



Australian Agricultural Company Limited

ABN 15 010 892 270

FINANCIAL REPORT

**For the half-year ended
30 September 2025**

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This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the financial report for the year ended 31 March 2025 and any public announcements made by Australian Agricultural Company Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

DIRECTORS' REPORT

Your Directors present their report on the Group consisting of Australian Agricultural Company Limited and the entities it controlled (AACo) for the half-year ended 30 September 2025.

DIRECTORS

The following persons were Directors of Australian Agricultural Company Limited during the half-year and up to the date of this report. Directors were in office for this entire period unless otherwise stated.

Donald McGauchie AO (Non-executive Chairman)

David Harris (Managing Director)

Stuart Black AM (Non-executive Director)

Anthony Abraham (Non-executive Director)

Neil Reisman (Non-executive Director)

Jessica Rudd (Non-executive Director) (Resigned 13 May 2025)

Marc Blazer (Non-executive Director)

Sarah Gentry (Non-executive Director)

Joshua Levy (Non-executive Director)

Nicole Sparshott (Non-executive Director) (Appointed 13 May 2025)

OPERATING AND FINANCIAL REVIEW

About AACo

AACo is an Australian beef company with a heritage dating back to 1824 and is the oldest continuously operating company in the country. Guided by our purpose to *reimagine Australian agriculture to share with the world*, AACo operates a fully integrated branded beef business, focused on the sales and marketing of high-quality Wagyu beef distributed to over 20 countries worldwide.

Our vision - to be the leading food and agriculture company delivering nature-led solutions at scale - underpins how we manage a strategic balance of stations, feedlots, and farms spanning approximately 6.5 million hectares across northern Australia. Supported by a team of employees located both domestically and in key international markets, AACo combines production efficiencies with a tailored route-to-market approach to meet the needs of global customers. Nature-led farming practices aim to balance the needs of our people, cattle, and the ecosystems in our care.

Key Financial Indicators Used by Management

The following table summarises financial indicators used by Management to monitor and manage the Company.

Operating Profit is a key measure of profitability for AACo and a primary indicator used to monitor and manage the Company. It represents an adjusted Statutory EBITDA by removing unrealised livestock mark-to-market fluctuations and measuring cost of goods sold using production costs rather than fair value. Management considers that this metric provides a more appropriate representation of financial performance within its control, and as such, regards its disclosure as beneficial to stakeholders.

Statutory EBIT is earnings before interest and tax. Statutory EBITDA is earnings before interest, tax, depreciation, amortisation, impairment and changes in the fair value of property.

DIRECTORS' REPORT

OPERATING AND FINANCIAL REVIEW (continued)

Key Financial Indicators Used by Management (continued)

The table below includes results which are unaudited, non-IFRS financial information: Operating Profit, Statutory EBIT and Statutory EBITDA.

	6 MONTHS TO 30 SEP 2025	6 MONTHS TO 30 SEP 2024
	\$'000	\$'000
Beef sales	151,644	147,943
Cattle sales	81,288	47,626
Operating Profit	39,844	20,249
Statutory EBITDA	148,165	64,507
Statutory EBIT	132,444	50,901
Statutory Net profit after tax	82,239	23,601
Net cash inflow from operating activities	2,152	4,303

Discussion on drivers of movements in key financial indicators are included in the following Sales & Marketing, Production and Statutory Financial Results sections.

Sales and Marketing

Wagyu beef revenue increased to \$151.6 million from \$147.9 million in the prior comparative period, despite a 5% reduction in kilograms sold. This revenue growth has been driven by value generated through brand, strong partnerships with distributors and dynamic allocation across our key global markets, with average prices up 7%.

Cattle revenue rose by 71% compared to the prior period, due to accelerated first-half sales aimed at operational efficiencies and supported by strong market demand and favourable pricing.

Strategic herd management included improving the genetic profile of the herd, generating future value and improved utilisation of our assets.

	6 MONTHS TO 30 SEP 2025	6 MONTHS TO 30 SEP 2024
Wagyu beef revenue – \$ mil ⁽¹⁾	151.6	147.9
Wagyu beef kgs sold – mil kg CW ⁽²⁾	8.1	8.5
Wagyu beef sold – \$/kg CW	\$18.62	\$17.46
Cattle revenue – \$ mil	81.3	47.6
Cattle sales – mil kg LW ⁽²⁾	25.8	18.2

⁽¹⁾ Wagyu beef sales represents total beef sales excluding by-products

⁽²⁾ CW – carton weight containing saleable boxed beef, LW – live animal weight.

Production

Kilograms produced is a measure of the number of cattle live weight kilograms grown throughout the breeding, backgrounding and feedlot operations of the Company during the period, excluding the offsetting impact of attrition kilograms. Kilograms produced rose by 7% on the prior comparative period, driven by higher calving rates and increased average weights resulting from ongoing herd optimisation.

Cost of production is a measure of the operating costs incurred to produce a kilogram of live weight of cattle throughout the breeding, backgrounding and feedlot operations of the Company during the period. This calculation is the sum of production costs incurred at each of the Company's productive properties, divided by the number of total live weight kilograms produced over the period. Cost of production has decreased by 1% on the prior comparative period, primarily due to the impact of lower cattle expenses driven by commodity pricing and reducing inflationary impacts on inputs.

	6 MONTHS TO 30 SEP 2025	6 MONTHS TO 30 SEP 2024
Kilograms produced – mil kg LW	51.4	48.0
Cost of production – \$/kg LW	\$2.46	\$2.48

DIRECTORS' REPORT

OPERATING AND FINANCIAL REVIEW (continued)

Statutory Financial Results

The H1FY26 results include a Statutory EBITDA profit of \$148.2 million (H1FY25 profit of \$64.5 million), driven by the \$94.7 million unrealised market valuation increase on the herd (H1FY25 unrealised market valuation increase of \$34.6 million). Cattle fair value adjustments have increased materially since March 2025, supported by stronger pricing across key cattle classes.

A net operating cash inflow of \$2.2 million was achieved in H1FY26 compared with \$4.3 million in H1FY25. The net positive operating cash flow result has been achieved in the current period through higher receipts from cattle sales as a result of sales timing, offset by investment in our Better Beef initiative.

Reconciliation of Operating Profit to Statutory Profit

Operating Profit for H1FY26 of \$39.8 million (H1FY25 \$20.2 million) has increased on the prior comparative period driven by favourable beef and cattle sales performance.

Operating Profit, Statutory EBIT and Statutory EBITDA are unaudited, non-IFRS financial information. A reconciliation of Operating Profit to Statutory EBITDA and Net Profit After Tax (NPAT) is provided below:

	6 MONTHS TO 30 SEP 2025	6 MONTHS TO 30 SEP 2024
	\$'000	\$'000
Operating Profit	39,844	20,249
Unrealised mark-to-market of herd	94,692	34,596
Cost versus Fair Value: Kg sold or produced	12,549	6,602
Other income	1,080	3,060
Statutory EBITDA⁽¹⁾	148,165	64,507
Depreciation and amortisation	(15,721)	(13,606)
Statutory EBIT	132,444	50,901
Net finance costs	(13,513)	(13,643)
Income tax expense	(36,692)	(13,657)
Net Profit after tax	82,239	23,601

⁽¹⁾EBITDA is defined by the Company as earnings before interest, tax, depreciation, amortisation, impairment, and changes in the fair value of property.

Capital Structure

The Company continues to target a gearing ratio of 20.0% to 35.0%. The gearing ratio for the period was 23.4%.

	30 SEP 2025	31 MAR 2025
ASSETS AND CAPITAL STRUCTURE	\$'000	\$'000
Current debt		
Interest-bearing liabilities	9,494	8,787
Lease liabilities	9,333	10,018
Non-current debt		
Interest-bearing liabilities	16,402	18,478
Lease liabilities	27,695	32,180
Bank loan facility ⁽¹⁾	445,495	428,264
Bank guarantees	486	486
Cash	(9,620)	(12,145)
Net debt	499,285	486,068
Equity employed	1,636,086	1,544,240
Total capital employed	2,135,371	2,030,308
Gearing (net debt / net debt + equity)	23.4%	23.9%

⁽¹⁾The gearing ratio is calculated utilising the drawn-down balance of the bank loan facility. This is not offset by \$1.4 million of prepaid borrowing costs.

DIRECTORS' REPORT

OPERATING AND FINANCIAL REVIEW (continued)

Net Tangible Assets

The Company's Net Tangible Assets per share was \$2.70 as at 30 September 2025, compared to \$2.55 as at 31 March 2025. Net Tangible Assets of the Company include leasehold land assets.

The increase in Net Tangible Assets is driven by the \$94.7 million unrealised market value increase on cattle values at the half-year end. This change in market price is driven by market dynamics, and is an unrealised mark-to-market adjustment on our herd. Our herd is primarily held for the production of beef and therefore the majority are not disposed of through the market sales process.

Dividends

There were no dividends declared or paid during the six months to 30 September 2025, and therefore the Company's Dividend Reinvestment Plan (DRP) was inactive throughout the period.

Risk Management

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

The nature, likelihood, timing and potential impact of risks are not static and are impacted by the Company's ability to manage and mitigate these risks. It is possible for several relatively minor risks to converge into a new risk that was unforeseen and is material to the business. We concentrate our risk planning on those risks relating to factors that Management can measure and reasonably control, and consider mitigation strategies if available.

We continue to monitor, mitigate and manage business risks and their potential impact on the Company's operations, financial performance and business strategies for future financial years. The business risks that have the potential to impact the Company's ability to deliver its strategy and achieve its business objectives, as detailed in the AACo 2025 Annual Report, remain relevant for the interim 2026 period.

For more information, refer to the following documents at www.aaco.com.au:

- > AACo 2025 Annual Report
- > AACo 2025 Corporate Governance Statement

Business Strategies, Likely Developments and Expected Results

The Board is committed to increasing shareholder value and reimagining Australian agriculture to share with the world, through the execution of the Company's strategic focus areas:

- > Better Beef: to grow revenue, margin and brand equity;
- > Partner and Invest: to solve problems and embed future value; and
- > Unlock the Value of the Land: to generate alternative revenue opportunities.

We have made meaningful progress across our strategic focus areas. This includes evolving our herd to increase the production of high-quality branded beef, in line with global demand; completing capital works at our Goonoo Feedlot to expand production capacity; advancing infrastructure development at the Glentana soil carbon project to support the future generation of Australian Carbon Credit Units; and pursuing investment opportunities in innovative technologies that deliver long-term benefits to the business.

DIRECTORS' REPORT

SIGNIFICANT EVENTS AFTER BALANCE SHEET DATE

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

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration is set out on page 8 and forms part of the Directors' Report for the period ended 30 September 2025.

ROUNDING

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

Signed in accordance with a resolution of the Directors.



Donald McGauchie AO

Chairman

Brisbane

19 November 2025



David Harris

Managing Director and CEO

Brisbane

19 November 2025

AUDITOR'S INDEPENDENCE DECLARATION

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



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

To the Directors of Australian Agricultural Company Limited

I declare that, to the best of my knowledge and belief, in relation to the half-year review of Australian Agricultural Company Limited for the half-year ended 30 September 2025 there have been:

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

A stylized, handwritten-style signature of the KPMG logo in black ink.

KPMG

A handwritten signature in black ink, appearing to read 'J Adams'.

Jason Adams
Partner

Brisbane
19 November 2025

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CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Income Statement

For the half-year ended 30 September 2025

	6 MONTHS TO 30 SEP 2025	6 MONTHS TO 30 SEP 2024
	\$'000	\$'000
Beef sales	151,644	147,943
Cattle sales	81,288	47,626
	232,932	195,569
Cattle fair value adjustments	249,627	168,795
	482,559	364,364
Cost of beef sold	(96,205)	(104,967)
Cost of cattle sold	(77,022)	(44,565)
Cattle and feedlot expenses	(67,622)	(64,094)
Gross margin	241,710	150,738
Other income	2,012	3,391
Employee expenses	(40,820)	(37,134)
Marketing and selling expenses	(13,025)	(11,086)
Administration expenses	(19,377)	(17,196)
Other operating expenses	(20,066)	(21,591)
Property expenses	(2,269)	(2,615)
Depreciation and amortisation	(15,721)	(13,606)
Profit before finance costs and income tax	132,444	50,901
Finance costs	(13,513)	(13,643)
Profit before income tax	118,931	37,258
Income tax expense	(36,692)	(13,657)
Net profit after tax	82,239	23,601
PROFIT PER SHARE ATTRIBUTABLE TO THE ORDINARY EQUITY HOLDERS OF THE PARENT	CENTS	CENTS
Basic earnings per share	13.76	3.95
Diluted earnings per share	13.60	3.92

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

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Statement of Comprehensive Income

For the half-year ended 30 September 2025

	6 MONTHS TO 30 SEP 2025 \$'000	6 MONTHS TO 30 SEP 2024 \$'000
Net profit for the period	82,239	23,601
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss:		
Revaluation of foreign currency operations, net of tax	1,086	1,370
Changes in fair value of cash flow hedges, net of tax	6,668	10,722
Other comprehensive income for the period, net of tax	7,754	12,092
Total comprehensive income for the period, net of tax	89,993	35,693

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

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Statement of Financial Position

As at 30 September 2025

	NOTE	AS AT 30 SEP 2025 \$'000	AS AT 31 MAR 2025 \$'000
Current assets			
Cash and cash equivalents		9,620	12,145
Trade and other receivables		29,685	24,122
Inventories and consumables		50,599	38,041
Livestock		318,725	240,713
Derivatives	5	1,557	867
Other assets		2,330	7,875
Total current assets		412,516	323,763
Non-current assets			
Livestock		400,337	355,120
Property, plant and equipment	4	1,692,063	1,685,172
Intangible assets		22,925	22,925
Right-of-use assets		32,732	37,729
Investments		2,256	1,469
Derivatives	5	2,900	2,225
Other assets		1,104	1,104
Total non-current assets		2,154,317	2,105,744
Total assets		2,566,833	2,429,507
Current liabilities			
Trade and other payables		43,807	40,370
Provisions		5,831	5,298
Lease liabilities		9,333	10,018
Derivatives	5	1,822	3,755
Interest-bearing liabilities	6	9,494	8,787
Total current liabilities		70,287	68,228
Non-current liabilities			
Provisions		1,240	1,093
Lease liabilities		27,695	32,180
Derivatives	5	870	3,681
Interest-bearing liabilities	6	460,516	446,194
Deferred tax liabilities		370,139	333,891
Total non-current liabilities		860,460	817,039
Total liabilities		930,747	885,267
Net assets		1,636,086	1,544,240
Equity			
Contributed equity		528,822	528,822
Reserves		1,022,199	1,012,592
Retained earnings		85,065	2,826
Total equity		1,636,086	1,544,240

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

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Statement of Changes in Equity

For the half-year ended 30 September 2025

	CONTRIBUTED EQUITY \$'000	RESERVES \$'000	RETAINED EARNINGS \$'000	TOTAL EQUITY \$'000
At 1 April 2024	528,822	984,181	3,879	1,516,882
Profit for the period	–	–	23,601	23,601
Other comprehensive income	–	12,092	–	12,092
Total comprehensive income for the period	–	12,092	23,601	35,693
Transactions with owners in their capacity as owners:				
Cost of share-based payments	–	891	–	891
At 30 September 2024	528,822	997,164	27,480	1,553,466
At 1 April 2025	528,822	1,012,592	2,826	1,544,240
Profit for the period	–	–	82,239	82,239
Other comprehensive income	–	7,754	–	7,754
Total comprehensive income for the period	–	7,754	82,239	89,993
Transactions with owners in their capacity as owners:				
Cost of share-based payments	–	1,853	–	1,853
At 30 September 2025	528,822	1,022,199	85,065	1,636,086

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

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Statement of Cash Flows

For the half-year ended 30 September 2025

	6 MONTHS TO 30 SEP 2025	6 MONTHS TO 30 SEP 2024
	\$'000	\$'000
Cash flows from operating activities		
Receipts from customers	235,598	209,686
Payments to suppliers, employees and others	(219,238)	(191,725)
Payment of interest and finance costs	(14,374)	(13,799)
Interest received	166	141
Net cash inflow from operating activities	2,152	4,303
Cash flows from investing activities		
Payments for property, plant and equipment	(14,358)	(7,754)
Proceeds from sale of property, plant and equipment	142	309
Payments for equity interests	(787)	(1,021)
Net cash outflow from investing activities	(15,003)	(8,466)
Cash flows from financing activities		
Proceeds from interest-bearing liabilities	60,000	25,000
Repayments of interest-bearing liabilities	(40,000)	(15,000)
Principal repayments of leases	(9,674)	(8,634)
Net cash inflow from financing activities	10,326	1,366
Net decrease in cash	(2,525)	(2,797)
Cash at the beginning of the period	12,145	8,963
Cash at the end of the period	9,620	6,166

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 30 SEPTEMBER 2025

1. Basis of preparation

a) Corporate information

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

The interim financial statements for the half-year ended 30 September 2025 were authorised for issue in accordance with a resolution of the Directors on 19 November 2025.

b) Basis of preparation

This general purpose financial report for the half-year ended 30 September 2025 has been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

Any references to we, us, our, AACo, the Company and consolidated, all refer to Australian Agricultural Company Limited and the entities it controlled at the financial half-year end or from time to time during the financial half-year. Any references to subsidiaries or controlled entities in this interim report refer to those entities that are controlled and consolidated by Australian Agricultural Company Limited.

The interim report does not include all notes of the type normally included within the annual financial report. Accordingly, this report should be read in conjunction with the financial report for the year ended 31 March 2025 and considered together with any public announcements made by AACo during the half-year ended 30 September 2025, in accordance with the continuous disclosure obligations of the ASX listing rules.

The Company is of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* and in accordance with the legislative instrument, amounts in the interim financial statements have been rounded off to the nearest thousand dollars, unless otherwise stated.

c) Significant accounting judgements, estimates and assumptions

The preparation of the financial statements requires judgements, estimates and assumptions to be made that affect the reported amounts in the financial statements. Judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses are continually evaluated. Judgements and estimates are based on historical experience and on other various factors considered reasonable under the circumstances, the result of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources.

Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods.

Management's approach to significant judgements, estimates and assumptions is consistent with that applied for the 31 March 2025 consolidated financial report.

2. Accounting policies

a) Livestock

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

The fair value of livestock is based on its present location and condition. AASB 13 *Fair Value Measurement* establishes the hierarchy for valuation techniques used to measure fair value, with the highest priority given to quoted prices in active markets for identical assets or liabilities (Level 1 Price Input), and the lowest priority to unobservable inputs (Level 3 Price Input).

If an active market exists for an identical livestock asset in its present location and condition, the quoted price in that market is the appropriate basis for determining the fair value of that asset (Level 1 Price Input). Where access to multiple markets exists, then the most relevant market is used to determine fair value.

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 30 SEPTEMBER 2025

2. Accounting policies (continued)

a) Livestock (continued)

In the event that market determined prices or values are not available for livestock in its present condition, the fair value price input is not based on observable market data (unobservable inputs) (Level 3 Price Input).

Consistent with previous reporting periods, at 30 September 2025 cattle have been valued using Fair Value Level 2 and Level 3 price inputs as defined by AASB 13 *Fair Value Measurement*.

b) Pastoral property and improvements at fair value

Pastoral property and improvements are carried at a revalued amount, which is the fair value at the date of the revaluation, less any subsequent accumulated depreciation on buildings and accumulated impairment losses.

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

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

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

All initial lump sum payments in respect of pastoral and perpetual property leases have been classified as land. The remaining lease payments are nominal and are therefore expensed to the income statement as incurred. Leasehold properties in Queensland are mainly pastoral holdings which are rolling term leases. In the Northern Territory, the pastoral leases held have been granted on a perpetual basis by the Northern Territory Government. We treat statutory pastoral leases held with government bodies as perpetual leases and as such, specifically excluded these from measurement under AASB 16 *Leases*.

Commercial leases for pastoral properties that are held with third parties are measured under AASB 16 and recorded as a right-of-use asset with a corresponding debt obligation.

c) Property, Plant and Equipment at cost

Plant and equipment and industrial property and improvements are stated at historical cost less accumulated depreciation and any accumulated impairment losses. We review the carrying values of plant and equipment and industrial property and improvements for impairment when events or changes in circumstances indicate the current carrying value may not be recoverable.

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

During H1FY26, operations continue to be suspended at Livingstone Beef. As at 30 September 2025, Management have reassessed internal and external factors that may indicate further impairment of the CGU. As a result of this assessment, no factors were identified that may indicate the CGU's recoverable amount was materially different from its carrying value as at 30 September 2025.

d) Taxes

The Company's consolidated effective tax rate in respect of continuing operations for the six months ended 30 September 2025 was 30.9% (for the six months ended 30 September 2024: 36.7%).

e) Intangible Assets

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 30 SEPTEMBER 2025

3. Segment information

Identification of reportable segments

AASB 8 *Operating Segments* requires operating segments to be identified on the basis of internal reports about components of the Company, that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance. The Company's chief decision maker is the Managing Director/Chief Executive Officer and, along with the Board and Executive Leadership team, reviews financial information for the Company at least monthly and as one operating segment.

Accounting policies – reportable segments

The accounting policies used in reporting segments are the same as those contained in the financial statements and in the prior period.

The measure of Operating Profit is a key indicator which is used to monitor and manage the Company and represents an adjusted Statutory EBITDA. Operating Profit is a key measure of profitability for AACo which removes unrealised livestock mark-to-market fluctuations from the Statutory Profit result, and measures cost of goods sold using production costs rather than fair value. Management considers that this metric provides a more appropriate representation of financial performance within its control, and as such, regards its disclosure as beneficial to stakeholders.

The following table presents the revenue and profit information by operating segment (incorporating a reconciliation of Operating Profit to Statutory NPAT) for the six months to 30 September 2025 and 30 September 2024.

	30 SEP 2025	30 SEP 2024
	\$'000	\$'000
Segment revenue	232,932	195,569
Revenue from external customers	232,932	195,569
 Operating Profit	 39,844	 20,249
Unrealised mark-to-market of herd	94,692	34,596
Cost versus Fair Value: Kg sold or produced	12,549	6,602
Other income	1,080	3,060
Statutory EBITDA	148,165	64,507
Depreciation and amortisation	(15,721)	(13,606)
Statutory EBIT	132,444	50,901
Net finance costs	(13,513)	(13,643)
Income tax expense	(36,692)	(13,657)
Net Profit after tax	82,239	23,601

Revenues from external customers

	30 SEP 2025	30 SEP 2024
	\$'000	\$'000
BEEF SALES REVENUES		
South Korea	38,807	43,832
USA	30,306	31,555
China	20,088	8,375
Australia	18,108	17,956
Netherlands	8,541	8,589
Other countries	35,794	37,636
Total Beef sales revenue per Income Statement	151,644	147,943
 CATTLE SALES REVENUES		
Australia	81,288	47,626
Total cattle sales revenue per Income Statement	81,288	47,626

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 30 SEPTEMBER 2025

4. Property, plant and equipment

Acquisitions and disposals

During the six months ended 30 September 2025, the Company acquired assets with a cost of \$14.7 million (six months to 30 September 2024: \$7.9 million). No property acquisitions were made during the period.

Assets with a combined net book value of \$0.02 million were disposed of during the six months ended 30 September 2025 (six months to 30 September 2024: \$0.08 million). No sales of property were made during the period.

5. Derivatives

	30 SEP 2025		31 MAR 2025	
	\$'000	\$'000	\$'000	\$'000
	Current	Non-Current	Current	Non-Current
Financial assets				
Foreign currency contracts	1,526	2,853	807	2,072
Interest rate swap contracts	31	47	60	153
	1,557	2,900	867	2,225
Financial liabilities				
Foreign currency contracts	1,057	567	3,755	3,681
Interest rate swap contracts	765	303	–	–
	1,822	870	3,755	3,681

Fair values

As at 30 September 2025 and 31 March 2025, the only financial instruments recognised at fair value were interest rate swaps and forward currency contracts. These are valued using a 'Level 2' method under AASB 13 *Fair Value Measurement*, which estimates fair value using inputs that are observable either directly (as prices) or indirectly (derived from prices). The carrying amount of all other financial assets and liabilities approximates the fair value.

Forward currency exchange contracts

Foreign currency contracts are entered in to hedge the cash flows of foreign denominated forecast beef sales. As these contracts are hedge accounted, their effectiveness was required to be assessed under AASB 9 *Financial Instruments*. The effective portion of the gain or loss is accounted for in Other Comprehensive Income and the ineffective portion posted to profit or loss. Forward currency contracts can have maturities of up to 36 months. These contracts sell in US dollars and buy in Australian dollars. The total notional value of these contracts at 30 September 2025 was AUD \$307.2 million (31 March 2025: AUD \$357.5 million).

Interest rate swap contracts

The Company has entered into interest rate swaps to manage its interest rate risk associated with the mix of borrowings between fixed and floating rates as per our Treasury Policy. The fair value of interest rate swaps at the reporting date is determined by discounting the future cash flows using the forward interest rate curves at reporting date. At the half-year balance date, the Company holds \$264.0 million interest rate swaps with differing tenors, which have being designated as effective hedges and therefore satisfy the accounting standard requirements for hedge accounting.

As at 30 September 2025, the notional principal amounts and period of expiry of the interest rate swaps are as follows:

	30 SEP 2025	31 MAR 2025
	\$'000	\$'000
0-1 years	148,000	87,000
1-7 years	116,000	152,000
	264,000	239,000

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 30 SEPTEMBER 2025

6. Interest-bearing liabilities

	30 SEP 2025	31 MAR 2025
	\$'000	\$'000
Current		
Asset financing	9,494	8,787
Non-Current		
Secured bank loan facility	444,114	427,716
Asset financing	16,402	18,478
	460,516	446,194

Asset financing has been obtained over some of the Company's vehicles, plant and equipment. These liabilities are discounted using the interest rate implicit in the financing arrangement. The weighted average rate is 5.18%.

Secured bank loan facility

AACo has secured the refinance of its existing Club Debt Facilities, extending the expiry until 8 October 2030. The total committed facility capacity increased from \$600 million to \$680 million. The Facility A limit increased from \$410 million to \$470 million, repayable on 8 October 2030. The Facility B limit increased from \$190 million to \$210 million, repayable on 8 April 2027 with a rolling 18 month tenor.

Interest on these facilities is charged at the applicable BBSY rate plus margin. The facility was drawn to \$445.5 million as at 30 September 2025 (31 March 2025: \$428.3 million) and is offset in the Statement of Financial Position by a prepaid facility participation fee of \$1.1 million (31 March 2025: \$0.5 million).

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

The following financing facilities are available:

	30 SEP 2025	31 MAR 2025
	\$'000	\$'000
Borrowing Capacity under Facility A and Facility B	680,000	600,000
Guarantee Facility Capacity	3,000	3,000
Facility A and B drawn-down	(445,495)	(428,264)
Bank guarantee utilised	(486)	(486)
Unused	237,019	174,250

7. Equity securities issued

Equity securities issued

No shares were issued during the six months to 30 September 2025 (six months to 30 September 2024: nil).

Dividends

No dividend was declared or paid during the six months to 30 September 2025 (six months to 30 September 2024: nil).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 30 SEPTEMBER 2025

8. Commitments

Capital commitments

Capital expenditure of \$7.9 million has been contractually committed to in respect of property, plant and equipment as at 30 September 2025 (31 March 2025: \$11.3 million).

Other commitments

Forward purchase contracts have been entered into for \$17.4 million worth of grain commodities (31 March 2025: \$17.0 million). The contracts are expected to be settled within 12 months from balance date.

As at 30 September 2025 there are no forward purchase contracts for cattle (31 March 2025: nil).

9. Related party disclosures

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

There were no material transactions with related parties during the six months to 30 September 2025 (30 September 2024: nil). Associates are entities considered to be related parties, due to the Group having significant but not controlling influence over the entity.

10. Events after the balance sheet date

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

DIRECTORS' DECLARATION

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

In the opinion of the Directors:

- a) The consolidated financial statements and notes of Australian Agricultural Company Limited set out on pages 9 to 19 are in accordance with the *Corporations Act 2001*, including:
 - i. Giving a true and fair view of its financial position as at 30 September 2025 and its performance for the half-year ended on that date;
 - ii. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and
- b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board



Donald McGauchie AO
Chairman

Brisbane

19 November 2025

INDEPENDENT AUDITOR'S REVIEW REPORT



Independent Auditor's Review Report

To the shareholders of Australian Agricultural Company Limited

Conclusion

We have reviewed the accompanying **Half-year Financial Report** of Australian Agricultural Company Limited.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Half-year Financial Report of Australian Agricultural Company Limited does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the **Group's** financial position as at 30 September 2025 and of its performance for the Half-year ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The **Half-year Financial Report** comprises:

- Consolidated statement of financial position as at 30 September 2025;
- Consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the Half-year ended on that date;
- Notes 1 to 10 including selected explanatory notes; and
- The Directors' Declaration.

The **Group** comprises Australian Agricultural Company Limited (the Company) and the entities it controlled at the Half year's end or from time to time during the Half-year.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Half-year 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 and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

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INDEPENDENT AUDITOR'S REVIEW REPORT



Responsibilities of the Directors for the Half-year Financial Report

The Directors of the Company are responsible for:

- the preparation of the Half-year Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*
- such internal control as the Directors determine is necessary to enable the preparation of the Half-year Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Half-year Financial Report

Our responsibility is to express a conclusion on the Half-year Financial Report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the Half-year Financial Report does not comply with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 30 September 2025 and its performance for the Half-Year ended on that date, and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a Half-year Financial Report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with *Australian Auditing Standards* and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

A stylized, handwritten signature of the KPMG firm, rendered in black ink.

KPMG

A handwritten signature of Jason Adams, rendered in black ink.

Jason Adams
Partner

Brisbane
19 November 2025

COMPANY INFORMATION

Name of Entity

Australian Agricultural Company Limited

ABN

15 010 892 270

Registered Office

Principal Place of Business
Gasworks Plaza
Level 1, Lobby 1
76 Skyring Terrace
Newstead QLD 4006
Ph: (07) 3368 4400
Fax: (07) 3368 4401
www.aaco.com.au

Share Registry

MUFG Corporate Markets
Level 21, 10 Eagle Street
Brisbane QLD 4000
Ph: 1300 554 474
www.mpms.mufg.com
AACo shares are quoted on the Australian Securities Exchange under listing Code AAC.

Solicitors

Allens Linklaters
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Auditors

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Brisbane QLD 4000