

ASX Release – Company Announcement

26 August 2025

Update on net debt, business improvement initiatives, trading and outlook¹

Highlights

- \$246m net debt reduction since 31 Mar 2025, as of 31 Jul 2025
- Further debt reduction planned, with net debt at 30 Sep 2025 expected to be between \$850m and \$925m
 - excluding debt associated with omega-3, net debt at 30 Sep 2025 expected to be between \$740m and \$815m
- Crop Protection uEBITDA expected to grow year-on-year in 2H25
- Seed Technologies uEBITDA in 2H25 expected to be approximately \$20m below pcg
- Anticipate FY25 abnormal items, mainly non-cash, due to cost reduction program and the review of Seed Technologies

Nufarm Limited (ASX: NUF) Nufarm is pleased to provide an update on net debt, business improvement initiatives, trading and outlook.

Balance Sheet and Business Improvement Initiatives

Since the 1H25 result, Nufarm has continued to prioritise actions intended to reduce debt and operating costs and to improve earnings and cash flow.

- Initiatives to achieve run rate cost savings of \$50m by the end of FY25 are on track.
- Inventory days in Crop Protection continue to improve year on year, although the rate of improvement in 2H25 has been impacted by slower than expected sales in North America and APAC.
- We are taking actions to improve efficiency and effectiveness in capital expenditure which support our forecast for FY26 capex of below \$200m. FY25 capex is expected to be similar to pcg.

The Crop Protection business is experiencing a normal seasonal unwind in net working capital. Net debt as of 31 July was \$246m below 31 March.

As previously reported, Nufarm's key financing facilities are covenant-lite: US\$800m asset-based lending (matures Nov 2027), US\$350m unsecured notes (matures Jan 2030) and \$210m standby liquidity (matures Nov 2026).

Crop Protection

The company is pleased to report that a positive trajectory for Crop Protection earnings has continued in 2H25. Demand for crop protection products remains strong and margin has continued to improve across most markets. We are seeing the benefits of our performance improvement program and from an improved cost of goods position.

Seed Technologies

The strategic review of Seed Technologies is progressing as planned.

The company is implementing several near-term commercial actions identified in the first phase of this review work. These actions are targeting three value positive outcomes:

- reduce costs,
- refocus activity on higher margin growth for our hybrid seeds and carinata platforms, and
- recalibrate omega-3 program expansion.

In North America, we have consolidated commercial functions across all our products into a unified structure, taken steps to integrate sunflower, sorghum and omega-3 seed supply chains and rationalised our R&D footprint. The company's European sunflower business has been downsized. We plan to increase our focus on South America where we have a strong position in the sunflower, sorghum, carinata and emerging canola markets.

We continue to scale our carinata platform, with sizable expansion and favourable crop conditions in Uruguay, Argentina, Brazil and Paraguay. Production is supported by increasingly favourable biofuels demand in European markets. As communicated at our 1H25 result we have temporarily reduced plantings of omega-3 canola in 2025 to around half the size of what it was in 2024. The Peruvian fishery closed early recently, at approximately 80% of the quota level. Given current low fish oil prices, we anticipate carryover inventory at the end of FY25.

Outlook¹

We continue to progress our business improvement initiatives. We expect:

- net debt at 30 September 2025 to be between \$850m and \$925m. Trading losses associated with omega-3 and a decision to carry omega-3 inventory into FY26 has temporarily increased our debt. Excluding debt associated with omega-3, net debt is expected to be between \$740m and \$815m,
- leverage of around 3.0 at 30 September 2025, compared to 4.5 as of 31 March 2025. Leverage excluding debt and trading losses associated with omega-3 is expected to be around 2.2 at 30 September 2025. Based on various initiatives in place, Nufarm is targeting leverage of 2.0 by the end of FY26.

In Crop Protection, we expect growth on the pcg in uEBITDA in 2H25.

In Seed Technologies, based on current fish oil prices, we expect uEBITDA in 2H25 to be approximately \$20m below pcg.

We expect to report abnormal items at our FY25 result, primarily due to the company wide cost reduction program and changes to the Seed Technologies operations, both of which are expected to contribute to improved earnings from FY26 onwards. At this stage, we estimate cash costs of \$30m to \$40m and non-cash costs of \$120m to \$160m. The amounts include write downs to the value of seed inventory, impairments to the carrying value of certain seed assets and restructuring costs. Costs are primarily non-cash and are not expected to trigger additional restrictions or impact funding headroom under existing debt facilities.

- ends -

Authorised by

Kate Hall
Company Secretary

Investor contact

Grant Saligari - General Manager Investor
Relations and Corporate Development
grant.saligari@nufarm.com

About Nufarm

Nufarm is a global agricultural innovator providing crop protection and seed technology solutions to help our customers grow a better tomorrow. Established over 100 years ago, it is listed on the Australian Securities Exchange (ASX:NUF) with its head office in Melbourne, Australia. Nufarm is the first company to develop and commercialise plant based omega-3 and has developed and commercialised advanced bioenergy feedstock technology.

1. Forward looking statements reflect Nufarm's expectations at the date of this release and are based on information and assumptions known to date. They are subject to risks and uncertainties including as outlined in more detail in our 2024 Annual Report. They are also subject to audit. Actual results may be significantly different to those expressed.