

ECS BOTANICS HOLDINGS LIMITED
ABN: 98 009 805 298

RESULTS FOR ANNOUNCEMENT TO THE MARKET
FOR THE YEAR ENDED 30 JUNE 2025
(Previous corresponding period is the year ended 30 June 2024)

KEY INFORMATION	30-Jun-25	30-Jun-24	% Change
	\$	\$	
Revenue from ordinary activities	19,522,833	20,498,655	-4.76%
Profit (Loss) from ordinary activities after tax attributable to members	(5,733,099)	1,915,564	(399%)
Net profit (loss) attributable to members	(5,733,099)	1,915,564	(399%)

DIVIDEND INFORMATION

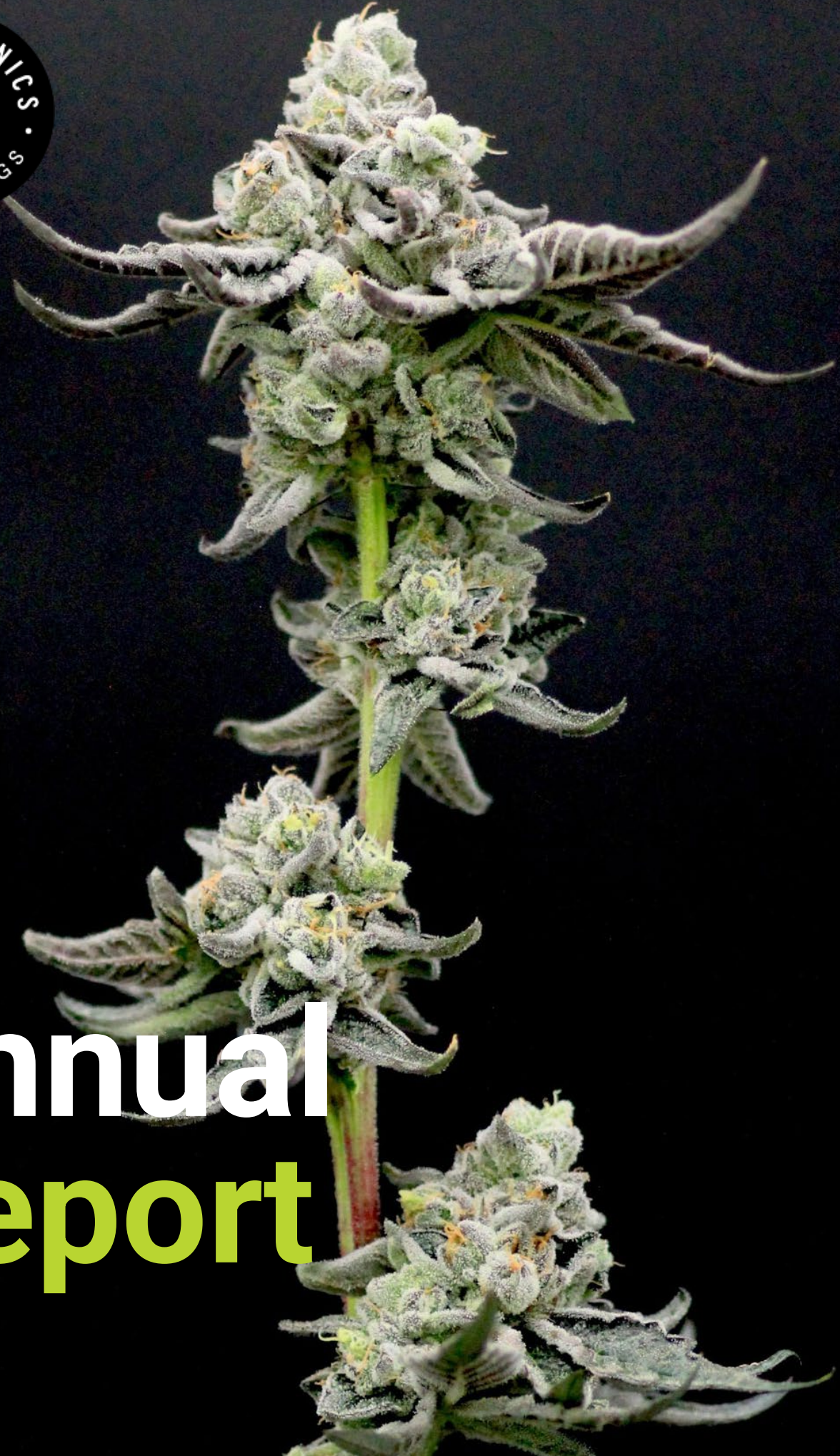
No dividend has been proposed or declared

NET TANGIBLE ASSETS PER SECURITY	30-Jun-25	30-Jun-24
	Cents	Cents
Net tangible assets per security	2.60	2.55

EARNINGS PER SHARE	30-Jun-25	30-Jun-24
	Cents	Cents
Basic earnings (loss) per share	(0.4435)	0.1640
Diluted earnings (loss) per share	(0.4435)	0.1572

This report is based on, and should be read in conjunction with, the attached financial report for the year ended 30 June 2025 for ECS Botanics Holdings Limited.

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2025

Annual Report

ASX:ECS

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ECS

Cultivating Excellence, Harvesting Success

“With every plant we grow, every product we create, and every market we enter, ECS is committed to leading the medicinal cannabis industry with integrity, innovation, and a focus on the future.”

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FY2025 Year Report June 2025 Highlights. Summary of Financial Results

	30 Jun 2025	30 Jun 2024	% Change
Revenue from Operations	\$19.4m	\$20.0m	(3%)
NPBT	(\$6.91m)	\$1.85m	(474%)
EBITDA	(\$5.21m)	\$3.2m	(262%)

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AVANI

Australian Grown, Naturally

FY2025 Highlights

Trading Revenue (\$m)

↓ 3%



NPAT (\$m)

↓ 400%



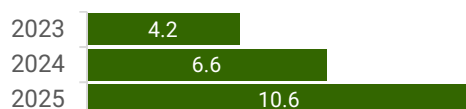
EBITDA (\$m)

↓ 262%



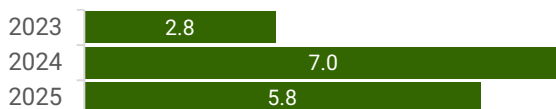
Production (Tonnes)

↑ 61%



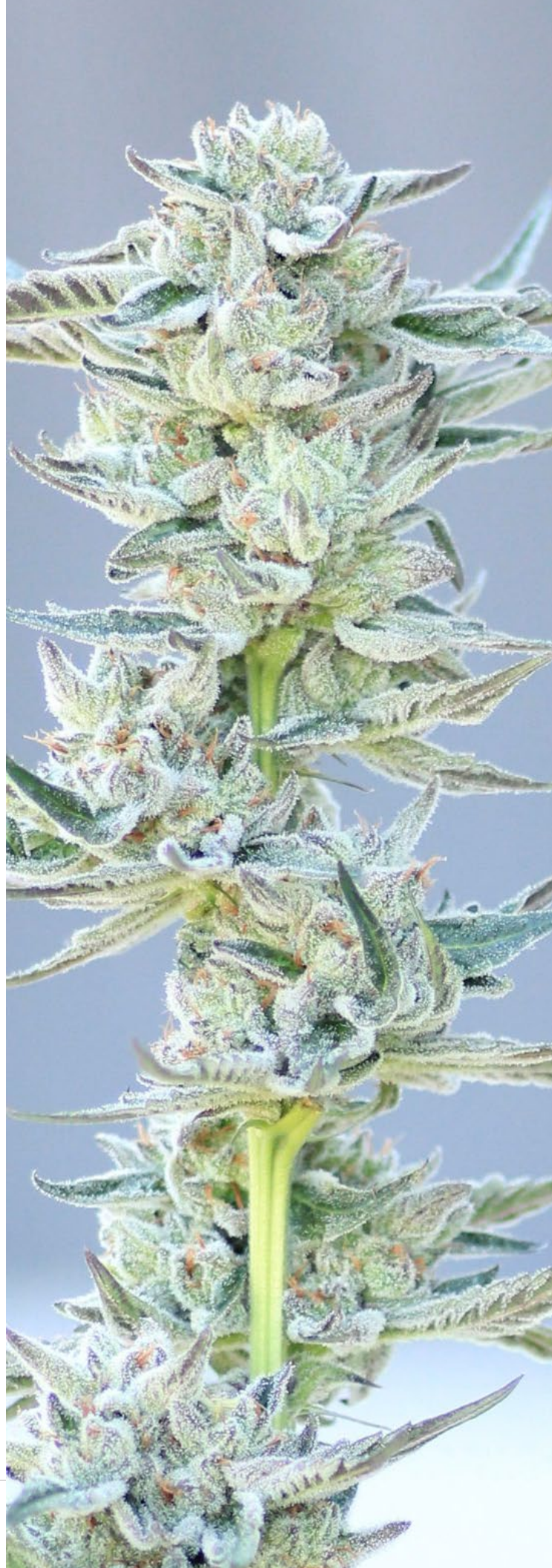
Gross Profit (\$m)

↓ 17%



PCEs (Number)

↑ 41%



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Message from the Managing Director.

Dear Shareholders

ECS Botanics made significant strategic investments in FY25, introducing its own-brand B2C strategy and launching two innovative product lines with strong intellectual property advantages. Although the investment meant FY25 did not deliver growth these initiatives have repositioned the Company to deliver sustainable growth in FY26 as demonstrated in the leading indicators.

Since inception, ECS Botanics has pursued a business-to-business (B2B) strategy that delivered strong growth. However, structural changes in the domestic market – including the rise of vertically integrated clinics (where doctors prescribe and are often remunerated through in-house product sales) and a surge in low-cost imports – have compressed B2B margins and increased supply options. With regulators unable, or unwilling, to address these market distortions, ECS made the strategic decision to diversify into business-to-consumer (B2C) channels and develop its own brands, enabling us to capture greater market share and margin.

In a relatively short time, our branded portfolio, supported by a highly capable team of Medical Science Liaisons (MSLs), has positioned ECS among the top 13 companies in Australia's medicinal cannabis sector, out of more than 100 market participants. The pivot in the business model is realising value with compounded quarterly growth in B2C of 126%. We expect this growth trajectory to accelerate in FY26, driven by both organic growth and new product launches –including AVANI ADVANCED (powered by VESIsorb®) in late FY25, with 2 new products being launched in Q1 FY26 and our Terp Hogz premium genetics range, which debuted in late June 2025.

In November 2024, we launched our OzSun value brand, designed to meet the needs of budget-conscious patients without compromising margins. Leveraging our low production cost organically grown outdoor flower, ECS has become a price leader in this segment. The exceptional quality of our FY25 outdoor harvest has enabled us to offer well-presented smaller buds under OzSun, exceeding sales expectations since launch. In Q1 FY26 we will be adding a 30% flower to this range following the addition of bulk medicinal cannabis oils in Q4 FY25.

Operationally, our investment in protective cropping enclosures and expanded processing and curing capacity at the Head House remains on track for completion in October 2025. The new curing facilities will allow us to maintain optimum temperatures of 8–12°C during the curing process, preserving terpene profiles and ensuring consistent, premium-quality flower. The enhanced design PCE's are providing higher yields and improved quality flower.

These strategic investments – in brand development, sales capability, premium genetics, and quality infrastructure – have positioned ECS to compete strongly and sustainably in the Australian market. Our pivot to B2C has broadened our revenue base, strengthened our market position, and created a platform for ongoing growth.

We are encouraged by a recent resurgence in our B2B business, with ECS now supplying one of Australia's largest medicinal cannabis companies following their acquisition activity. Our export channels also continue to expand. In Germany, sales remain capacity-constrained by the requirement to supply unirradiated flower. We are progressing process enhancements to lower bioburden and enable a greater proportion of batches to qualify for this market. In parallel, we expect to commence the supply of irradiated flower to Poland in Q2 FY26, with our customer nearing completion of the first product registration. Given the complexity of securing Polish registration, we see a meaningful opportunity once approvals are finalised.

The Australian launch of Terp Hogz has been successful. We elected to source flower from a premium partner in Thailand to avoid the

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significant delays and loss risks associated with importing live clones under Australian biosecurity protocols. Subsequent to this decision, Germany imposed restrictions on imports of flower cultivated in Thailand due to illicit-market concerns. These matters are being addressed by German and Thai regulators and will need to be resolved before we can supply Terp Hogz strains into Germany. We are also advancing negotiations with our UK partner to broaden distribution to the UK.

As oils are increasingly being replaced by pastilles and capsules, we reassessed our inventory to reflect market demand and quality standards. We recorded a 50% write-down in the value of biomass and paused further biomass accumulation until demand warrants. We also regraded older flower to biomass, ensuring that only the improved quality flower from the FY25 record harvest is presented to patients thereby lifting the overall standard of ECS products in the market.

In light of the challenges experienced during FY25 – including sustained pressure on sector share prices and a continued shift in patient preferences from oils to flower – ECS adopted a prudent and conservative financial stance. This included a comprehensive review and revaluation of inventory, together with the full write-down of goodwill and intangible assets.

An independent consultant prepared the value-in-use model, which indicated an impairment of \$0.5 million however upon the guidance of the auditor, management elected to fully impair goodwill and intangible assets totalling \$2.9 million. Importantly, these are non-cash accounting adjustments and have no impact on cash flows or operating performance. This reset ensures greater transparency in the balance

sheet and provides a solid foundation for FY26. With these adjustments now complete, ECS is well positioned to pursue clear growth opportunities across both domestic and export markets, while also delivering targeted cost efficiencies.

We extend our sincere gratitude to our shareholders, employees, and customers for their continued support. FY25 was a demanding year as we navigated significant internal and external change. We enter FY26 with a clean balance sheet, a solid sales pipeline underpinned by high-quality products with compelling value propositions, and strong customer relationships. We look forward to a successful FY26, which we expect to be a milestone year for ECS.



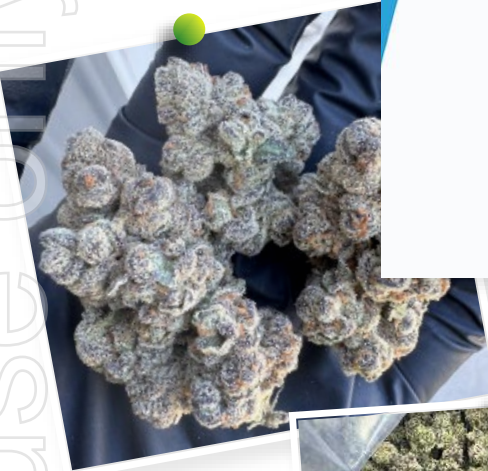
A handwritten signature in black ink, appearing to read 'Nan-Maree Schoerie'.

Nan-Maree Schoerie
Managing Director

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FY 2025 in Review

Record harvests, record yields, expanded facilities and winning team.



Meet The ECS Botanics
Medical Advisory Board



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FY 2025 Timeline of Product Launches.



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Corporate Directory.

Board of Directors

Mr. Jeremy King

Non-Executive Chair

Mr. Michael Nitsche

Non-Executive Director

Ms. Rachel Swift*

Non-Executive Director

Ms. Nan Maree Schoerie

Managing Director

*On 4 August 2025, Ms. Rachel Swift resigned to take up an Executive role.

Company Secretary

Mr. Mauro Piccini

Registered Office

899 River Road
Murrabit West
VIC 3579
Telephone: 1300 169 775
Website: <https://ecs-botanics.com/>

Stock Exchange Listing

Listed on the
Australian Securities Exchange
(ASX Code: ECS)

Auditors

William Buck
Level 20, 181 William Street
Melbourne Vic 3000

Bankers

National Australia Bank Limited
2 Carrington Street
Sydney NSW 2000

Solicitors

Nova Legal
Level 2, 50 Kings Park Road
West Perth WA 6005

Share Registry

Automic Pty Ltd
Level 5
191 St Georges Terrace
Perth WA 6000
Telephone: 1300 288 664



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Directors' Report.

The Directors of ECS Botanics Holdings Ltd ("ECS" or "the Company") present their report, together with the financial statements of the Company and controlled entities ("The Group") for the year ended 30 June 2025.

Directors

The names and particulars of the Group's directors in office during the financial year and at the date of this report are as follows. Directors held office for this entire year unless otherwise stated.

Jeremy King | Non-Executive Chair

Bachelor of Law

Mr. King is a corporate lawyer and adviser with over 20 years' experience in domestic and international legal, financial, and corporate matters. Mr. King is a director of a boutique corporate advisory and compliance business where he specialises in corporate and strategic advice and managing legal issues associated with clients. He spent several years in London where he worked with Allen and Overy LLP and Debevoise & Plimpton LLP and has extensive experience, particularly in relation to cross border private equity, leveraged buy-out acquisitions and acting for banks, financial institutions, and corporate issuers in respect of various debt and equity capital raisings. He regularly advises ASX listed companies on corporate and commercial matters.

During the past three years, Mr. King held the following directorships in other ASX listed companies:

Executive Director of C29 Metals Limited from 8 December 2022 to 20 March 2024

Non-Executive Director of Smart Parking Limited from 1 August 2012

Non-Executive Director of Redcastle Resources Limited from 8 June 2016 and

Non-Executive Director of Sultan Resources Limited from 16 May 2018

Non-Executive Director of Burgundy Diamond Mines Limited from 28 March 2024

Michael Nitsche | Non-Executive Director

Graduate Diploma of Applied Finance, Wealth Management, Diploma of Financial Services.

Michael is the founder and Executive Director of ARQ Capital, a boutique corporate advisory firm based in Perth, Western Australia. He has extensive experience in equity capital markets, particularly advising on deal structuring for IPO's, equity capital raisings, mergers, and acquisitions.

From 2011 to 2014 Michael served as Institutional Advisor and Associate Director at two of Australia's most respected stockbroking firms. Michael has held directorships that span public and private boards across multiple market sectors. He holds a post graduate Diploma in Applied Finance with a major in Wealth Management through FINSIA.

Mr. Nitsche does not hold and has not held a directorship in any other public listed company over the past three years.

Rachel Swift | Non-Executive Director

DPhil (Oxon), FRSPH, FCHSM, GAICD, CHE

A Rhodes Scholar, Dr Swift brings nearly 20 years of experience in the healthcare sector, with a focus on health innovation, strategy, and governance. Her previous roles include senior positions at The Boston Consulting Group, and she currently serves on several boards within the healthcare and medical research fields. Dr. Swift's background includes expertise in public health, digital health, and medical research, which will be invaluable as ECS continues to grow within the medicinal cannabis industry.

In addition to her executive and board roles, Dr Swift has held academic appointments at the Universities of Oxford and Adelaide. She is a Fellow of the Royal Society of Public Health and the Australasian College of Health Service Management, a Certified Health Executive, and a graduate of the Australian Institute of Company Directors (AICD).

Subsequent to the end of this reporting period, on 4th August 2025, Dr. Swift resigned to take up an Executive role.

Directors' Report.

Nan Maree Schoerie | Managing Director

National Diploma of Analytical Chemistry

Nan has held Australian business leader positions of large organisations such as GE, ThermoFisher and Ventia, having shown an ability to deliver extraordinary bottom- and top-line growth across different geographies and industries. Nan's passion for delivering customer value and her determination to deliver outcomes resulted in enviable customer retention rates whilst regularly securing large annuity contracts, some valued at over \$200m.

As Managing Director Nan is responsible for managing the overall business, ensuring the safety and wellbeing of employees, building a high performing Company culture, ensuring high levels of Customer satisfaction, and delivering on the Group's financial objectives. In addition, Nan works with the board to provide strategic guidance, and ensure good governance.

Ms. Schoerie has not held any other directorships in other ASX listed companies in the past three years. Nan has a National Diploma in Analytical Chemistry and is a Graduate of the Australian Institute of Company Directors (GAICD).

Mauro Piccini | Company Secretary

Bachelor of Accounting and Taxation

Mauro Piccini is a corporate advisor at Mirador Corporate, where he specialises in corporate advisory, company secretarial and financial management services. He spent 7 years at the ASX and possesses core competencies in publicly listed and unlisted company secretarial, administration and governance disciplines. Mauro is currently the Company Secretary of Aurum Resources Limited (ASX: AUE), Red Mountain Mining Ltd (ASX:RMX), and Queensland Pacific Metals Limited (ASX:PM1). Mauro started his career in the Perth office of Ernst and Young where he spent several years in their assurance division and is a Chartered Accountant and member of the Governance Institute of Australia.



Directors' Report.

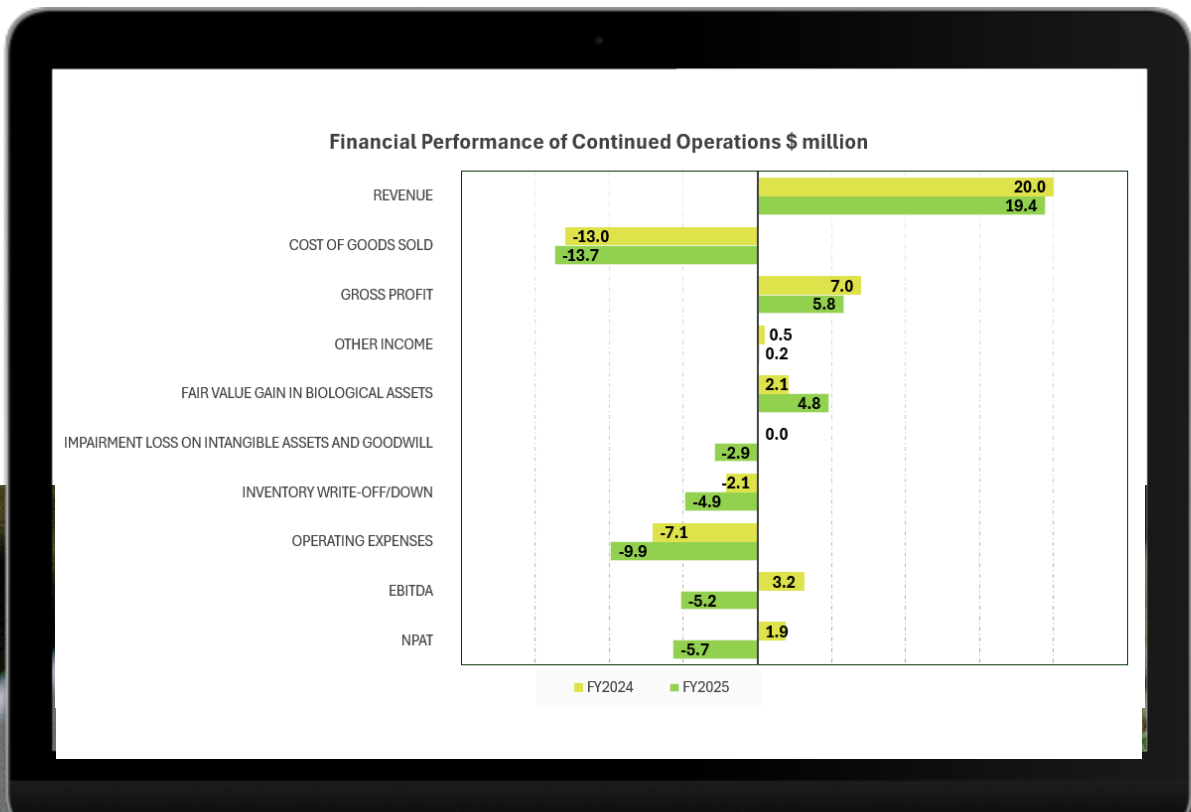
Financial Performance Summary.

50%

Gross Profit
including Fair Value gain in biological assets

25%

Gross Profit
excluding Fair Value Gain in biological assets



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Directors' Report.

Interests in shares and options of the company and related bodies corporate

The following table sets out each current Director's relevant interest in shares and options of the Company or a related body corporate as at the date of this report.

Director	Ordinary Shares	Share Options	Performance Rights
Mr. Jeremy King	6,098,485	10,000,000	-
Mr. Michael Nitsche	-	-	-
Ms. Rachel Swift**	-	4,500,000	-
Ms. Nan-Maree Schoerie	121,166,667	10,000,000	7,500,000*
Total	127,265,152	24,500,000	7,500,000

*One tranche of 3,750,000 Rights expiring on 30 June 2026 and the other expiring on 30 June 2027.

** on 4 August 2025, Ms. Rachel Swift resigned to take up an Executive role.

Review and Results of Operations

Principal Activities

ECS Botanics Holdings Ltd is an Australian medicinal cannabis cultivator and manufacturer based in Northwest Victoria. The Group employs innovative and sustainable cultivation methods, incorporating regenerative and organic horticultural practices alongside renewable energy initiatives to deliver consistent, high-quality medicine.

Licensed by the Therapeutic Goods Administration to manufacture PIC/S GMP-certified products, ECS has established itself as a leading producer and supplier of affordable, premium-grade medicinal cannabis. The Company services both the Australian market and key international markets, positioning itself as a trusted partner in the global medicinal cannabis industry.

Cash and Funding

At 30 June 2025, the Group had \$373,597 in cash.

- **Corporate Market Loan Facility** – Limit increased from \$3.2 million to \$5.2 million in April 2025 to support growth, particularly in B2C operations. Interest rate is BBSY + 3.40% (currently 7.0625%). \$2.29 million was drawn, leaving \$2.91 million available.
- **Revolving Asset Finance** – Limit of \$4.8 million. \$2.16 million was drawn at year-end. On 1 July 2025, \$2.19 million was transferred from the Trade Finance Facility (after seven PCEs were completed), bringing the total drawn to \$4.34 million and leaving \$0.46 million available. Available funds will increase with monthly repayments.
- **Trade Finance Facility** – Originally \$3.4 million to fund nine PCEs. \$2.39 million was drawn at year-end. On 1 July 2025, \$2.19 million was transferred to Asset Finance and about \$200,000 was repaid from cash. The facility was then reset to \$0.5 million to fund the final two PCEs.

Sales and Marketing

ECS has continued to expand its sales and marketing capability, with strong momentum across both business-to-consumer (B2C) and business-to-business (B2B) channels. In B2C, revenue has grown rapidly as the Company builds brand recognition and market presence, supported by targeted sales campaigns, competitive pricing, and an expanded product portfolio including oils, flower, capsules and pastilles. ECS's team of highly experienced Medical Science Liaisons (MSLs) has been instrumental in driving prescriber

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Directors' Report.

engagement, with the number of doctors actively prescribing ECS products reaching over 800 by the end of this first year. This investment in prescriber relationships provides a durable foundation for ongoing patient adoption and loyalty.

On the B2B side, ECS has maintained supply relationships with some of Australia's largest medicinal cannabis companies while steadily growing its international presence. Export demand remains robust, with established sales into Germany and anticipated new supply into Poland in FY26 following product registration.

The successful launch of the premium Terp Hogz brand, sourced from world-class genetics, alongside the introduction of the value-focused OzSun range, has diversified the Group's brand portfolio. This allows ECS to compete across multiple market segments and price points, ensuring resilience and growth despite the market uncertainty and competitive import pressures in the domestic market.

Production and Facilities Expansion

ECS achieved its most successful cultivation season to date in FY25, delivering record volumes and quality across both outdoor and indoor production. Total harvest reached 10.6 tonnes of untrimmed dried flower, representing a 60% year-on-year increase. Within this, outdoor production delivered 6.8 tonnes (up 50% on FY24), with A-grade output increasing 40% year-on-year, underscoring the effectiveness of ECS's ongoing productivity initiatives and focus on quality improvement. All outdoor flower was mechanically trimmed for sale, with no material retained for extraction, ensuring inventory remains aligned with current demand trends and avoiding overstocking of biomass given reduced oil volumes.

Infrastructure investment supported this record harvest, with the completion of seven new and upgraded Protective Cropping Enclosures (PCEs), designed to enhance quality and enable year-round cultivation through the addition of heating and lighting. Electrical system upgrades now allow four PCEs to run with full lighting, with further expansion to be completed in FY26. In parallel, works progressed on the Head House, including the construction of a 468m³ curing room, a dedicated drying room for outdoor flower, and additional washroom and clean storage facilities, all due for completion by October 2025.

ECS also advanced its product diversification strategy by converting genetics rooms into a live resin manufacturing facility, enabling the on-site production of vape products. Supported by a Victorian Government Manufacturing Grant, the facility is scheduled for commissioning in September 2025, marking a key step in building higher-margin, value-added capabilities. Together, these cultivation and production initiatives reinforce ECS's competitive position as a large-scale, low-cost, and quality-driven manufacturer ready to meet both domestic and international demand.

Organic Certification

Following 12 months of being in conversion ECS became fully ACO certified Organic on 19 December 2024 in accordance with the Australian National Standard for Organic and Biodynamic Produce.

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Directors' Report.

Non-Financial Material Operating Risks

Set out below is a non-exhaustive list of risk factors associated with the business of ECS:

Risk Area	Mitigation
Regulatory Risk	<ul style="list-style-type: none"> ECS Botanics is licenced by the Therapeutic Goods Administration, the Federal Office of Drug Control and the Victorian Department of Health and Human Services. Failure to comply with our licence terms and conditions could result in a fine, a suspension of our operations or in extreme circumstances a loss of our licence. ECS regularly engages with the regulators and has open and productive dialogue at the highest level. ECS has been subject to announced and unannounced audits, which resulted in improvement recommendations by the auditors. The Group has a dedicated Regulatory Officer.
Risks associated with product quality	<ul style="list-style-type: none"> Product that does not comply with the Quality standards (TGO93) or medicine labelling requirements (TGO91) could result in damage to our customers' brands or in extreme circumstances a product recall. As Cannabis flower is a botanical product with a limited shelf life the risk of imperfect flower that meets the TGO93 still exists, and customer complaints are received and investigated. Pollination of Cannabis by Hemp cultivation results in seed formation and reduces the product quality. ECS has engaged with the local hemp producers to create a 25 km exclusion zone around the facility, including in NSW. ECS follows all the requirements of the TGA in terms of in-process quality procedures and checks. Quality complaints are reviewed monthly by the management team. ECS holds \$20,000,000 in product liability insurance and \$250,000 in aggregate cover under its product recall policy.
Risk of a serious workplace safety incident	<ul style="list-style-type: none"> Farm-related safety incidents are one of the highest causes of workplace fatalities in Victoria and ECS sees safety as our highest priority. Incidents causing death or serious injury will negatively impact the Group's operations. The Group has a Safety Management Committee and reviews all identified hazards and incident reports. The Group undertakes on-the-job safety training and our safety procedures apply equally to contractors and staff. The Group has identified all critical risks, including mental health and introduced Critical Risk Protocols which go above and beyond our standard safety policies and procedures. ECS is committed to protecting our employees and our environment from harm. Additional risk is created by undertaking in-house construction of the PCE's. Risk assessments and additional safety protocols have been introduced for the construction team.
Competitive Risk	<ul style="list-style-type: none"> The medicinal cannabis industry is undergoing rapid growth and an increasing volume of demand which could lead to oversupply. The Group is actively working with industry bodies and the Office of Drug Control to mitigate this risk. ECS is mitigating the risk by diversifying its product portfolio to range between very medicinal products and more adult use as well as value brands to premium brands

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Directors' Report.

Agricultural Risks	<ul style="list-style-type: none"> ▪ Risk associated with agriculture are inherent to the industry. These risks relate to weather events, pests' and disease all of which may impact flower yield. By constructing more PCE's the Group is reducing this risk. ▪ Loss of yield may adversely impact ECS' revenue, profit and business operations.
Contract Manufacture Risk	<ul style="list-style-type: none"> ▪ ECS relies on third parties to undertake certain manufacturing activities such as extraction, formulation and bottling. ▪ If a contract manufacturer was unable to perform these activities supply may be disrupted which could impact ECS' revenue, profit and business operations.

The risks noted above are not intended to be a list of all risk factors that could impact the business of ECS.

Debt Financing

NAB Corporate Market Loan Facility:

The facility limit was originally \$3.2 million. On 3 April 2025, NAB approved an increase to \$5.2 million to support the Group's growth, particularly in its B2C operations. The interest rate is BBSY + 3.40% (currently 7.0625%). As at 30 June 2025, \$2.29 million had been drawn, leaving \$2.91 million available.

NAB Revolving Asset Finance:

As at 30 June 2025, \$2.16 million was drawn against a \$4.8 million limit. On 1 July 2025, \$2.19 million was transferred from the Trade Finance Facility following completion of seven PCEs, bringing total drawn to \$4.34 million and leaving \$0.46 million available. The available balance will increase with monthly repayments.

NAB Trade Finance Facility:

Established with a \$3.4 million limit to fund nine PCEs. As at 30 June 2025, \$2.39 million was drawn. On 1 July 2025, \$2.19 million was transferred to Asset Finance and approximately \$200,000 repaid from cash. The facility was reset to \$0.5 million to complete the remaining two PCEs.

Cash

The Group held a cash balance of \$373,597 as at 30 June 2025.

Financial Performance

The financial results of the Group for the year ended 30 June 2025 are:

	30-Jun-25 \$	30-Jun-24 \$
Cash and cash equivalents	373,597	3,157,509
Net assets/(liabilities)	22,627,487	28,212,526
Revenue including other income	19,522,833	20,498,655
Net profit/(loss) before tax	(6,909,909)	1,845,176

Dividends

No dividends have been paid or declared by the Group since the end of the previous financial year.

No dividend is recommended in respect of the current financial year.

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Directors' Report.

Significant Changes In The State of Affairs

The Group does not have any significant changes in The State of Affairs during the reporting period.

Events After Reporting Date

As of the reporting date of these financial statements, management has reviewed subsequent events that occurred between the reporting date and the date of authorisation for issue.

- On 4 August 2025, Ms. Rachel Swift resigned to take up an Executive role.
- Also in August 2025, the 4,500,000 options issued to Ms. Rachel Swift in December 2024 were cancelled.

Board Appointments and Resignations

On 1 October 2024, Ms. Rachel Swift joined to the Group's board as a non-executive director. And on 4 August 2025, Ms. Rachel Swift resigned.

Directors' Meetings

The number of Directors' meetings held during the financial year and the number of meetings attended by each Director during the time the Director held office are:

Director	Number Eligible to Attend	Number Attended
Mr. Jeremy King	4	4
Mr. Michael Nitsche	4	4
Ms. Rachel Swift	3	3
Ms. Nan-Maree Schoerie	4	4

In addition to the scheduled Board meetings, Directors regularly communicate by telephone, email or other electronic means, and where necessary, circular resolutions are executed to effect decisions. Due to the size and scale of the Group, there is no Remuneration and Nomination Committee or Audit Committee at present. Matters typically dealt with by these Committees are, for the time being, managed by the Board. For details of the function of the Board, please refer to the Corporate Governance Statement.

Environmental Regulation

ECS Botanics Holdings Limited is subject to significant environmental regulation. The relevant authorities are kept updated and, to the best of the directors' knowledge and belief, all responsibilities under the regulations have been discharged and there have been no breaches of any environmental regulation.

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Directors' Report.

Remuneration Report (Audited)

This remuneration report for the year ended 30 June 2025 outlines the remuneration arrangements of The Group in accordance with the requirements of the Corporations Act 2001 ("the Act") and its regulations. This information has been audited as required by section 308(3C) of the Act.

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

Key Management Personnel Disclosed in this Report

Key Management Personnel of the Group during the year:

Mr. Jeremy King	Non-Executive Chair
Mr. Michael Nitsche	Non-Executive Director
Ms. Rachel Swift	Non-Executive Director
Ms. Nan-Maree Schoerie	Managing Director
Mr. Xiao Dong (Arthur) Sun	Chief Financial Officer
Mr. Nicholas Thomas	Chief Operating Officer

*On 4 August 2025, Ms. Rachel Swift resigned to take up an Executive role.

There have been no other changes after reporting date and up to the date that the financial report was authorised for issue.

The Remuneration Report is set out under the following main headings:

A	Remuneration Philosophy
B	Remuneration Governance, Structure and Approvals
C	Voting of shareholders at last's years Annual General Meeting
D	Details of Remuneration
E	Service Agreements
F	Share-based Compensation
G	Equity Instruments Issued on Exercise of Remuneration Options
H	Other Transactions with KMP

A. Remuneration Philosophy

KMP have authority and responsibility for planning, directing, and controlling the activities of the Group. KMP of the Group comprises of the Board of Directors, the Chief Financial Officer, and the Chief Operating Officer.

The Group's broad remuneration policy is to ensure the remuneration package reflects the person's duties and responsibilities and that remuneration is competitive in attracting, retaining, and motivating people of the highest quality. No remuneration consultants were employed during the financial year.

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Directors' Report.

B. Remuneration Governance, Structure and Approvals

The nature and amount of remuneration is collectively considered by the Board of Directors with reference to relevant employment conditions and fees commensurate to a company of comparable size and level of activity, with the overall objective of ensuring maximum stakeholder benefit from the retention of high performing Directors.

1. Executive Remuneration Structure

The nature and amount of remuneration of executives are assessed on a periodic basis with the overall objective of ensuring maximum stakeholder benefit from the retention of high-performance Directors.

The main objectives sought when reviewing executive remuneration is that the Group has:

- Coherent remuneration policies and practices to attract and retain Executives;
 - Executives who will create value for shareholders;
 - Competitive remuneration offered benchmarked against the external market; and
 - Fair and responsible rewards to Executives having regard to the performance of the Group, the performance of the Executives and the general pay environment.
- When Performance Rights are provided, both Binomial and Monte Carlo Options Valuation model is used to value the Rights. The value of each Right was then multiplied by the number of Rights expected to vest to provide us with a valuation of each tranche. The probability of continuous employment was then applied to determine the number of Rights expected to vest.

2. Executive Remuneration Approvals

The Group aims to reward Executives with a level and mix of remuneration commensurate with their position and responsibilities within The Group and aligned with market practice. Executive contracts are reviewed annually by the Board, in the absence of a Remuneration Committee, for their approval. The process consists of a review of company, business unit and individual performance, relevant comparative remuneration internally and externally and where appropriate, external advice independent of management.

Executive remuneration and incentive policies and practices must be aligned with The Group's vision, values and overall business objectives. Executive remuneration and incentive policies and practices must be designed to motivate management to pursue The Group's long-term growth and success and demonstrate a clear relationship between The Group's overall performance and performance of the executives.

3. Non-executive Remuneration Approvals

Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the Board of Directors. The Board of Directors may, from time to time, receive advice from independent remuneration consultants to ensure nonexecutive directors' fees and payments are appropriate and in line with the market. The chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The chairman is not present at any discussions relating to the determination of his own remuneration.

ASX listing rules require the aggregate non-executive directors' remuneration be determined periodically by a general meeting. The maximum annual aggregate remuneration is currently set at \$300,000.

Directors' Report.

C. Voting of Shareholders at Last Year's Annual General Meeting

ECS Botanics Holdings Limited received more than 85% approval on its remuneration report for the 2025 financial year.

D. Details of Remuneration

Details of the nature and amount of each major element of the remuneration of each KMP of the Group during the financial year are:

Table 1 – Remuneration of KMP of the Group for the year ended 30 June 2025 is set out below:

30-Jun-25	Short-term Employee Benefits				Post-Employment	Long - term benefits	Share Based Payments	Total
	Salary & fees	Other benefits	Non-monetary benefits	Annual Leave	Super-annuation	Long service leave	Performance rights	
	\$	\$	\$	\$	\$	\$	\$	\$
Directors								
Jeremy King	76,250	-	-	-	8,769	-	-	85,019
Michael Nitsche	36,000	-	-	-	4,140	-	-	40,140
Rachel Swift*	47,085	-	-	-	5,415	-	-	52,500
Nan Maree Schoerie	376,903	-	-	(26,409)	38,754	18,278	29,271	436,796
Other KMP								
Xiao Dong (Arthur) Sun	240,274	-	-	2,433	27,631	3,829	41,168	315,336
Nicholas Thomas**	189,726	31,600	-	12,096	21,819	182	-	255,423
Total	966,238	31,600	-	(11,880)	106,527	22,289	70,439	1,185,214

*On 1 October 2024, Ms. Rachel Swift was appointed as a non-executive director, she resigned on 4 August 2025.

**On 23 September 2024, Mr. Nicholas Thomas was appointed as Chief Operating Officer.

During this reporting period ended 30 June 2025 ECS issued two tranches of Rights totaling 7,500,000 to the Managing Director. The rights were approved on 21 November 2024. ECS management engaged an independent valuer to measure the fair value of the rights issued. A total fair value has been determined of \$95,696 of which \$29,271 was expensed during the reporting period. The terms of the rights issued and key inputs used in the valuation have been summarised below:

Tranche E (MD) totalling 3,750,000 Rights subject to Market-based vesting condition - the number of rights that vest is conditional on ECS's 20-day VWAP Target share price of \$0.024 during the performance period between 21 November 2024 and including 30 June 2026;

Tranche F (MD) totalling 3,750,000 Rights subject to Market-based vesting condition - the number of rights that vest is conditional on ECS's 20-day VWAP Target share price of \$0.030 during the performance period between 21 November 2024 and including 30 June 2027;

Directors' Report.

During the reporting period ended 30 June 2024, ECS issued one tranche of Rights totaling 5,000,000 to the Chief Financial Officer. The rights were approved on 1 January 2024. ECS management engaged an independent valuer to measure the fair value of the rights issued. A total fair value has been determined of \$102,981 of which \$41,168 was expensed during this reporting period. The terms of the rights issued and key inputs used in the valuation have been summarised below:

Tranche E totalling 5,000,000 Rights subject to a non-market based vesting condition - the number of rights that vest is conditional upon the recipients continued service with The Group from the issue date up to and including 1 July 2026;

The terms and conditions of each grant of performance rights over ordinary shares affecting remuneration of Directors and other key management personnel in this financial year or future reporting years are as follows:

Name	Number of rights granted	Grant date	Vesting status by class	Expiry date	Share price hurdle for vesting	Fair value per right at grant date
Nan-Maree Schoerie	3,750,000	21-Nov-2024	E (MD)	30-Jun-2026	\$0.024	\$0.0128
Nan-Maree Schoerie	3,750,000	21-Nov-2024	F (MD)	30-Jun-2027	\$0.030	\$0.0127
Xiao Dong (Arthur) Sun	5,000,000	01-Jan-2024	E	01-Jul-2026	-	\$0.0206

Table 2 – Remuneration of KMP of the Group for the year ended 30 June 2024 is set out below:

30-Jun-24	Short-term Employee Benefits			Post-Employment	Long - term benefits		Share Based Payments	Total
	Salary & fees	Other benefits	Non-monetary benefits	Annual Leave	Super-annuation	Long service leave	Performance rights	
	\$	\$	\$	\$	\$	\$	\$	\$
Directors								
Jeremy King	55,333	-	-	-	6,087	-	25,134	86,554
Michael Nitsche	36,000	-	-	-	3,960	-	-	39,960
Nan Maree Schoerie	317,150	-	-	12,425	34,886	5,828	150,547	520,836
Alex Keach*	40,003	-	-	-	4,400	-	-	44,403
Other KMP								
Xiao Dong (Arthur) Sun	211,538	-	-	5,197	23,269	1,730	20,528	262,262
Total	660,024	-	-	17,622	72,602	7,558	196,209	954,015

*On 6 May 2024 Mr. Alex Keach has resigned from the Group's board.

The following table shows the relative proportions of remuneration that are linked to performance and those that are fixed, based on the amounts disclosed as statutory remuneration expense in the tables above.

Directors' Report.

Table 3 – Relative proportion of fixed vs variable remuneration expense:

	Fixed Remuneration		At Risk – STI (%)		At Risk – LTI (%)	
	2025	2024	2025	2024	2025	2024
Directors						
Jeremy King	100%	71%	-	-	-	29%
Michael Nitsche	100%	100%	-	-	-	-
Rachel Swift	100%	-	-	-	-	-
Nan Maree Schoerie	89%	71%	-	-	11%	29%
Other KMP						
Xiao Dong (Arthur) Sun	86%	92%	-	-	14%	8%
Nicholas Thomas	100%	-	-	-	-	-
	Fixed Remuneration		At Risk – STI (%)		At Risk – LTI (%)	
	2024	2023	2024	2023	2024	2023
Directors						
Jeremy King	71%	71%	-	-	29%	29%
Michael Nitsche	100%	100%	-	-	-	-
Nan Maree Schoerie	71%	85%	-	-	29%	15%
Alex Keach	100%	100%	-	-	-	-
Other KMP						
Xiao Dong (Arthur) Sun	92%	-	-	-	8%	-

Table 4 – Shareholdings of KMP (direct and indirect holdings)

30 June 2025	Balance at 01/07/2024	Granted as Remuneration	On Exercise of Options	Net Change – Other	Balance at 30/06/2025
Directors					
Jeremy King	6,098,485	-	-	-	6,098,485
Michael Nitsche	-	-	-	-	-
Rachel Swift	-	-	-	-	-
Nan Maree Schoerie	112,666,667	-	7,500,000	1,000,000	121,166,667
Other KMP					
Xiao Dong (Arthur) Sun	-	-	-	-	-
Nicholas Thomas	-	-	-	-	-
Total	118,765,152	-	7,500,000	1,000,000	127,265,152

Directors' Report.

Table 5 – Performance rights of KMP (direct and indirect holdings)

30 June 2025	Balance at 01/07/2024	Granted as Remuneration	Expiry/Elapsed Performance Rights	Converted Performance Rights	Balance at 30/06/2025
Directors					
Jeremy King	5,000,000	-	(5,000,000)	-	-
Michael Nitsche	-	-	-	-	-
Rachel Swift	-	-	-	-	-
Nan Maree Schoerie	15,000,000	7,500,000	(7,500,000)	(7,500,000)	7,500,000
Other KMP					
Xiao Dong (Arthur) Sun	5,000,000	-	-	-	5,000,000
Nicholas Thomas	-	-	-	-	-
Total	25,000,000	7,500,000	(12,500,000)	(7,500,000)	12,500,000

Table 6 – Quoted option holdings of KMP (direct and indirect holdings)

30 June 2025	Balance at 01/07/2024	Granted as Remuneration	On Exercise of Options	Net Change – Other	Balance at 30/06/2025
Directors					
Jeremy King	-	10,000,000	-	-	10,000,000
Michael Nitsche	-	-	-	-	-
Rachel Swift	-	4,500,000	-	-	4,500,000
Nan Maree Schoerie	-	10,000,000	-	-	10,000,000
Other KMP					
Xiao Dong (Arthur) Sun	-	-	-	-	-
Nicholas Thomas	-	-	-	-	-
Total	-	24,500,000	-	-	24,500,000

*On 4 August 2025, Ms. Rachel Swift resigned, and the 4,500,000 options were cancelled.

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Directors' Report.

E. Service Agreements

1. Jeremy King – Non-Executive Chair

- Contract: Commenced on 8 May 2019
- Director's Fee: \$80,000 plus superannuation per annum
- Term: Appointment as a Non-Executive Director is in accordance with the Constitution of the Company and subject in particular to the provisions dealing with retirement by rotation and the various provisions relating to the election of directors
- Termination: in accordance with the Constitution of the Company

2. Michael Nitsche – Non-Executive Director

- Contract: Commenced on 8 May 2019
- Director's Fee: \$36,000 plus superannuation per annum
- Term: Appointment as a Non-Executive Director is in accordance with the Constitution of the Company and subject in particular to the provisions dealing with retirement by rotation and the various provisions relating to the election of directors
- Termination: in accordance with the Constitution of the Company

3. Rachel Swift – Non-Executive Director

- Contract: Commenced on 1 October 2024
- Director's Fee: \$70,000 including superannuation per annum
- Term: Appointment as a Non-Executive Director is in accordance with the Constitution of the Company and subject to the provisions dealing with retirement by rotation and the various provisions relating to the election of directors
- Termination: in accordance with the Constitution of the Company

4. Nan Maree Schoerie – Managing Director

- Contract: Commenced on 15 March 2021
- Salary and fees: \$324,775 plus superannuation per annum
- Term: 12 months from the commencement date with extended term options
- Termination: On termination, the executive is entitled to be paid any outstanding amounts owing up until the termination date. The executive does not have any entitlement to payment related to the unexpired portion of the term as at the date of termination

5. Xiao Dong (Arthur) Sun – Chief Financial Officer

- Contract: Commenced on 14 April 2022
- Salary and fees: \$235,000 plus superannuation per annum
- Term: 12 months from the commencement date with extended term options
- Termination: On termination, the executive is entitled to be paid any outstanding amounts owing up until the termination date. The executive does not have any entitlement to payment related to the unexpired portion of the term as at the date of termination

6. Nicholas Thomas – Chief Operating Officer

- Contract: Commenced on 23 September 2024
- Salary and fees: \$275,000 inclusive of superannuation per annum
- Term: 12 months from the commencement date with extended term options
- Termination: On termination, the executive is entitled to be paid any outstanding amounts owing up until the termination date. The executive does not have any entitlement to payment related to the unexpired portion of the term as at the date of termination

F. Share-based Compensation

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Directors' Report.

The Group rewards Directors for their performance and aligns their remuneration with the creation of shareholder wealth by issuing share options and rights. Share-based compensation is at the discretion of the Board and no individual has a contractual right to receive any guaranteed benefits.

During this reporting period ended 30 June 2025, The Group issued two tranches of Performance Rights totalling 3,750,000 to the Managing Director, one tranche of 3,750,000 Rights expiring on 30 June 2026 and the other expiring on 30 June 2027.

During this reporting period ended 30 June 2025, a total of 7,500,000 Rights (Tranche A and Tranche B) were converted into shares following the achievement of vesting conditions. Conversely, 12,500,000 Rights (Tranche C and Tranche D) were forfeited due to the vesting conditions not being met.

On 16 December 2024, a total of 24,500,000 unquoted options were issued as director incentives, with an exercise price of \$0.024 and an expiry date of 31 December 2029.

Additional information:

	2025	2024	2023	2022	2021
	\$	\$	\$	\$	\$
Sales Revenue	19,522,833	20,498,655	15,673,715*	5,613,739*	-
EBITDA	(5,207,975)	3,220,099	1,375,045	919,128	1,384
EBIT	(6,646,674)	1,845,176	1,002,094	(339,792)	(4,900,634)
Profit/(Loss) after income tax	(5,733,099)	1,915,564	(81,759)	(1,103,293)	(5,088,560)

*Revenue from continuing operations.

	2025	2024	2023	2022	2021
Share price at financial year end (\$)	0.010	0.017	0.023	0.023	0.039
Total dividends declared	-	-	-	-	-
Basic earnings/(loss) per share (cents per share)	(0.4435)	0.1640	(0.0074)	(0.1084)	(0.6400)

G. Equity Instruments Issued on Exercise of Remuneration Options

No remuneration options or performance rights were exercised during the financial year.

H. Other Transactions with KMP

	30-Jun-25	30-Jun-24
	\$	\$
The following transactions occurred with related parties:		
Mirador Corporate Pty Ltd⁽ⁱ⁾	83,213	72,450
Pharmout⁽ⁱⁱ⁾	90,295	24,689
Qiksolve Pty Ltd⁽ⁱⁱⁱ⁾	52,366	47,157
Total	225,874	144,296

- Mirador Corporate Pty Ltd was paid for company secretarial to the Group, of which Jeremy King is a director.
- PharmOut was paid for regulatory advice and contract labour, an entity owned by a close family member of Nan-Maree Schoerie. During the period, the Group paid Pharmout \$51,666 for regulatory advice and \$38,629 for contract labour.
- Qiksolve Pty Ltd was paid for IT services, an entity owned by a close family member of Nan-Maree Schoerie.

Transactions occurring during the year are based on normal commercial terms and conditions and at an arms-length basis. There were no other transactions with KMP during the year ended 30 June 2025.

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Directors' Report.

End of Audited Remuneration **Report.**

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Directors' Report.

Shares under option

Unissued ordinary shares of ECS Botanics Holdings Ltd under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
28 Feb 2024	28 Jun 2026	\$0.033	20,000,000
11 Nov 2024	31 Dec 2029	\$0.024	24,500,000

During the year ended 30 June 2025, a total of 24,500,000 unquoted options were issued as director incentives, with an exercise price of \$0.024 and an expiry date of 31 December 2029. As at the date of this report, no previously granted options have been exercised.

Indemnification And Insurance of Officers and Auditors

The Group has indemnified the Directors and Executives of the Group for costs incurred, in their capacity as a Director or Executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Group paid a premium in respect of a contract to ensure the Directors and Executives of the Group against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

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

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

Officers of the Group who are former directors of William Buck

There are no officers of the Group who are former directors at William Buck Audit (Vic) Pty Ltd.

Proceedings on behalf of the Group

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

Non-audit Services

Details of the amounts paid or payable to the auditor for non-audit services provided during the year by the auditor are outlined in [Note 27](#) to the financial statements.

The Board of Directors has considered the position and is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001 and APES 110 Code of Ethics for Professional Accountants (including Independence Standards).

The Directors are satisfied that the provision of non-audit services by the auditors, as set out below, did not compromise the auditor independent requirements of the Corporations Act 2001 for the following reasons:

- i) All non-audit services have been reviewed by the Board of Directors to ensure they do not impact the impartiality and objectivity of the auditor; and
- ii) None of the services undermine the general principles relating to the auditor independence as set out in APES 110 Code of Ethics for Professional Accountants (Including Independence Standards).

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Directors' Report.

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2025 has been received and included within these financial statements. A copy of the auditor's independence declaration as required under section 307C of the **Corporations Act 2001** is set out on page 29.

Managing Director and CFO declaration

Managing Director and CFO have given a declaration to the Board concerning the Group's financial statements under section 295A(2) of the Corporations Act 2001 and recommendation 4.2 [GF1] of the ASX Corporate Governance Council Corporate Governance Principles and Recommendations (4th edition) in regards to the integrity of the financial statements.

This report is made in accordance with a resolution of Directors, pursuant to section 298(2)(a) of the Corporations Act 2001.



Nan-Maree Schoerie

Managing Director
29 August 2025

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

To the directors of ECS Botanics Holdings Ltd

As lead auditor for the audit of ECS Botanics Holdings Ltd for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

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

This declaration is in respect of ECS Botanics Holdings Ltd and the entities it controlled during the year.



William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136



J. C. Luckins
Director
Melbourne, 29 August 2025

Consolidated Statement of Profit or Loss and Other Comprehensive Income.

	Note	2025 \$	2024 \$
Revenue from continuing operations			
Revenue	3	19,363,143	20,030,356
Other income	3	159,690	468,299
Expenses			
Cost of sales	4	(13,664,478)	(13,003,485)
Employment and consulting	4	(6,120,954)	(4,130,403)
Inventory impairment	9	(4,884,471)	(1,620,680)
Impairment loss on intangible assets and goodwill	12	(2,939,014)	-
Corporate expenses	4	(2,112,547)	(1,933,387)
Selling and distribution expenses	4	(1,088,681)	-
Finance costs		(314,239)	(61,773)
Research and development expenses		(123,370)	(10,000)
Fair-Value gain on biological assets	10	4,815,011	2,106,249
Profit/(Loss) before income tax		(6,909,909)	1,845,176
Income tax benefit	5	1,176,810	70,388
Profit/(Loss) from continuing operations		(5,733,099)	1,915,564
Other comprehensive income			
Other comprehensive income/(loss) for the period, net of tax		-	-
Other comprehensive income/(loss) for the period, net of tax		-	-
Total comprehensive profit/(loss) attributable to the members of the Group		(5,733,099)	1,915,564
Earnings/(Loss) per share from continuing operations attributable to the members of the Group			
Basic earnings/(loss) per share (cents)	20	(0.4435)	0.1640
Diluted earnings/(loss) per share (cents)	20	(0.4435)	0.1572
Earnings/(Loss) per share for the year attributable to the members of the Group			
Basic earnings/(loss) per share (cents)	20	(0.4435)	0.1640
Diluted earnings/(loss) per share (cents)	20	(0.4435)	0.1572

The Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the notes to the financial statements.

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Consolidated Statement of Financial Position.

	Note	30-Jun-25 \$	30-Jun-24 \$
Assets			
Current assets			
Cash and cash equivalents	6	373,597	3,157,509
Trade and other receivables	7	2,341,422	1,786,844
Deposits and advances	8	1,158,815	1,666,812
Inventory	9	14,840,214	12,982,872
Biological assets	10	202,939	88,431
Total current assets		18,916,987	19,682,468
Non-current assets			
Property, plant and equipment	11	11,924,971	8,547,760
Intangible assets	12	-	2,211,971
Goodwill	12	-	1,050,000
Other non-current trade receivables	7	1,474,092	1,238,600
Deferred tax assets	5	1,327,239	150,429
Total non-current assets		14,726,302	13,198,760
Total assets		33,643,289	32,881,228
Liabilities			
Current liabilities			
Trade and other payables	13	3,267,745	2,968,106
Borrowings	14	4,678,270	-
Employee provisions	15	369,634	264,979
Contract liabilities	16	497,585	411,734
Hire purchase liability	17	553,462	238,674
Total current liabilities		9,366,696	3,883,493
Non-current liabilities			
Hire purchase liability	17	1,649,106	785,209
Total non-current liabilities		1,649,106	785,209
Total liabilities		11,015,802	4,668,702
Net Assets		22,627,487	28,212,526
Equity			
Contributed equity	18	36,667,054	36,532,054
Reserves	19	317,219	415,322
Accumulated losses		(14,356,786)	(8,734,850)
Total equity		22,627,487	28,212,526

The Consolidated Statement of Financial Position should be read in conjunction with the notes to the financial statements.

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Consolidated Statement of Cash Flows.

	Note	2025 \$	2024 \$
Cash flows from operating activities			
Receipts from customers		18,553,838	19,403,543
Payment to suppliers and employees		(23,336,697)	(20,878,213)
Interest received		5,182	35,355
Interest paid		(294,548)	(46,830)
Net cash inflow/(outflow) from operating activities	6(a)	(5,072,225)	(1,486,145)
Cash flows from investing activities			
Purchase of PPE		(3,568,642)	(2,392,407)
Net cash outflow from investing activities		(3,568,642)	(2,392,407)
Cash flows from financing activities			
Proceeds from borrowings		6,282,230	859,521
Proceeds from the issue of shares (net of costs)		-	3,800,015
Lease repayments		(425,274)	(165,735)
Net cash inflow from financing activities		5,856,955	4,493,801
Net (decrease) / increase in cash and cash equivalents		(2,783,912)	615,249
Cash and cash equivalents at the beginning of the period		3,157,509	2,542,260
Cash and cash equivalents at the end of the period	6	373,597	3,157,509

The Consolidated Statement of Cash Flows should be read in conjunction with the notes to the financial statements.

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Notes to The Consolidated Financial Statements.

NOTE 1

Material Accounting Policy Information

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

a) Reporting Entity

ECS Botanics Holdings Limited (referred to as "ECS" or the "Group") is a Group domiciled in Australia. The address of the Group's registered office and principal place of business is disclosed in the Corporate Directory of the Annual Report. The financial statements are presented in Australian dollars, which is ECS Botanics Holdings Limited's functional and presentation currency.

b) Basis of Preparation

Statement of compliance

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") and the Corporations Act 2001. The financial statements comply with International Financial Reporting Standards ("IFRS") adopted by the International Accounting Standards Board ("IASB"). ECS Botanics Holdings Limited is a for-profit entity for the purpose of preparing the financial statements.

The annual report was authorised for issue by the Board of Directors on 29 August 2025.

Going Concern

The financial report has been prepared on a going concern basis, reflecting management's expectation that the Group will continue to operate for the foreseeable future.

For FY2025, the Group reported a net loss of \$6,909,909 before tax, primarily due to a \$4,884,471 inventory impairment (Note 9) and a \$2,939,014 impairment of goodwill and intangible assets (Note 12). Net operating cash outflows for the year were \$5,072,225, while current assets exceeded current liabilities by \$9,550,291. As at 30 June 2025, cash and cash equivalents were \$373,597.

These factors indicate a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern and, therefore, its ability to realise assets and discharge liabilities in the normal course of business.

To mitigate this uncertainty, the Group has successfully obtained NAB's approval to increase the Corporate Markets Loan Facility from \$3,000,000 to \$5,200,000, with the next renewal on 1 July 2027. The Group has also budgeted to return to profitability in FY2026, with net positive cash flows expected from the December quarter, supported by the following initiatives:

- Continued high growth from B2C sales leveraging existing consignment stock;
- Further growth in exports to the EU as the Poland customer comes online;
- Annualised and organic growth from recent product launches (VESIsorb and Terphogz);
- Continued and annualised growth in the OzSun range, particularly leveraging the record volume and quality of the FY25 harvest
- Reduced external flower purchases through increased in-house production;
- Higher yields and improved flower quality as a direct result of the recent investment in additional 9 Protective Cropping Enclosures

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Notes to The Consolidated Financial Statements.

NOTE 1

Material Accounting Policy Information

- Converting existing flower inventory into cash;
- Freezing non-critical salary increases and recruitment;

The Group also has access to a NAB Corporate Markets Loan Facility with a \$5,200,000 limit, of which \$2,290,000 had been drawn, leaving \$2,910,000 available for use.

Based on these initiatives and underlying assumptions, management believes the Group has sufficient resources to continue as a going concern.

The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the Group does not continue as a Going Concern.

Accounting Policies

The accounting policies are consistent with those applied in the previous financial year.

Basis of preparation and changes to the Group's accounting policies

The consolidated entity has adopted all of the new or amended Accounting Standards and interpretations issued by the Australian Accounting Standards Board ("AASB") that are mandatory for the current reporting period. The impact of these are not material.

Significant Judgements and Estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2.

c) Comparatives

Comparative balances for the Group are for the financial year 1 July 2023 to 30 June 2024.

d) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board.

e) Principles of Consolidation

Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of ECS Botanics Holdings Limited ('Group' or 'parent entity') as at 30 June 2025 and the results of all subsidiaries for the year then ended. ECS Botanics Holdings Limited and its subsidiaries together are referred to in this financial report as the consolidated entity.

Subsidiaries are all entities (including special purpose entities) over which the consolidated entity has the power to govern the financial and operating policies, generally acGrouping a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the consolidated entity controls another entity.

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NOTE 1

Material Accounting Policy Information

Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

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

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

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of financial position respectively.

f) Revenue Recognition

Revenue from contracts with customers

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

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Sale of goods – medicinal cannabis and related products

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

The Group sells a variety of medicinal cannabis and related products to the wholesale market. These sales relate to both the manufacture and distribution of products grown and manufactured by the Group.

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Material Accounting Policy Information

Rendering of services – cultivation and processing services

The Group derives revenue from cultivation and processing services to various parties. Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

Grant funding

Flood supports, Research and Development (R&D) Grant, EMDG, Manufacturing Grant, and Government labour assistance are recognised where there is reasonable assurance that the entity will comply with the conditions attached to the grants and that the grants will be received.

g) Property, Plant and Equipment

Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in profit or loss. When revalued assets are sold, it is group policy to transfer any amounts included in other reserves in respect of those assets to retained earnings.

The depreciable amount of all fixed assets is depreciated on a straight-line basis or diminishing value (whichever is more appropriate) over their useful lives to the entity commencing from the time the asset is held ready for use.

Land and buildings are recognised at historical cost on initial purchase, management review the value booked at each reporting date for impairment indicators.

The effective lives used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation rate
Buildings	2.5%
Class of Fixed Asset	Useful life
Irrigation systems	20 years
Other farm assets	5-20 years
Property plant and equipment	10-30 years
Motor vehicles	4 years
Office equipment	5 years
Computer equipment	3 years
Minor Assets <\$1,000	immediately recognised as an expense

h) Biological assets

The Group's biological assets consist of the hemp growth accounted for in accordance with AASB 141 Agriculture. The Group measures the biological assets in accordance with AASB 141 Agriculture at fair value less costs to sell up to the point of harvest, which becomes the basis for the cost of finished goods within inventories. Fair value is determined based on future cash flows of the in process biological assets less costs to complete. Cost to sell include post-harvest production, shipping and fulfillment costs.

Where the biological assets cannot be reliably measured at fair value during the in-process (growth) stage the biological asset is measured at its cost less any accumulated depreciation and accumulated

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Material Accounting Policy Information

impairment losses. Once the fair value becomes reliably measurable (deemed to be the point of harvest) the Group measures the biological assets at their fair value less costs to sell as noted above.

i) Inventories

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

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. The cost of the hemp seeds are transferred from biological assets, in which they are held at fair value as at the date of harvest.

j) Intangible assets

Intangible assets are recognised at cost less any accumulated amortisation and impairment losses. They are amortised over their estimated useful lives of 10 years. To maintain the Group's licences, they are subject to routine inspections throughout the licence period whereby the Group is required to comply with the regulations of the licences' governing bodies.

k) Fair value

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.

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NOTE 1

Material Accounting Policy Information

l) Impairment of Assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows. Where an impairment loss subsequently reverses, the carrying amount of the asset, other than goodwill, is increased to the revised estimate of its recoverable amount, but only to the extent the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

m) Goodwill

Goodwill represents the excess of purchase consideration over the fair value of the identifiable net assets at the time of acquisition of a combination. When the excess is negative (bargain purchase), it is recognised immediately in profit or loss.

Goodwill is not amortised, Instead, Goodwill is tested for impairment at each reporting date or more frequently if events or circumstances indicate that might be impaired, and it carried at costs less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of Goodwill relating the entity sold.

Goodwill is allocated to each of the cash-generating units for the purposes of impairment testing. Impairment is determined by assessing the recoverable amount of the cash-generating unit to which the goodwill relates to (refer Note 12). Impairment losses on goodwill cannot be reversed.

n) Share-based payments

Equity-settled share-based compensation benefits are provided to employees, directors, and the lead manager. Equity-settled transactions are awards of shares, or options over shares, or rights over shares that are provided to employees and directors in exchange for the rendering of services.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Monte-Carlo pricing model that takes into account the exercise price, the term, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free rate for the term of the option and the rights, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled 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.

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Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

o) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of the Group, 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.

p) New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Notes to The Consolidated Financial Statements.

NOTE 2

Critical Accounting Estimates And Judgements And Assumption

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The critical accounting judgements, estimates and assumptions that are likely to affect the current or future balances are detailed below;

Share based payments

The consolidated entity measures the cost of equity-settled transactions with employees and service providers by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using an appropriate valuation model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity. The assumptions and models used for estimating the fair value of share-based payments transactions are disclosure in [Note 19](#).

Revenue from contracts with customers involving sale of goods

When recognising revenue in relation to the sale of goods to customers, the key performance obligation of the consolidated entity is considered to be the point of delivery of the goods to the customer, as this is deemed to be the time that the customer obtains control of the promised goods and therefore the benefits of unimpeded access.

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience, historical collection rates, and forward-looking information that is available. The allowance for expected credit losses, as disclosed in [Note 7](#) is calculated based on the information available at the time of preparation. The actual credit losses in future years may be higher or lower.

Impairment of non-financial assets

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

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

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Notes to The Consolidated Financial Statements.

NOTE 2

Critical Accounting Estimates And Judgements And Assumption

Provision for impairment of inventories

The provision for impairment of inventories assessment requires a degree of estimation and judgement. In calculating final inventory values, management is required to determine an estimate of spoiled or expired inventory and compares the inventory cost to estimated net realisable value. The level of the provision is assessed by taking into account the recent sales experience, the ageing of inventories and other factors that affect inventory obsolescence.

Estimation of useful lives of assets

The consolidated entity 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 lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

To maintain the Group's licences, they are subject to routine inspections throughout the licence period whereby the Group is required to comply with the regulations of the licences' governing bodies. If these regulations are not met, this could impact on the estimated useful life of licences.

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Notes to The Consolidated Financial Statements.

NOTE 3

Revenue

Revenue	30-Jun-25	30-Jun-24
	\$	\$
Wholesale sales	19,363,143	19,243,756
Services over time	-	786,600
	19,363,143	20,030,356

During the year ended 30 June 2025, 26% (2024: 51%) of the Group's external revenue was derived from major customers within the Medicinal Cannabis segment, each with revenue amounting to 10% or more of total revenue as follows:

Customer	FY2025	FY2024
Group G	16%	-
Group H	10%	1%
Group A	8%	28%
Group E	7%	12%
Group F	7%	11%
Other	52%	48%
	100%	100%

Other income	30-Jun-25	30-Jun-24
	\$	\$
Government grants	118,452	417,545
Interest income	5,182	35,355
Other income	37,600	15,399
Profit(Loss) on disposal of assets	(1,544)	-
	159,690	468,299

NOTE 4

Expenses

	30-Jun-25	30-Jun-24
	\$	\$
Cost of products or raw materials	(13,570,074)	(12,936,659)
Wages and superannuation	(5,468,926)	(3,501,176)
Depreciation and amortisation expense	(1,438,699)	(1,328,092)
Selling and distribution expenses	(1,088,681)	-
Professional fees	(566,093)	(574,004)
Administration	(446,972)	(314,473)
Directors' fees	(164,750)	(131,333)
Share based payment expense	(148,060)	(214,713)
Consumable & processing costs	(94,405)	(66,825)
Total	(22,986,660)	(19,067,275)

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Notes to The Consolidated Financial Statements.

NOTE 5

Income Tax

	30-Jun-25	30-Jun-24
	\$	\$
(a) The components of tax expense comprise:		
Current tax expense	-	-
Deferred tax (benefit)	(1,176,810)	473,442
Recognition of opening deferred tax asset, including tax losses*	-	(543,830)
Income tax (benefit) reported in the statement of profit or loss and other comprehensive income	(1,176,810)	(70,388)
	30-Jun-25	30-Jun-24
	\$	\$
(b) The prima facie tax on loss from ordinary activities before tax is reconciled to the income tax as follows:		
Profit/(loss) before income tax expense	(6,909,909)	1,845,176
Prima facie tax expense/(benefit) on profit before income tax at 25% <i>Tax effect amounts which are not deductible/(taxable) in calculating taxable income:</i>	(1,727,477)	461,294
Share Based Payments	37,015	53,678
License Amortisation	80,739	75,577
Impairment loss on Intangible and Goodwill	734,754	-
Other	57,775	(117,107)
Less: Recognition of opening deferred tax asset, including tax losses*	-	(543,830)
Less: Recognition of losses	(110,583)	-
Less: Prior year adjustment	(249,033)	-
Income tax (benefit)/expense reported in the statement of profit or loss and other comprehensive income	(1,176,810)	(70,388)
	30-Jun-25	30-Jun-24
	\$	\$
Reconciliation of deferred tax balances		
Opening balance at the beginning of the reporting period	150,429	-
Recognition of opening deferred tax asset, including tax losses*	-	543,830
Recognition of Business-related costs	-	167,801
Transfer to tax benefit/(expense)	1,176,810	(473,442)
Transfer to equity cost	-	(87,760)
Closing balance at the end of the reporting period	1,327,239	150,429
Deferred tax assets and liabilities not recognised		
Tax losses	12,003,471	12,224,502
Capital losses	74,348	74,348
Net deferred tax asset not recognised*	12,077,818	12,298,850

*The Group engaged William Buck Tax consultants to assess its ability to satisfy the Continuity of Ownership Test (COT) in relation to carried-forward tax losses under the Income Tax Assessment Act 1997 (ITAA 1997). As a result, it was determined that no deferred tax assets in relation to this are to be recognised at this time (2024: \$543,830).

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Notes to The Consolidated Financial Statements.

NOTE 6

Cash and Cash Equivalents

	30-Jun-25 \$	30-Jun-24 \$
Cash at bank	373,597	3,157,509

Cash at bank earns interest at floating rates based on daily deposit rates.
The Group's exposure to interest rate and credit risks is disclosed in Note 22.

	30-Jun-25 \$	30-Jun-24 Restate \$
a) Reconciliation of net loss after tax to net cash flows from operations		
Profit/(Loss) for the financial year	(5,733,099)	1,915,564
Adjustments for Non-Cash Items:		
Cost of Goods Sold	(3,280,723)	(2,769,559)
Depreciation and amortisation	1,438,699	1,328,092
R&M Allocation to plant and equipment	(515,750)	(174,360)
Share based payments	148,060	214,713
Inventory write-off	4,884,471	1,620,680
Fair-Value gain on biological assets	(4,815,011)	(2,106,249)
Impairment loss on intangible assets and goodwill	2,939,014	-
Income tax benefit	(1,176,810)	(70,388)
Changes in assets, liabilities, and equity		
(Increase) / decrease in receivables	(790,070)	398,050
(Increase) / decrease in deposits and advances	507,997	(604,937)
(Increase) / decrease in inventory	(1,971,850)	(5,106,245)
(Increase) / decrease in plant and equipment	(3,377,211)	(977,267)
(Increase) / decrease in Intangible	322,957	302,309
(Increase) / decrease in deferred tax assets	(1,176,810)	(150,429)
Increase / (decrease) in payables	299,640	592,735
Increase / (decrease) in Borrowings	4,678,270	-
Increase / (decrease) in Provisions and other liabilities	1,369,191	301,130
Increase / (decrease) in equity - issue of shares	-	3,800,015
Net cash (used in)/from operating activities	(5,072,225)	(1,486,145)

There are no other non-cash financing and non-cash investing activities identified for the year ended 30 June 2025.

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Notes to The Consolidated Financial Statements.

NOTE 7

Trade and Other Receivables

	30-Jun-25	30-Jun-24
	\$	\$
Trade receivables	2,070,160	1,662,097
Other trade receivables	131,026	114,400
Other receivables	140,236	10,347
	2,341,422	1,786,844

Allowance for expected credit loss

Receivables past due but not considered impaired are \$25,360 (2024: \$2,634). Other receivables are non-interest bearing and are generally on terms of 30 days. Information about the Group's exposure to credit risk is provided in [Note 22](#).

On that basis, the loss allowance as at 30 June 2025 was determined as follows:

30 June 2025	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	More than 120 days past due	Total
Expected loss rate	-	-	-	-	-	-
Gross carrying amount – trade receivables \$	2,018,022	22,000	-	4,778	25,360	2,070,160

Other Non-current trade receivables

	30-Jun-25	30-Jun-24
	\$	\$
Other Non-current trade receivables*	\$1,474,093	1,238,600

*During the year ended 30 June 2023, the Group sold a biomass extractor to a third party via an offset arrangement. Total consideration of \$1,353,000 will be settled by the receipt by ECS of oil concentrate from the third party produced by the extractor.

During the reporting period ended 30 June 2025, an addition of \$252,118 has been recognised, representing costs incurred by Sun Pharma due to a failed resin extraction attempt which resulted in contamination. Consequently, \$131,026 has been recorded in Trade and Other Receivables, and \$1,474,093 has been recorded in Other Non-current Trade Receivables to reflect this arrangement.

NOTE 8

Deposits and Advances

	30-Jun-25	30-Jun-24
	\$	\$
Deposits and advances	1,158,815	1,666,812

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Notes to The Consolidated Financial Statements.

NOTE 9

Inventories

	30-Jun-25	30-Jun-24
	\$	\$
Raw materials	1,292,107	1,049,731
Finished goods	13,548,107	11,933,141
	14,810,214	12,982,872

i) **Assigning costs to inventories**

The costs of individual items of inventory are determined using actual average costs.

ii) **Amounts recognised in profit or loss**

For the year ended 30 June 2025, an inventory impairment of \$4,884,471 (2024: \$1,620,680) was recognised, reflecting stringent quality control procedures and current market conditions impacting realisable value. The remaining inventory costs were recorded within cost of sales.

NOTE 10

Biological assets

	30/06/2025	30/06/2024
	\$	\$
Biological asset	202,939	88,431

Reconciliations of changes in the carrying amount of biological assets:

	Total
	\$
Balance as at 1 July 2024	88,431
Addition from cultivation	3,246,425
Addition from change in fair value	4,815,011
less reclassified as inventory	(7,946,928)
Balance as at 30 June 2025	202,939

The movement above includes biological assets reclassified as inventory at the point of harvest. Includes physical changes as a result of biological transformation such as growth. Biological assets balance is measured at Fair Value as at 30 June 2025. During the reporting period, gains of \$4,815,011 (2024: \$2,106,249) were recognised, arising from changes in fair value less costs.

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Notes to The Consolidated Financial Statements.

NOTE 11

Property, Plant and Equipment

	Land	Buildings	Other farm assets	Property plant and equipment	Motor vehicles	Construction in Progress	Total
	\$	\$	\$	\$	\$	\$	\$
Cost							
Balance at 1 July 2024	816,146	3,397,798	3,793,116	2,183,976	82,425	580,959	10,854,420
Acquisition of subsidiaries							
Additions	-	289,806	266,812	504,931	5,000	3,434,890	4,501,439
Reclassification of Assets	-	-	-	-	-	-	-
Disposals	-	-	-	(10,909)			(10,909)
Balance at 30 June 2025	816,146	3,687,604	4,059,928	2,677,998	87,425	4,015,849	15,344,950
Accumulated depreciation							
Balance at 1 July 2024	-	379,000	1,423,688	461,923	42,049	-	2,306,660
Acquisition of subsidiaries	-	-	-	-	-	-	-
Depreciation for the year	-	123,860	758,796	209,978	20,685	-	1,113,319
Impairment of Asset							
Balance at 30 June 2025	-	502,860	2,182,484	671,901	62,734	-	3,419,979
Carrying amounts							
at 30 June 2025	816,146	3,184,744	1,877,444	2,006,097	24,691	4,015,849	11,924,971
at 30 June 2024	816,146	3,018,798	2,369,428	1,722,053	40,376	580,959	8,547,760

Notes to The Consolidated Financial Statements.

NOTE 11

Property, Plant and Equipment

	Land	Buildings	Other farm assets	Property plant and equipment	Motor vehicles	Construction in Progress	Total
	\$	\$	\$	\$	\$	\$	\$
Cost							
Balance at 1 July 2023	816,146	3,035,402	3,317,981	1,653,678	34,909	-	8,858,116
Acquisition of subsidiaries	-	-	-	-	-	-	-
Additions	-	362,396	475,135	530,298	47,516	580,959	1,996,304
Reclassification of Assets	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Balance at 30 June 2024	816,146	3,397,798	3,793,116	2,183,976	82,425	580,959	10,854,420
Accumulated depreciation							
Balance at 1 July 2023	-	262,227	755,476	235,013	34,909	-	1,287,625
Acquisition of subsidiaries	-	-	-	-	-	-	-
Depreciation for the year	-	116,773	668,212	226,910	7,140	-	1,019,035
Impairment of Asset	-	-	-	-	-	-	-
Balance at 30 June 2024	-	379,000	1,423,688	461,923	42,049	-	2,306,660
Carrying amounts							
at 30 June 2024	816,146	3,018,798	2,369,428	1,722,053	40,376	580,959	8,547,760
at 30 June 2023	816,146	2,773,175	2,562,505	1,418,665	-	-	7,570,491

Notes to The Consolidated Financial Statements.

NOTE 12

Intangible Assets

Intangible assets

	30-Jun-25	30-Jun-24
	\$	\$
Intangible assets	-	3,208,103
Less accumulated amortisation	-	(996,132)
	<u>-</u>	<u>2,211,971</u>

The movement of intangible assets during the reporting period:

	\$
Opening balance as at 1 Jul 2024	2,211,971
Less accumulated amortisation	(322,957)
Impairment loss on intangible assets*	(1,889,014)
Closing balance as at 30 June 2025	-

Goodwill

	30-Jun-25	30-Jun-24
	\$	\$
Goodwill	-	1,050,000

The movement of goodwill during the reporting period

	\$
Opening balance as at 1 Jul 2024	1,050,000
Impairment loss on goodwill*	(1,050,000)
Closing balance as at 30 June 2025	-

*Impairment

Under AASB 136 Impairment of Assets, intangible assets and goodwill are required to be tested for impairment annually, or more frequently if there are indicators of impairment.

The Group recognised intangible assets of \$193,264 for VESIsorb, \$3,014,839 for licences, and goodwill of \$1,050,000 on the acquisition of Flowerday and Murray Meds. These intangible assets and goodwill have been allocated to the Medicinal Cannabis Cash Generating Unit (CGU) for impairment testing, with the recoverable amount assessed using a value-in-use model.

SLM Corporate, an independent valuation consultant, prepared the value-in-use model, which indicated an impairment of \$536,928. While this supported the recoverable value of the CGU, management also considered broader factors, including the decline in the Group's market capitalisation and the difference between market capitalisation and the carrying value of net assets.

Taking these factors into account, and to ensure the carrying value of assets remains aligned with prevailing market conditions, management determined it appropriate to fully impair intangible assets of \$1,889,014 and goodwill of \$1,050,000. An impairment loss on intangible assets and goodwill of \$2,939,014 has been recognised in the consolidated statement of profit or loss and other comprehensive income for the year ended 30 June 2025. This is a non-cash accounting adjustment and does not affect the Group's cash flows or operational performance.

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Notes to The Consolidated Financial Statements.

NOTE 13

Trade and Other Payables

	30-Jun-25	30-Jun-24
	\$	\$
Trade Payables	2,558,332	2,159,333
Accruals and Other Payables	678,368	808,773
GST	31,045	-
	3,267,745	2,968,106

Liabilities for trade creditors and other amounts are carried at cost which is the fair value of the consideration to be paid in future for goods and services received, whether or not billed to the Group. The amounts are unsecured and are usually payable within 30 days of recognition. Information about the Group's exposure to credit risk is provided in [Note 22](#).

NOTE 14

Borrowings

	30-Jun-25	30-Jun-24
	\$	\$
NAB Corporate Market Loan Facility*	2,290,000	-
NAB Trade Finance Facility**	2,388,270	-
	4,678,270	-

***Corporate Market Loan Facility** – Limit increased from \$3.2 million to \$5.2 million in April 2025 to support growth, particularly in B2C operations. Interest rate is BBSY + 3.40% (currently 7.0625%). \$2.29 million was drawn, leaving \$2.91 million available.

****Trade Finance Facility** – Originally \$3.4 million to fund nine PCEs. \$2.39 million was drawn at year-end. On 1 July 2025, \$2.19 million was transferred to Asset Finance and about \$200,000 was repaid from cash. The facility was then reset to \$0.5 million to fund the final two PCEs.

NOTE 15

Employee Provisions

	30-Jun-25	30-Jun-24
	\$	\$
Annual leave provision	270,112	223,234
Long service leave provision	99,522	41,745
	369,634	264,979

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Notes to The Consolidated Financial Statements.

NOTE 16

Contract Liabilities

	30-Jun-25	30-Jun-24
	\$	\$
Contract liabilities	497,585	411,734
	497,585	411,734

As at 30 June 2025, the Group has contractual obligations to supply customers with deposits committed as below:

	30-Jun-25
	\$
Opening balance as at 1 Jul 2024	411,734
Contract revenue recognised during the reporting period	(2,769,746)
Additional contract liabilities recognised during the period	2,855,597
Closing balance as at 30 June 2025	497,585

NOTE 17

Hire Purchase Liability

	30-Jun-25	30-Jun-24
	\$	\$
Current		
Hire purchase liability	690,587	304,635
Unexpired interest	(137,125)	(65,961)
	553,462	238,674
Non-current		
Hire purchase liability	1,832,478	889,267
Unexpired interest	(183,372)	(104,058)
	1,649,106	785,209

During the reporting period ended 30 June 2025, the financial lease arrangements have been entered to purchase equipment and other farm assets.

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Notes to The Consolidated Financial Statements.

NOTE 18

Issued Capital

	30-Jun-25	30-Jun-24
	\$	\$
Issued and Fully Paid Ordinary Shares*	36,667,054	36,532,054

	Date	Issue price	No. of Shares	\$
Balance at the beginning of the year	1/07/2024		1,288,549,567	36,532,054
Ordinary shares issued to investors – Conversion of performance rights	16/12/2024	\$0.018	7,500,000	135,000
Balance at the end of year	30/06/2025		1,296,049,567	36,667,054

*Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Group in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Group does not have a limited amount of authorised capital.

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.

NOTE 19

Share Based Payments

	30-Jun-25	30-Jun-24
	\$	\$
Share based payments reserve		
Vesting of Options issued ¹	36,296	134,343
Vesting of Performance rights ²	107,549	214,712
	143,845	349,055
Movement in reserves	\$	\$
Opening balance at the start of the reporting period	415,322	364,853
Vesting of Options issued ¹	36,296	134,343
Lapse of options	-	(250,574)
Vesting of performance rights	107,549	214,712
Conversion of performance rights ^{2a}	(137,910)	-
Forfeiture of performance rights ^{2a}	(104,038)	(48,012)
Closing balance at the end of the reporting period	317,219	415,322

1. Options

On 16 December 2024, 24,500,000 unquoted options were issued as director incentives, with an exercise price of \$0.024 and an expiry date of 31 December 2029. Based on the measurement by SLM, an independent valuer, a fair value of \$6,704 has been recognised in reserves as at 31 December 2024. The Options require continuous services of Mr. King as Chair, Ms. Schoerie, Ms. Swift as appointed by the Group.

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Notes to The Consolidated Financial Statements.

NOTE 19

Share Based Payments (Continued)

Details of unexpired option grants are set out below:

Grant date	Expiry date	Exercise price	Balance at the start of the period	Granted	Exercised	Expired /other	Balance at the end of the period
28/02/2024	28/02/2026	\$0.033	20,000,000	-	-	-	20,000,000
21/11/2024	31/12/2029	\$0.024	-	24,500,000	-	-	24,500,000
			20,000,000	24,500,000	-	-	44,500,000
Weighted average exercise price			\$0.033	\$0.024	-	-	\$0.028
Options exercisable			20,000,000	24,500,000	-	-	44,500,000

The weighted average remaining contractual life of options outstanding at the end of the financial year was 2.59 years (30 June 2024: 2.01 years).

For the option granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant Date	Expiry Date	Share Price at Grant Date	Share Price Hurdle for Vesting	Expected Volatility	Dividend Yield	Risk-Free Interest Rate	Fair Value at Grant Date
21/11/2024	31/12/2029	\$0.0170	-	91.70%	-	3.574%	\$0.0125

2. Performance rights

During this reporting period ended 30 June 2025 ECS issued two tranches of Rights totaling 7,500,000 to the Managing Director. The rights were approved on 21 November 2024. ECS management engaged an independent valuer to measure the fair value of the rights issued. A total fair value has been determined of \$95,696 of which \$29,271 was expensed during the reporting period. The terms of the rights issued and key inputs used in the valuation have been summarised below:

Tranche E (MD) totalling 3,750,000 Rights subject to Market-based vesting condition - the number of rights that vest is conditional on ECS's 20-day VWAP Target share price of \$0.024 during the performance period between 21 November 2024 and including 30 June 2026;

Tranche F (MD) totalling 3,750,000 Rights subject to Market-based vesting condition - the number of rights that vest is conditional on ECS's 20-day VWAP Target share price of \$0.030 during the performance period between 21 November 2024 and including 30 June 2027;

During the reporting period ended 30 June 2024, ECS issued two tranches of Rights totaling 10,000,000 to the Chief Financial Officer and Greenhouse Cultivation Manager. The rights were approved on 1 January 2024. ECS management engaged an independent valuer to measure the fair value of the rights issued. A total fair value has been determined of \$205,058 of which \$78,278 was expensed during this reporting period. The terms of the rights issued and key inputs used in the valuation have been summarised below:

Tranche E totalling 5,000,000 Rights subject to a non-market based vesting condition - the number of rights that vest is conditional upon the recipients continued service with the Group from the issue date up to and including 1 July 2026;

Tranche F totalling 5,000,000 Rights subject to a non-market based vesting condition - the number of rights that vest is conditional upon the recipients continued service with the Group from the issue date up to and including 30 September 2026;

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Notes to The Consolidated Financial Statements.

NOTE 19

Share Based Payments (Continued)

During the reporting period ended 30 June 2023, ECS had issued five tranches of Rights totaling 26,000,000 to the Chairman, Managing Director, and the Business Development Manager, all of which were valued by an independent valuer. A total fair value had been determined of \$374,125.

The terms of the rights issued and key inputs used in the valuation have been summarised below:

Tranche A totalling 3,750,000 Rights subject to a non-market based vesting condition - the number of rights that vest is conditional on ECS achieving audited revenue of over AU\$20,000,000 over a 12-month continuous period between the issue date and date of expiry;

Tranche B totalling 3,750,000 Rights subject to a non-market based vesting condition - the number of rights that vest is conditional on ECS achieving an EBIT of at least 6.5% based on a minimum EBIT of AU\$1,300,000 between the issue date and date of expiry;

Tranche C totalling 6,250,000 Rights subject to a market based vesting condition - the number of rights that vest is conditional on ECS achieving a target Group share price of AU\$0.050 based on a 15-day VWAP between the issue date and date of expiry;

Tranche D totalling 6,250,000 Rights subject to a market based vesting condition - the number of rights that vest is conditional on ECS achieving a target Group share price of AU\$0.075 based on a 15-day VWAP between the issue date and date of expiry;

Tranche BB totalling 6,000,000 Rights subject to a non-market based vesting condition - the number of rights that vest is conditional upon the recipients continued service with the Group from the issue date up to and including 30 June 2025.

During the year ended 30 June 2024, 6,000,000 Rights (Tranche BB) was forfeited, as the vesting conditions were unable to be achieved. The impact of this on the financial statements was \$48,012.

^{2a} During this reporting period ended 30 June 2025, a total of 7,500,000 Rights (Tranche A and Tranche B) with a total value of \$137,910 were converted into shares following the achievement of vesting conditions. Conversely, 12,500,000 Rights (Tranche C and Tranche D) were forfeited due to the vesting conditions not being met. The forfeiture of these rights had a total impact of \$104,038 on the financial statements for this period.

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Notes to The Consolidated Financial Statements.

NOTE 19

Share Based Payments (Continued)

For the current performance rights granted, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Tranche	E	F	E (MD)	F (MD)
Grant Date	1-Jan-24	1-Jan-24	21-Nov-24	21-Nov-24
Number of Rights	5,000,000	5,000,000	3,750,000	3,750,000
Expected life of the right (days)	913	1,004	587	952
Management probability	100%	100%	100%	100%
Share price at grant date (\$)	\$0.0230	\$0.0230	\$0.0170	\$0.0170
Fair value per right (\$)	\$0.0206	\$0.0204	\$0.0128	\$0.0127
Total value at grant date (\$)	\$102,981	\$102,077	\$47,965	\$47,731

Key Management Personnel and other employees	Tranche	No. of Rights	Fair value per right (\$)	Total Value (\$)
Nan-Maree Schoerie	E (MD)	3,750,000	0.0128	47,965
Nan-Maree Schoerie	F (MD)	3,750,000	0.0127	47,731
Nan-Maree Schoerie Total		7,500,000		95,696
Arthur Sun	E	5,000,000	0.0206	102,981
Arthur Sun Total		5,000,000		102,981
David Marr	F	5,000,000	0.0204	102,077
David Marr Total		5,000,000		102,077
Grand Total		17,500,000		300,754

All tranches of Rights require continuous services of Ms. Schoerie, Mr. Sun, and Mr. Marr employed by the Group. As at 30 June 2025 and as at the date of this report none of the vesting conditions have been met. Set out below are summaries of performance rights granted under the Incentive Plan as at 30 June 2025:

Tranche	Grant date	Expiry date	Exercise price	Balance at the start of the period	Granted	Exercised	Expired/other	Balance at the end of the period
A	26/10/2022	31/12/2024	\$0.0180	3,750,000	-	(3,750,000)	-	-
B	26/10/2022	31/12/2024	\$0.0180	3,750,000	-	(3,750,000)	-	-
C	26/10/2022	31/12/2024	\$0.0000	6,250,000	-	-	(6,250,000)	-
D	26/10/2022	31/12/2024	\$0.0000	6,250,000	-	-	(6,250,000)	-
E	1/01/2024	1/07/2026	\$0.0000	5,000,000	-	-	-	5,000,000
F	1/01/2024	30/09/2026	\$0.0000	5,000,000	-	-	-	5,000,000
E (MD)	21/11/2024	30/06/2026	\$0.0000	-	3,750,000	-	-	3,750,000
F (MD)	21/11/2024	30/06/2027	\$0.0000	-	3,750,000	-	-	3,750,000
				30,000,000	7,500,000	(7,500,000)	(12,500,000)	17,500,000

Notes to The Consolidated Financial Statements.

NOTE 19

Share Based Payments (Continued)

The weighted average remaining contractual life of performance rights outstanding at the end of the financial year was 1.31 years (30 June 2024: 1.04 years).

For the performance rights granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Class	Grant Date	Expiry Date	Share Price at Grant Date	Share Price Hurdle for Vesting	Expected Volatility	Dividend Yield	Risk-Free Interest Rate	Fair Value at Grant Date
E (MD)	21/11/2024	30/06/2026	\$0.0170	-	74.36%	-	3.634%	\$0.0128
F (MD)	21/11/2024	30/06/2027	\$0.0170	-	77.42%	-	3.536%	\$0.0127

NOTE 20

Profit and Loss per Share

Basic EPS is calculated by dividing the profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The following table reflects the income and share data used in the basic and diluted EPS calculations:

	30-Jun-25 \$	30-Jun-24 \$
Net profit/(loss) attributable to ordinary equity holders of the Group	(5,733,099)	1,915,564
Weighted average number of ordinary shares for basic and diluted loss	1,292,597,512	1,168,330,513
Effects of dilution from:		
Share options	44,500,000	20,000,000
Performance rights	17,500,000	30,000,000
Weighted average number of ordinary shares adjusted for the effect of dilution	1,354,597,512	1,218,330,513
Earnings/(Loss) per share for the year from continuing operations attributable to the members of the Group		
Basic earnings/ (loss) per share (cents)	(0.4435)	0.1640
Diluted earnings/(loss) per share (cents)	(0.4435)	0.1572
Earnings/(Loss) per share for the year attributable to the members of the Group		
Basic earnings/(loss) per share (cents)	(0.4435)	0.1640
Diluted earnings/(loss) per share (cents)	(0.4435)	0.1572

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Notes to The Consolidated Financial Statements.

NOTE 21

Segment Information

Identification of reportable operating segments

The information reported to the Board of Directors (being the Chief Operating Decision Makers ("CODM")), are the results as shown in the Statement of Profit or Loss and Other Comprehensive Income and Statement of Financial Position.

Subsequent to the disposal of the discontinued operations, the "Botanics" segment has ceased its operation.

NOTE 22

Financial Risk Management Objectives and Policies

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk.

The Group's overall risk management program focuses on the unprofitability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses different methods to measure different types of risk to which it is exposed. These methods included sensitivity analysis in the case of interest rate and ageing analysis for credit risk.

Risk management is carried out by the Board of Directors ('the Board') and includes identification and analysis of the risk exposure of the Group and appropriate procedures, controls and risk limits.

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

	30-Jun-25	30-Jun-24
	\$	\$
Financial Assets		
Cash and cash equivalents	373,597	3,157,509
Trade and other receivables	2,341,422	1,786,844
	2,715,019	4,944,353
Financial Liabilities		
Trade and other payables	(3,267,745)	(2,968,106)
Borrowings	(4,678,270)	-
Hire Purchase Liability	(2,202,568)	(1,023,883)
	(10,148,583)	(3,991,989)

a) Market risk

i) Foreign exchange risk

The Group is exposed to foreign exchange risk arising from purchases denominated in foreign currencies. Although the exposure is relatively limited in proportion to overall operations, the Group has established foreign exchange facilities with National Australia Bank (NAB) to hedge exposures as required. is not significantly exposed to foreign currency risk fluctuations.

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Notes to The Consolidated Financial Statements.

NOTE 22

Financial Risk Management Objectives and Policies (Continued)

ii) Interest rate risk

The Group's exposure to interest rate risk primarily relates to borrowings under NAB's Corporate Market Loan, which are subject to variable interest rates. Current market expectations indicate a potential downward trend in interest rates, which would reduce the Group's cost of funding. In addition, the Group has asset finance arrangements at fixed interest rates, which are not subject to fluctuations in market interest rates.

b) Credit risk

Credit risk arises from the financial assets of the Group, which comprise cash and cash equivalents and trade and other receivables. The Group's exposure to credit risk arises from potential default of the counterparty, with maximum exposure equal to the carrying amount of the financial assets.

The Group's policy is to trade only with recognised, creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms will be subject to credit verification procedures.

In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant. There are no significant concentrations of credit risk within the Group except for cash and cash equivalents. ECS cash accounts are held with both National Bank Australia, The Australia and New Zealand Bank Group, and Westpac, their credit rating is AA- and AA- respectively by S&P Global. See Note 8 regarding expected credit losses.

c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to its reputation.

The Group manages liquidity risk by maintaining adequate cash reserves from funds raised in the market and by continuously monitoring forecast and actual cash flows. The Group does not have any external borrowings.

The following are the contractual maturities of financial liabilities:

	< 6 months	6-12 months	1-5 years	> 5 years	Total
2025	\$	\$	\$	\$	\$
Trade and other payables	3,267,745	-	-	-	3,267,745
Borrowings	2,388,270*	-	2,290,000	-	4,678,270
Hire purchase liability	275,285	278,177	1,649,106	-	2,202,568
	5,931,301	278,177	1,649,106	-	5,470,313

*On 1 July 2025, \$2,185,176 was transferred to the Asset Finance (Hire purchase lease) from the Trade Finance Facility following completion of seven PCEs.

	< 6 months	6-12 months	1-5 years	> 5 years	Total
2024	\$	\$	\$	\$	\$
Trade and other payables	2,968,106	-	-	-	2,968,106
Hire purchase liability	117,217	121,457	773,506	11,703	1,023,883
	3,085,323	121,457	773,506	11,703	3,991,989

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Notes to The Consolidated Financial Statements.

NOTE 22

Financial Risk Management Objectives and Policies (Continued)

d) Capital risk management

The Group's objectives when managing capital are to:

- Safeguard their ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- Maintain an optimal capital structure to reduce the cost of capital.

To maintain or adjust the capital structure, the Group may adjust the number of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Given the stage of the Group's development there are no formal targets set for return on capital. There were no changes to the Group's approach to capital management during the year. The Group is not subject to externally imposed capital requirements. The net equity of the Group is equivalent to capital. Net capital is obtained through capital raisings on the Australian Securities Exchange ("ASX").

NOTE 23

Fair Value Measurements

The Group's accounting policies and disclosures require the determination of fair value for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and / or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Fair value of biological assets

Biological assets are valued using the expected realisable value based on recent medicinal cannabis plant derived sales, less any selling costs. As at year end, the fair value of biological assets on hand was \$202,939. See Note [10](#) for further details.

Unless otherwise stated, the carrying amount of financial assets and financial liabilities recorded in the financial statements represents their respective net fair values, determined in accordance with the account accounting policies. The carrying amount of financial assets and financial liabilities are assumed to approximate their fair value due to their short-term nature.

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Notes to The Consolidated Financial Statements.

NOTE 24

Related Party Disclosure

a) Key Management Personnel Compensation

	30-Jun-25	30-Jun-24
	\$	\$
Short-term benefits	985,958	677,646
Post-Employment	106,527	72,602
Long-term benefits	22,289	7,558
Share based payments	70,439	196,209
	1,185,214	954,015

b) Related Party Transactions

	30-Jun-25	30-Jun-24
	\$	\$
The following transactions occurred with related parties:		
Mirador Corporate Pty Ltd⁽ⁱ⁾	83,213	72,450
Pharmout⁽ⁱⁱ⁾	90,295	24,689
Qiksolve Pty Ltd⁽ⁱⁱⁱ⁾	52,366	47,157
Total	225,874	144,296

- i) Mirador Corporate Pty Ltd was paid for Group secretarial and financial management services to the Group, of which Jeremy King is a director.
- ii) Pharmout was paid for regulatory advice and contract labour, an entity owned by a close family member of Nan-Maree Schoerie. During the period, the Group paid Pharmout \$51,666 for regulatory advice and \$38,629 for contract labour.
- iii) Qiksolve Pty Ltd was paid for IT services, an entity owned by a close family member of Nan-Maree Schoerie.

Transactions with Associate

During the reporting period ECS Botanics paid \$nil (2024: \$nil) for services performed and had \$nil payable (2024: \$nil) to any Associate as at 30 June 2025.

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Notes to The Consolidated Financial Statements.

NOTE 25

Commitments

At the end of the reporting period, the Group has committed \$4.37 million (2024: \$2.78) capital works on polytunnels and building constructions in progress.

	Committed Capital Expenditure \$	Actual Expenditure at 30- Jun-2025 \$	Balance remaining for completion \$
Polytunnels construction	4,000,000	3,246,919	753,081
Building construction	374,000	212,929	215,071
Total	4,374,000	3,459,847	914,153

NOTE 26

Contingencies

The Group does not have any contingent liabilities as at 30 June 2025 (2024: \$nil).

NOTE 27

Auditor's Remuneration

	30-Jun-25 \$	30-Jun-24 \$
Amounts received or due and receivable for:		
Audit and review of the annual and half-year financial report	76,100 ⁽ⁱ⁾	69,750 ⁽ⁱ⁾
Other services		
Income tax return	8,900 ⁽ⁱⁱ⁾	13,500 ⁽ⁱⁱ⁾
Tax consulting	15,505	11,952

- (i) The audit and review of \$52,700 is for the reporting period ended 30 June 2025, with the professional service completed in FY2026. (2024: \$47,250 is for the reporting period ended 30 June 2024, with the professional service completed in FY2025.)
- (ii) The income tax return of \$8,900 is for the reporting period ended 30 June 2025, with the professional service completed in FY2026. (2024: \$13,500 with the professional service completed in FY2025.)

NOTE 28

Interests in Subsidiaries

		30-Jun-25 %	30-Jun-24 %
FLOWERDAY FARMS PTY. LTD.	Agriculture	100	100
ECS BOTANICS MC PTY LTD	Agriculture	100	100
FLORAPHIRE PTY LTD	Agriculture	100	-

Notes to The Consolidated Financial Statements.

NOTE 29

Parent Entity

	30-Jun-25	30-Jun-24
	\$	\$
Assets		
Current assets	1,505,064	2,940,053
Non-current assets	23,556,221	25,408,909
Total assets	<u>25,061,285</u>	<u>28,348,962</u>
Liabilities		
Current liabilities	2,433,798	136,436
Total liabilities	<u>2,433,798</u>	<u>136,436</u>
Equity		
Contributed equity	36,667,054	36,532,054
Reserves	317,219	415,322
Accumulated losses	(14,356,786)	(8,734,850)
Total equity	<u>22,627,487</u>	<u>28,212,526</u>
Profit/(Loss) for the year	<u>(5,733,099)</u>	<u>1,915,564</u>
Total comprehensive profit/(loss)	<u>(5,733,099)</u>	<u>1,915,564</u>

- i) Guarantees entered by the parent entity
There are no guarantees entered into by the parent entity for the year ended 30 June 2025 (2024: \$nil).
- ii) Contingent liability of the parent entity
Refer to [Note 26](#) for contingent liabilities of the parent entity.
- iii) Contractual commitments of the parent entity
There is no capital commitments entered into by the parent entity for the year ended 30 June 2025 (2024: \$nil)

NOTE 30

Events After the Reporting Date

Subsequent to the year end:

On 4 August 2025, Ms. Rachel Swift resigned to take up an Executive role, and the 4,500,000 options issued to Ms. Rachel Swift in December 2024 were cancelled.

End of Notes

to The Consolidated Financial Statements

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Consolidated Entity Disclosure Statement

As at 30 June 2025

Entity name	Body corporate, partnership or trust	Place incorporated /formed	% of share capital held directly or indirectly by the Group in the body corporate	Australian or Foreign tax resident	Jurisdiction for Foreign tax resident
ECS Botanics Holdings Ltd	Body corporate	Australia	100%	Australian	N/A
Flowerday Farms Pty Ltd	Body corporate	Australia	100%	Australian	N/A
ECS Botanics MC Pty Ltd	Body corporate	Australia	100%	Australian	N/A
Floraphire Pty Ltd	Body corporate	Australia	100%	Australian	N/A

Basis of preparation

This Consolidated entity disclosure statement (CEDs) has been prepared in accordance with the Corporations Act 2001 and includes information for each entity that was part of the Group as at the end of the financial year in accordance with AASB 10 Consolidated Financial Statements.

Determination of tax residency

Section 295 (3A)(vi) of the Corporation Act 2001 defines tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgement as there are different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the Group has applied the following interpretations:

Australian tax residency

The Group 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 Group has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with (see section 295(3A)(vii) of the Corporations Act 2001).

Partnerships and Trusts

None of the entities noted above were trustees of trusts within the Group, partners in a partnership within the Group or participants in a joint venture within the Group

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Director's Declaration.

In accordance with a resolution of the directors of ECS Botanics Holdings Limited, the directors of the Group declare that:

1. The financial statements and notes, as set out on pages 30 to 63 are in accordance with the *Corporations Act 2001*, including:
 - a. complying with Accounting Standards and the *Corporations Regulations 2001*; and
 - b. giving a true and fair view of the Group's financial position as at 30 June 2025 and of its performance for the half-year ended on that date.
2. The consolidated entity disclosure statement is true and correct.
3. In the directors' opinion, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.



Nan-Maree Schoerie

Managing Director

29 August 2025

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Independent auditor's report to the members of ECS Botanics Holdings Ltd

Report on the audit of the financial report

Our opinion on the financial report

In our opinion, the accompanying financial report of ECS Botanics Holdings Ltd (the Company) and its subsidiaries (the Group) is in accordance with the Corporations Act 2001, including:

- giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
- complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What was audited?

We have audited the financial report of the Group, which comprises:

- the consolidated statement of financial position as at 30 June 2025,
- the consolidated statement of profit or loss and other comprehensive income for the year then ended,
- the consolidated statement of changes in equity for the year then ended,
- the consolidated statement of cash flows for the year then ended,
- notes to the financial statements, including material accounting policy information,
- the consolidated entity disclosure statement, and
- the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Material uncertainty related to going concern

We draw attention to Note 1 in the financial report, which indicates that the Group incurred a net loss of \$5,733,099 and net operating cash outflows of \$5,072,225 during the year ended 30 June 2025. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

1. Impairment assessment on intangible asset	Area of focus (refer also to notes 1 & 12)	How our audit addressed the key audit matter
	<p>At the start of the year, included on the statement of financial position were intangible asset balances of:</p> <ul style="list-style-type: none"> —\$1,161,971 for licenses; and —\$1,050,000 for goodwill on acquisition of Murray Meds Pty Ltd and Flowerday Farms Pty Ltd. <p>In accordance with AASB 136 – Impairment of Assets the Group is required to, at least annually, perform an impairment assessment of goodwill and intangible assets that have an indefinite useful life or are not yet ready for use.</p> <p>As these assets have been allocated to the Group's ECS Botanics MC cash generating unit ("CGU") they were considered for impairment as at 30 June 2025.</p> <p>The directors have evaluated impairment by comparing the assets allocated to the CGU to its recoverable amount. The directors have assessed recoverable amount by applying a value-in-use model based on discounted cash flow forecasts which require significant judgement and estimates over key inputs, including:</p> <ul style="list-style-type: none"> —The discount rate; 	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> — Assessing the reasonableness of the determination of the Group's cash-generating units; — Consulting internally to determine the appropriateness of the impairment test methodology used, being on a value-in-use approach in line with the business model; — Testing the accuracy of the calculation derived from the forecast model and assessing key inputs to the calculations such as revenue growth, gross margins, discount rates and working capital assumptions; — Assessing the work, independence and skill of the external expert in calculating the value of the discount rate, including the appropriateness of the methodology and the inputs and assumptions used. — Evaluating the Group's budgeting procedures upon which the forecasts are based and assessing the historical accuracy by comparing actual results with the

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<ul style="list-style-type: none"> — Growth rates; — Assumptions relating to the deployment of working capital; and — Gross margin expectations. <p>Management concluded that an impairment to Intangible assets and Goodwill exists and as such an impairment expense has been recognised during the financial year.</p> <p>Due to the significance of the carrying value of intangible assets and the judgement involved in determining the recoverable amount of the CGU, we consider this to be a key audit matter.</p>	<p>original forecasts from prior years; and</p> <ul style="list-style-type: none"> — Performing sensitivity analyses over the calculations. — We also assessed the adequacy of disclosures in relation to intangibles in the financial report.
<p>2. Valuation of inventory</p> <p>Area of focus (refer also to notes 1, 2 & 9)</p> <p>As at 30 June 2025, the Group held inventory of \$14,810,214 which is significant to the financial report.</p> <p>AASB 141 Agriculture requires agricultural produce harvested from an entity's biological assets to be measured at its fair value less costs to sell at the point of harvest, or in the absence of fair value, at cost less any accumulated depreciation and any accumulated impairment losses.</p> <p>Biomass has been valued at fair value less costs to sell at the date of the harvest. All other inventory items are measured at the lower of cost or net realisable value. Valuation of inventory was a key audit matter due to the complexity of the valuation model and the extent of managements estimates and judgements involved.</p>	<p>How our audit addressed the key audit matter</p> <p>Our audit procedures included:</p> <ul style="list-style-type: none"> — Performing inventory stock verification procedures in respect of inventory; — Reviewing inventory confirmations in relation to inventory held by third parties; — Evaluating management's judgments and assumptions used in calculating fair value less accumulated depreciation and any accumulated impairment losses per gram of biomass; — Verifying that the carrying value of inventory has been calculated appropriately including verification of third-party manufacturing costs to supporting documentation; and — Evaluating management's judgements and assumptions used in determining the inventory write down recorded by management during the year.

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	<ul style="list-style-type: none"> — We also assessed the adequacy of disclosures in relation to inventory in the financial report.
<p>3. Revenue recognition</p> <p>Area of focus (refer also to notes 1, 2 & 3)</p> <p>As disclosed in Note 3 to the financial statements, the Group has one distinct revenue stream material to the financial report, being medical cannabis sales.</p> <p>These revenues are measured at a point in time as the performance conditions are satisfied under the contract.</p> <p>This is a key audit matter due to the financial significance and the risk that revenues are recognised in-advance of the performance condition being satisfied.</p>	<p>How our audit addressed the key audit matter</p> <p>Our audit procedures included:</p> <ul style="list-style-type: none"> — Examining the revenue policies for the individual revenue streams and tracing to underlying documentation to determine if those revenue streams are satisfied at a point in time or over time in line with AASB 15 Revenue from Contracts with Customers; — For revenues earned at a point in time, testing a sample of revenue transactions to assess appropriate revenue recognition under the Group’s accounting policies and accounting standards; — Performing of cut off testing on a sample of transactions that occurred around year end to ensure that revenues are recognised in-accordance with the underlying performance obligation. — We also assessed that disclosures of revenue recognition and the accounting policy thereon are appropriate in the financial statements.

Other information

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

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

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

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

Responsibilities of the directors for the financial report

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

- the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- 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:

- the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- 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 have 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 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



Our opinion on the Remuneration Report

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

What was audited?

We have audited the Remuneration Report included in pages 18 to 26 of the directors' report for the year ended 30 June 2025.

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.

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

J. C. Luckins
Director
Melbourne, 29 August 2025

Corporate Governance Statement.

The Group's Directors are committed to conducting the Group's business in an ethical manner and in accordance with the highest standards of corporate governance. The Group has adopted and substantially complies with the ASX Corporate Governance Principles and Recommendations (3rd Edition) (Recommendations) to the extent appropriate to the size and nature of the Group's operations.

The Group has prepared a Corporate Governance Statement which sets out the corporate governance practices that were in operation throughout the financial year for the Group, identifies any Recommendations that have not been followed, and provides reasons for not following such Recommendations.

The Group's Corporate Governance Statement and policies can be found on its website:
<https://ecs-botanics.com/investor-centre>

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ASX Additional Information.

Additional information required by the Australian Securities Exchange and not shown elsewhere in this Annual Report is as follows. The information is current as of 30 June 2025.

Twenty Largest Shareholders

Position	Holder Name	Holding	% IC
1	SCHOERIE FIDES PTY LTD	67,000,000	5.17%
2	FLOWERDAY HOLDINGS PTY LTD	54,166,667	4.18%
3	HARBOUR CAPITAL ASSET MANAGEMENT PTY LTD	49,500,000	3.82%
4	SUPER SECRET PTY LIMITED	45,000,000	3.47%
5	KEACH SECURITIES & INVESTMENTS PTY LTD	43,198,796	3.33%
6	C Y T INVESTMENT PTY LTD	29,600,000	2.28%
7	MR BENJAMIN JOHN HARINGTON	27,625,095	2.13%
8	WINDPAC PTY LTD	24,727,300	1.91%
9	10 BOLIVIANOS PTY LTD	18,717,775	1.44%
10	MR JOHN PHILIP DANIELS	16,386,639	1.26%
11	DA & DJ BURT PTY LTD	16,379,808	1.26%
12	ARCUS CALLISTO PTY LTD	14,166,666	1.09%
13	SEALEX PTY LTD	14,000,000	1.08%
14	MR CHRISTOPHER LEON LAIDELY	13,000,000	1.00%
15	BNP PARIBAS NOMINEES PTY LTD	11,955,450	0.92%
16	MR GUY BANDUCCI & MRS LISA MAREE BANDUCCI	11,000,000	0.85%
17	MR HAO JIE LI	10,290,000	0.79%
18	RUBINO GROUP PTY LTD	9,100,000	0.70%
19	MR MICHAEL ANDREW JAKET	8,215,200	0.63%
20	MR ROBIN POULOSE THEKKEKARA	8,165,090	0.63%
	Total	492,194,486	37.98%

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ASX Additional Information.

Option Holders

Position	Holder Name	Holding	% IC
1	BELL POTTER NOMINEES LTD	20,000,000	44.94%
2	FLOWERDAY HOLDINGS PTY LTD	10,000,000	22.47%
3	JEREMY PHILIP KING	10,000,000	22.47%
4	DR RACHEL DAWN SWIFT	4,500,000	10.11%
Total		44,500,000	100.00%

Distribution of Equity Securities

(i) Ordinary share capital

1,296,049,567 fully paid shares held by 4,123 individual shareholders. All issued ordinary shares carry one vote per share and carry the rights to dividends.

The number of shareholders, by size of holding, is:

Holding Ranges	Holders	Total Units	% Issued Share Capital
above 0 up to and including 1,000	687	149,762	0.01%
above 1,000 up to and including 5,000	186	447,086	0.03%
above 5,000 up to and including 10,000	274	2,344,304	0.18%
above 10,000 up to and including 100,000	1,947	76,931,037	5.94%
above 100,000	1,029	1,216,177,378	93.84%
Totals	4,123	1,296,049,567	100.00%

(ii) Options

44,500,000 options held by 4 individual holders.

Holding Ranges	Holders	Total Units	% Issued Share Capital
above 0 up to and including 1,000	-	-	-
above 1,000 up to and including 5,000	-	-	-
above 5,000 up to and including 10,000	-	-	-
above 10,000 up to and including 100,000	-	-	-
above 100,000	4	44,500,000	100.00%
Totals	4	44,500,000	100.00%

Substantial Shareholders

The name of substantial shareholder who has notified the Group in accordance with section 671B of the Corporations Act 2001 is:

Holder Name	Holding Balance	% of Issued Capital
SCHOERIE FIDES PTY LTD	67,000,000	5.17%

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ASX Additional Information.

Restricted Securities

There are no restricted securities in ECS.

Unmarketable Parcels

There were 2,476 holders of less than a marketable parcel of ordinary shares.

On-market Buy-back

There is no current on-market buy-back.

Acquisition of Voting Shares

No issues of securities have been approved for the purposes of Item 7 of Section 611 of the Corporations Act 2001.

Tax Status

The Group is treated as a public Group for taxation purposes.

Franking Credits

The Group has no franking credits.

Voting Rights

The voting rights attaching to each class of equity security are set out below:

- **Ordinary Shares**

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.

- **Options**

Options carry no voting rights.

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