

Annual Report FY25

LGI LIMITED

ABN 49 138 085 551

For internal use only



**CLEAN ENERGY &
CARBON ABATEMENT**

Appendix 4E

LGI LIMITED

ABN 49 138 085 551

Results for announcement to the market for the year ended 30 June 2025:

Financial Performance	Up / (Down)	Change %	30 Jun 2025 \$'000	30 Jun 2024 \$'000
Revenue from ordinary activities (excluding interest income)	Up	10.4%	36,789	33,310
Statutory EBITDA	Up	13.6%	17,366	15,281
Statutory Profit before income tax	Down	1.8%	8,762	8,925
Statutory Profit after income tax	Down	3.0%	6,476	6,673
Underlying EBITDA	Up	13.6%	17,366	15,281

Net Tangible Asset Backing	Change %	30 Jun 2025 \$	30 Jun 2024 \$
Net tangible asset backing per share	2.52%	0.562	0.548

Dividends	Cents per share	Tax rate for franking credit
Final dividend per share for the year ended 30 June 2025 fully franked	1.3	25%
Interim dividend per share for the half year ended 31 December 2024 fully franked	1.2	25%
Final dividend per share for the year ended 30 June 2024 fully franked	1.3	25%

1. Underlying EBITDA and Statutory EBITDA (non IFRS measures)

Underlying EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) reflects statutory EBITDA adjusted to reflect the Directors' assessment of the result for the ongoing business activities.

The presentation of non IFRS financial information provides stakeholders the ability to compare against prior periods in a consistent manner.

2. Record date for determining entitlements to the final dividend:

11 September 2025 and payable 25 September 2025.

3. Annual General Meeting

LGI Limited advises that its Annual General Meeting will be held on Wednesday, 19 November 2025.

The time and other details relating to the meeting will be advised in the Notice of Meeting to be sent to all shareholders and released to the ASX.

In accordance with the ASX Listing Rules, valid nominations for the position of director are required to be lodged at the registered office of the Company by 5:00pm (AEST) on Monday, 29 September 2025.

Additional information supporting the Appendix 4E disclosure requirements can be found in the Directors' Report and the financial statements for the year ended 30 June 2025.

Corporate Directory

Company

LGI Limited
57 Harvey Street North
Eagle Farm QLD 4009
<https://www.lgi.com.au/>

Directors

Mr Vik Bansal - Chairman
Mr Adam Bloomer – Managing Director
Dr Jessica North – Executive Director and Chief Sustainability Officer
Ms Abigail Cheadle – Non-Executive Director
Mr Andrew Peters – Non-Executive Director
Mr Timothy McGavin – Non-Executive Director

Company Secretary

Mr Dean Wilkinson
Ms Priyamvada (Pia) Rasal

Share Registry

Computershare Investor Services Pty Ltd
200 Mary Street
Brisbane QLD 4000
www.computershare.com

Auditor

BDO Audit Pty Ltd
Level 10, 12 Creek Street
Brisbane QLD 4000
www.bdo.com.au

AGM details

The Annual General Meeting of LGI Limited will be held on Wednesday 19 November 2025 at 11.00 am (AEST).

People engineering
a clean energy,
zero carbon
future

For personal use only



Contents

Results at a glance	6
Chairman's letter to shareholders	8
Managing Director's review	9
Chief Executive Officer's review	10
Corporate governance	12
Operating and financial review	13
Directors' report	26
Remuneration report	33
Auditor's independence declaration	41
Financial report	42
Statement of profit or loss and other comprehensive income	42
Statement of financial position	43
Statement of changes in equity	44
Statement of cash flows	45
Notes to financial statements	46
Consolidated entity disclosure statement	80
Director's declaration	81
Independent auditor's report	82
Shareholder information	86

Results at a Glance

In FY25, LGI continued its growth trajectory, with increased gas flows across the fleet resulting in increased EBITDA. FY25 also saw the commissioning of two new units at the Canberra power station and the new power station at Eastern Creek, Sydney.

LGI Financial Performance

Statutory EBITDA ²

\$17.4m

Increase of 13.6%¹

Net Revenue³

\$33.9m

Increase of 9.9%¹

Underlying EBITDA ²

\$17.4m

Increase of 13.6%¹

Underlying EBITDA margin^{2, 4}

51%

Increase of 17 bcp¹

Statutory NPAT

\$6.5m

Decrease of -3.0%¹

Underlying EBIT²

\$10.9m

Increase of 9.6%¹

Cashflow from operations

\$12.3m

Increase of 24.3%¹

Sites under contract

34

Increase of 6.3%¹

1. Compared to the prior comparative period ("pcp")

2. Underlying EBITDA, Statutory EBITDA, underlying EBITDA margin and underlying EBIT are non IFRS measures that are reported to reflect the Directors' assessment of the underlying financial performance for ongoing business activities. These measures are unaudited.

3. Net revenue which is net of the ACCUs provided to landfill owners as in-kind satisfaction of royalty payments. Net revenue is a non IFRS measure and is unaudited.

4. Underlying EBITDA margin uses Net revenue

Results at a Glance

LGI Operational Performance

Biogas flows

128 million cubic meters

Increase of 10.7%¹

Renewable electricity generation

109,119 MegaWatt hours

Increase of 13.3%¹

Generation fleet availability

98%

Percentage of time the renewable power stations are available for generation. Fleet target is 95%.

Creation of carbon units

493,446

Australian Carbon Credit Units

Increase of 14.0%¹

People

Staff growth

20%

LGI is positioning the business for growth of existing sites and construction of EBITDA accretive projects.

Lost time injuries

Zero

Safety will always be our number one priority.

1. Compared to the prior comparative period ("pcp")

Chairman's letter to Shareholders

I am delighted to present the annual report for LGI Limited. LGI has reported a strong set of results and continues the momentum it has been building since listing four years ago.

Financial Year 2025 is another example of LGI delivering to its commitment.

LGI continues to grow signing six new contracts in financial year 2025. Five of these contracts are for long-term landfill gas rights, which LGI will monetise to create Australian Carbon Credit Units. The remaining contract is for a Battery Energy Storage System ("BESS") to be built, owned, and operated by LGI on the closed landfill at Belrose in Northern Sydney. The Belrose landfill is owned and managed by The Waste Assets Management Corporation (WAMC), a New South Wales State Owned Corporation.

In addition to the new signed contracts, LGI and Shoalhaven City Council have varied the existing contract and agreed to extend the contract by 25 years upon commissioning of a power station.

In April 2024, LGI announced growth plans for the electricity segment of our business. Stating that contracted projects will see the business grow from 14 Megawatts (MW) under management, to 47 MW. With the signing of the Belrose contract, LGI are now committing to grow the electricity segment to 56 MW under management.

The last year saw the drafting of new landfill gas carbon methodologies, which the Clean Energy Regulator is working toward implementing in the coming year. LGI is supportive of the new methodology which only rewards abatement achieved for all landfill gas projects above baselines established industry wide. This is an important step forward for improved integrity in our industry. Due to legacy reasons, some of the largest landfills

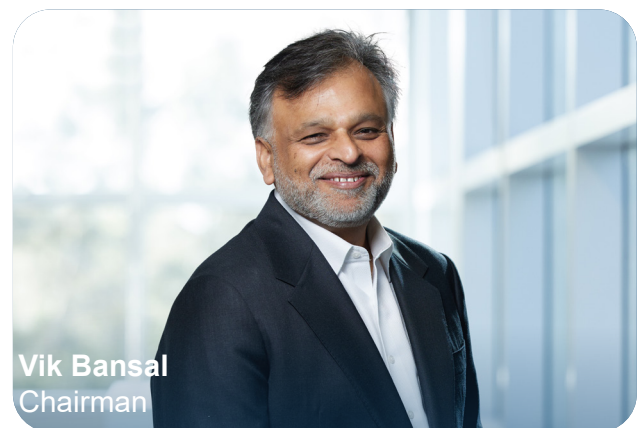
in Australia have lower than default baselines, while newer projects assessed under more recent methodologies have received higher than default baselines. This proposed new methodology will see a more consistent approach applied when determining baselines to all landfill gas projects.

Based on the year's strong financial performance, the Board has determined to pay shareholders a final dividend of 1.3 cents per share, taking the total FY25 annual dividend to 2.5 cents per shares.

The LGI management team has done an excellent job throughout the year, delivering on key power station projects, securing new contracts, all while maintaining a focus on customers and markets.

I would also like to thank all of our LGI staff and my fellow Directors for another strong performance this year, delivering projects while maintaining focus on the operational side of the business as well as providing valuable service to our stakeholders.

Lastly, thank you to all our shareholders for your continued support for the Company and our mission to save the planet, one landfill at a time.



Vik Bansal
Chairman

For personal use only

Managing Director's Review

The Australian Government's ambitions of reducing the energy sector emissions is largely focused on achieving 82% renewable electricity generation by 2030. This key policy agenda is driving the electricity transition away from coal fired power stations, towards more wind and solar as lower emissions intensity sources of generation. Whilst wind and solar generators are environmentally friendly, they further expose the wholesale electricity market to the influence of weather, meaning that the grid is becoming more volatile. Observing this change over the past decade, LGI has strategically positioned its electricity segment for flexibility to both protect our generators from downside pricing and achieve improved financial outcomes through embracing the volatility by generating into higher prices. We have achieved this while also increasing our overall volume of renewable electricity generation, reaching over 100 Gigawatt hours (GWhs) annually, equivalent to powering over 24,000 Australian homes.

To assist with the energy transition the Australian Energy Market Operator (AEMO) has called for 22 GW of firming capacity from batteries by 2030 (currently 3GW of firming from batteries is available) in its 2024 roadmap to the National Electricity Market. Acknowledged throughout the industry, larger transmission connected electricity projects (30MW in capacity and greater) are taking longer due to approvals, supply chain limitations, and experiencing cost overruns. The Australian Government has followed through on its election promise to encourage the uptake of household batteries by contributing up to 30% of the battery up-front cost. The household battery scheme does feature limits to the battery size (to 50kWh) and requirement for the battery to be operated by a Virtual Power Plant. These policy settings help encourage household batteries to provide some contribution to the firming rollout, but the transition will also need medium size projects to help fill the gap.

During this transition, LGI is contributing to the gap through creating a fleet of flexible and responsive energy assets, connected to the existing distribution network. Projects 30MW or less, typically requires less network augmentation to connect than larger

transmission projects. These sub 30MW project are also connected closer to where electricity is needed. This both creates a geographically diverse asset base helping improving resilience from weather or network events, while also ensuring our sites are well placed to help the grid during periods of volatility.

LGI recognises that to deliver this flexibility we require:

1. To have our assets available at very high levels to respond to pricing,
2. To automatically operate our fleet 24/7.

LGI continues to achieve availability rates of over 95%, in FY25 achieving 98% availability across the generation fleet. LGI was able to achieve this by investing in our people, assets and parts inventory.

LGI continues to develop and refine our proprietary Dynamic Asset Control Systems, DACS. As our fleet of assets is evolving, the development of DACS is staying one step ahead. The addition of batteries onto the Canberra site requires DACS to have additional bidding functionality. This has already been developed and is running in parallel with the live version of DACS, working towards resolving any teething issues with the new functionality before Canberra batteries are commissioned.

In closing, the performance of FY25 would not have been possible without the hard work and dedication of our team of people. Everyone is contributing to LGI's ongoing success, the teams working on gas fields, our assets team, our project delivery team and people supporting our business. I also thank our Board for their guidance throughout the year and finally thank you to all our customers and shareholders for continuing to support LGI.



Adam Bloomer
Managing Director

Chief Executive Officer's Review

By all metrics FY25 has been a solid year for LGI. This year we have achieved new high watermarks for all our key operational drivers, biogas recovery, Megawatt hours (MWhs) and ACCUs creation. We have completed two significant power station projects, one major upgrade at Canberra, and a new build in Sydney on time and on budget. All while we secured six new contracts with landfill owners, laying important foundations for continued growth.

Strong operating performance

Biogas recovery continues to increase with over 127 million cubic meters of gas extracted from our long-term landfill gas sites, an 11% increase year on year. We generated over 109,000 Megawatt hours of electricity across our fleet of renewable power stations in FY25 which included generation for our two new units at Canberra and new power station at Eastern Creek in Sydney, this represents 13% increase from our FY24 performance. Our generation assets' availability was 98%, exceeding the high-level set in FY24 of 97%. In FY25 we also created more than 493,000 Australian Carbon Credit Units (ACCUs) across 17 carbon abatement projects registered under the ACCU Scheme (previously the Emissions Reduction Fund (ERF)), representing a 14% increase compared to FY24.

The Company's strong operational performance is reflected in our financial results for FY25. We increased Net Revenue (non-IFRS measure) by 10% compared to FY24, to achieve \$33.9 million in FY25. Statutory EBITDA (non-IFRS measure) increased approximately 14% to \$17.4 million.

People

Our people are the reason we can achieve these excellent operational and financial results. One of our values is "do what's right". Our team this year continue to perform at high levels and living the values, particularly doing what is right.

Safety will always be our number one priority. Again, this year the team focused on looking after themselves and their teammates. This is borne out

with zero lost time injuries for FY25.

Project delivery

LGI started the financial year with 14.7MWs undermanagement and finished the year with 21.1MWs, a 44% increase in our electricity trading capacity. The Canberra power station increased generation capacity 50%, upgraded with a new 20MW dedicated connection and added biogas fuelled generation from 4 MWs to 6MWs. In June 2025, LGI commissioned the 4MW Eastern Creek Power Station in Sydney. Both the Canberra and Sydney projects were delivered within the time frames LGI set internally and on budget.

Delivering these projects demonstrates LGI's capability to complete complicated projects within a complex regulatory environment. This is a credit to the dedicated LGI team involved.

During the year, LGI added Grafton to our operating carbon projects, bringing the number of operating carbon projects at year end to 17. Work has also begun on the Warwick and Jandowae sites. Both carbon projects will be commissioned early in FY26, with Taree and Lithgow sites scheduled to come online during FY26.

Stage 2 of the Canberra facility upgrade to incorporate 12MW / 24 Megawatt MWh of battery capacity has begun. All civil work and network connection works were completed in FY25, as part of the addition of the 2MWs of generation. The Tesla batteries have been delivered to site in June 2025, with the transformers scheduled for delivery by September 2025. Work is well advanced preparing the AEMO application for full registration of the Power station. LGI is forecasting the batteries to be operational during H2 FY26.

Initial works have begun to prepare for the Belrose battery project, including development approval and grid connection applications. Once contractual conditions precedents are satisfied, LGI will place orders for batteries and other long lead time equipment. It is exciting working with Waste Assets

Chief Executive Officer's Review continued

Management Corporation and the NSW State Government. This initiative supplements the NSW Government's Electricity Infrastructure Roadmap by providing local storage to improve grid stability

Funding growth

Since the first year of operation, LGI has been operating cash flow positive. That continues to be the case for FY25. LGI spent \$18.5M on capex, while the debt only increased \$9.4M, with the remainder of the capex funded with operating cash flows.

Available debt facility at 30 June 2025 is approximately \$19M. LGI will continue to fund the project growth with a mix of free cash flow and debt.

I would like to add my thanks for the hard working and diligent team at LGI. None of our achievements in FY25 would have been possible with our team

focused every day on performing their tasks safely, effectively and efficiently. LGI's FY26 priorities are to leverage the momentum and achievements established over FY25, while continuing to deliver more great outcomes.



Jarryd Doran
Chief Executive Officer





Corporate Governance

The Board and management of the company are committed to effective corporate governance to ensure accountability and transparency to shareholders and other stakeholders, including employees, landfill owners and regulatory bodies. The Company has adopted and has substantially complied with, the ASX Corporate Governance Principles and Recommendations (4th edition) to the extent appropriate to the size and nature of the Company's operations.

The Company has prepared a statement which sets out the corporate governance practices that were in operation throughout the financial year for the Company (Corporate Governance Statement).

The Corporate Governance Statement, approved by the Board, will be lodged together with the Company's Annual Report with the ASX, can also be found on the company's website at <https://lgi.com.au/for-investors/>.

Operating and Financial Review























































Our Business

LGI Company Profile

Profile

LGI is an established domestic market leader in the recovery of biogas from landfill, and the subsequent conversion into renewable electricity and saleable environmental products. LGI's vertically integrated operations cover the engineering and management of landfill gas infrastructure, whilst providing solutions to create opportunities for the generation of renewable electricity and carbon abatement.

LGI is addressing an inherent environmental issue for waste disposal sites. LGI's business model which specialises in the capture and beneficial use of biogas from landfills and offers a full suite of services to generate value throughout each stage of the landfill lifecycle.

Sites	Generators on Site	Battery	Carbon Site	Biogas Flare	Contracted Site Under Assessment
QLD					
Gladstone	 x 1				
Bundaberg Central					
Bundaberg West					
Bunya	 x 1	 x 1			
Caboolture	 x 2				
Chandler					
Dakabin	 x 2				
Esk					
Fitzgibbon					
Gympie					
Hervey Bay					
Jandowae (signed FY25)					
Maryborough	 x 2				
Nudgee					
Toowoomba	 x 1				
Upper Kedron					
Warwick (signed FY25)					
Willawong	 x 1				
ACT					
Mugga Lane	 x 6	 x 6			
West Belconnen					
NSW					
Bathurst					
Bega					
Betrose (signed FY25)					
Brou					
Eastern Creek	 x 4				
Grafton (signed FY25)					
Hawkesbury					
Lithgow (signed FY25)					
Nowra					
ShellHarbour					
Silverwater					
Surf Beach					
Taree (signed FY25)					
Tumut					

For personal use only

The capture and treatment of biogas from landfills underpins LGI's business strategy and growth. LGI has a diversified revenue stream that is generated from three key sources:

- **Renewable electricity:** Installation of power generation systems on landfills. LGI's agreements for this type of activity include long terms, often over 15 years, and with governments' rights to recover and beneficially reuse the biogas, and build-own-operate power facilities. LGI's revenue is derived from the sale of electricity, LGC's and ACCUs. LGI enhances electricity sales with batteries.
- **Greenhouse gas abatement:** Installation of flaring systems on landfills at LGI's option for the creation of ACCUs. Under these long-term (10+ year) arrangements. LGI has rights to recover and beneficially reuse the biogas.
- **Site infrastructure and management:** Installation, operation and maintenance of biogas extraction infrastructure and flaring systems for landfill owners. This type of service agreement does not involve LGI having rights to the biogas and its beneficial reuse. LGI's revenue is derived from charging a fee based on the work requested by the client.

In FY25, LGI has added to the number of landfill sites under management. As at the date of this report, LGI's portfolio is 34 sites in Queensland, New South Wales and the Australian Capital Territory.





Our People

One of the core values of LGI is “People First”. This year LGI continued to invest significantly in our team, building capabilities of our employees, enhancing our employee management and reporting systems and continuing focus on our health and safety processes and training. With the business looking ahead to building new and improved flares and power stations, together with the organic growth in biogas flow on contracted sites, LGI has increased employee numbers by 18% in FY25.

Learning and development

LGI continues the professional development of all staff within the company whether through external or internal learning. Internally there has been successful implementation of monthly toolbox talks about various topics throughout the business bringing risk awareness to mental and physical health. Further, ‘lunch & learns’ are run on a bimonthly basis broadening the knowledge base of our people across various sectors. Externally, LGI has supported staff learning through the attainment of certificates, various licenses and diplomas.

Workplace health and safety

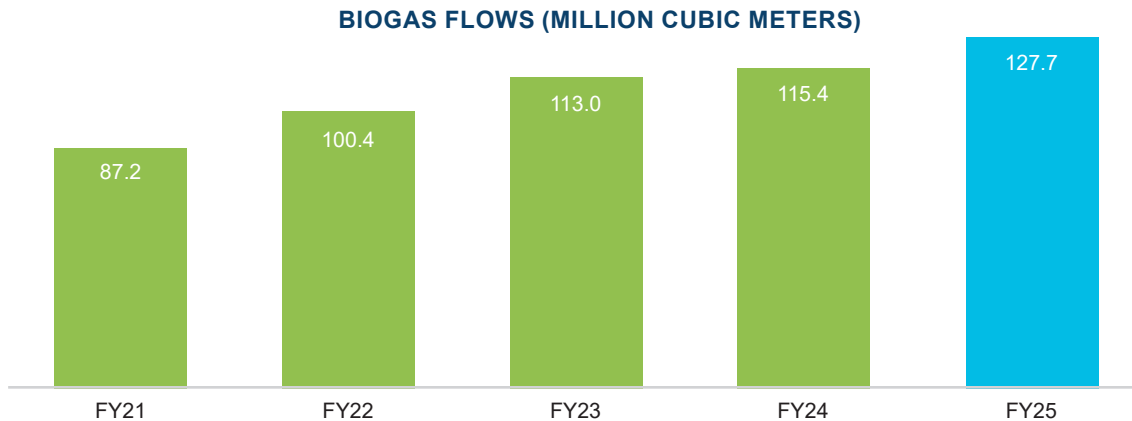
LGI continues to focus on workplace health and safety. FY25 safety initiatives in action include personalised gas mask fitting, wearable gas indicators, pre work start safety meetings and monthly safety topic training.

There were no Lost Time Injuries (“LTI”) in FY25.

Operational Review

Biogas Capture

The majority of the landfills where LGI is providing landfill biogas capture services are open landfills receiving new waste periodically. With increased waste, there is increased biogas. LGI recognises this and invests in additional gas capture infrastructure at sites where LGI has the beneficial right to the biogas. LGI employs its own gas field crews, which enables a focus on chasing the gas at the optimal times for both LGI and our clients.



Increased infrastructure results in increased biogas capture, corresponding increased carbon abatement, and the ability to increase renewable electricity generation.

In FY25, LGI increased the biogas capture to 127.7 million cubic meters (M3m) of biogas from 115.4 M3m in FY24, an increase of 11%.

Increasing biogas infrastructure includes installation of new wells, well head and manifolds, and surface pipework including mainline pipes. Each well can have the gas flows increased or decreased as the flow of biogas changes over time. This is referred to as tuning the wells. LGI staff regularly attend sites to tune the wells to ensure optimum biogas flows.

In FY25, LGI installed 287 new wells, an increase from 163 in FY24.

Renewable Electricity Generation

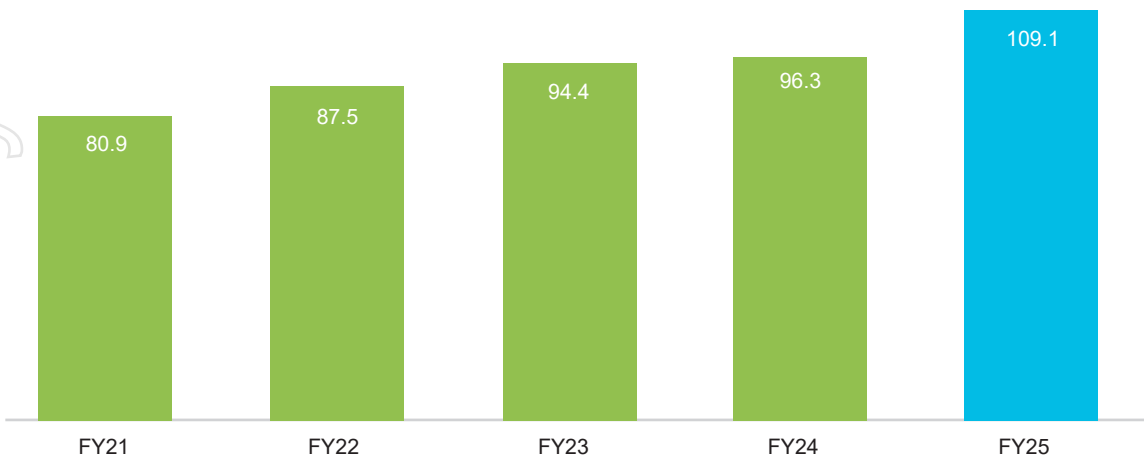
The increase in biogas flows in FY25 together with the commissioning of new power stations saw the renewable generation increase to 109,119 MWhs from 96,326 MWhs in FY24, an increase of 13%.

In FY25, LGI started the financial year with 14.7MWs under management and finished the year with 21.1MWs, a 44% increase in our electricity capacity. The Canberra power station increased generation capacity 50%, going from 4 MWs to 6MWs. In June, LGI commissioned the 4MW Eastern Creek Power Station in Sydney.

The battery installed at our power station at Bunya, North West of Brisbane continued to allow LGI to export electricity to the grid when it is needed most. For the financial year the revenue from Bunya power station was 70% higher than if LGI was running the generator by itself. This uplift in revenue includes FCAS revenue.

Renewable generation fleet availability was on average 98% for FY25 (FY24 97%) which is ahead of our target of 95%.

Annual Renewable Electricity Generation (GWhs)



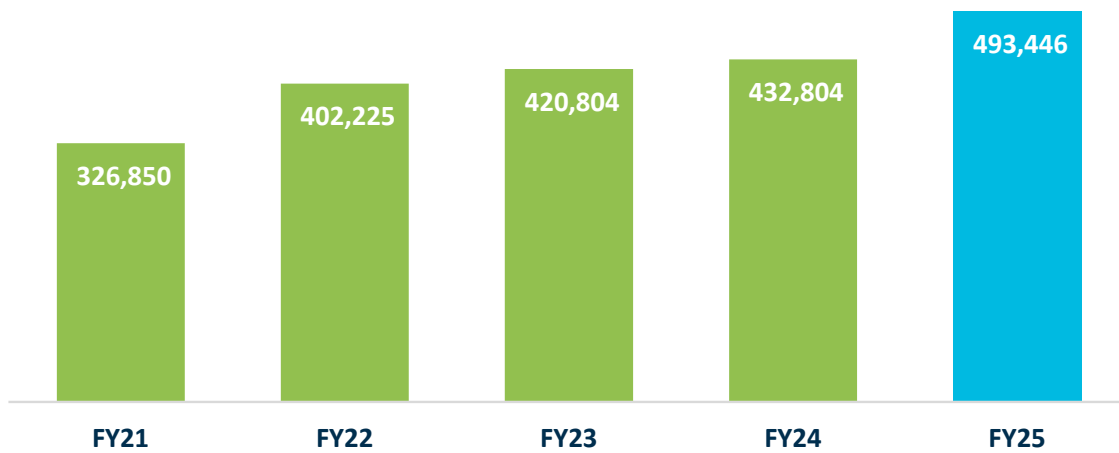
Australia Carbon Credit Units

Approximately half of the biogas consists of methane. Methane has 28 times the global warming potential of carbon dioxide. In the process of either flaring biogas or using biogas in the renewable generators, LGI converts the methane to less impactful CO2 and water. LGI receives Australian Carbon Credit Units (ACCUs) from the Federal Government’s Clean Energy Regulator for the destruction of methane.

During FY25, LGI completed its works at Grafton and ACCUs from Grafton are included in annual results.

LGI created 493,446 ACCUs in FY25, compared to 432,804 in FY24, representing an increase of 14%.

Annual ACCU’s Created



For personal use only

Financial Performance

LGI's financial performance in FY25 reflects growth in all areas of the business except infrastructure construction. The increases in biogas flows have resulted in increases in revenue from carbon abatement activity. This is reflected in underlying EBITDA which increased 14% in FY25 to \$17.4M. Statutory net profit after tax decreased 3% to \$6.4M. Profitability remains strong with Underlying EBITDA margins of 51% and net revenue growth of 10%.

Summary Financial Performance

\$'000	FY25	FY24	Change %
Revenue from contracts with customers	15,633	15,839	-1.3%
Environmental Certificates income	21,142	17,407	21.5%
Other Income (excluding interest income)	14	64	-77.4%
Statutory Revenue and Other Income (excluding interest income)	36,789	33,310	10.4%
Value of the ACCUs provided as in-kind satisfaction of royalty payments ²	(2,849)	(2,434)	17.1%
Net Revenue²	33,940	30,876	9.9%
Underlying EBITDA¹	17,366	15,281	13.6%
Depreciation and amortisation	6,481	5,347	-21.2%
Underlying EBIT¹	10,885	9,934	9.6%
Net interest expense	2,123	1,009	-110.4%
Income tax	2,286	2,252	1.51%
Statutory net profit after tax (NPAT)¹	6,476	6,673	-3.0%
Statutory basic and diluted earnings per share (cents)	7.3	7.5	-2.7%
Dividends paid in FY2025 (cents)	2.5	2.4	4.2%
Weighted average number of shares diluted (millions)	88.8	88.5	0.3%

1. Underlying EBITDA and underlying EBIT are non IFRS measures that are reported to reflect the Directors' assessment of the underlying financial performance for ongoing business activities. These measures are unaudited. The presentation of non IFRS financial information provides stakeholders the ability to compare against prior periods in a consistent manner.

2. Net revenue is a non-IFRS measure that is reported to reflect the Directors' assessment of the underlying financial performance for ongoing business activities. This measure is unaudited. Net revenue is comprised of Statutory Revenue and Other Income (excluding interest income) less the value of the ACCUs provided to landfill owners as in-kind satisfaction of royalty payments. The presentation of non IFRS financial information provides stakeholders the ability to compare against prior periods in a consistent manner.

Performance Summary

	FY25	FY24	Change %
Biogas flows ² (million cubic meters: mcm)	127.7	115.4	10.9%
MegaWatt hours (MWh) generated	109,119	96,326	13.3%
Generation fleet availability	98%	97%	
ACCUs created	493,446	432,804	14.0%
Net Revenue (\$'000)	33,940	30,876	9.9%
Underlying EBITDA (\$'000)	17,366	15,281	13.6%
Underlying EBITDA margin ¹	51.2%	49.5%	17 bps
Underlying EBITDA growth	13.6%	6.0%	
Underlying EBIT (\$'000)	10,885	9,934	9.6%
Underlying EBIT margin ¹	32.1%	32.2%	-1 bps
Underlying EBIT growth	9.6%	1.8%	

Profitability remains strong with Underlying EBITDA margins of 51% and net revenue growth of 10%.

1. Underlying EBIT and EBITDA margins are calculated using net revenue.

Business segment operational and financial results

Summary Segment Revenue and Gross Margin

	Revenue		Gross margin	
	FY25	FY24	FY25	FY24
Renewable energy - electricity, LGC's and other (\$'000)	17,076	16,145	12,451	11,467
Carbon Abatement - ACCUs (\$'000)	17,288	14,633	13,481	11,746
Infrastructure construction and site management (\$'000)	2,370	2,447	1,425	1,018
Other unallocated income (excluding interest) (\$'000)	55	85	35	85
Statutory reported gross margin results (\$'000)	36,789	33,310	27,392	24,316

Renewable Energy

The renewable energy segment of the business reported increased MWhs and LGCs. In FY25 the renewable energy segment achieved \$121/MWh (AEMO QLD average \$110/MWh and NSW average \$128/MWh) compared to FY24 \$138/MWh (AEMO QLD average \$88/MWh and NSW average \$102/MWh).

In FY25, LGI increased MWs undermanagement by 6.4MW, a 44% increase in our electricity capacity. The Canberra power station increased generation capacity by 50%, going from 4 MWs to 6MWs. In June 2025, LGI commissioned the 4MW Eastern Creek Power Station in Sydney.

Renewable Energy segment operational and financial results¹

Generation - Electricity and LGC's	FY25	FY24	Change
	Statutory	Statutory	
Operating metrics			
Biogas flows ² (million cubic meters: mcm)	88.8	83.4	6.5%
MegaWatt hours (MWhs) generated	109,119	96,326	13.3%
Large Scale Generation Certificates (LGCs) created	107,402	95,683	12.2%
Profitability			
Electricity revenue including hedge position (\$'000)	13,222	13,371	-1.1%
LGC revenue (\$'000)	3,854	2,774	38.9%
Total revenue (\$'000)	17,076	16,145	5.8%
Total revenue growth (%)	5.8%		
Gross Margin (\$'000)	12,451	11,467	8.6%
Gross Margin percentage (%)	72.9%	71.0%	189 bps

1. The Renewable Energy segment includes all revenue and costs associated with the generation of electricity revenue, this will include all renewable generation sites. Where a site started generating electricity during the period, it is only included in the segment for the months after it started generating electricity.
2. Gas flows are included for all renewable generation sites. At a number of sites, both electricity generation and carbon abatement occur. The gas flows for these sites are included in both the Renewable Energy segment and the Carbon Abatement segment.

Carbon Abatement - ACCUs

Increase in biogas flows in FY25 by 9% resulted in growth in ACCUs being created by 14%.

Carbon Abatement segment operational and financial results¹

Carbon Abatement	FY25	FY24	Change
	Statutory	Statutory	
Operating metrics			
Biogas flows ² (million cubic meters: mcm)	102.3	94.0	8.8%
ACCUs created or acquired	493,446	432,804	14.0%
Profitability			
ACCU revenue (\$'000)	17,288	14,633	18.1%
Total revenue growth (%)	18.1%	8.4%	
Gross Margin (\$'000)	13,481	11,746	14.8%
Gross Margin percentage (%)	78.0%	80.3%	-229 bps

1. The Carbon Abatement segment includes all revenue and costs associated with the creation of ACCUs, this includes most generation sites and all flaring sites. Where a site starts abatement during the period, it is included in this segment from the month it starts creating ACCUs. Where a site finishes carbon abatement, it is included in the segment up to the month it finishes creating ACCUs.
2. Gas flows are included for all Carbon Abatement sites. At a number of sites, both electricity generation and carbon abatement occur. The gas flows for these sites are included in both the Renewable Generation segment and the Carbon Abatement segment.

For personal use only

Infrastructure Construction and Site Management

Infrastructure construction revenue was \$1.7M, 9% lower than FY24 as LGI focused on jobs on sites where LGI has the rights to the gas, in particular our Canberra and Sydney sites.

Infrastructure Construction and Site Management financial results

Infrastructure & Site Management	FY25	FY24	Change
	Statutory	Statutory	
Profitability			
Infrastructure construction revenue (\$'000)	1,677	1,832	-8.5%
Site Management revenue (\$'000)	693	615	12.7%
Total revenue (\$'000)	2,370	2,447	-3.1%
Total revenue growth (%)	-3.1%	7.4%	
Gross Margin (\$'000)	1,425	1,018	40.0%
Gross Margin percentage (%)	60.1%	41.6%	1,853 bps

Cash flow

LGI's FY25 operating cash flows of \$12.319 million is a 24% increase from FY24. LGI's cash position is actively managed to balance the needs of working capital and capital expenditure.

During FY25, LGI's project schedule required the future investment in new flares, power stations and batteries. Capital funding decisions were made considering available sources of funding, being cash flows from normal operations, short term assets able to be readily sold on active markets and debt.

FY25 has seen the cash flow in investing activities of \$17.653 million, of which \$9.400 million was funded by debt and the remaining \$8.243 million by operating cash flow.

	FY25	FY24	Change
Underlying EBITDA ¹ (\$'000)	17,366	15,281	13.6%
Statutory Operating cash flow (\$'000)	12,319	9,913	24.3%
Underlying EBITDA cash conversion ¹	70.9%	65.0%	594 bps
Statutory cash from operating activities (\$'000)	12,319	9,913	24.3%
Statutory cash (used) in investing activities (\$'000)	(17,653)	(22,716)	22.3%
Statutory cash from financing activities (\$'000)	6,253	15,189	-58.8%
Statutory net change in cash and cash equivalents (\$'000)	919	2,386	

1. Underlying EBITDA and Underlying EBITDA cash conversion are non IFRS measures that are reported to reflect the Directors' assessment of the underlying financial performance for ongoing business activities. Whilst EBITDA cash conversion is a non-IFRS measure, it is used by management as a key indicator of cash performance and is relevant in evaluating the LGI's ability to generate sustainable cash flows over time. These measures are unaudited.

Capital management and capital allocation

Operationally LGI is cash flow positive. As a result, LGI can fund capital expenditure from free cash, sale of highly liquid environmental certificates or debt. In FY25 capital expenditure was funded with a mix of debt and operating cash flow.

Debt position and debt ratios

	as at 30 June 2025	as at 30 June 2024
Leases ¹ (\$'000)	1,950	2,492
Balance of debt facility (\$'000)	28,600	19,200
Gross debt (\$'000)	30,550	21,692
Cash and cash equivalents (\$'000)	3,357	2,438
Net debt (\$'000)	27,193	19,254
Net debt to underlying EBITDA ratio (times)	1.6	1.4
Interest cover ratio (EBITDA / interest payable)	7.0	13.4

1. For the purposes of this table leases are considered amounts payable to banks (excludes right of use liabilities for land premises and vehicles).

For personal use only

LGI Strategic Priorities

LGI has a number of key strategic priorities:

- **as the biogas flows increase on contracted active landfills, LGI will continue to expand the biogas capture infrastructure;**
- **to expand the number of landfills where LGI is capturing biogas, and assist landfill owners manage their environmental positions; and**
- **to provide electricity to the grid at times when it is needed most. Supporting the transition to renewable energy with a mix of generation assets and battery technology. This asset mix is supported using LGI's proprietary asset control system, DACS.**

Risk management

LGI's company wide risk management program is referred to in the 2025 Corporate Governance Statement found at <https://lgi.com.au/for-investors/>. Through this program, we identify factors that are critical to ensure successful delivery of our Strategic Priorities and our ability to create value into the future.

The process is performed throughout the year to identify, assess and report on key risks to achieve our strategic priorities over the medium to long term. Risks are identified, categorised and reported to the Audit and Risk Committee. These risks and mitigation strategies are monitored during the year.

Key risks and mitigation strategies

Risk Type	Risk description and implications	Mitigation approach
Biogas supply	Material change in the volume and composition of waste being added to active landfills leading to stable or declining biogas flows.	Understanding waste practices from landfill owners and operators with frequent communication and regular monitoring of biogas flow. Installation of new wells and additional pipework to optimise biogas extraction.
Commodity market pricing	Price fluctuation in key commodities generated by LGI, specifically electricity, ACCUs and LGCs. Reduction in revenue from lower commodity prices.	Engage in hedging activity, including forward sale agreements and off take arrangements.
Employee health and safety	LGI employees are at risk of workplace accidents and incidents. Public safety risks.	LGI has an active workplace health and safety program, including workplace safety assessments, frequent safety training, safety monitoring and reporting.
Contractual risk	Parties not adequately complying with contractual rights and obligations. Contractual disputes with associated costs.	LGI has implemented a contract management system to understand, document and execute contract obligations. The system also checks for onerous or non-commercial contract terms.
Operational risk	Failure to deliver commodities through plant and labour availability. Loss of revenue and increased costs.	LGI has a series of operational controls, including the Supervisory Control and Data Acquisition system (SCADA) to manage plant performance. Plant maintenance is performed by monitoring the plant performance and data. Employee engagement is managed through regular communication, clear role descriptions, appropriate reward for effort and market-based remuneration.
Cyber risk	Operations affected by cyber attacks or other technological innovations. Loss of data, revenue and the ability to operate properly.	LGI, with the assistance from external cyber security experts, is implementing cyber security systems and processes in compliance with cyber security protocols. LGI will continue to test and monitor implementation of recommendations.
Regulatory and license risk	Inability to secure necessary licenses to operate and manage changes to regulatory conditions. Loss of ability to operate.	LGI has regulatory compliance systems which are monitored throughout the year. Regulatory compliance is managed by key staff who are responsible for ensuring LGI operates within regulatory and license requirements.
Loss of reputation	Events occur that diminish LGI's reputation or brand. Events triggered by breaches of relevant regulation, misstatements, contractual disputes or actions of employees. Consequence of loss of contracts and inability to secure new contracts.	LGI is committed to operating to a high ethical standard, which is outlined in the Corporate Governance Statement published on our website at https://lgi.com.au/for-investors
Change to ACCU methodology	The Federal Govt. Dept. Climate Change Energy, Environment & Water (DCCEEW) is considering a range of options to improve integrity in the Australian Carbon Credit Unit scheme. In some cases, this includes the inclusion of baselines on carbon projects or increasing the baseline on carbon projects.	LGI supports integrity measures being introduced into the scheme, and is working with the DCCEEW to help them understand practical and commercial implications of the various scheme changes being contemplated.

Directors' Report

The Directors present their report together with the financial statements on LGI Limited (referred to hereafter as the Company or "LGI"), for the financial year ended 30 June 2025.

Directors in Office

The following Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Vik Bansal	Non-Executive Director and Chair
Adam Bloomer	Managing Director
Jessica North	Executive Director and Chief Sustainability Officer
Timothy McGavin	Non-Executive Director
Andrew Peters	Non-Executive Director
Abigail Cheadle	Non-Executive Director

Principal Activities

The principal activities of LGI are the recovery of biogas from landfill, and the subsequent conversion into renewable electricity and saleable environmental products. LGI's vertically integrated operations cover the engineering and management of landfill gas infrastructure, whilst providing solutions to create opportunities for the generation and battery storage of renewable electricity and carbon abatement.

At 30 June 2025, LGI contracted 34 projects across Queensland, New South Wales and the Australian Capital Territory. Of these projects, 9 generate renewable power including LGCs and 17 can abate carbon through biogas flaring.

Review and Results of Operations

The Directors' review of LGI's operations during the year and the results of those operations are set out in the Operating & Financial Review (OFR) on pages 13-25. The OFR forms part of this Directors' Report.

The Company's Underlying EBITDA was \$17.366m (FY24 \$15.281m). The profit for the Company for the year ended 30 June 2025 after providing for income tax amounted to \$6.476m (FY24 \$6.673m).

Reconciliation of profit after income tax to Underlying EBITDA:	30 Jun 2025 \$'000	30 Jun 2024 \$'000
Profit after income tax expense	6,476	6,673
Depreciation and amortisation	6,481	5,347
Finance costs	2,218	1,137
Interest income	(95)	(128)
Income tax expense	2,286	2,252
Underlying EBITDA	17,366	15,281

Underlying EBITDA is a non IFRS measure that is reported to reflect the Directors' assessment of the underlying financial performance for ongoing business activities. This measure is unaudited. The presentation of non IFRS financial information provides stakeholders the ability to compare against prior periods in a consistent manner.

Significant Changes in the State of Affairs

No significant changes in the Company's state of affairs occurred during the financial period.

Subsequent Events

During the financial year 2025, LGI entered into a contract to explore the viability of building, owning and operating a Battery Energy Storage System ("BESS") to be located on the closed landfill at Belrose, Sydney. The landfill is owned by the Waste Assets Management Corporation, a New South Wales State owned Corporation. The contract has a number of conditions precedent. In July 2025, LGI began the Development Approval and Grid Connection process.

LGI agreed with Shoalhaven City Council (Nowra) to extend the existing contract by 25 years upon commissioning of a power station.

Other than the dividends declared and the contracts disclosed above, subsequent to the reporting period there are no matters or circumstances that have arisen since the end of the year that have significantly affected, or may significantly affect LGI's:

- operations in future financial years
- results of those operations in future financial years, or
- state of affairs in future financial years

Likely Developments, Business Strategies and Risks

LGI continues its strategy to invest into activities that optimise conversion of biogas to revenue, whilst maintaining its profitability and safety record. LGI's strategy can be framed into the following horizons:

- Core – increase biogas resource from existing sites and new sites, and
- Enhance – strengthen our premium electricity offering, and
- Expand – diversify the premium energy asset portfolio.

LGI will strengthen its electricity offering by providing renewable, dispatchable electricity at times when the

electricity prices are optimal. LGI has developed its automated control system DACS. Further enhancements have been made following the deployment of the battery to the generation site. DACS has proven to be a key element of the LGI strategy. DACS will continue to be deployed to future power station sites as well sites where batteries are being installed.

In line with the Enhance strategic horizon, LGI is expanding its battery fleet with batteries installed with generation units and stand alone batteries.

The achievement of LGI's future strategies may be impacted by certain business risks. These business risks and LGI's approach to managing them are set out in the OFR on pages 24-25.

Dividends

On the 11th August 2025, the Directors declared a final fully franked dividend of \$0.013 per share for the year ended 30 June 2025 (30 Jun 2024 \$0.013). The dividend is payable 25 September 2025.

Environmental Regulation

LGI's business is subject to a range of environmental laws and regulations as well as project and site-specific environmental permits and approvals issued by local and regional councils. There have been no reports of any instances of non-compliance with environmental laws and regulations.

Shares under Options

There are no share options outstanding as at the date of the Directors' report. No options were granted up to the date of the Directors' report.

There were 100,000 share options exercised under LGI's Omnibus Incentive Plan up to the date of the Directors' report as below. No amounts are unpaid on any of the shares.

Grant Date	Expiry Date	Exercise Price	Number under option
1 May 2019	31 Jan 2025	\$0.925	100,000
			100,000

Indemnity and Insurance of Officers

LGI indemnified the Directors and Executives of the Company for costs incurred, in their capacity as a Director or Executive, for which they may be held personally liable, when acting in good faith.

During the financial year, LGI paid premiums in respect of contracts to insure the Directors and Executives of the Company against liabilities to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

No indemnification has been obtained for the auditors of the Company.

Proceedings on Behalf of the Company

No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

Information on Directors

Vik Bansal (Non-executive Chairman)

Appointed: 12th April 2021

Member - Remuneration and Nominations Committee

Member - Audit, Compliance and Risk Committee

Number of LGI shares held as at the date of the Directors' Report: 500,000.

Number of LGI unissued shares under option held as at the date of the Directors' Report: nil

Vik has extensive experience in leading complex global public-listed businesses in the industrial sector. During a career spanning more than 30 years, Vik has led businesses through significant growth, transformation programmes and sustainability initiatives across multiple continents. He is currently Chief Executive and Managing Director of Boral, Australia's largest construction materials company. Vik will be retiring from this position in early 2026. Prior to joining Boral, he was Chief Executive of InfraBuild from 2021-2022 and Cleanaway from 2015-2021, and held a number of global leadership roles at NYSE-listed Valmont Industries including Chief Operating Officer from 2010 to 2015.

Vik is also an experienced Executive and Non-Executive Director. He has held the LGI Board positions of Non-Executive Director and Chair since 12th April 2021. Vik is a Non-Executive Director and Chair-elect of Orica; a Non-Executive Director of Brambles; and a Non-Executive Director of Washington H. Soul Pattinson and Company.

Previously, Vik was a Director of the National Waste & Recycling Industry Council, the Waste Management and Resource Recovery Association of Australia, and not-for-profit Disability Services Australia. Vik is a Fellow of the Institute of Engineers Australia and the Australian Institute of Company Directors. He is an Electrical Engineer, has an MBA, AMP from INSEAD and has completed a Master of Laws in Enterprise Governance.

Timothy McGavin (Non-executive Director), Dip Ag, Grad Dip Management, MBA

Appointed: 18 May 2011

Chair - Remuneration and Nominations Committee

Tim was appointed Chair of the LGI Board from January 2018 - March 2021.

Number of LGI shares held as at the date of the Directors' report: 13,282,930.

Number of LGI unissued shares under option held as at the date of the Directors' report: nil

Tim is Founder and Managing Director of Laguna Bay, one of the world's largest privately owned agricultural fund managers. Laguna Bay is an Australia-based agri fund manager specialising in food and agriculture investments across the Australasian region. The firm has a strong history of originating large agricultural deals, accessing top decile operators and generating superior returns for its investors.

Tim is a founding shareholder of Cobram Estate Olives Ltd (ASX:CBO), now the largest producer of extra virgin olive oil in the Southern Hemisphere and ranks in the top 10 largest single olive producers in the world.

Tim holds an MBA from Macquarie University, Sydney.

Adam Bloomer (Managing Director and Founder)

Appointed: 3 July 2009

Number of LGI shares held as at the date of the Directors' report: 16,568,232

Number of LGI unissued shares under option held as at the date of the Directors' report: nil

Adam established LGI in 2009 and has been active in the landfill and landfill gas profession for over 17 years. Adam has installed, maintained and monitored gas fields in multiple sites across Australia, including sites with significant power generation. He has previously held positions with LMS Pty Ltd, where he was responsible for the operation and maintenance of landfill gas projects within Western Australia, Victoria and Tasmania, and with the Wanless Group as a Senior Project Manager, where he constructed three 4000m² transfer stations, remediated a Class 2 landfill in New South Wales and selected a landfill site in Queensland.

Dr Jessica North (Executive Director and Chief Sustainability Officer), BSc, MSc, PhD (Environmental Chemistry), AICD

Appointed: 24 April 2013

Jessica was appointed: Chief Sustainability Officer from 1 March 2024, Chief Executive Officer from 1 October 2017 to 29 February 2024 and Chair of the LGI Board from January 2013 to December 2017.

Number of LGI shares held as at the date of the Directors' report: 1,530,900.

Number of LGI unissued shares under option held as at the date of the Directors' report: nil.

Jessica has over 25 years' experience in the waste industry, including roles in management, consulting, and research. Her professional experience includes work in Canada, Southeast Asia, New Zealand, Australia, South America, the United Kingdom and Europe. She has worked for nationally recognised waste consultancies in Australia, New Zealand and the UK, and international organisations delivering projects to government and private sector clients.

Jessica holds a Masters degree in Environmental Science and a PhD in Environmental Chemistry. In 2009, Jessica authored an international strategy around waste and climate change issues for the UN Environment Program (Division of Technology, Industry and Economics).

Andrew Peters (Non-executive Director),**LLB, GAICD****Appointed:** 30 January 2018

Member - Audit, Compliance and Risk Committee

Number of LGI shares held as at the date of the Directors' report: 500,858.**Number of LGI unissued shares under option held as at the date of the Directors' report:** nil

Andrew is an independent legal and commercial adviser to major energy and resource companies and government. He has over 30 years' experience across a range of areas, including transactions, corporate advisory, energy policy and projects, and has advised extensively on some of Queensland's largest power assets and energy projects.

Andrew has held executive and senior corporate counsel positions in energy, infrastructure, and professional services companies, and was previously a partner in a commercial law firm. Andrew holds a Bachelor of Law and is admitted to practice in the Supreme Court of Queensland, Supreme Court of NSW and High Court of Australia, and a graduate of the Australian Institute of Company Directors.

Abigail Cheadle (Non-executive Director),**BBus, CA****Appointed:** 12th April 2021

Chair - Audit, Compliance and Risk Committee

Member - Remuneration and Nominations Committee

Number of LGI shares held as at the date of the Directors' report: 90,500.**Number of LGI unissued shares under option held as at the date of the Directors' report:** nil

Abigail is a commercially minded Chartered Accountant with over 30 years' experience working in Australia, Asia (17 years), Russia and Jordan. She spent her international executive career turning around listed entities and financial institutions, (most notably growing BFI from USD29m to USD400m over 5 years with a market cap of several billion today) and running practices for global services firms in forensics and risk management. Since returning to Australia, she has been on the board of nine ASX listed companies, two large publicly unlisted companies and one government owned company.

Abigail was appointed (Non-Executive Director) NED and (Audit & Risk Committee) ARC Chair of LGI Ltd in April 2021. Abigail is also Chair of Shriro Holdings Ltd (ASX: SHM). She is ARC Chair of Reef Casino Services Ltd (ASX: RCT) and was formerly ARC Chair and NED of Quantum Intellectual Property Ltd, Novatti Group Ltd (ASX: NOV), SurfStitch Group Ltd, and ISENTIA Group Ltd. As well as RNC Chair and NED of Booktopia Group Ltd. Abigail's industry expertise is in professional services, technology, finance, renewable energy, infrastructure, and consumer products.

Directors' Meetings

During the financial year, meetings of Directors and committees of Directors were held, and each Director attended as follows:

Directors	Directors Meetings		Audit, Compliance & Risk Committee		Remuneration and Nominations Committee	
	Eligible to Attend	Attended	Eligible to Attend	Attended	Eligible to Attend	Attended
Vik Bansal	11	11	3	3	1	1
Abigail Cheadle	11	11	3	3	1	1
Tim McGavin	11	11	N/A	N/A	1	1
Andrew Peters	11	11	3	3	N/A	N/A
Adam Bloomer	11	11	N/A	N/A	N/A	N/A
Jessica North	11	11	N/A	N/A	N/A	N/A

Company Secretary

The following people held the position of joint company secretary at the end of the financial year:

Ms Priyamvada (Pia) Rasal

Appointed: 10th February 2025

Ms Priyamvada (Pia) Rasal brings over 15 years of experience in corporate governance, company secretarial consultancy, and legal advisory roles across diverse jurisdictions, including Melbourne, Perth, and Mumbai. She has served as Company Secretary for a broad portfolio of private companies, public enterprises, ASX-listed entities, and not-for-profit organisations.

Ms Rasal is an Associate Member of both the Chartered Governance Institute (UK) and the Governance Institute of Australia. She holds a Bachelor's degree in Law and Commerce from India, reflecting a strong academic foundation that supports her extensive professional expertise.

Dean Wilkinson BBus (Acc), Grad. Dip. Advanced Accounting, M Com, CPA, GAICD

Appointed: 7th November 2017

Dean is a finance professional with over 30 years' experience, working within several industries as Chief Financial Officer / Company Secretary. Dean has broad industry experience, having worked in Banking, Property, Franchising, Utilities and Energy (across generation, distribution, retail and trading sectors).

2025 Remuneration Report

(audited)

Remuneration Report Overview

The Directors of LGI Limited present the Remuneration Report (the Report) for the financial year ended 30 June 2025. This Report forms part of the Directors' Report and has been audited in accordance with section 308 of the Corporations Act 2001. The Report sets out remuneration information for the Company's Key Management Personnel (KMP) awarded this year.

Key Management Personnel

Key Management Personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all Directors. The table below lists the LGI KMP for FY25.

Vik Bansal	Non-Executive Director and Chair
Adam Bloomer	Managing Director
Jessica North	Executive Director and Chief Sustainability Officer
Timothy McGavin	Non-Executive Director
Andrew Peters	Non-Executive Director
Abigail Cheadle	Non-Executive Director
Jarryd Doran	Chief Executive Officer
Dean Wilkinson	Chief Financial Officer and Co-Company Secretary

Remuneration and Nominations Committee

The LGI Remuneration and Nominations Committee is made up of non-executive Directors. The objective of the Committee is to assist the Board fulfill its statutory, fiduciary, and regulatory responsibilities and achieve its objectives to ensure LGI:

- has a Board of an effective composition, size and commitment to adequately discharge its responsibilities and duties;
- has coherent remuneration policies and practices to attract and retain Executives and Directors who can reasonably be expected to create value to Shareholders;
- observes those remuneration policies and practices; and
- fairly and responsibly rewards Executives having regard to the performance of the Company, the performance of the Executives and the general external pay environment.

For personal use only

The Remuneration and Nominations Committee is also responsible for:

- Identifying and recommending to the Board, nominees for membership of the Board including the Chief Executive Officer
- Evaluating the performance of the Board, both collectively and individually;
- Reviewing, approving, and recommending to the Board for adoption, Executive remuneration and incentive policies and practices; and
- Reviewing the remuneration of Non-executive Directors for serving on the Board and any Committees (both individually and in total).

The Remuneration and Nominations Committee may seek professional advice from appropriate external remuneration consultants.

Principles used to determine the nature and amount of remuneration

The remuneration of the KMP is the responsibility of the Remuneration and Nominations Committee.

The Company's broad remuneration policy is to ensure KMP's remuneration packages properly reflect their duties and responsibilities and are competitive in attracting and retaining talented and motivated Executives who can contribute to the performance, growth and culture of the Company.

Executive's remuneration

The Company aims to reward Executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

Fixed annual remuneration (FAR)

Fixed remuneration consists of base salary, superannuation, leave entitlements and other benefits and is reviewed annually by the Remuneration and Nominations Committee. The committee benchmarks Fixed remuneration against market data for comparable roles in companies in a similar industry with similar market capitalisation. The committee takes into account capability, experience, value to the organisation and performance of the individual.

Executives may receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits). In FY25 Executive's fixed remuneration taken as salaries increased by 4.6%.

Variable remuneration

Short-term incentives (STI) such as bonus payments may be granted to Executives from time to time and at the absolute discretion of the Board. No STI's were granted to Executives during FY25.

Long-term incentives (LTI) include long service leave and share-based payments. At the discretion of the Board, shares may be offered under LGI's Omnibus Incentive Plan. The objective of the Plan is to provide incentive and reward for Officers and Employees for their contributions to the growth and profitability of the Company and shareholder returns. The Nomination and Remuneration Committee reviews long-term incentives annually for Executives. No LTI's were granted to Executives during FY25.

For personal use only

Company performance and link to remuneration

The performance measures for the company's short-term incentive (STI) arrangements and long-term incentive (LTI) arrangements are being developed to align with operational objectives which create value for shareholders. Remuneration for individuals was not linked to the performance of the company for the year ended 30 June 2025.

Effective from the 1st March 2024, the Board of Directors, approved new terms and conditions of employment for the incoming CEO Jarryd Doran and the CFO/Co-Sec Dean Wilkinson. These terms and conditions of employment include variable remuneration consisting of short-term incentives (STI) and long-term incentives (LTI). During FY25 there were no changes made to the remuneration of Executives.

The Board at its discretion also utilises employee share loans for certain Directors and KMP by providing a means of acquiring shares in the Company. The loans are fully recourse loans. The loans are on terms no more favourable than any loan LGI would offer any staff member, shareholder or member of the public.

The Executives current employment agreements are summarised below.

Executive Name	Position	Base Salary	Contract Type	Notice period in months	Termination payment	Variable Remuneration
Adam Bloomer	Managing Director	\$350,000	Permanent	1	26,923	N/A
Jessica North	Executive Director and Chief Sustainability Officer	\$250,000	Permanent	1	19,231	N/A
Jarryd Doran	Chief Executive Officer	\$300,000	Permanent	6	150,000	yes (refer below)
Dean Wilkinson	Chief Financial Officer	\$275,000	Permanent	6	137,500	yes (refer below)

Executive Name	Position	Short-term incentives (STI)	Long-term incentives (LTI)
Jarryd Doran	Chief Executive Officer	May receive an STI valued at up to 20% of Total Fixed Remuneration. The STI award will be based on performance metrics decided by the Board.	An LTI award valued at up to 40% of Total Fixed Remuneration (excluding superannuation), with hurdles based on Earnings per Share (EPS) and Total Shareholder Returns (TSR).
Dean Wilkinson	Chief Financial Officer	May receive an STI valued at up to 20% of Total Fixed Remuneration. The STI award will be based on performance metrics decided by the Board.	An LTI award valued at up to 20% of Total Fixed Remuneration (excluding superannuation), with hurdles based on Earnings per Share (EPS) and Total Shareholder Returns (TSR).

The following table details the remuneration expense recognised for LGI's Executive Key Management Personnel for the current and previous financial year measured in accordance with the requirements of accounting standards.

Executive Key Management Personnel		Short-term benefits \$				Post employment benefits \$	Long-term benefits \$		Total \$	Fixed %	Variable %
KMP Name	Year	Salary	STI bonus	Other employee benefits ¹	Non-Monetary benefits ²	Super-annuation	Other employee benefits ¹	Share based payment			
Adam Bloomer	2025	350,000	-	25,072	1,001	29,932	(32,890)	-	373,115	100%	-
	2024	350,000	-	(9,630)	4,580	27,399	7,342	-	379,691	100%	-
Jessica North	2025	250,000	-	(1,923)	8,216	28,750	4,931	-	289,974	100%	-
	2024	250,000	-	10,577	11,160	27,400	(43,227)	-	255,910	100%	-
Dean Wilkinson	2025	275,000	-	8,461	3,834	29,932	5,658	-	322,885	100%	-
	2024	257,788	-	(3,702)	4,941	27,399	19,240	-	305,666	100%	-
Jarryd Doran	2025	300,000	-	8,077	13,244	29,932	6,227	-	357,480	100%	-
	2024	265,577	-	(12,789)	2,951	27,399	19,752	-	302,890	100%	-
Total Executive remuneration	2025	1,175,000	-	39,687	26,295	118,546	(16,074)	-	1,343,454	-	-
	2024	1,123,365	-	(15,544)	23,632	109,597	3,107	-	1,244,157	-	-
Total Non-executive remuneration (see table below)	2025	371,719	-	-	-	26,073	-	-	397,792	-	-
	2024	371,719	-	-	-	24,389	-	-	396,108	-	-
Total KMP remuneration	2025	1,546,719	-	39,687	26,295	144,619	(16,074)	-	1,741,246	-	-
	2024	1,495,084	-	(15,544)	23,632	133,986	3,107	-	1,640,265	-	-

1. Other employee benefits include the value of the movement in the relevant individual's annual leave and long service leave accruals during the year.
2. Non-monetary benefits include motor vehicle costs and any fringe benefits tax payable by the Company.

Non-executive Director's remuneration

The Company's remuneration policy for Non-executive Directors is designed to attract and retain Directors of the highest calibre with the relevant experience, knowledge and expertise to govern the Company effectively.

Non-Executive Director's fees and payments are reviewed annually by the Remuneration and Nominations Committee. The current base fees effective from 1 August 2022 did not change during FY25. The Committee may, from time-to-time, receive advice from independent remuneration consultants to ensure that Non-Executive Directors' fees and payments are appropriate and in line with market rates. The Chairman is not present at any discussions relating to the determination of his own remuneration.

Under the Company's Constitution, the total amount of fees paid to all Non-executive Directors for their services must not exceed \$1,000,000 in aggregate in any financial year. In accordance with ASX listing rules, any increase to the aggregate annual sum is required to be approved by Shareholders.

During FY25 no bonus incentives were granted or paid to Non-Executive Directors.

The following table shows details of the remuneration expense recognised for LGI's Non-executive Key Management Personnel for the current and previous financial year measured in accordance with the requirements of accounting standards.

Non-executive Directors Remuneration		Short-term benefits \$		Post employment benefits \$	Long-term benefits \$	Total \$	Fixed %	Variable %
KMP Name	Year	Salary and fees	Non-monetary benefits	Superannuation	Share based payments ²			
Vik Bansal	2025	153,846	-	17,692	-	171,538	100%	-
	2024	153,846	-	16,923	-	170,769	100%	-
Abigail Cheadle	2025	90,000	-	-	-	90,000	100%	-
	2024	90,000	-	-	-	90,000	100%	-
Andrew Peters	2025	67,873	-	7,806	-	75,679	100%	-
	2024	67,873	-	7,466	-	75,339	100%	-
Tim McGavin	2025	60,000	-	575	-	60,575	100%	-
	2024	60,000	-	-	-	60,000	100%	-
Total Non-executive remuneration	2025	371,719	-	26,073	-	397,792	-	-
	2024	371,719	-	24,389	-	396,108	-	-

Directors' and KMP's Interests

The movement during FY25 in the number of LGI shares held by each KMP is shown below.

	Shareholding at 1 July 2024	Shares purchased / (sold) during FY25	Shares issued on exercise of options during FY25	Shareholding at 30 June 2025
Adam Bloomer	16,593,232	(25,000)	-	16,568,232
Tim McGavin	13,282,930	-	-	13,282,930
Jessica North	1,530,900	-	-	1,530,900
Andrew Peters	500,858	-	-	500,858
Vik Bansal	500,000	-	-	500,000
Jarryd Doran	386,214	-	-	386,214
Dean Wilkinson	244,996	-	100,000	344,996
Abigail Cheadle	90,500	-	-	90,500
Total KMP Interests	33,129,630	(25,000)	100,000	33,204,630

KMP's Share Based Payments

There are no outstanding options held by KMP's at 30 June 2025. The table below shows a reconciliation of options held by KMP's from the beginning to the end of FY25.

KMP Name	Grant Date	Vesting Date	Expiry Date	Exercise Price	Balance at 1 July 2024	Options exercised FY25	Balance at 30 June 2025
Dean Wilkinson	1 May 2019	1 May 2022	31 Jan 2025	\$0.925	100,000	100,000	-
Total					100,000	100,000	-

Transactions with Key Management Personnel

Related Party Transactions

Related parties include entities that are controlled or jointly controlled by those key management personnel, individually or collectively with their close family members. Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties (i.e. at arm's length) unless the terms and conditions disclosed below state otherwise.

The following transactions occurred with related parties:

	30 Jun 2025	30 Jun 2024
	\$	\$
Director's fees paid to T&S McGavin Family Trust, a related entity of Tim McGavin, Non-executive director.	55,000	60,000
Director's fees paid to Direction Group, a related entity of Abigail Cheadle, Non-executive director.	90,000	90,000

Employee Share Loans

The Board at its discretion utilises employee share loans for certain Directors and KMP for the purpose of exercising share options in the Company. Loan principal and interest are repayable over 7 years. A minimum annual payment including interest must be paid by the borrower by the end of each financial year (except for the year in which the loan occurs). The published ATO benchmark interest rate, updated annually, is used to calculate the loan interest. The fixed FY25 benchmark interest rate was 8.77% (FY24 8.27%). KMP share loans at 30 June 2025 are as follows:

KMP Name	Loan maturity date (term 7 years)	Loan balance 30-Jun-24 \$	Interest paid \$	Principal paid \$	Loan balance 30-Jun-25 \$
Andrew Peters	30 Jun 2027	186,196	15,222	58,456	127,740
Dean Wilkinson	30 Jun 2028	120,413	11,036	25,715	94,698
Jarryd Doran	30 Jun 2028	98,372	9,408	20,619	77,753
Total KMP Share Loans		404,981	35,666	104,790	300,191

End of Remuneration Report (audited)

Rounding of amounts

LGI is an entity to which ASIC Legislative Instrument 2016/191, applies and, in accordance with that Instrument, amounts in the financial report have been rounded to the nearest thousand dollars, unless otherwise stated.

Auditor Non-Audit Services

During the year BDO Audit Pty Ltd, the Company's auditor, has performed certain other non-assurance services in addition to their statutory duties. Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year:

Auditor Non-Audit Services	30 Jun 2025 \$	30 Jun 2024 \$
Taxation compliance and advisory services	12,872	25,865

The Directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor’s behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The Directors are of the opinion that the services as disclosed above do not compromise the external auditor’s independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor’s own work, acting in a management or decision-making capacity for the company, acting as advocate for the Company or jointly sharing economic risks and rewards.

Auditor’s Independence Declaration

A copy of the auditor’s independence declaration as required under s 307C of the Corporations Act 2001 is set out on page 41.

No officer of the Company is or has been a partner/director of the auditor of the Company.

This Directors’ report is signed in accordance with a resolution of the Board of Directors:

Director..........

Dated this 12th day of August 2025

For personal use only



Tel: +61 7 3237 5999
Fax: +61 7 3221 9227
www.bdo.com.au

Level 10, 12 Creek Street
Brisbane QLD 4000
GPO Box 457 Brisbane QLD 4001
Australia

DECLARATION OF INDEPENDENCE BY J W KNIGHT TO THE DIRECTORS OF LGI LIMITED

As lead auditor of LGI Limited for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of LGI Limited and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read 'J W Knight', is written over a light grey circular watermark that contains the same signature.

J W Knight

Director

BDO Audit Pty Ltd

Brisbane, 12 August 2025

Statement of Profit or Loss

AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2025

	Notes	2025 \$'000	2024 \$'000
Revenue			
Revenue from contracts with customers	4	15,633	15,839
Environmental Certificates income	4	21,142	17,407
Other income	4	109	192
Expenses			
Cost of Goods Sold		(9,397)	(8,994)
Employee benefits expense	5	(6,748)	(6,141)
Depreciation and amortisation expense	5	(6,481)	(5,347)
Finance costs	5	(2,218)	(1,137)
Insurance expense		(768)	(695)
Professional fees		(780)	(900)
Occupancy Expenses		(207)	(192)
Other expenses		(1,523)	(1,107)
Profit before income tax		8,762	8,925
Income tax expense	6	(2,286)	(2,252)
Profit after income tax expense for the year		6,476	6,673
Other comprehensive income			
Items that will be reclassified subsequently to profit or loss:			
Net change in the fair value of cash flow hedges	19	805	(1,971)
Income tax relating to cash flow hedges	6	(201)	493
Other comprehensive income for the year, net of tax		604	(1,478)
Total comprehensive income for the year attributable to the shareholders of LGI Limited		7,080	5,195
Earnings per share			
Basic earnings per share	24	7.3	7.5
Diluted earnings per share	24	7.3	7.5

The Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Statement of Financial Position

AS AT 30 JUNE 2025

	Notes	2025 \$'000	2024 \$'000
Assets			
Current Assets			
Cash and cash equivalents	8	3,357	2,438
Trade and other receivables	9	1,614	909
Environmental certificates	11	13,511	14,992
Derivative financial instruments	19	81	-
Other assets	10	4,808	2,900
Total Current Assets		23,371	21,239
Non-Current Assets			
Property, plant, and equipment	12	75,809	55,773
Intangible assets	13	7,880	4,203
Other assets	10	6,009	7,376
Total Non-Current Assets		89,698	67,352
Total Assets		113,069	88,591
Liabilities			
Current Liabilities			
Trade and other payables	14	13,537	3,753
Borrowings	15	1,241	1,044
Employee benefits	16	546	416
Current tax liabilities	6	2,090	1,139
Derivative financial instruments	19	107	868
Total Current Liabilities		17,521	7,220
Non-Current Liabilities			
Borrowings	15	32,681	23,621
Employee benefits	16	241	194
Deferred tax liabilities	6	4,857	4,753
Total Non-Current Liabilities		37,779	28,568
Total Liabilities		55,300	35,788
Net Assets		57,769	52,803
Equity			
Issued capital	17	32,352	32,231
Reserves	18	771	197
Retained earnings		24,646	20,375
Total Equity		57,769	52,803

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

Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2025

	Notes	Issued share capital \$'000	Retained earnings \$'000	Share based payment reserve \$'000	Hedge reserve \$'000	Total equity \$'000
Balance at 1 July 2024		32,231	20,375	820	(623)	52,803
Comprehensive income						
Profit for the year		-	6,476	-	-	6,476
Net loss on cash flow hedges	19	-	-	-	604	604
Total comprehensive income for the year		-	6,476	-	604	7,080
Transactions with owners, in their capacity as owners						
Share based payments	16	-	15	(30)	-	(15)
Shares issued during the period (net of costs)	17	121	-	-	-	121
Dividends paid	7	-	(2,220)	-	-	(2,220)
Transactions with owners, in their capacity of owners		121	(2,205)	(30)	-	(2,114)
Balance at 30 June 2025		32,352	24,646	790	(19)	57,769
Balance at 1 July 2023						
		31,928	15,826	766	855	49,375
Comprehensive income						
Profit for the year		-	6,673	-	-	6,673
Net loss on cash flow hedges	19	-	-	-	(1,478)	(1,478)
Total comprehensive income for the year		-	6,673	-	(1,478)	5,195
Transactions with owners, in their capacity as owners						
Share based payments	16	-	-	54	-	54
Shares issued during the period (net of costs)	17	303	-	-	-	303
Dividends paid	7	-	(2,124)	-	-	(2,124)
Transactions with owners, in their capacity of owners		303	(2,124)	54	-	(1,767)
Balance at 30 June 2024		32,231	20,375	820	(623)	52,803

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

Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2025

	Notes	2025 \$'000	2024 \$'000
Cash Flows From Operating Activities			
Receipts from customers inclusive of GST		36,988	29,602
Payments to suppliers and employees inclusive of GST		(21,120)	(18,358)
Interest received and other income		45	65
Interest paid		(2,162)	(1,137)
Income tax paid or received		(1,432)	(259)
Net cash provided by operating activities	23	12,319	9,913
Cash Flows From Investing Activities			
Purchase of property, plant and equipment		(15,117)	(15,894)
Payment for other assets	10	-	(6,000)
Purchase of intangible assets (gasfield collection systems)		(3,436)	(793)
Term deposit held as security		900	(29)
Net cash used in investing activities		(17,653)	(22,716)
Cash Flows From Financing Activities			
Proceeds from issue of shares (net of cost)		93	303
Payment of dividends		(2,220)	(2,124)
Proceeds from borrowings		9,624	17,945
Repayment of borrowings		-	(98)
Principal lease payments		(1,244)	(837)
Net cash provided by (used in) financing activities		6,253	15,189
Cash and cash equivalents at beginning of year		2,438	52
Net increase (decrease) in cash held		919	2,386
Cash and cash equivalents at end of year	8	3,357	2,438

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

Notes To The Financial Statements

FOR THE YEAR ENDED 30 JUNE 2025

Note 1: Material Accounting Policies

The financial statements and notes represent those of LGI Limited, a company limited by shares, incorporated and domiciled in Australia.

Basis of Preparation of Financial Statements

These general-purpose financial statements have been prepared in accordance with the Corporations Act 2001, Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board and International Financial Reporting Standards as issued by the International Accounting Standards Board. LGI is a for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for cash flow information, have been prepared on an accruals basis and are based on historical costs, except for derivative financial instruments which are measured at fair value.

The Company's presentational and functional currency is Australian dollars.

The amounts presented in the financial statements have been rounded to the nearest thousand dollar, unless otherwise stated, in accordance with ASIC Instrument 2016/191.

The financial statements were authorised for issue on 12th August 2025 by the Directors of the Company.

New or amended Accounting Standards and Interpretations adopted

LGI has adopted all the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these new and amended Accounting Standards and Interpretations did not have a material impact on the financial statements. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Foreign currency translation

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Revenue recognition and other income

Revenue recognition under AASB 15

Electricity and related services

The contracts for the sale of electricity represent a series of distinct goods that are substantially the same, have the same pattern of transfer to the customer and are treated as one performance obligation satisfied over time based on the output delivered to the customer. LGI determines that the right-to-invoice approach to measure the progress towards completion of the performance obligation is most appropriate, as it depicts the Company's performance. At the end of each month, electricity revenues are recognised based on metered usage at agreed contracted rates less any agreed charges. Electricity invoices are due and payable within 30 days of issue.

Biogas management services

LGI continues to operate and maintain flares on various landfill sites across Australia. The Company's performance obligations are fulfilled over time and the biogas management service revenue is recognised and invoiced at the end of each month, based on contractual terms. The contractual terms include a fixed monthly charge. Invoices are due for payment 30 days from the invoice date.

Infrastructure construction

Contracts with customers to carry out infrastructure works to install landfill gas collection systems. The Company assesses each of its contracts individually. The performance obligation is fulfilled over time and as such revenue is recognised over time. As work is performed on the assets being constructed, they are controlled by the customer and have no alternative use to the Company, with the Company having a right to payment for performance to date.

Generally, contracts identify various inter-linked activities required in the construction process. Revenue is recognised on the measured input of each process based on the cost to complete for each contract. Before recognising the revenue, the Accountant confirms with the relevant Manager that the performance obligations have been satisfied and that the work is complete. The final performance obligation is usually providing the client with a map that reflects the newly installed infrastructure.

Where there are separate performance obligations identified, the transaction price is allocated based on the relative stand-alone selling prices of the services provided.

Revenue is invoiced based on the terms of each individual contract which may include a periodic billing schedule or achievement of specific milestones. Invoices are issued under commercial payment terms which is typically 30 days from when an invoice is issued.

The transaction price for each contract may include variable consideration in the form of contract variations or modifications, performance or other incentive fees and contract claims. Variable consideration is only included in the transaction price for a contract to the extent it is highly probable that a significant reversal of that revenue will not occur.

The Company assesses the probability of receiving variable consideration using a combination of

commercial and market factors, historical experience and independent third-party advice. This assessment is reviewed each reporting period or when facts and circumstances change during the reporting period.

Incremental Costs of obtaining Customer Contracts

The Company recognises as an asset the incremental costs of obtaining a contract with a customer if the Company expects to recover those costs.

The Company applies the optional practical expedient permitted by AASB 15 to recognise incremental costs of obtaining a contract as an expense when incurred if the amortisation period of the asset that the Company otherwise would have recognised is one year or less.

Interest

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Government grants

Revenue recognition under AASB 120

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

Environmental Certificates – ACCUs & LGCs

Australian Carbon Credit Units (“ACCUs”) and Large-scale Generation certificates (“LGCs”) are considered government grants under AASB 120, Accounting for Government Grants and Disclosure of Government Assistance. Government grants are recognised when there is reasonable assurance that the Company will comply with the conditions of the grant and the grant will be received.

ACCUs and LGCs are recognised at the date of the creation of the renewable energy certificate. This is typically at the date of flaring for ACCUs and the date of electricity generation for LGCs. The revenue is measured using meters that are regularly reviewed and subsequently reported to the Australian Government. Where the pricing of the ACCUs and LGCs are contracted, they are recognised at their contracted values. Where the pricing of the ACCUs and LGCs are not contracted, they are recognised at the market spot price each balance date. All ACCUs and LGCs are intended to be realised within 12 months of the reporting date.

Income Tax

The income tax expense (income) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to profit or loss is the tax payable on taxable income for the current period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

A deferred tax liability shall be recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from:

- the initial recognition of goodwill; or
- the initial recognition of an asset or liability in a transaction which:

(i) is not a business combination; and

(ii) at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised, or the liability is settled and their measurement also reflects the way management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists, and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where: (i) a legally enforceable right of set-off exists; and (ii) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities, where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Current and non-current classification

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

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

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

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

Trade and other receivables

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

due for settlement within 30 days.

For trade receivables and contract assets, the Company applies the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables and contract assets are grouped based on days overdue where then expected loss rates are applied. The expected loss rates are based on the Company's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Property, Plant and Equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition or construction of the asset. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised in profit or loss.

The carrying amount of plant and equipment is reviewed annually as part of the goodwill impairment assessment to ensure it is not more than the recoverable amount from these assets. The recoverable amount is assessed based on the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to LGI and the cost of the item can be measured reliably. All other costs are recognised as expenses in profit or loss in the financial period in which they are incurred.

Depreciation

Depreciation is calculated to write-off the costs of each asset over its expected useful life to its estimated residual value. The depreciable amount of all fixed assets, including buildings and capitalised lease assets but excluding motor vehicles, are depreciated on a straight-line basis over the asset's useful life to the Company commencing from the time the asset is held ready for use. Motor vehicles are depreciated using the diminishing value method.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. Average useful lives of asset classes are as follows:

Plant and Equipment

Up to 30 years

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss when the item is derecognised.

Right-of-use assets

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

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use

For personal use only

assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Land & Buildings	10- 20 years
Plant and Equipment under lease	4-5 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policy in section “Impairment of Non-Financial Assets”.

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

Intangible Assets

Gasfield collection systems installation costs

Gasfield collection systems installation costs represent the costs of installing pipe networks and related infrastructure on customer owned landfill sites for the purposes of gas extraction and subsequent flaring and/or conversion into electricity. These costs are supported by customer agreements and are amortised over the term of the customer contract. Gasfield collection systems installation costs are carried at cost less any accumulated amortisation and impairment losses.

Impairment of Non-Financial Assets

At the end of each reporting period, LGI assesses whether there is any indication that an asset may be impaired. The assessment will include considering external sources of information and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset’s fair value less costs of disposal and value in use, to the asset’s carrying amount. Any excess of the asset’s carrying amount over its recoverable amount is recognised immediately in profit or loss.

Where it is not possible to estimate the recoverable amount of an individual asset, LGI estimates the recoverable amount of the cash-generating unit to which the asset belongs.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Impairment testing is performed annually for goodwill. For annual impairment testing, goodwill is allocated to the cash-generating unit. The recoverable amounts of the cash-generating unit are determined based on value-in-use calculations, covering a five-year forecast, followed by an extrapolation of expected cash flows for the units’ remaining useful lives using the growth rates determined by management. The present value of the expected cash flow is determined by applying a suitable discount rate.

For personal use only

Trade and other payables

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

Borrowings

Borrowings are recognised at their fair value at initial recognition. Subsequent to initial recognition, borrowings are measured at their amortised cost with all transaction costs being amortised over the term of the borrowings. Borrowings are classified as current liabilities unless LGI has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Lease liabilities

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

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

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Employee Benefits

Short-term employee benefits

Provision is made for LGI's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

LGI's obligations for short-term employee benefits such as wages, salaries are recognised as part of current trade and other payables in the statement of financial position. LGI's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render

the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on corporate bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations due to changes in assumptions for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as part of employee benefits expense in the periods in which the changes occur.

Share-based payments

Equity-settled share-based compensation benefits are provided to employees. Equity-settled transactions are awards of share options that are provided to employees in exchange for the rendering of services.

The cost of equity-settled option transactions are measured at fair value on grant date. Fair value is determined using Black Scholes valuation method that takes into account the exercise price, the term of the performance right, the impact of dilution, the share price at grant date, the expected dividend yield and the risk-free interest rate for the term of the performance right.

The cost of equity-settled option transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Provisions

Provisions are recognised when LGI has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from financing and investing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

Issued capital

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.

Dividends

Dividends are recognised when declared during the financial year.

Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

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 income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

Cash flow hedges are used to cover the Company's exposure to variability in cash flows that is attributable to particular risks associated with a recognised asset or liability, a firm commitment or highly probable sale which could affect profit or loss. The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income through the cash flow hedges reserve in equity, whilst the ineffective portion is recognised in profit or loss. Amounts taken to equity are transferred out of equity and included in the measurement of the hedged transaction when the forecast transaction occurs.

Cash flow hedges are tested for effectiveness on a regular basis both retrospectively and prospectively to ensure that each hedge is highly effective and continues to be designated as a cash flow hedge. If the forecast transaction is no longer expected to occur, the amounts recognised in equity are transferred to profit or loss.

If the hedging instrument is sold, terminated, expires, exercised without replacement or rollover, or if the hedge becomes ineffective and is no longer a designated hedge, the amounts previously recognised in equity remain in equity until the forecast transaction occurs.

Derivative financial instruments spanning both current and non-current periods are split into their current and non-current components prior to valuation. The fair value of these components is then classified as a current asset or liability when the maturity profile is less than 12 months and classified as a non-current asset or liability when the maturity profile is greater than 12 months.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

input that is significant to the fair value measurement.

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

Note 2: Critical Accounting Estimates And Judgements

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

Impairment of non-financial assets

The Company assesses impairment of non-financial assets at each reporting date by evaluating conditions specific to the Company and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves value-in-use calculations, which incorporate several key estimates and assumptions. There were no impairment triggers that resulted in an impairment assessment for the report period.

Estimation of useful lives of assets

LGI determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down. There was no change in estimated useful lives of any assets as a result of management review for the reporting period.

Revenue from contracts with customers involving sale of goods

The transaction price for each contract may include variable consideration in the form of contract variations or modifications, performance or other incentive fees and contract claims. Variable consideration is only included in the transaction price for a contract to the extent it is highly probable that a significant reversal of that revenue will not occur. LGI assesses the probability of receiving variable consideration using a combination of commercial and market factors, historical experience, and independent third-party advice. This assessment is reviewed each reporting period or when facts and circumstances change during the reporting period. Revenue is recognised when the work is completed, and the obligation is satisfied.

Salary and wages capitalised to capital projects

Directly attributable cost of bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management are capitalised. Labour costs that management considers are incremental in nature have been capitalised to capital projects. In determining, whether the costs are

incremental in nature management has given consideration to the type of project i.e. self-constructed asset and stage of construction. Any costs related to planning of the project are expensed and costs incurred in the development phase are capitalised.

Fair value of financial instruments

Management uses their judgement in selecting an appropriate valuation technique for financial instruments not quoted in an active market. For hedge financial instruments, assumptions are made based on observable market prices or rates adjusted for specific features of the instrument. Refer note 19 for further details.

Environmental Certificates

The recognition of environmental certificates requires judgement based on internal reporting until they are registered with the Clean Energy Regulator.

The Company has entered into forward transactions between market participants, specifying a contractual quantity of ACCUs and LGCs to be delivered, and a contractual price. The contract price is considered the appropriate fair value where:

- LGI has recognised the creation of LGCs and ACCUs as an asset (refer to the accounting policy in note 1 in regard to the creation of these assets);
- LGI has entered into a forward transaction with a market participant; and
- LGI intends to settle the recognised ACCUs and LGCs against the forward transaction.

Specifically, ACCUs and LGCs that are recognised on the Statement of Financial Position at year end, management's intent is to use these assets to satisfy contractual obligations from the forward contract in a future period. Based on this, management have applied judgement to adopt the contract price to value these assets held on the Statement of Financial Position at year end.

The volume of ACCUs and LGCs created in excess of the contractual quantity in the forward transactions will be valued using market price as the fair value method.

For personal use only

Note 3: Operating Segments

Identification of operating segments

LGI has identified its operating segments based on the internal monthly reports that are reviewed and used by the Executive team and the Board of Directors (Chief Operating Decision Makers) in assessing performance and determining the allocation of resources. LGI has identified Operating Segments based on the three revenue streams generated from its business activities. LGI's identified operating segments are described as follows:

- **Renewable Energy** - LGI's renewable power stations generate revenue from the sale of renewable electricity and Large Scale Generation Certificates (LGCs). With the commissioning of the Bunya battery the renewable revenue segment also includes Frequency Control Ancillary Service (FCAS) revenue.
- **Carbon abatement** - Revenue is derived from the acquisition, creation and sale of Australian Carbon Credit Units (ACCUs).
- **Infrastructure construction and management** - LGI generates revenue from the engagement with landfill owners including landfill infrastructure construction projects, site management services and consulting.

Operating segments financial results

Operating segments are presented using the "management approach" whereby the information presented is on the same basis as the internal reports provided to the CODM's. The CODM's review Revenue and Gross Profit on a monthly basis. The accounting policies adopted for internal reporting to the CODM's are consistent with those adopted in the financial statements.

For personal use only

Note 3: Operating Segments

Operating segments financial results	Renewable Energy	Carbon abatement	Infrastructure construction and management	Unallocated	Total
30 June 2025	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue					
Sales to external customers	13,222	-	2,370	55	15,647
Other Income - Environmental Certificates	3,854	17,288	-	-	21,142
Cost of goods sold	(4,625)	(3,807)	(945)	(20)	(9,397)
Gross Profit	12,451	13,481	1,425	35	27,392
Total other income and expenses				(10,026)	(10,026)
EBITDA*				(9,991)	17,366
Depreciation & amortisation				(6,481)	(6,481)
Finance costs				(2,218)	(2,218)
Interest income				95	95
Profit/(loss) before income tax expense				(18,595)	8,762
Income tax expense				(2,286)	(2,286)
Profit/(loss) after income tax expense				(20,881)	6,476
30 June 2024					
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue					
Sales to external customers	13,371	-	2,447	85	15,903
Other Income - Environmental Certificates	2,774	14,633	-	-	17,407
Cost of goods sold	(4,678)	(2,887)	(1,429)	-	(8,994)
Gross Profit	11,467	11,746	1,018	85	24,316
Total other income and expenses				(9,035)	(9,035)
EBITDA*				(8,950)	15,281
Depreciation & amortisation				(5,347)	(5,347)
Interest income				128	128
Finance costs				(1,137)	(1,137)
Profit/(loss) before income tax expense				(15,306)	8,925
Income tax expense				(2,252)	(2,252)
Profit/(loss) after income tax expense				(17,558)	6,673

*EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation)

Note 4: Revenue And Other Income

	Operating Segment	2025 \$'000	2024 \$'000
Revenue from contracts with customers			
Energy - over time	Renewable energy	13,625	9,322
Gain / (Loss) on energy hedge contract	Renewable energy	(666)	3,864
Other revenue - Network Support - over time	Renewable energy	263	185
Infrastructure Construction - at a point in time	Infrastructure & site management	1,677	1,832
Biogas Management - over time	Infrastructure & site management	644	566
Other revenue - Consulting - over time	Infrastructure & site management	49	49
Other revenue - over time	Unallocated	41	21
Total revenue		15,633	15,839
Environmental Certificates income			
Large-scale generation certificates (LGCs)	Renewable energy	3,854	2,774
Australian carbon credit units (ACCU)	Carbon Abatement	17,288	14,633
Total Environmental Certificates income		21,142	17,407
Other income			
Net gain on disposal of property, plant, and equipment	Unallocated	12	-
Sundry income	Unallocated	2	64
Interest income	Excluded from segments	95	128
Total other income		109	192

Note 5: Profit Before Income Tax

	2025 \$'000	2024 \$'000
Profit before income tax includes the following expenses:		
Depreciation and amortisation expense		
Depreciation of property, plant, and equipment	4,718	4,022
Depreciation of leased motor vehicles and equipment	689	588
Amortisation of land, buildings and motor vehicle right-of-use assets	460	333
Amortisation of intangible assets (gas collection system installations)	593	404
Amortisation of other assets	21	-
Total depreciation and amortisation expense	6,481	5,347
Finance costs		
Interest and finance charges on borrowings	1,938	920
Interest and finance charges on finance leases	138	102
Interest and finance charges on right-of-use land and buildings	142	115
Total finance costs	2,218	1,137
Employee benefits expense		
Salaries and wages expenses	7,549	6,137
Less capitalised projects salaries & wages	(2,207)	(1,202)
Contributions to superannuation funds	853	679
Director's fees	372	372
Share based payments	14	54
Provisions for employee benefits	167	101
Total employee benefits expense	6,748	6,141

Remuneration of the auditor

During the year the following fees were paid or payable for services provided by BDO Audit Pty Ltd as the auditor of LGI and by its related network firms.

Audit Services – BDO Audit Pty Ltd	2025	2024
Audit and review of the financial reports	179,636	155,170
Total audit and review of financial reports	179,636	155,170
Other services		
Taxation compliance and advisory services	12,872	25,864
Total other non-audit services	12,872	25,864
Total remuneration provided to BDO	192,508	181,034

Note 6: Income Tax

(a) Income tax recognised in the Statement of Profit or Loss	2025 \$'000	2024 \$'000
The components of tax expense comprise:		
Current tax expense in respect of the current year	2,270	1,399
Deferred tax expense relating to the origination and reversal of temporary differences	(59)	857
Adjustments for under/(over) provision of current income tax of previous years	75	(4)
Total income tax expense	2,286	2,252
(b) Reconciliation between tax expense and pre-tax accounting profit	2025 \$'000	2024 \$'000
The prima facie tax on profit from ordinary activities before income tax is reconciled to income tax as follows:		
Prima facie tax payable on profit from ordinary activities before income tax at 25% (2024: 25%)	2,191	2,231
Add/less tax effect of:		
Adjustments in respect of current tax of prior years	-	(4)
Adjustments in respect of deferred tax of prior years	75	-
Tax effect of permanent differences	20	25
Tax effect amounts relating to the origination and reversal of temporary differences	-	-
Total income tax expense	2,286	2,252
(c) Aggregate amount of tax charged/(credited) directly to equity relating to items that are recognised in equity	2025 \$'000	2024 \$'000
Deferred tax - cashflow hedges	(201)	493
	(201)	493
(d) Tax balances recognised in the Statement of Financial Position	2025 \$'000	2024 \$'000
Current tax balances		
Current tax liabilities		
Income tax payable	2,090	1,139
Deferred tax balances		
Non-current assets		
Deferred tax assets	2,064	2,194
Non-current liabilities		
Deferred tax liabilities	6,921	6,947
Net deferred tax liability	4,857	4,753

(d) Tax balances recognised in the Statement of Financial Position	2025 \$'000	2024 \$'000
Deferred tax balances arise from the following:		
Deferred tax assets		
Accrued Expenses	78	32
Employee benefits provision	197	152
Lease liability	1,348	1,392
Blackhole expenses	264	410
Other deductible temporary differences	177	208
	2,064	2,194
Deferred tax liabilities		
Accelerated depreciation for tax purposes	2,285	2,378
Accrued income	2,772	2,734
Right of use asset	1,208	1,245
Other taxable temporary differences	656	590
	6,921	6,947

Deferred tax movements in temporary differences during the year

As at 30 June 2025	Balance at 1 July 2024	Charged/ (credited) to Profit or Loss	Charged/ (credited) to Equity	Non- financial statement items	Balance at 30 June 2025
Accrued Income	(2,733)	(129)	-	-	(2,862)
Property, plant and equipment	(2,378)	264	-	-	(2,114)
Right of use assets	(1,245)	37	-	-	(1,208)
Accrued Expenses & Provisions	185	90	-	-	275
Lease liabilities	1,391	(44)	-	-	1,347
Capital raise costs	410	(146)	-	-	264
Other deferred tax assets and liabilities	(383)	25	(201)	-	(559)
	(4,753)	97	(201)	-	(4,857)

As at 30 June 2024	Balance at 1 July 2023	Charged/ (credited) to Profit or Loss	Charged/ (credited) to Equity	Non- financial statement items	Balance at 30 June 2024
Accrued Income	(1,812)	(921)	-		(2,733)
Property, plant and equipment	(2,738)	360	-		(2,378)
Intangible assets	14	(14)	-	-	-
Right of use assets	(1,042)	(203)	-		(1,245)
Accrued Expenses & Provisions	168	17	-		185
Lease liabilities	1,148	243	-		1,391
Capital raise costs	586	(176)	-		410
Tax losses	6	-	-	(6)	-
Other deferred tax assets and liabilities	(722)	(154)	493	-	(383)
	(4,392)	(848)	493	(6)	(4,753)

Note 7: Dividends

	2025 \$'000	2024 \$'000
Dividends Paid		
Final Dividend for 2024 of 1.3 cents per share fully franked paid 26 September 2024 (Final dividend for 2023, 1.2 cents per share)	1,154	1,060
Interim Dividend for 2025 of 1.2 cents per share fully franked paid 27 March 2025 (Interim dividend for 2024, 1.2 cents per share)	1,066	1,064
Total dividends paid during the period	2,220	2,124
Dividends Declared after the reporting period and not recognised		
Final Dividend declared for 2025 of 1.3 cents per share fully franked (Final dividend for 2024 of 1.3 cents per share fully franked paid 26 September 2024)	1,155	1,153
Dividend franking account		
Franking credits available for subsequent financial years based on the 2025 tax rate 25% (2024 25%)	3,588	1,765

Note 8: Cash and Cash Equivalents

	2025 \$'000	2024 \$'000
Cash at bank	3,357	2,438

Note 9: Trade and Other Receivables

	2025 \$'000	2024 \$'000
Current		
Trade receivables	1,614	909
Total Current Receivables	1,614	909

Refer note 19 for details on credit risk

Note 10: Other Assets

	2025 \$'000	2024 \$'000
Current		
Accrued income	2,020	861
Other current assets ²	2,268	1,640
Shareholder loans ¹	158	144
Prepayments	362	255
Total Current Other Assets	4,808	2,900
Non-Current		
Shareholder loans ¹	283	476
Security deposits	-	900
Other non-current assets ²	5,726	6,000
Total Non-Current Other Assets	6,009	7,376

1. The Board at its discretion utilises Employee Share Loans for certain employees for the purpose of exercising share options in the Company. Loan principal and interest are repayable over 7 years. A minimum annual payment including interest must be paid by the borrower by the end of each financial year (except for the year in which the loan occurs). The published ATO benchmark interest rate, updated annually, is used to calculate the loan interest. The fixed FY25 benchmark interest rate was 8.77% (FY24 8.27%).
2. Other Assets includes \$6M relating to a contractual prepayment of royalty obligations made during FY24. The prepayment is amortised over the life of the contract and commenced on 1st June 2025.

Note 11: Environment Certificates

	2025 \$'000	2024 \$'000
Current		
Australian carbon credit units (ACCUs)	12,026	14,035
Large scale generation certificates (LGCs)	1,485	957
Total Current Environmental Certificates	13,511	14,992

Note 12: Property, Plant and Equipment

	Plant & equipment \$'000	Plant & equipment under lease \$'000	Right of use land & buildings \$'000	Projects under construction \$'000	Total \$'000
Net carrying amounts					
30 June 2025					
Cost	74,558	3,590	4,265	19,998	102,411
Accumulated depreciation	(23,580)	(1,718)	(1,304)	-	(26,602)
Net carrying amount	50,978	1,872	2,961	19,998	75,809
30 June 2024					
Cost	47,952	3,651	3,461	22,377	77,441
Accumulated depreciation	(19,565)	(1,259)	(844)	-	(21,668)
Net carrying amount	28,387	2,392	2,617	22,377	55,773
Movements in carrying amounts					
Balance at 1 July 2024	28,387	2,392	2,617	22,377	55,773
Additions	12,487	240	804	12,732	26,263
Disposals	(104)	(12)	-	-	(116)
Depreciation & amortisation	(4,718)	(689)	(460)	-	(5,867)
Transfers out of work in progress to intangibles	-	-	-	(244)	(244)
Transfers in/(out) of work in progress	14,926	(59)	-	(14,867)	-
Balance at 30 June 2025	50,978	1,872	2,961	19,998	75,809
Balance at 1 July 2023	26,499	1,219	2,950	11,709	42,377
Additions	3,090	1,779	-	13,471	18,340
Disposals	-	-	-	-	-
Depreciation & amortisation	(4,022)	(588)	(333)	-	(4,943)
Transfers in/(out) of work in progress	2,820	(17)	-	(2,803)	-
Balance at 30 June 2024	28,387	2,392	2,617	22,377	55,773

For personal use only

Note 13: Intangible Assets

	Goodwill \$'000	Gasfield collection systems installation costs \$'000	Total \$'000
Net carrying amounts			
30 June 2025			
Cost	314	9,423	9,737
Accumulated amortisation	-	(1,857)	(1,857)
Net carrying amount	314	7,566	7,880
30 June 2024			
Cost	314	5,172	5,486
Accumulated amortisation	-	(1,283)	(1,283)
Net carrying amount	314	3,889	4,203
Movements in carrying amounts			
Balance at 1 July 2024	314	3,889	4,203
Additions	-	4,270	4,270
Amortisation expense	-	(593)	(593)
Balance at 30 June 2025	314	7,566	7,880
Balance at 1 July 2023	314	3,192	3,506
Additions	-	1,101	1,101
Amortisation expense	-	(404)	(404)
Balance at 30 June 2024	314	3,889	4,203

For personal use only

Note 14: Trade and Other Payables

	2025 \$'000	2024 \$'000
Current		
Trade payables	9,844	893
Payroll liabilities	331	68
Accrued royalties and other expenses	3,362	2,792
Total Current trade and other payables	13,537	3,753

Note 15: Borrowings

	2025 \$'000	2024 \$'000
Current		
Lease liability	744	774
Right of use liability	531	308
Less: Borrowing costs	(34)	(38)
Total Current Borrowings	1,241	1,044

	2025 \$'000	2024 \$'000
Non-Current		
Bank loans	28,600	19,200
Lease liability	1,206	1,718
Right of use liability	2,910	2,768
Less: Borrowing costs	(35)	(65)
Total Non-Current Borrowings	32,681	23,621
Total Borrowings	33,922	24,665

For personal use only

Note 15: Borrowings

Bank loans comprise of the following CBA facility:

Facility	Total Facility		Utilised		Average Interest Rate	
	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	%	%
Project loans	47,350	47,350	28,600	19,200	6.70	7.00
Overdraft	500	500	-	-	9.15	10.12
Contingent liability	2,000	1,000	1,060	85	1.75	1.75

During FY25 LGI's debt facility was increased to principally fund the construction of the power station at Eastern Creek, Sydney and the Canberra battery storage project. The debt facility has a termination date of 30 June 2027 and there is right to defer settlement. It is management's intent to roll this facility for a further period prior to the termination date. The facility is interest only and interest rates are as above. Debt covenants include, leverage ratio no greater than 2.5:1.0 and interest cover ratio not less than 3.0:1.0. During FY25 LGI met all debt covenants.

The Bank loans are secured by a registered company charge over the Company assets and side deeds with each respective local council over prescribed property of each individual project advanced under the facility.

Lease liabilities are effectively secured as the rights to the leased assets recognised in the financial statements reverting to the lessor in the event of default.

Note 16: Employee Benefits

Employee liabilities	2025	2024
	\$'000	\$'000
Current		
Annual leave	442	326
Long service leave	104	90
Total Current Employee liabilities	546	416
Non-Current		
Long service leave	241	194
Total Non-Current Employee liabilities	241	194
Total Provisions	787	610

Note 16: Employee Benefits

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave that will vest in the next 12 months due to employees having completed the required period of service.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data.

Key management personnel remuneration

Detailed key management personnel (KMP) remuneration disclosures are provided in the audited Remuneration Report section in the Directors' Report. The aggregate remuneration made to key management personnel is set out below.

	2025 \$	2024 \$
Short-term employee benefits	1,612,701	1,503,172
Post-employment benefits	144,619	133,986
Other long-term benefits	(16,074)	3,107
Share-based payments	-	-
Total remuneration to key management personnel	1,741,246	1,640,265

For personal use only

Share Based Payments

Details of employee share options issued, exercised and expired during the financial year are set out below:

30 June 2025					Movements			
Grant Date	Expiry Date	Tranche	Exercise Price	1 July 2024	Issued	Exercised	Expired	30 June 2025
1 May 2019	31 Jan 2025	6	\$0.925	100,000	-	(100,000)	-	-
					100,000	-	(100,000)	-

30 June 2024					Movements			
Grant Date	Expiry Date	Tranche	Exercise Price	1 July 2023	Issued	Exercised	Expired	30 June 2024
1 Feb 2018	31 Jan 2025	2	\$0.700	300,000	-	(300,000)	-	-
1 May 2019	31 Jan 2025	6	\$0.925	200,000	-	(100,000)	-	100,000
					500,000	-	(400,000)	100,000

Details of employee share rights issued, vested and cancelled during the financial year are set out below:

30 June 2025			Movements					
Grant Date	No. of rights granted	Grant date share price	1 July 2024	Issued	Cancelled and Exercised	30 June 2025	Vested	Unvested
29 Sep 2023	25,000	\$2.12	25,000	-	(10,000)	15,000	-	15,000
22 Oct 2023	25,000	\$2.10	25,000	-	(25,000)	-	-	-
			50,000	-	(35,000)	15,000	-	15,000

The expense recognised as part of the employee benefits expense during the year in relation to the share rights was \$13,988 (2024 \$54,140).

KMP Related Party Transactions

Related parties include entities that are controlled or jointly controlled by those key management personnel, individually or collectively with their close family members. Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties (ie at arm's length) unless the terms and conditions disclosed below state otherwise.

The following transactions occurred with related parties:	2025 \$	2024 \$
Director's fees paid to T&S McGavin Family Trust, a related entity of Tim McGavin, Non-executive director.	55,000	60,000
Director's fees paid to Direction Group, a related entity of Abigail Cheadle, Non-executive director.	90,000	90,000

Related Party Share Loans (KMP)

The Board at its discretion utilises Employee Share Loans for certain KMP for the purpose of exercising share options in the Company. Loan principal and interest are repayable over 7 years. A minimum annual payment including interest must be paid by the borrower by the end of each financial year (except for the year in which the loan occurs). The published ATO benchmark interest rate, updated annually, is used to calculate the loan interest. The fixed FY25 benchmark interest rate was 8.77% (FY24 8.27%).

KMP share loans at 30 June 2025 are as follows:

KMP Name	Loan maturity date (term 7 years)	Loan balance 30-Jun-24 \$	Interest paid \$	Principal paid \$	Loan balance 30-Jun-25 \$
Andrew Peters	30 Jun 2027	186,196	15,222	58,456	127,740
Dean Wilkinson	30 Jun 2028	120,413	11,036	25,715	94,698
Jarryd Doran	30 Jun 2028	98,372	9,408	20,619	77,753
Total KMP Share Loans		404,981	35,666	104,790	300,191

Note 17: Equity – Share Capital

Employee liabilities	30 Jun 2025		30 Jun 2024	
	\$'000	No. of shares '000	\$'000	No. of shares '000
Ordinary shares at beginning of reporting period	32,231	88,694	31,928	88,294
Issue of shares on the exercise of options	92	100	303	400
Issue of shares under employment agreements	29	15	-	-
Ordinary shares at reporting date	32,352	88,809	32,231	88,694

Ordinary shareholders participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. At the shareholders' meetings each ordinary share is entitled to one vote when a poll is called; otherwise each shareholder has one vote on a show of hands.

Capital management

The capital structure of LGI consists of debt which includes the borrowings, cash and cash equivalents and equity attributable to equity holders, comprising issued capital, reserves and retained earnings as disclosed in the notes to financial statements and the Statement of changes in equity.

The Directors determine the appropriate capital structure of LGI, specifically how much is raised from shareholders (equity) and how much is borrowed from financial institutions (debt) in order to finance the current and future activities of the Company. Capital is managed to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through optimisation of the debt and equity balance.

There are no externally imposed capital requirements other than bank covenants which have been met during the year. Management effectively manages LGI's capital by assessing the Company's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues.

Note 18: Equity – Reserves

	2025 \$'000	2024 \$'000
Share based payment reserve		
Opening balance	820	766
Share based payments	(30)	54
Balance at reporting date	790	820
Hedge reserve		
Opening balance	(623)	855
Gain or (loss) of future hedge instruments	805	(1,971)
Deferred tax	(201)	493
Balance at reporting date	(19)	(623)
Total Reserves in equity	771	197

The share based payment reserve records the value of share based payments over their vesting periods. The hedge reserve recognises the fair value of future electricity price hedges net of the deferred tax effect.

Note 19: Financial Risk Management

Financial risk management objectives

LGI's activities expose it to a variety of financial risks: market risk (including commodity price risks, foreign currency and interest rate risk), credit risk and liquidity risk. LGI's overall risk management program focuses mainly on the unpredictability of the electricity price risk and seeks to minimise potential adverse effects on the financial performance of the Company. The Company uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analyses in the case of electricity commodity price risks.

Financial risk management is carried out by the CFO under policies approved by the Board. The CFO identifies, evaluates and hedges market risks. The Board provides written principles for overall risk management, as well as policies covering specific areas, such as the use of derivative financial instruments and investment of surplus funds.

Commodity price risk

The Company is exposed to electricity price movements in the National Electricity Market (NEM). To manage its electricity price risk, the Company has entered into a number of electricity derivatives including over-the-counter contracts in accordance with the Board approved Risk Management Procedure. Electricity price risk exposures are measured monthly through the review of the Company's mark-to-market exposure of the net derivative asset and liability position.

Foreign currency risk

The Company is exposed to foreign currency risk through foreign exchange rate fluctuations as a result of the purchase of imported plant and equipment. The Company assesses the risk arising from future commercial transactions with suppliers using sensitivity analysis and cash flow forecasting. The Company will consider forward exchange contract hedges to manage foreign currency risk. As at 30 June 2025 the Company had no foreign currency hedges in place.

Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The financial instruments that expose LGI to interest rate risk are limited to borrowings, cash and cash equivalents. As at 30 June 2025 the Company had immaterial exposure to interest rate risk.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to LGI. LGI does not have any significant credit risk exposure with trade and other receivables mainly consisting of local, state and federal governments with balances paid within terms of trade. There was no expected credit loss or impairment made at 30 June 2025.

LGI's banking facilities are with a major Australian bank with a S&P long term credit rating of "AA-".

Liquidity risk

Liquidity risk is the risk that LGI will not be able to meet its financial obligations as they fall due. LGI manages liquidity risk by maintaining adequate cash reserves, banking facilities and reserve borrowing facilities. LGI continuously monitors forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Further, the Company is subject to cash flow volatility and manages a substantial portion of that risk by entering into over-the-counter hedges.

The table below reflects an undiscounted contractual maturity analysis for non-derivative financial liabilities. The timings of cash flows presented in the table to settle financial liabilities reflect the earliest contractual settlement dates and do not reflect management's expectations that banking facilities will be rolled forward.

Non-derivative financial liabilities due for payment	Note	Weighted average interest rate	Total contractual outflow \$'000	Within 1 year \$'000	1 to 5 years \$'000	Over 5 years \$'000
2025						
Trade and other payables	14	N/A	13,537	13,537	-	-
Bank loans	15	6.70%	32,432	1,916	30,516	-
Lease & Right-of-Use Lease liabilities	15	5.57%	5,710	1,518	3,808	384
Total			51,679	16,971	34,324	384
2024						
Trade and other payables	14	N/A	3,753	3,753	-	-
Bank loans	15	7.00%	23,229	1,343	21,886	-
Lease & Right-of-Use Lease liabilities	15	5.10%	6,310	1,290	4,156	864
Total			33,292	6,386	26,042	864

Derivative financial instruments

The Company had the following derivative financial instruments as at 30 June 2025:

	2025 \$'000	2024 \$'000
Current derivative financial assets		
Electricity price swaps – cash flow hedges	81	-
Current derivative financial liabilities		
Electricity price swaps – cash flow hedges	107	831
Option premiums received in advance	-	37
Reserve (net of tax)		
Electricity price swaps – cash flow hedges	(19)	(623)

Future electricity swaps hedged capacities range between 1 to 5 MWs and prices hedged are between \$95 and \$119. At 30 June 2025 the nominal hedged volume is 44,016 MWh for the period July 2025 to June 2026.

Fair value measurement of derivatives

The derivative financial instruments assets and liabilities recognises the fair value of future electricity price hedges. The electricity price hedges are over the counter instruments and all significant inputs required to fair value the instruments are observable. As such the fair value of the energy hedges have been classified as level 2 in the fair value hierarchy. The significant valuation techniques and processes used to value derivative financial instruments categorised within level 2 are:

- Market comparison technique: The fair values are based on broker quotes. Similar contracts are traded in an active market and the quotes reflect the actual transactions in similar instruments.
- The significant inputs used in this valuation technique are:
 - Exchange traded market prices;
 - Market volatilities;
 - Forecast generation; and
 - Electricity settled prices.

Hedge accounting activities - cash flow hedges

The electricity derivatives hedge the difference between the fixed price received and the variable NEM price paid per megawatt hour. These derivatives are entered into in accordance with the Risk Management Procedure for a proportion of the exposure remaining after economic hedging strategies.

The cash flows of the hedged electricity sales are expected to occur over the next 12 months, with the hedge reserve reclassifications to the profit or loss within the same financial years as the cash flows.

The Company documents at the inception of the hedging transaction, the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Company also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in cash flows of hedged items.

There is an economic relationship between the hedged items and the hedging instruments as the terms of the electricity swaps closely match the nominal amount and expected settlement date of the expected highly probable forecast transactions. The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risks of the contracts are identical to the hedged risk component (electricity price). To test the hedge effectiveness, the Company uses the hypothetical derivative method and compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks. The hedge ineffectiveness can arise from:

- Differences in the periodic volumes of the hedging instruments and hedged items;
- Changes to forecast timing of the cash flows of the hedged items and the hedging instruments.

The effect of the cash flow hedge in the statement of profit or loss and other comprehensive income (OCI):

Highly probable forecast electricity sales	2025 \$'000	2024 \$'000
Net change in the fair value of cashflow hedges taken to equity	805	(1,971)
Income tax relating to the cashflow hedge taken to equity	(201)	493
Effective gain/(loss) recognised in OCI	604	(1,478)
Ineffective gain/(loss) recognised in Profit or Loss	(98)	-
Gain/(loss) reclassified from OCI to Profit or Loss	(568)	3,864
Total gain/(loss) recognised in Profit or Loss	(666)	3,864

Sensitivity analysis commodity prices

The following table summarises the sensitivity of the Company's derivative financial instruments to electricity price risk. The analysis is performed on a pre-tax basis using similar information to that which would be provided to management and reflects the impact on the Company's financial position at reporting date should upward and downward movements of electricity forward prices of 10% occur.

Sensitivity	Average price increase			Average price decrease		
	% change	Effect on profit before tax \$'000	Effect on equity \$'000	% change	Effect on profit before tax \$'000	Effect on equity \$'000
Electricity price						
2025	10%	-	(482)	10%	-	482
2024	10%	-	(932)	10%	-	901

Note 20: Capital Expenditure Commitments

At 30 June 2025, LGI had commitments for the acquisition of power generation plant & equipment of \$1.8 million (2024: \$5.4 million).

Note 21: Subsidiaries

LGI has one wholly owned subsidiary, LGI Financial Service Pty Ltd. The subsidiary was incorporated in 2021 and is a dormant company with no transactions during the financial year.

Note 22: Events Subsequent To Reporting Date

During the financial year 2025, LGI entered into a contract to explore the viability of building, owning and operating a Battery Energy Storage System ("BESS") to be located on the closed landfill at Belrose, Sydney. The landfill is owned by the Waste Assets Management Corporation, a New South Wales State owned Corporation. The contract has a number of conditions precedent. In July 2025, LGI began the Development Approval and Grid Connection process.

LGI agreed with Shoalhaven City Council (Nowra) to extend the existing contract by 25 years upon commissioning of a power station.

Other than a dividend declared and the contracts disclosed above, there has been no matter or circumstance, which has arisen since 30 June 2025 that has significantly affected or may significantly affect:

- (a) the operations, in financial years subsequent to 30 June 2025, of the Company, or
- (b) the results of those operations, or
- (c) the company's state of affairs in future financial years.

Note 23: Cashflow Information

Reconciliation of Profit after tax to net cash from operating activities	2025 \$'000	2024 \$'000
Profit after income tax expense for the year	6,476	6,673
Adjustments for non-cash items:		
Depreciation and amortisation	6,481	5,347
Share based payments	14	54
Salary & wages recovered from capital projects	(2,207)	(1,202)
Net (gain)/loss on disposal of property, plant and equipment	(11)	-
Interest income on related party loan	(49)	(61)
	4,228	4,138
Changes in assets and liabilities:		
(Increase)/decrease in trade and other receivables	(382)	(2,776)
(Increase)/decrease in hedge	(38)	38
(Increase)/decrease in other assets	-	204
(Increase)/decrease in income tax payable	1,966	3,079
Increase/(decrease) in trade and other payables	(357)	(1,405)
Increase/(decrease) in provisions	441	(38)
Increase/(decrease) in deferred tax liabilities	(15)	-
	1,615	(898)
Net cash provided by operating activities	12,319	9,913

Non-cash investing and financing activities	2025 \$'000	2024 \$'000
Acquisition of plant and equipment by means of leases	239	1,779
Shares issued under employee share plan	29	-
Total non-cash investing and financing activities	268	1,779

LGI has provided bank guarantees to the value of \$1.060 million (2024: \$0.985 million) including the \$0.750 million security obligation under the ACT Mugga Lane landfill gas contract.

Changes in Debt arising from financing activities	Bank loans (net of borrowing costs) \$'000	Lease liability \$'000	Total \$'000
Balance at 30 June 2023	1,488	4,595	6,083
Net cash from / (used in) financing activities	17,847	(837)	17,010
Other non-cash changes	(238)	1,810	1,572
Balance at 30 June 2024	19,097	5,568	24,665
Net cash from / (used in) financing activities	9,624	(1,244)	8,380
Other non-cash changes	(190)	1,067	877
Balance at 30 June 2025	28,531	5,391	33,922

Note 24: Earnings per Share

	2025 \$'000	2024 \$'000
Profit after income tax expense for the year	6,476	6,673
	No.	No.
Weighted average number of ordinary shares for the purposes of calculating basic earnings per share	88,788,607	88,423,086
Weighted average number of ordinary shares for the purposes of calculating diluted earnings per share	88,803,607	88,533,238
	Cents	Cents
Basic earnings	7.3	7.5
Diluted earnings	7.3	7.5

For personal use only

Consolidated Entity Disclosure Statement As at 30 June 2025

Name of entity	Type of entity	% of share capital held	Country of Incorporation	Australian Resident	Foreign jurisdiction(s) in which the entity is a resident for tax purposes (according to the law of the foreign jurisdiction)
LGI Limited	Body Corporate	N/A	Australia	Yes	N/A
LGI Financial Service Pty Ltd	Body Corporate	100	Australia	Yes	N/A

Basis of preparation

This Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with the Corporations Act 2001, reflecting the amendments to section 295(3A)(vi) and (vii) which clarify the definition of foreign resident as being an entity that is treated as a resident of a foreign country under the tax laws of that foreign country. These amendments apply for financial years beginning on or after 1 July 2024. The CEDS includes certain information for each entity that was part of the consolidated entity at the end of the financial year in accordance with AASB 10 Consolidated Financial Statements.

Determination of Tax Residency

Section 295(3B)(a) of the Corporation Acts 2001 defines Australian resident as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgement as there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency. Section 295 (3A)(a)(vii) requires the determination of tax residency in a foreign jurisdiction to be based on the law of the foreign jurisdiction relating to foreign income tax.

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 Tax Commissioner's public guidance in Tax Ruling TR 2018/5.

Foreign tax residency

Where necessary, the consolidated entity has used independent tax advisers in foreign jurisdictions to assist in determining tax residency in those foreign jurisdictions and ensure compliance with applicable foreign tax legislation.

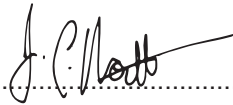
Director's Declaration

In the Directors' opinion:

1. The attached financial statements and notes and the remuneration report comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
2. The attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
3. The attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2025 and of its performance for the financial year ended on that date; and
4. There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.
5. The information disclosed in the attached consolidated entity disclosure statement is true and correct.

The Directors have been given the declarations required by Chief Executive Officer and Chief Financial Officer as required section 295A of the Corporations Act 2001.

Director.....



Dated this 12th day of August 2025

For personal use only



INDEPENDENT AUDITOR'S REPORT

To the members of LGI Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of LGI Limited (the Company) and its subsidiaries (the Group), which comprises the statement of financial position as at 30 June 2025, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *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 also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Key audit matters

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.

Environmental Certificates

Key audit matter	How the matter was addressed in our audit
<p>Refer to note 4 and note 11</p> <p>The company has recognised income from Australian Carbon Credit Units ('ACCUs') and Large-scale Generation certificates ('LGCs') under AASB120 <i>Accounting for Government Grants and Disclosure of Government Assistance</i>.</p> <p>ACCUs and LGCs are recognised at the date of the creation of the renewable energy certificate. This is typically at the date of flaring for ACCUs and the date of electricity generation for LGCs.</p> <p>Income recognised from environment certificates was a key audit matter due the materiality of both the income and the receivable recognised, the judgements used in determining the number of environmental certificates recorded at contract or market spot rate and the estimation involved in determining the actual number of environmental certificates created during the year.</p>	<p>Our audit procedures included, but were not limited to:</p> <ul style="list-style-type: none"> • Obtaining an understanding over the environmental certificates process from creation at the site through to registration by the Clean Energy Regulator and testing selected key controls over the recognition and measurement of revenue; • Obtaining an understanding of the number of environmental certificates recognised at both contract price and market price challenging management where necessary; • Recalculating revenue recognised over the year using the contract prices and average fair value with respect to the market or evidence of any transactions as evidence of fair value; and • Assessing the reasonableness of the number of environmental certificates created (including any pending environmental certificates on 30 June 2025 by performing retrospective testing over the number created versus the number credited by the Clean Energy Regulator post-creation.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2025, but does not include the financial report and the auditor's report thereon.

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

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



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

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of:

- a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and

for such internal control as the directors determine is necessary to enable the preparation of:

- i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

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

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

https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf

This description forms part of our auditor's report.



Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 33 to 39 of the directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of LGI Limited, for the year ended 30 June 2025, complies with section 300A of the *Corporations Act 2001*.

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 responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit Pty Ltd

A handwritten signature in black ink, appearing to read 'J W Knight', is written over a faint, circular stamp that contains the BDO logo.

J W Knight

Director

Brisbane, 12 August 2025

Shareholder information

The shareholder information set out below was applicable as at 5 August 2025.

Distribution of equitable securities

Analysis of number of equitable security holders by size of holding:

Holding	Ordinary Shares	
	Number of holders	% of total shares issued
1 to 1,000	518	0.28
1,001 to 5,000	374	1.15
5,001 to 10,000	139	1.23
10,001 to 100,000	198	7.22
100,001 and over	62	90.12
	1,291	100
Holding less than a marketable parcel	33	-

Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities are listed below:

Holding	Ordinary Shares	
	Number held	% of total shares issued
Blakin Technologies Pty Ltd	16,568,232	18.66
McGavin Holdings (Aust) Pty Ltd <T & S McGavin Family A/C>	13,282,930	14.96
Citicorp Nominees Pty Ltd	8,252,473	9.29
Picarra Holdings Pty Ltd <Picarra Land A/C>	7,049,059	7.94
Washington H Soul Pattinson and Company Limited	5,829,880	6.56
HSBC Custody Nominees (Australia) Limited	4,374,167	4.93
Rodney Bloomer + Vivienne Bloomer <The Coolabine Family A/C>	3,036,500	3.42
JP Morgan Nominees Australia Pty Limited	2,551,821	2.87
Jessica North	1,530,700	1.72
Davirose Pty Ltd <Davirose Holding A/C>	1,000,000	1.13

Holding	Ordinary Shares	
	Number held	% of total shares issued
Majana Pty Ltd <Majana Super Fund A/C>	1,000,000	1.13
Tropico Pty Ltd <Philip Myer Family A/C>	800,000	0.9
L J & K Thomson Pty Ltd <L J T & K T Super Fund A/C>	788,954	0.89
UBS Nominees Pty Ltd	778,188	0.88
Cameron Investment Pty Ltd	760,080	0.86
Mrs Belinda Margaret Manago	751,428	0.85
Mr Mark Alan Webber	718,148	0.81
RD & KA McGavin Pty Ltd <RD & KA McGavin Super Fund A/C>	691,861	0.78
Flagstaff Superannuation Pty Ltd <Flagstaff Superfund A/C>	600,000	0.68
Andrew W Peters <Highcrest Family A/C>	500,858	0.56
	70,865,279	79.80

Substantial holders

Substantial holders in the company are set out below:

Holding	Ordinary Shares	
	Number held	% of total shares issued
Blakin Technologies Pty Ltd	16,568,232	18.66%
McGavin Holdings (Aust) Pty Ltd	13,282,930	14.96%
Citicorp Nominees Pty Ltd	8,252,473	9.29%
Picarra Holdings Pty Ltd	7,049,059	7.94%
Washington H Soul Pattinson and Company Limited	5,829,880	6.56%

Shares subject to Escrow

Fully paid Ordinary Shares under Voluntary Escrow		
Escrow	Shares	Holders
Shares to be released held under escrow after 3 years from Listing	363,333	2

Options

Options over ordinary shares issued are as below:

Class	Options on Issue	Holders
Options issued under the LGI Limited Employee Option Plan to take up ordinary shares	-	-

Voting Rights

The voting rights attached to ordinary shares are set out below:

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

There are no other classes of equity securities.

For personal use only

For personal use only

ASX:LGI

57 Harvey St N,
Eagle Farm, QLD 4009

www.lgi.com.au
Ph 07 37112225



**CLEAN ENERGY &
CARBON ABATEMENT**