure	Location
Greenhouse Gas Emissions	FB-MP-110a.1. Gross global Scope 1 emissions.	GHG Emissions Inventory Sustainability Metrics – GHG Emissions GHG Emissions Profiling Methodology
	FB-MP-110a.2. Discussion of long and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets.	GHG Emissions Inventory Climate Action
Energy Management	FB-MP-130a.1. (1) Total energy consumed, (2) percentage grid electricity and (3) percentage renewable.	Sustainability Metrics – Energy Management
Food Safety	FB-MP-250a.2. Percentage of supplier facilities certified to a Global Food Safety Initiative (GFSI) food safety certification programme.	Sustainability Metrics – Food Safety
	FB-MP-250a.3. (1) Number of recalls issued and (2) total weight of products recalled.	Sustainability Metrics – Food Safety
Workforce Health and Safety	FB-MP-320a.1. (1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees.	Sustainability Metrics – Safety Management
Environmental & Social Impacts of Animal Supply Chain	FB-MP-430a.2. Percentage of supplier and contract production facilities verified to meet animal welfare standards.	Sustainability Metrics – Animal Welfare
Animal & Feed Sourcing	FB-MP-440a.3. Discussion of strategy to manage opportunities and risks to feed sourcing and livestock supply presented by climate change.	Sustainability Risk Management

Sustainability Information (continued)




Sustainable Development Goals

We have identified nine Sustainable Development Goals (SDGs) which we have demonstrated progress against in FY25. There are other SDGs which we contribute to, however the following nine SDGs represent the areas of greatest importance to our operations and best align with our purpose, vision and company objectives in the FY25 period.

Icon	SDG	Target	AACo's contribution
	Zero hunger	2.4	Ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality.
			We continually work to identify and implement opportunities to improve sustainability and resilience in our food production practices across our operations and key parts of our supply chain to deliver high quality protein for global consumption through the research initiatives set out in this report. We are seeking to better understand how our systems can be responsive to changing climate and nature requirements.
	Gender equality	5.5	Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making.
			Our People and Culture team delivers a number of programs aimed at advancing gender equality in our workforce, including the "Women of AACo" program, which provides mentoring and other support to emerging female leaders in the business. In FY25, AACo improved its representation of women in leadership position by 3% to 53% overall.
	Clean water and sanitation	6.4	Substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity.
			Through our solar bores program, we are upgrading our water infrastructure with telematics, which aims to improve our ability to monitor water use and to reduce water losses as a result of evaporation and seepage. Wastewater in feedlot is recycled for use in cropping to reduce reliance on water for irrigation.
	Affordable and clean energy	7.3	Improve the global rate of improvement in energy efficiency.
			In recent years we have upgraded our vehicle fleet to more fuel-efficient passenger and heavy machinery, as detailed in previous reports. In addition, we produce solar energy which is returned to the grid at several of our sites. We are investigating opportunities to transition to renewable energy usage on our remote stations. In FY25, AACo transitioned our diesel bores to solar power across our estate by 4%, with 97% of targeted bores now converted to solar (with diesel supplementation where necessary).
	Decent work and economic growth	8.2	Achieve higher levels of economic productivity through diversification, technological upgrading and innovation.
			Our innovation and research and development programs are delivering advancements in technology and agricultural production that lead to higher levels of economic productivity such as our breeding and genetics program.
		8.6	Substantially reduce the proportion of youth not in employment, education or training.
			AACo is a significant employer of young adults, with many of our station staff, and in particular stock management teams, falling into this age category. In addition, we run a Graduate Program which recruits three to four young graduates into the business each year and provides them immediate employment with rapid development pathways following university.


Sustainability Information (continued)

Sustainable Development Goals (continued)

Icon	SDG	Target	AACo's contribution	
	Responsible consumption and production	12.2	Achieve the sustainable management and efficient use of natural resources.	<p>Our production system enables the conversion of resources through our cattle such as native pastures, which are not suitable for human consumption, in remote landscapes of low agricultural potential into high value nutrients for human consumption.</p> <p>We have invested in innovation and operational improvements to deliver greater productivity across our herd, such as those described within this report.</p>
		12.5	Reduce waste generation through prevention, reduction, recycling and reuse.	<p>Where possible, we recycle organic wastes such as manure and effluents at feedlot into cropping activities.</p> <p>We are collaborating with academic institutions to investigate viable options for technical solutions to recycling on-station in remote contexts where infrastructure is limited, and recycling options are limited.</p>
	Climate action	13.1	Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters.	Our climate risk assessment outlines our current view of the key climate-related hazards posed to our operations and our approach to responding and mitigating these hazards.
		13.2	Integrate climate change measures into policies, strategies and planning.	<p>“Climate Action” is a focus area under our Sustainability Framework. We are taking action in four key areas including: tackling methane, carbon sequestration, greenhouse gas efficiency in our operations and our renewable energy transition. More detail on these activities can be found in the “Nature & Climate Highlights” section of this report.</p>
	Life Below Water	14.1	Prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution.	<p>We undertake erosion control measures on our properties to protect the waterways and downstream coastal and marine environments. For instance, leaky weirs at Pell Station in the Northern Territory slow the movement of water through streams, which reduce erosion and sediment runoff and turbidity in downstream ecosystems. AACo's forage budgeting process assists in maintaining good perennial plant cover on our pastures, increasing infiltration and decreasing sediment and nutrient run-off. This is a particular focus in our Central Queensland properties which are located in the Great Barrier Reef catchment, contributing to the protection the Reef.</p>

Sustainability Information (continued)

Sustainable Development Goals (continued)

Icon	SDG	Target	AACo's contribution
	Life on land	15.3	Combat desertification, restore degraded land and soil, including land affected by desertification, drought and floods.
			<p>Several business practices seek to maintain and improve land condition (in terms of biodiversity, soil condition and pasture health), including AACo's bespoke sustainable stocking model, satellite assisted forage budgeting and the utilisation of a land condition framework through which we monitor groundcover, vegetation balance and soil erosion.</p> <p>We undertake targeted land rehabilitation activities at certain properties which aim to restore areas of lost land condition and employ pasture rest strategies to provide opportunities for land condition maintenance and recovery.</p>
		15.5	<p>Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and protect and prevent the extinction of threatened species.</p> <p>We have continued to implement the Accounting for Nature Framework, which enables the assessment of the ecological value and condition of landscapes including vegetation, fauna, soil and water quality. This framework provides data for prioritisation of habitat and biodiversity protection project development that we plan to commence in FY26.</p> <p>We have a number of sites established under the Territory Conservation Agreements program, which assists in providing biodiversity and environmental protection within productive landscapes.</p>
		15.8	<p>Prevent the introduction and significantly reduce the impact of invasive alien species on land and water ecosystems and control or eradicate the priority species.</p> <p>We invest strongly in weed management activities each year, targeting both declared noxious weeds and some species that are detrimental to AACo's production system. Our Rangelands team develops long term weed management strategies specific to each of AACo's properties.</p>

External Assurance



Independent Limited Assurance Report to the Directors of Australian Agricultural Company Limited

Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Information Subject to Assurance, has not been prepared by Australian Agricultural Company Limited in all material respects, in accordance with Australian Agricultural Company's management defined criteria for the period ended 31 March 2025.

Information Subject to Assurance

Australian Agricultural Company Limited engaged KPMG to perform a limited assurance engagement in relation to the specific metrics outlined in Appendix I, 'Qualitative Claims' as described in the Potential Climate Related Scenarios, Material Climate-related Governance Claims, GRI Index and TCFD Index presented in the Sustainability Information section of the Australian Agricultural Company Annual Report (Information Subject to Assurance).

Criteria Used as the Basis of Reporting

We assessed the information subject to assurance against the Criteria. The information subject to assurance needs to be read and understood together with the Criteria which comprises the Australian Agricultural Company's GHG Emissions Profiling Methodology and other management defined criteria (the Criteria) as included in the Australian Agricultural Company Annual Report.

Basis for Conclusion

We conducted our work in accordance with Australian Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* (ASAE 3000). We believe that the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

In accordance with ASAE 3000 we have:

- used our professional judgement to plan and perform the engagement to obtain limited assurance that we are not aware of any material misstatements in the information subject to assurance, whether due to fraud or error;
- considered relevant internal controls when designing our assurance procedures, however we do not express a conclusion on their effectiveness; and

External Assurance (continued)



- ensured that the engagement team possess the appropriate knowledge, skills and professional competencies.

Summary of Procedures Performed

Our limited assurance conclusion is based on the evidence obtained from performing the following procedures:

- Enquiries with relevant Australian Agricultural Company Limited personnel to understand the internal controls, governance structure and reporting process of the Information Subject to Assurance;
- Reconciling Information Subject to Assurance to underlying data sources on a sample basis;
- Testing the arithmetic accuracy of a sample of calculations of the Information Subject to Assurance;
- Reviews of relevant documentation including Australian Agricultural Company's Assurance Scope Metrics Manual and other internal policies and procedures;
- Analytical procedures over the Information Subject to Assurance;
- Walkthroughs of the Information Subject to Assurance to source documentation;
- Evaluating the appropriateness of the criteria with respect to the Information Subject to Assurance; and
- Reviewed the Australian Agricultural Company Annual Report in its entirety to ensure it is consistent with our overall knowledge of assurance engagement.

Inherent Limitations

Inherent limitations exist in all assurance engagements due to the selective testing of the information being examined. It is therefore possible that fraud, error or material misstatement in the information subject to assurance may occur and not be detected. Non-financial data may be subject to more inherent limitations than financial data, given both its nature and the methods used for determining, calculating, and estimating such data. The precision of different measurement techniques may also vary. The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, evaluation and measurement techniques that can affect comparability between entities and over time.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we do not express a reasonable assurance conclusion.

Misstatements, including omissions, are considered material if, individually or in the aggregate, they could reasonably be expected to influence relevant decisions of the Directors of Australian Agricultural Company Limited.

Use of this Assurance Report

This report has been prepared solely for the Directors of Australian Agricultural Company Limited for the purpose of providing an assurance conclusion on the Information Subject to Assurance and may not be suitable for another purpose. We disclaim any assumption of responsibility for any reliance on this report, to any person other than the Directors of Australian Agricultural Company, or for any other purpose than that for which it was prepared.

External Assurance (continued)

**Management's Responsibility**

Management are responsible for:

- determining that the criteria is appropriate to meet their needs, the needs of the Directors;
- preparing and presenting the information subject to assurance in accordance with the criteria; and
- establishing and maintaining systems, processes and internal controls that enable the preparation and presentation of the information subject to assurance that is free from material misstatement, whether due to fraud or error.

Our Responsibility

Our responsibility is to perform a limited assurance engagement in relation to the information subject to assurance for the [period end date], and to issue an assurance report that includes our conclusion based on the procedures we have performed and evidence we have obtained.

Our Independence and Quality Management

We have complied with our independence and other relevant ethical requirements of the *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional and Ethical Standards Board and complied with the applicable requirements of Auditing Standard on Quality Management 1 to design, implement and operate a system of quality management.

A handwritten signature in blue ink that reads 'KPMG'.

KPMG

Sydney, NSW

18 June 2025

External Assurance (continued)



Appendix I

Metric(s)	Figure
Scope 1 - land and livestock emissions (tCO ₂ e)	637,328
Scope 1 - energy emissions (tCO ₂ e)	22,290
Scope 2 - electricity emissions location based (tCO ₂ e)	2,806
Scope 3 - emissions (tCO ₂ e)	159,949
Total energy consumption (fuel + electricity) (GJ)	350,564
Fuel consumption (GJ)	336,593
Electricity consumption from the grid (GJ)	13,971
Annual renewable energy generation to the grid (MWh)	7
AACo properties compliant with LPA (%)	92
AACo feedlots compliant with NFAS (%)	100
Third-party processing facilities compliant with AAWCS (%)	100
Corrective actions taken for non-compliance with LPA & NFAS	1
Number of recalls issued for food safety reasons (#)	0
Volume of products recalled for food safety reasons (kg)	0
Third-party processing facilities certified to a GFSI certification program (%)	67
Number of market bans in the reporting year (#)	0
Corrective actions taken for non-compliance (#)	0
Fatalities (#)	0
Total recordable injury frequency rate (TRIFR)	85.4
FTE employees (#)	454
Number of employees by female/male (#)	F: 200 M: 254
Female representation in leadership – Board (%)	22
Female representation in leadership – People leaders (%)	36
Female representation in leadership – Executive Leadership Team (%)	43

External Assurance (continued)



Metric(s)	Figure
Female representation in leadership – Executive and Senior Leadership Team (%)	53
Number of new appointments (#)	250
Turnover rate %	42

ASX Additional Information

Additional information required by the Australian Securities Exchange Ltd and not shown elsewhere in the Financial Report is as follows. The information is current as at 14 May 2025.

(a) Distribution of Equity Securities

Ordinary share capital

602,766,747 fully paid ordinary shares are held by 6,872 individual Shareholders. All ordinary shares carry one vote per share and carry the rights to dividends. The number of shareholders, by size of holding is:

Number of Shares	Number of Shareholders
1 to 1,000	2,367
1,001 to 5,000	2,488
5,001 to 10,000	864
10,001 to 100,000	1,041
100,001 and Over	112
Total	6,872

Unquoted equity securities

As at 14 May 2025, there were 7,825,847 unlisted performance rights granted over unissued ordinary shares in the Company.

ASX Additional Information (continued)

(b) Twenty Largest Holders of Quoted Equity Securities

The names of the twenty largest holders of quoted shares as shown in the Company's Share Register are as at 14 May 2025:

	Number	Percentage
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	476,743,051	79.10%
CITICORP NOMINEES PTY LIMITED	20,807,663	3.45%
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	14,592,265	2.42%
CUSTODIAL SERVICES LIMITED <BENEFICIARIES HOLDING A/C>	6,633,504	1.10%
BNP PARIBAS NOMINEES PTY LTD	5,802,040	0.97%
PACIFIC CUSTODIANS PTY LIMITED	5,634,147	0.94%
QUALITY LIFE PTY LTD <THE NEILL FAMILY A/C>	2,754,981	0.46%
MR BARRY MARTIN LAMBERT	1,177,660	0.20%
RATHVALE PTY LIMITED	953,482	0.16%
MRS JOY WILMA LILLIAN LAMBERT	921,702	0.15%
MCGAUCHIE SUPER PTY LTD <MCGAUCHIE S/F A/C>	771,416	0.13%
MR LENARD JAMES NORRIS	700,000	0.12%
WYKALA PTY LIMITED	700,000	0.12%
GLADIATOR SECURITIES PTY LTD <HAYBERRY GLOBAL FUND A/C>	685,200	0.11%
NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	622,369	0.10%
ACE PROPERTY HOLDINGS PTY LTD	600,000	0.10%
PIAMA PTY LTD <FENA SUPERANNUATION PLAN A/C>	500,000	0.08%
TRUSTUM INVESTMENTS PTY LTD <TRUSTUM SUPER FUND A/C>	500,000	0.08%
CROFTON PARK DEVELOPMENTS PTY LTD <SAM BROUGHAM FAMILY A/C>	473,105	0.08%
MR BRUCE MACAULAY BENNETT	454,807	0.08%

(c) Substantial Shareholders

The names of substantial shareholders who have notified the Company in accordance with section 671B of the *Corporations Act 2001* as at 14 May 2025 are:

Ordinary Shareholders	Number
Bryan Ginton as trustee of The AA Trust	319,999,220
Tattarang Pty Ltd as the trustee of The Peepingee Trust and John Andrew Henry Forrest	134,891,347

(d) Marketable Shares

The number of security investors holding less than a marketable parcel of 329 securities (\$1.520 on 14 May 2025) is 614 and they hold 57,823 securities.

Company Information

Name of Entity

Australian Agricultural Company Limited

ABN

15 010 892 270

Registered Office

Principal Place of Business

Level 1, Tower A
Gasworks Plaza
76 Skyring Terrace
Newstead QLD 4006

Ph: (07) 3368 4400

www.aaco.com.au

Share Registry

MUFG Corporate Markets

Level 21, 10 Eagle Street
Brisbane QLD 4000

Ph: 1300 554 474

www.mpms.mufg.com

AACo shares are quoted on the Australian Securities Exchange under listing Code AAC.

Solicitors

Allens Linklaters

Level 26, 480 Queen Street
Brisbane QLD 4000

Auditors

KPMG

Level 11, Heritage Lanes
80 Ann Street
Brisbane QLD 4000

Annual General Meeting

The Annual General Meeting of Shareholders of the Australian Agricultural Company Limited will be held on Wednesday 23rd July 2025.

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