



The Environmental
Group Limited
Engineering a Sustainable Future

Annual Report 2025

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Our Purpose

Engineering a
sustainable future

Our Mission

To enable our clients
to contribute to a
cleaner environment
by safely delivering
pivotal solutions while
generating value for our
shareholders, staff and
partner industries.

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The Environmental Group Limited (EGL) Annual Report 2024–2025 covers the operations of The Environmental Group for the financial year ended 30 June 2025. These financial statements are based on information available on the date of this report as required by law or regulation (ASX Listing Rules).

Financial statements are not guarantees or predictions of EGL's future performance. Known and unknown risks, which are beyond our control, may cause actual results to differ materially from those expressed in the statements contained in this report.

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The Environmental Group Limited acknowledges the Traditional Owners and Custodians of Country throughout Australia and acknowledges their continuing connection to Land, Sea and Community.

We pay our respects to the people, the cultures and the Elders past and present.

FY25 in Review

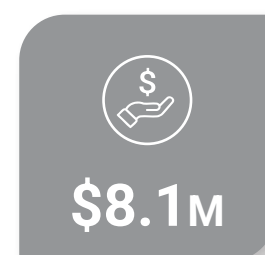
FY25 demonstrated The Environmental Group's ability to deliver results: driving commercial success while leading the transition to a cleaner, more sustainable future.



13.9% increase in revenue on FY24



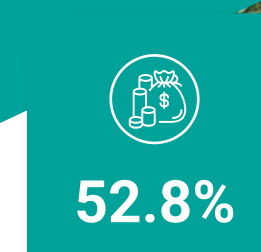
EBITDA up 9.9% on FY24, before significant items of \$1.16M



EBIT up 7.8% on FY24, before significant items of \$1.16M



NPAT up 7.3% on FY24



Recurring revenue (% of total revenue)



Net assets increased by \$4.9M to \$45.8M



Hours worked



Strategic business aquisition



All CE & ISO Certifications maintained

Our Values

The Environmental Group's strategic statement encompasses six key focus areas that together guide the Group's work. These aspects reflect the core values that have helped to define our collaborative culture and continue to drive our business forward.



Cleaner Environments

Develop integrated solutions to assist customers to meet the highest level of regulatory and reporting requirements. To develop innovative outcomes to complex and emerging environmental issues across multiple industry sectors.



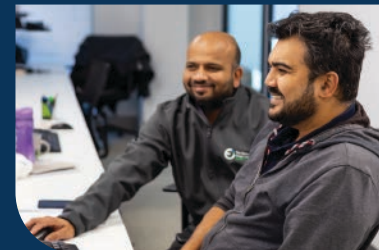
Growth

Develop strategic partnerships and collaborations with expert knowledge, solutions and experience to accelerate growth, market penetration and profitability.



Engineered Solutions

Inspire teams to resolve challenges by delivering tailored and unique solutions across a range of disciplines, creating a point of difference and meeting customer requirements.



Value

Maintain a diversity of customers in a range of geographical markets to provide resilience in cash flow, margins, and sustainable financial performance, and to reduce exposure to any one market segment. Achieve positive shareholder returns to drive long-term share price growth and increased liquidity of shares.



Safety and Continuous Improvement

Recognise safety as non-negotiable for the Group's teams, stakeholders, and the communities The Environmental Group operates in. Drive continuous improvement in all areas of the Group's business operations through targeted investment in systems, training, and staff engagement.



Expert Teams

Nurture teams of skilled professionals with structured mentor programs, formal training and education to drive a culture of innovation and continuous improvement. Maintain an organisational structure that delivers consistent management practices, good governance, and flexibility to evolve in line with growth strategies. Recruit strategically to engage a diverse group of highly skilled people to create an inclusive culture and respect of individuality.

Chair's Report 2025

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In 2025 we turned vision into action, leading breakthroughs in environmental recovery and clean technology to set new benchmarks for a sustainable future.



Lynn Richardson
Non-Executive Chair

Dear Shareholders,

I am pleased to present the Chair's Report for the 2025 financial year—one marked by purposeful expansion, operational resilience and sustained value creation. The Environmental Group Limited (EGL) has again demonstrated its capacity to grow with discipline, invest with foresight and lead with integrity. As we advance into FY26, our commitment to engineering a sustainable future positions us well to continue delivering strong shareholder returns while contributing positively to the communities and industries we serve.

In FY25, EGL delivered revenue of \$111.9 million, a 13.2% increase from the previous year, alongside a 9.9% lift in EBITDA to \$11.1 million (before significant items). This performance reflects the successful execution of our three-year strategy and the strength of our diversified portfolio.

Importantly, the composition of our earnings has continued to evolve. Recurring service and spares revenue now exceeds 52% of group income—a deliberate shift that enhances earnings resilience, smooths cash flows, and deepens long-term customer relationships.

The Group has matured into a national service-led business with integrated offerings across four key pillars—EGL Clean Air, EGL Energy, EGL Waste Services and EGL Baltec (formerly known as EGL Turbine Enhancement). This structure enhances internal efficiency while delivering a unified, solutions-focused experience for our clients.

In line with our FY25 theme of 'Growth', we made material progress towards becoming a truly integrated national organisation. Operational hubs were consolidated in New South Wales and Queensland to complement our established presence in Victoria, enhancing both our service reach and environmental efficiency.

A significant milestone during the year was the acquisition of Advanced Boilers & Combustion Pty Ltd (Advanced). This transaction cemented EGL Energy's leadership in the Australian boiler sector and added a further layer of recurring service capability. Advanced's exclusive rights to Maxitherm technology and manufacturing expertise create both near-term opportunities and long-term strategic alignment.

In FY25, EGL elevated environmental, social and governance (ESG) from strategic commitment to operational practice. This was driven by three key

shifts:

- 1. Integration of ESG into core business planning:** The implementation of our comprehensive ERP system will enhance our ability to track environmental and social performance metrics in real time, supporting both proactive risk management and stakeholder transparency.
- 2. Sustainability-led innovation:** We have invested in design-led product improvements, including high-efficiency baghouse systems, dust control technologies and next-generation noise attenuation systems for gas turbines. These developments contribute to cleaner air, safer workplaces and lower emissions intensity for our clients.
- 3. Expanded ESG disclosure:** In line with ASX Corporate Governance Council principles, we have bolstered our sustainability reporting to reflect best practice and investor expectations. We now report against ESG metrics in areas such as energy use, waste reduction, employee engagement and modern slavery due diligence.

Project Castlelost in Ireland exemplified our ESG philosophy in action. Delivered in partnership with Siemens Energy, the project demonstrated EGL Baltec's capacity to meet rigorous European noise, heat and emissions requirements through world-class engineering design.

The year was not without challenge. Our EGL Baltec division experienced a cost overrun on a major international project, prompting an internal review and the implementation of strengthened project governance protocols. The lessons learned have reinforced our risk management culture and will support more robust execution as the business continues to scale.

Our Enterprise Risk Management Framework continues to evolve, reflecting the complexity of the sectors we operate in. We recognise that climate-related transition risks, information security threats and regulatory uncertainty are growing concerns for stakeholders. Our approach is aligned with ASX200 best practices, focusing on scenario planning, board oversight and integration of sustainability-related risks into strategic decision-making.

Strong governance continues to underpin EGL's performance. In September 2024, we welcomed

Lucia Cade to the Board as an Independent Non-Executive Director. Lucia brings deep expertise across infrastructure, utilities and advanced manufacturing, with a strong track record of delivering board-level impact through ESG leadership and commercial acumen.

Lucia’s appointment aligns with our commitment to board diversity, succession planning and enhanced capability in environmental and social impact governance.

During the year, we farewelled Non-Executive Director Graeme Naylor. Graeme’s contribution over his tenure helped guide EGL through a transformative growth phase, and we thank him sincerely for his service.

In July, we announced the appointment of Gareth Nicholls as incoming Chief Financial Officer (CFO), effective October 2025. Gareth joins with two decades of senior finance experience, most recently with Visy Industries. His expertise in analytics, corporate finance and systems transformation will support EGL’s scale ambitions. Outgoing CFO Andrew Bush will remain in a part-time company secretary and finance role to support the ERP transition. We thank Andrew for his significant contributions over the past eight years and look forward to his ongoing support to the company.

Our people remain the cornerstone of our success. Over 250 employees now call EGL home, and we are proud of the strong, values-driven culture we continue to foster.

In FY25, we maintained a lost time injury frequency rate (LTIFR) 74% lower than our reference industry, despite one minor injury event. With over 381,000 hours worked across complex project environments, this result reflects our relentless commitment to safety leadership.

Employee wellbeing, development and diversity remain core priorities. We have expanded training programs and introduced refreshed employee engagement tools to ensure the voice of our workforce informs continuous improvement.

Looking ahead, EGL is well placed to capitalise on the global trends driving demand for environmental solutions—decarbonisation, resource recovery, energy transition and the circular economy.

Our pipeline across waste treatment, PFAS (per- and polyfluoroalkyl substances) remediation, renewable infrastructure, and industrial decarbonisation is stronger than ever. The Board has endorsed a strategy for continued organic and inorganic growth, with a priority focus on scalable service offerings, market-leading IP and responsible innovation.

We anticipate continued EBITDA growth in the range of 15% to 20% in FY26, underpinned by margin expansion, disciplined execution and a culture of operational excellence.

FY25 has been a defining year. We delivered a strong financial result, integrated a major acquisition, and commercialised our most advanced environmental technologies to date. We grew our national footprint, reduced our environmental impact, and maintained our focus on recurring service excellence.

As Chair, I am proud of the achievements delivered throughout FY25 and deeply grateful to those who made them possible—our executive team, led by CEO Jason Dixon, our general managers and frontline staff, and our valued partners and shareholders.

Our purpose—engineering a sustainable future, remains our guiding force. On behalf of the Board, I thank our executive team, employees and shareholders for your trust and support. Together, we are One EGL. One vision. One future.

Lynn Richardson
Non-Executive Chair

One EGL

One purpose, shared across our group: to engineer a sustainable future, year upon year.

In FY25, The Environmental Group Limited (EGL) has taken a significant step forward in realising our vision of becoming One EGL—a united, national organisation that delivers integrated environmental and engineering solutions across the full spectrum of the circular economy.

This year, we proudly expanded our national footprint by establishing joint operational hubs in New South Wales and Queensland, complementing our Head Office and operational hub in Victoria.

By consolidating our physical presence, we’re not only reducing our environmental footprint but also ensuring that clients benefit from our collective expertise—regardless of location or needs.

As we move into FY26, our national footprint, group-wide capabilities and client-first approach will continue to set us apart as a leader in environmental engineering.

Together, we are One EGL. One vision. One future.

CEO's Report 2025

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Over the four-year journey with this management team, revenue has grown from approximately \$46.6M to \$111.9M, up approximately 140%, and EBITDA \$3.27M to \$11.1M, up 240%. This has been achieved while we have grown the business to have over 250 staff members, with a great culture, safety focus and maintaining a sustainable work-life balance.



Jason Dixon
CEO, The Environmental Group Limited

Dear Shareholders,

Each year, I get to report to you on the progress of The Environmental Group Limited, which is a great pleasure, again producing strong financial results and driving our strategic goal of increasing the amount of recurring revenue and services work throughout the business, which has now grown to approximately 57% of our revenue by the end of the financial year. Selling new products is very rewarding but looking after those assets in the long term through services is a strong business model, and one we continue to pursue growth in. As we continue to expand, process improvement and risk controls are a key feature of sustainability. Our Enterprise Resource Platform (ERP) system is being implemented later this year and will be a major step forward.

Our culture is based on integrity and trust; the stakeholders we deal with know that our word is our bond and we will strive to get the best outcome for our shareholders and all those we deal with. This is also reflected in the way we deal with our people in providing rewarding careers, always promoting internally if possible, and providing a working environment that is balanced and flexible. Without great people the business cannot succeed, and I thank them for their outstanding efforts again this year.

Unfortunately, we had one lost time injury for the year, thankfully a minor shoulder strain with no major injury suffered by the employee. To achieve a Lost Time Injury Frequency Rate (LTIFR) 74% lower than our reference industry, with 381,000 hours worked, is a reflection of our safety culture and how we put safety as the pinnacle of what we do. However, there is always room for improvement. With good reporting procedures we can identify areas of risk and eliminate them as much as possible.

From a financial perspective the business continued to perform well, having now achieved a four-year compound average growth rate in normalised EDITDA of 35.8%. This is an outstanding achievement, given

a modest economic environment while dealing with significant cost inflation pressures. It is very pleasing that the second half of the financial year was an exceptionally strong result.

For the Financial Year 2025, revenue was \$111,921,268, up 13.2% (FY24 \$98,251,869). EBITDA increased to \$11,101,394 (FY24 \$10,101,890), an increase of 9.9%, before significant items (acquisition and integration costs \$808,060, restructuring costs \$96,771, FX gains \$213,995 and performance rights \$163,047, ERP \$306,799). It was very pleasing to note the second half of FY25 was exceptionally strong, with EBITDA before significant items up 86% on the first half to \$7,215,225.

One of the key highlights this year was the acquisition of Advanced Boilers & Combustion (Advanced) for \$5.5 million, cementing EGL Energy as the number one player in the boiler industry in Australia. This acquisition represents a major expansion in EGL's sales and service offering to the industrial boiler industry, complementing EGL Energy's existing business. Advanced has expertise in fabrication, boiler fit out, economisers, pipe welding, skid manufacture and control panels, broadening EGL's current capability. Advanced also owns exclusive intellectual property rights to Maxitherm boiler technology, which is particularly relevant to larger industrial uses and complements EGL's existing range of boilers. Approximately 60% of Advanced Boilers & Combustion's revenue is service revenue, which is recurring in nature, and aligns with EGL's strategic growth plans.

The strong financial result was driven by our growth strategy, offering all the services of The Environmental Group to our client base, broadening our offering through increased services, spares, licensing distribution agreements such as Turmec, Fulton's and Kadant PAAL. The waste sector is a multibillion-dollar industry in Australia and is going through significant change as part of the circular economy to lift its recycling levels of waste, derive valued products and minimise the environmental impact. We are well positioned to be part of this landmark change in the industry following the introduction of the Recycling and Waste Reduction Act 2020. This targets a significant improvement in recycling rates and includes the banning of all waste being exported from Australia.

Each of the EGL divisions plays their role in providing 'The One EGL Solution' for a sustainable future. EGL Waste for recycling, sorting and bailing technologies, EGL Clean Air (TAPC and Airtight) for dust, fume, emission and odour controls and EGL Energy (Tomlinson Energy Services, Ignite Services and Advanced Boilers & Combustion) for heat exchange, biomass boilers and autoclaves. As waste treatment technologies develop further in Australia into the waste to energy industry, EGL Baltec has the expertise in intake and offtake systems for turbines and thermal dynamics to support the shift.

As we as a society continue to seek lower carbon emissions and improve environmental outcomes, the demand for our services is at a high level. We continue to be a market leader in noise attenuation for gas turbines, including peaking-load turbines, supporting the transition to renewable energy while recognising gas turbines are an essential part of energy infrastructure around the world. The commercialisation of our PFAS extraction technology was a major achievement for the year, with significant resources now being invested to penetrate the market and drive sales with our technology. We are now the house of premium brands in Australia for industry and hold premium intellectual property in the sectors we operate in to provide the best solutions for our clients.

To grow the business revenue at 24.5% compound annual growth for the last four years requires a strong balance sheet and cash flow and reinvestment into the business. We have invested significantly back into the company in FY25, relocating to much larger and combined premises, developing ERP systems for sustainability and completed an acquisition delivering on strategy, while building working capital.

The results have been delivered through the successful execution of our strategy, while not without falter, with a focus on building recurring revenue streams and expanding margin, based on good processes and valuing our intellectual property. Our EBITDA margins have improved compared to FY24, despite the cost inflation and the cost overrun on the Singapore turbine job.

Our management team continue to focus on achieving strong results for our shareholders. This has been a testament to their commitment to the company and exceptionally hard work, which I thank them for. Over the four-year journey with this management team, revenue has grown from approximately \$46.6 million to \$111.9 million, up approximately 140%, and EBITDA \$3.27 million to \$11.1 million, up 240%. This has been achieved while we have grown the business to include over 250 staff members, with a great culture, safety focus and maintaining a sustainable work-life balance.

To the board, staff members and all of our shareholders and stakeholders, I thank you for your ongoing support and look forward to another strong year. In FY26 we expect normalised EBITDA to grow again in the range of 15% to 20%.



Jason Dixon
CEO, The Environmental Group Limited

Financial Position

The financial position of the Group has strengthened over the period, with net assets increasing by \$4.9 million to \$45.8 million. Our debt facility was increased to \$8 million to provide significant working capital to fund further growth. At the end of the financial year this facility was drawn to \$3.5 million. Our bonding facility has been raised to \$18M to facilitate future growth.

Operating cash flow for FY25 was impacted by strong revenue growth and acquisitions, including strategic acquisition and investment. This includes the initial payment of \$4.3 million for the acquisition of Advanced and \$325 thousand invested in Water PFAS development. An increase in contract assets, reflecting the rapid expansion in EGL Energy, increasing from \$5.3 million to \$11.2 million. Contract assets represent work performed or delivered but not yet invoiced. Inventory increased by \$3.5 million to support future sales of the Fulton boiler range and increased inventory levels for Airtight to mitigate long lead times for delivery from Europe and one-off costs of \$1.2 million. This includes costs related to ERP implementation, restructuring and integration activities.

The outlook for FY26 remains strong with EGL again forecasting increased earnings, expecting EBITDA to grow in the range of 15% to 20%.

Growth

In FY25, The Environmental Group achieved a significant milestone by increasing our recurring service revenue from **50% to 57%**. This strategic growth reflects our ability to deliver exceptional, ongoing value to our customers and to build a stronger, more resilient financial foundation for our shareholders.

National Servicing Capacity – Our Core Strength

Our nationwide service network, supported by fully equipped fleets of service vehicles, operational hubs and warehouses in all major Australian cities, ensures we can respond quickly and effectively to customer needs. With 24/7 emergency call-out services and a dedicated team of skilled technicians, we keep businesses operational and competitive, even in the most challenging environments.

By consolidating our NSW and QLD offices, we are continuing to grow a collaborative environment that allows our national teams to share expertise and resources. This cross-servicing capability ensures our customers benefit from a comprehensive, unified approach to maintenance, support and spare parts.

Focused on Shareholder Value

The Environmental Group's service-led strategy is building stable, recurring revenue streams that underpin long-term financial strength. As we continue to increase new projects, installations and upgrades, our growth is led by ongoing service relationships that deliver dependable value for customers and shareholders.

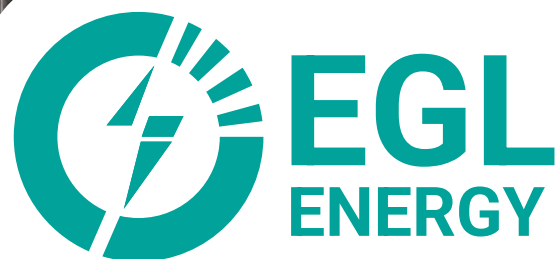
By expanding national service capacity, investing in remote diagnostics and maintaining a customer-first approach, we help Australian businesses stay competitive and deliver resilient, long-term value to all stakeholders.

Review of Operations

The Environmental Group Limited is focused on engineering a sustainable future and providing products, services and spares through our operating divisions to a diverse range of clients across many industries.

The FY25 delivered on our expectations of consistent growth while investing back into the company to ensure a sustainable future via relocation to much larger and combined premises, ERP systems for sustainability and completing an acquisition delivering on strategy.

For the FY25, revenue was \$111,921,268, up 13.2% (FY24 \$98,251,869). EBITDA increased to \$11,101,394 (FY24 \$10,101,890), an increase of 9.9%, before significant items (acquisition and integration costs \$808,060, restructuring costs \$96,771, FX gains (\$213,995) and performance rights \$163,047, ERP \$306,799). It was very pleasing to note the second half of FY25 was exceptionally strong, with EBITDA before significant items up 86% on the first half to \$7,215,225.



EGL Energy

EGL Energy had another outstanding year of exceptionally strong growth, following its first-half FY25 commitment to drive top-line expansion through additional staffing and an expanded product range in line with its strategic plan. Revenue increased by 41.6% on pcp to \$53,615,088 with EBITDA up 42.0% to \$7,596,130. Combined with the increased level of service work EBITDA margin expanded from 14.1% pcp to 14.2% for the full year. As reported in the first-half results, new boiler sales, Fulton product sales and service expansion have been very strong for Tomlinson, positioning the business well for the coming period. Ignite Services performed well and continued to contribute above expectations with both revenue and earnings growth.

As mentioned in the CEO's report, EGL acquired a leading Australian industrial boiler service and manufacturing business Advanced Boilers & Combustion Pty Ltd ('Advanced') for \$5.5 million, funded from existing cash resources in early April 2025. This acquisition represents a major expansion in EGL's sales and service offering to the industrial boiler industry, complementing EGL Energy's existing business. Advanced has expertise in fabrication, boiler fit out, economisers, pipe welding, skid manufacture and control

panels, broadening EGL's current capability. Advanced owns exclusive intellectual property rights to Maxitherm boiler technology, which is particularly relevant to larger industrial uses and complements EGL's existing range of boilers. In FY24, Advanced generated revenue of \$16.0 million and normalised EBITDA of \$1.6 million. Approximately 60% of Advanced's revenue is service revenue, which is recurring in nature, aligning with EGL's strategic growth plans.

Advanced was founded in 2006 by the vendors Laurie Grigg and David Seymour. Advanced's key operations include manufacturing and servicing a wide range of industrial boilers and water heaters and associated control panels, with a focus on the larger end of the industrial market. Maxitherm boilers are one of top two leading water tube boilers in Australia. In addition to the manufacture and sales of boilers and water heaters, Advanced has developed a significant and growing service business, which represents approximately 60% of revenue.

Advanced made a strong contribution in its first quarter to the Group, but more importantly has

taken on a significant amount of manufacturing for most of the other business units, driving significant growth. This includes control panels, tanks, vessels and economisers. Advanced has already commenced the fabrication of a PFAS plant for an EGL Waste client.

Importantly the cultural fit has been very good, with a clear 'can do' attitude to all parts of the EGL Group, taking on a significant amount of new and varied work in a short period of time. Advanced management team led by Laurie and Dave have adapted very quickly to their new senior roles in a larger business and will be great assets to the company going forward.

With the rising cost of natural gas, our clients are looking for the optimisation of their combustion efficiency and alternate fuel sources, such as biomass boilers using waste products to generate heat and hydrogen as an alternate fuel source. With our knowledge of combustion systems and heat exchange, we believe we are not only the biggest but also at the forefront of the circular economy in provide solutions to the industry.

“
Our expert engineering team continues to pioneer solutions that minimise environmental impact, while improving performance for power generation and heavy industry.”



EGL Baltec

EGL Baltec (formerly known as EGL Turbine Enhancement) performed well for the year, with revenue up 31.5% on pcp to \$35,670,206. EBITDA was at \$3,788,228, down 21% after the cost overrun on a job as announced on 13 November 2024. Since then, revenue performance across the business has been strong and in line with expectations.

Revenue growth was consistent over the year, reflecting the growth in demand for gas-generated peaking power. The gas turbine market is changing, requiring the conversion of baseload power plants to run as peaking-load turbines to support renewables driving demand.

The growing need for gas turbines to have the flexibility to run either in peaking load or base load is being driven by the growth of the renewables sector. As renewables grow in capacity, gas turbines benefit from the technology of being able to run in peaking load to support peak demand periods. This requires technical solutions that can survive in an operating environment dealing with far greater thermal dynamics.

The second key driver is the significant gas turbine demand for power supply to data centres. OEMs are seeing unprecedented demand from the data storage facilities market with some leading OEMs are now sold out until 2030. The outlook for the sector remains strong, with a significant pipeline of work. We have also secured a major new customer, which will add to growth and diversify our client base further. As always, the timing of some major infrastructure projects can be subject to change.

EGL Baltec has established a unique position in the market, designing silencers suitable for gas turbines running in peaking load capacity. This supports the move to renewable energy and achieves the noise attenuation required by our customers. The IP generated by our engineering team is world leading and has positioned the business for further growth in the future.

“ We remain at the forefront of noise control solutions for gas turbines, including peaking load units. This helps to power the transition to renewable energy, while acknowledging the vital role gas turbines continue to play in maintaining reliable energy infrastructure worldwide.



“ With strong demand in the dust extraction sector, we have launched a new dry fogging dust control system, which has already gained early traction in the market.



EGL Clean Air

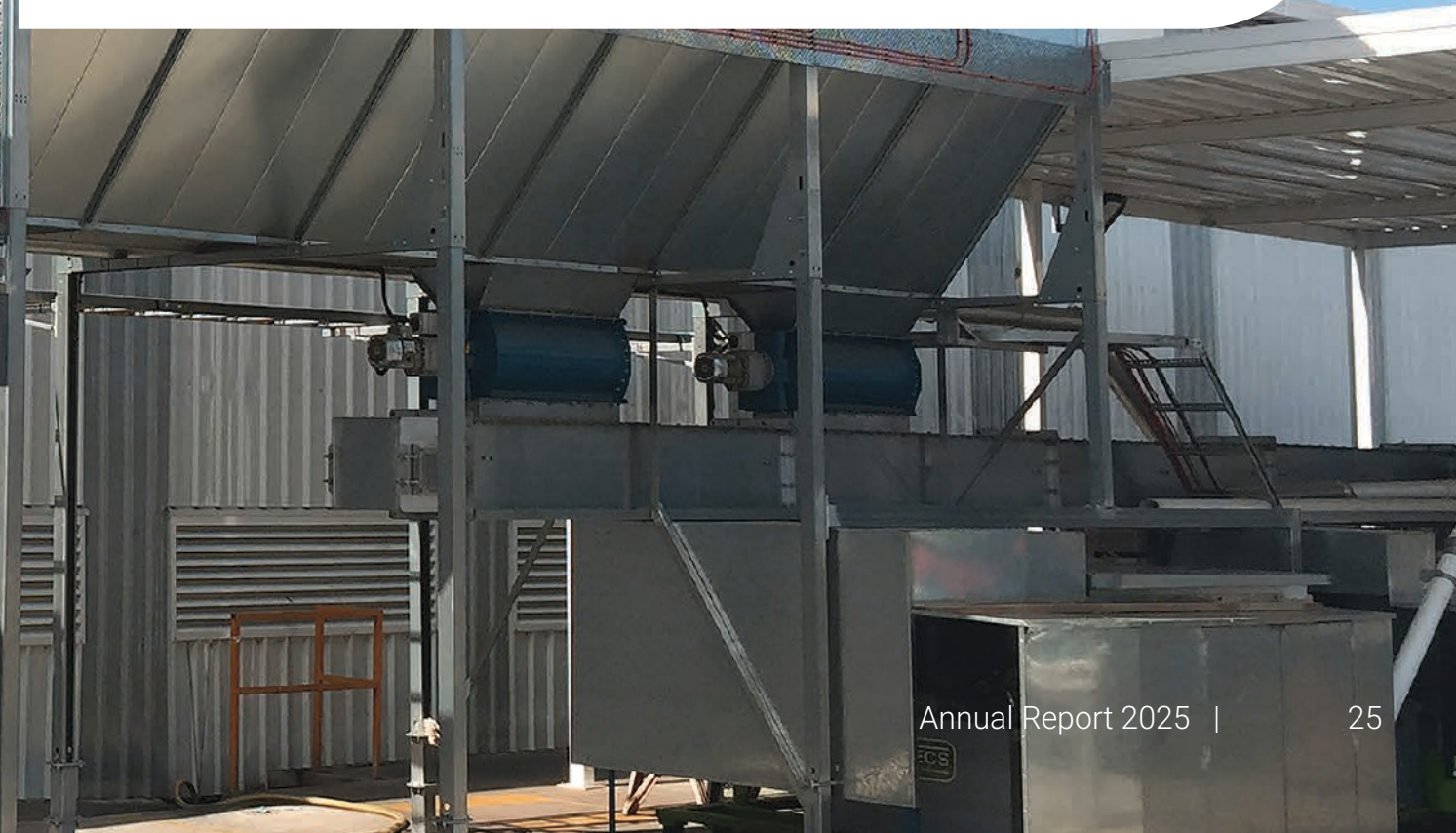
EGL Clean Air had a revenue of \$19,626,172 and EBITDA of \$1,685,704, a tough year for the business unit. As noted in our FY24 results and AGM commentary, EGL Clean Air has faced challenging market conditions. There has been a significant decline in the lithium sector where EGL has historically provided kiln off-gas scrubbing systems and other air pollution control systems. With little improvement in the lithium sector anticipated, EGL Clean Air has been actively developing strategies to reposition the business for growth in the future. The dust extraction segment showed clear signs of improvement in the second half, with much better results.

What was pleasing to see was that the results improved on the first half, with EBITDA increasing by 13% in the second half. We also saw good demand in the dust extraction sector. We have introduced a new dry fogging dust control

system, which has gained early traction with the new technology. With the recent success of EGL Waste winning several waste plant tenders, the majority of those plants will require dust extraction systems as well.

The market for service, spares and small projects has stabilised and we would expect to see more consistent project flows through the business. Steps we have made to drive the growth include the appointment of dedicated services and sales people for gas and vapour and dust and fume control during FY25.

We expect the last financial year to likely be the bottom of the cycle for the EGL Clean Air business unit.





EGL Waste Services

EGL Waste is the centrepiece for offering all of EGL's services to the waste industry, including PFAS extraction technology, recycling plants through the Turmec agency agreement, servicing and spares. Additional services include dust and particulate matter extraction through EGL Clean Air and sterilisation and combustion technologies via EGL Energy, providing the one-stop solution to the waste treatment industry. We believe the macro-outlook remains strong following the introduction of the Recycling and Waste Reduction Act 2020.

For the full year, EGL Waste generated revenue of \$3,646,142 and delivered EBITDA of \$1,664,106. EGL Waste has had exceptional success from its large tender pipeline, including the award of a construction and demolition plant for which Queensland, materials recovery plant in NZ and notification of preferred supplier for a plant that we are currently working through commercial negotiations to finalise contracts. We believe we are in a strong position with further projects due for award in the next 6 to 12 months. Our pipeline for recycling plant tenders remains very strong at \$118 million.

Increasing our service offering is leading to increased opportunities for other business units, such as dry fogging (site dust control systems). The Kadant PAAL agreement has led to an increase in service-based revenue and introductions to an extended client base. Pleasingly, this has led to increased revenue from the sale of services and spare parts, further building our recurring revenue streams.

We have been recently engaged to do a detailed engineering design on a large-scale construction and demolition recycling facility. While development approvals have been slower for our clients than expected, momentum seems to have returned.

As a general observation, the last year has been one of building our brand recognition with our clients and education on our capabilities and offerings. This is gaining momentum, with the level of work being quoted accelerating in the second half and a significant proportion of the sales falling into FY25.

PFAS Extraction Technology

EGL's PFAS extraction technology has achieved several significant milestones, plant sales and profitability. This includes Reclaim Waste's liquid waste facility receiving approval from the Environmental Protection Agency (EPA) to treat per- and polyfluoroalkyl substances (PFAS) at its Laverton facility through EGL's PFAS treatment plant. EGL's PFAS extraction technology was granted patents in both the USA and EU this half, marking a second major milestone following our Australian patent. Together, these achievements have positioned us to pursue premier commercial opportunities on a global scale.

Shortly after financial year-end, EGL announced it has received an order for the design and construction of a new PFAS treatment plant. The facility will treat both water and soil contaminated with PFAS, a persistent environmental pollutant of increasing regulatory focus. This announcement reflected the milestone that we had achieved working with the client to design and engineer a foam fractionation PFAS extraction process that could treat both the soil and the water from a soil washing plant. These types of soil washing facilities are used around the world.

The project represents a significant step forward in the commercial deployment of EGL's proprietary PFAS treatment technology, following successful field and desktop trials. The solution utilises EGL's foam fractionation technology, engineered to safely and effectively extract PFAS compounds from complex waste streams without the need for chemical pretreatment. The plant will incorporate advanced automation and remote monitoring, ensuring operational safety, efficiency and reduced labour requirements.

This contract further supports EGL's strategy to lead in the provision of environmental technology solutions that help clients achieve compliance and sustainability outcomes. It also reinforces EGL's core mission of engineering a sustainable future, through practical and scalable infrastructure that directly addresses critical environmental challenges.

Commercialisation of EGL's PFAS extraction technology has continued to progress rapidly, with the Board approving a detailed business and marketing plan and committing the required resources to leverage this technology. Since then, we have dedicated two resources to the sale of our PFAS plants.

Several additional clients have expressed interest and requested plant pricing information for the PFAS extraction technology, including liquid waste treatment facilities, landfill owners and water authorities. Clients widely recognise foam fractionation technology as a safe and reliable method for removing PFAS from liquid waste.

EGL's collaboration with Victoria University on PFAS remediation trials for soils and biosolids has continued to produce positive results. Through this collaboration we have undertaken further trials for each waste stream, seeing consistent enhancements with each iteration. This process seeks to broaden the potential applications into other opportunities, such as the success in soil washing plants.

01

\$3,646,142

Generated Revenue

02

\$1,664,106

Delivered EBITDA



“In FY25, we achieved a major breakthrough in environmental innovation, with the successful uptake of our PFAS Extraction System, marking a significant step forward in addressing one of the most persistent contaminants of our time. This was matched by a series of strategic wins across turnkey waste treatment plants, where our integrated solutions are transforming waste into recoverable resources. These milestones reflect our growing impact at the forefront of environmental infrastructure.

Paul Gaskett, CCO, The Environmental Group

Opportunity and Business Risk

The Environmental Group is committed to delivering shareholder value, while managing the risk profile of the Group.

The environmental sector continues to evolve and with this change comes both opportunity and complexity. The waste industry is experiencing increasing pressure to meet ambitious legislative targets by 2030 and the energy and air quality markets are continuing to shift in response to political and social expectations.

To ensure we stay on track to deliver on our strategic objectives, The Environmental Group operates within

an Enterprise Risk Management Framework that actively identifies, plans, controls and mitigates a wide range of risks across functions and continually seeks opportunities to gain competitive advantage across sectors.

The material business risks that have the potential to impact the Group’s future performance and financial prospects are outlined below.

Risk	Nature of Risk	Controls Established
Fraud	Misappropriation of funds.	EGL has a clear Fraud Policy in place that is communicated to all new staff as part of their induction to the business.
Financial Controls & Audit Risk	A failure to manage audit processes and compliance controls can lead to fraud, financial misstatements and loss of assets or data.	Ongoing oversight of systems and financial reports by Directors of financial statements.
Timeliness of Funding/Cashflow	A lack of liquidity management can result in insufficient cashflow, resulting in insolvency.	EGL operates within a financial delegations matrix to ensure effective control over type and timing of expenditure is maintained. Commercial bid reviews with executive oversight are conducted on all major projects to ensure cashflow controls are adequate, and the sales pipeline is maintained. EGL has a diverse customer portfolio with a high proportion of recurring revenue streams. In FY25, EGL has increased its percentage of recurring revenue business through growth and the acquisition of Advanced Boilers & Combustion Pty Ltd. This will continue to reduce the consequences of this risk.
Employee Recruitment & Retention	Loss of key people may lead to loss of critical skills, knowledge and experience, which may disrupt workflow and impact key relationships with stakeholders, and can impact EGL’s competitive advantage.	A Group-wide succession plan is actively managed to develop talented staff in preparation for progression within the business. There is regular role review and performance management in place across the Group and remuneration is set at or above market averages for a similar size and scope of business.
Loss of Customer Confidence or Relationship	EGL maintains a diverse portfolio of Tier 1 and 2 customers. A loss of a key customer may negatively impact the financial success of the business.	EGL has a diverse range of customers across different markets around the globe. Despite the relatively low risk of significant financial impact from the loss of one customer, EGL is committed to meeting and exceeding customer expectations on project and service delivery.

Risk	Nature of Risk	Controls Established
Information Security	EGL may be exposed to an event or events, which may result in our own IP, financial information or our client's information being compromised, with adverse consequences for the business. Our information security risks remain heightened due to the growing sophistication and increased frequency of cyber-attacks within all industries.	EGL invests in a wide range of information security protection and preventative measures in response to the increasing threats presented by cyber-attacks. Critical to the success of EGL's information security program is the central management of this function with a robust common strategy and policy across EGL that follows the framework of protect, monitor, detect and respond. EGL also partners with trusted external partners to provide security testing and training, including phishing exercise and social engineering testing. Induction security training and ongoing regular communication to staff is conducted to recognise and prevent cyber threats, strengthening our overall security posture. An AI policy and practical procedures for staff has been developed and communicated to all staff. Ongoing training for all staff on AI use and potential implications of misuse will be a key focus in FY26.
Competitor Risk	The risk of competitors taking majority of or all market share in EGL’s market segments.	EGL continues to invest in market-led product development to ensure we have best-in-class offerings for our clients. We have an operational drive towards developing customers across multiple sectors to ensure market diversification as well as solidifying our position in the Waste sector. EGL has positioned its process, systems and people to be able to quickly scale to meet demand and continue to develop strategic partnerships that are beneficial to achieving our strategy. EGL has gained a more mature understanding and control of key cost and quality drivers across the business. This, along with ongoing investment in R&D across all areas of the EGL portfolio will continue to reduce the likelihood and consequences of this risk.
Business Interruption	The risk of business interruption leading to commercial loss that may result from natural disasters, such as pandemics, floods and bushfires.	EGL has comprehensive emergency management plans in place and conducts regular drills across all sites to ensure staff and business preparedness to respond quickly is maintained. EGL also manages these risks through the framework and governance structures outlined in this report.
Serious Workplace Health & Safety Incident	A WH&S incident results in a serious injury or death and the company is severely impacted by the consequences.	EGL has a full suite of Safe Operating Procedures that staff are trained in for all risky activities and equipment, and has a ‘take 5’ culture embedded into all physical work. Leading indicators for maintaining a healthy and safe workplace for our staff are closely monitored and continuously improved.
Climate-Related Risk Management	EGL faces physical, regulatory and market risks related to climate change, including extreme weather impacts, evolving environmental regulations and shifting customer expectations, alongside opportunities to expand sustainable solutions and support clients’ decarbonisation goals.	To address these risks and leverage related opportunities, EGL manages climate-related risks through its enterprise-wide Risk Management Framework. This framework supports the identification, assessment and oversight of strategic, operational and regulatory risks across all subsidiaries. In FY26, we will undertake climate scenario analysis to evaluate the financial and strategic impacts of climate-related risks and opportunities. The outcomes will inform future investment decisions, long-term planning and business strategy. Climate-related risks will be reviewed annually, incorporating new data, modelling, and stakeholder insights to ensure our response remains proactive, adaptive and compliant with AASB S2 climate-related disclosures.

Celebrating Progress

Advanced Boilers & Combustion Joins The Environmental Group

Investing in Innovation and Impact

The success of Advanced within our group highlights what we can achieve through smart, strategic growth. We are not just acquiring businesses – we are investing in the people, technologies and ideas that will carry Australia’s industries into a cleaner, more efficient future.

Our acquisition strategy clearly reflects our commitment to long-term thinking and technical excellence—delivering strong results for our shareholders, while also contributing positively to the environment and the broader community.



Positioning for Future Growth

In FY25, The Environmental Group Limited continued to strengthen its position as a leader in environmental and energy efficiency solutions. One of the standout milestones this year was the successful integration of Advanced Boilers & Combustion (Advanced) into our business – a move that has already begun delivering measurable value to our clients and stakeholders.

The acquisition of Advanced has strengthened our capability to support Australian industry with high-performance combustion solutions that aim to reduce emissions, improve efficiency and assist clients in aligning with the nation’s decarbonisation objectives. Bringing Advanced

into The Environmental Group has added new depth to our technical offering and opened up fresh opportunities for collaboration, innovation and long-term client partnerships.

The integration of Advanced aligns perfectly with our long-term strategy. As ESG requirements become more stringent and energy costs continue to rise, the demand for efficient, low-emission combustion systems is growing rapidly. By combining Advanced’s deep combustion expertise with the infrastructure, resources, and reach of The Environmental Group – particularly our EGL Energy division – we are uniquely positioned to meet this demand.

Our clients now benefit from a comprehensive energy and emissions solution: from advanced boiler and burner systems to performance audits, plant upgrades, maintenance and compliance services.



Real Results

In just four months, Advanced has made a strong start under The Environmental Group’s banner, with new boiler systems already delivering significant results across client sites. Together, we have:

- strengthened EGL’s internal capability across divisions by leveraging Advanced’s in-house fabrication, welding and control systems expertise—enhancing our ability to deliver integrated, turnkey solutions across energy, emissions and waste recovery projects
- accelerated delivery of EGL’s PFAS extraction plants by utilising Advanced’s specialised design and build capabilities—supporting the rapid deployment of clean technology and reinforcing our environmental leadership
- supported clients in meeting environmental compliance by lowering NOx and CO₂ emissions through retrofit and optimisation projects
- expanded national service capabilities, ensuring faster response times and more comprehensive lifecycle support.

Right Now

We’ve also expanded our local manufacturing capabilities, allowing us to deliver solutions with reduced lead times, while maintaining the highest standards of quality and compliance. By investing in Australian-based operations, we’re strengthening our supply chain resilience, supporting Australian jobs and contributing to the growth of local industry.

These milestones provide clear, measurable evidence that our acquisition strategy is generating real-time value for shareholders, while our commitment to engineering a sustainable future further strengthens long-term shareholder returns and resilience.



Delivering strong results for our shareholders, environment and the broader community.

Andrew Bush, CFO
The Environmental Group



Our Approach to Sustainability

The Environmental Group’s Approach to Sustainability through ESG – FY25.

The Environmental Group strives to be a sustainable contributor to Australian and global communities through transparency, strong partnerships and sound research. These elements are integrated into all areas of our business – strategy setting, risk management processes and decision-making.

In FY25, The Environmental Group embedded sustainability more deeply into its core business strategy, aligning ESG performance with our goals of delivering long-term value, environmental leadership, and social responsibility. Building on FY24 commitments, we progressed from planning to action – developing baseline metrics, setting meaningful targets, and improving our capabilities through a new ERP system to track ESG metrics more effectively.

Sustainability Strategy Milestones

- Implemented ESG baseline tracking across energy, waste and workforce engagement.
- Advanced our Sustainability Plan by embedding environmental innovation into design, operations and procurement.
- Rolled out performance targets for electricity reduction, paper usage and safer product designs.
- Laid foundations for real-time ESG tracking through ERP integration, enabling proactive risk management and performance transparency.

Sustainability Performance

Significant statistics

Environmental

We prioritise sustainability by integrating environmental considerations into our design, supplier choices and daily operations.



Social/People

Our people drive our success, and we focus on attracting, retaining and empowering talent whose values align with our business.



Governance

We uphold strong governance by complying with all regulations, committing to integrity and ensuring transparency and fairness in our practices.



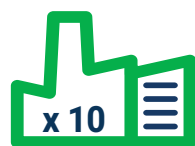
“In FY25, we laid strong foundations for a future-focused sustainability program—one that is measurable, accountable, and intrinsically tied to how we do business. As we continue to refine our approach in FY26, we remain committed to sustainable growth, earning trust through responsible actions, and delivering long-term value for our people, our communities and our investors.”

Brenda Borghouts, COO, The Environmental Group

Environmental

We work to have a positive impact on the environment by integrating environmental considerations and management into our activities, including design, choice of suppliers and day-to-day operations of our facilities.

FY25 Highlights



10 Industrial Silencers



Next-Gen Product Innovation



Design-Led Waste Reduction



AU, USA and EU Patent



Ammonia Stripping Capabilities

Advanced Water Treatment Innovation

Successfully developed a PFAS extraction system integrated with ammonia stripping capabilities, supporting safer wastewater discharge and aligning with emerging environmental compliance standards.

Paper and Toner Reduction

Introduced annual monitoring; targeting measurable reductions across all sites.

Energy Efficiency

Site-level electricity usage monitored to identify efficiency opportunities.

Design-Led Waste Reduction

Over 750 engineering hours invested in redesigning products to use less raw material and reduce welding, directly lowering embodied energy.

Noise Pollution Mitigation

Delivered 10 industrial silencers, reducing environmental noise at client facilities.

Next-Gen Product Innovation

- Redesigned gas and oil boiler units:
 - 11 gas units
 - 17 oil units
 - 3 hybrid systems
- Energy-efficient baghouse R&D underway to improve filtration performance and reduce power draw.

Site Sustainability

- All Group's sites are equipped with recycling bins.
- Consolidation of NSW and QLD operations, reduced freight, emissions and energy consumption.

Opportunities for FY26

As we continue to integrate sustainability into every aspect of our business, FY26 presents significant opportunities to reduce our environmental impact, while enhancing operational efficiency and value for stakeholders. Key environmental initiatives include:

Finalising and deploying new baghouse and exhaust system designs

These upgrades are designed to deliver higher energy efficiency, reduce emissions and support compliance with evolving environmental standards. The improved systems will play a key role in supporting cleaner air and safer working conditions for our clients and their communities.

Enhancing in-house capabilities at ABC Fabrication

By expanding our local manufacturing capacity, we aim to reduce reliance on international supply chains, lowering freight emissions and improving quality control. This strategic investment supports a more sustainable, resilient and responsive operation.

Completing supplier environmental baseline mapping

This initiative will allow us to better understand and evaluate the environmental performance of our supply chain. The insights gained will inform our procurement strategy, enabling greener purchasing decisions and encouraging our suppliers to adopt more sustainable practices.

Together, these opportunities position us to make measurable environmental progress, reduce our carbon footprint and deliver long-term value through innovation and responsible growth.



Potential Risks for FY26

In FY26, key environmental risks include potential regulatory changes that may introduce stricter compliance requirements, increasing operational complexity and cost. Disruptions in global supply chains, particularly from environmentally non-compliant or delayed suppliers, may affect the availability and sustainability of key materials. Delays in the deployment of new baghouse and exhaust system technologies could hinder progress towards emission reduction targets. Additionally, extreme weather events linked to climate change pose physical risks to operations and timelines. Finally, as stakeholder expectations around sustainability continue to grow, any perceived underperformance or lack of transparency may impact reputation and investor confidence.

Social/People

Our people are key to our success. We continually refine our strategy to attract and retain top talent whose values align with ours, fostering an environment where they can perform at their best.

FY25 Highlights



ISO
45001:2018
(Health & Safety)



HSR Engagement
(0.75 attendance
ratio)



20 Staff Training
Sessions



University Intern
Program



People
Experience
Survey (90%)

Quarterly HSR Engagements
Consistent engagement, with 0.75 HSR attendance ratio.

Toolbox Talks
Delivered 4 environment-focused training sessions.

Employee Development

- Over 20 training sessions delivered across sites.
- Supported 2 university interns (Engineering + Airtight Solutions).
- Partnered with Victorian Chamber of Commerce for industry training, human resource support and advice.

Health and Wellbeing

- EAP utilised in all states.
- Mental health programs embedded into workforce communication strategy.

Leadership from Within
Internal promotions emphasised across technical and operational teams.

Certifications
CE Compliance across divisions, including EN1090 and EN13084-7

Safe and Fair Workplace

- No breaches of the Fair Work Act.
- Anti-discrimination and anti-harassment policies enforced.

Stakeholder Satisfaction

- NCR (non-conformance) resolutions recorded as amicable and closed-out with clients.

WHS Performance

- Lost Time Injury Frequency Rate 74% lower than our reference industry with 381,000 hours worked.

Opportunities for FY26

In FY26, we are focused on strengthening our social impact by investing in our people and fostering an inclusive, engaged and future-ready workforce. Our key initiatives included are listed here:

Refining DEI metrics and embedding representation targets

We will enhance our diversity, equity and inclusion (DEI) strategy by refining how we measure progress and setting clear representation targets across all levels of the organisation. These metrics will support more accountable and transparent reporting, while ensuring our workplace reflects the diverse communities in which we operate.

Expanding apprenticeship and leadership mentorship programmes

To build a strong talent pipeline and support career progression, we will grow our apprenticeship offering and broaden leadership/mentorship opportunities across the business. These programmes are designed to upskill emerging talent, close skills gaps and support a culture of continuous learning and development.

Delivering a new employee engagement survey

We will roll out a refreshed engagement and wellbeing survey to gather insights into staff satisfaction, development needs and workplace culture. This data will inform our people strategy and help us respond meaningfully to employee feedback, promoting a high-performing and supportive environment

Finalising the employee intranet platform

We will launch a centralised, user-friendly intranet to enhance internal communication, collaboration and knowledge sharing. This platform will support increased transparency, cross-functional engagement and alignment across all business units, contributing to a more connected and informed workforce.

Together, these initiatives demonstrate our continued commitment to creating a workplace where all employees feel valued, supported and equipped to contribute to the Group's long-term success.

Governance

Good governance is the collective responsibility of the Board and all levels of management. The Environmental Group adopts contemporary governance standards and applies these in a manner consistent with our values. The Group’s leadership team is accountable for the safety of our people, for upholding our Values and for acting with integrity. We support the intent of the 4th Edition of the Australian Securities Exchange (ASX) Corporate Governance Council’s Corporate Governance Principles and Recommendations. Unless otherwise disclosed, we report against the requirements of these Principles and Recommendations.



50% Female Board Members



All NCRs closed within identified time period



Independent Board



All CE and ISO Certification maintained



7.26% Reduction in Absolute Differential Risk Score

Our primary principles for good governance are listed here.

1 Laying Solid Foundations for Management and Oversight

We have clearly defined the roles and responsibilities of the Board and executive management, ensuring a structured delegation of authority. Regular performance evaluations were conducted to assess and enhance the effectiveness of both governance and operational leadership.

2 Structuring the Board to Be Effective and Add Value

Our Board composition reflects a balanced mix of skills, experience and industry knowledge. We undertook a skills matrix review and succession planning to ensure the Board remains well-equipped to guide strategic direction and deliver long-term value.

3 Instilling a Culture of Acting Lawfully, Ethically and Responsibly

We reinforced our commitment to ethical conduct through updated codes of conduct, mandatory compliance training and regular communication of our core values. Leadership continues to model and promote a culture of integrity across all levels of the organisation.

4 Safeguarding the Integrity of Corporate Reports

Robust internal controls and verification processes were maintained to ensure the accuracy and reliability of all corporate disclosures. Our Audit and Risk Committee provided independent oversight of financial reporting and compliance.

5 Making Timely and Balanced Disclosure

We reinforced our commitment to ethical conduct through updated codes of conduct, mandatory compliance training and regular communication of our core values. Leadership continues to model and promote a culture of integrity across all levels of the organisation.

6 Respecting the Rights of Security Holders

We enhanced shareholder engagement through timely updates, accessible communication channels, and digital platforms that support participation in meetings and voting. Feedback mechanisms were also strengthened to better understand and respond to investor concerns.

7 Recognising and Managing Risk

A comprehensive risk management framework was reviewed and updated during the year. We conducted regular risk assessments and scenario planning to address emerging threats and ensure business resilience.

8 Remunerating Fairly and Responsibly

Our remuneration strategy is designed to attract and retain high-calibre directors and executives. It aligns performance incentives with long-term shareholder value and incorporates ESG and risk management objectives.

Our overall approach to corporate governance is detailed in our Corporate Governance Statement, available on our website at [environmental.com.au](https://www.environmental.com.au).

By prioritising the safety and wellbeing of our workforce, minimising environmental impacts and maintaining good governance practices, we strive to further integrate sustainability into the core of our operations and foster positive change in the environments.



Directors’ Report

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the ‘Group’) consisting of The Environmental Group Limited (referred to hereafter as the ‘Company’ or ‘parent entity’) and the entities it controlled at the end of, or during, the year ended 30 June 2025.

Directors

The following persons were Directors of The Environmental Group Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

- Ms Lynn Richardson**
Chair (Non-Executive)
- Mr Michael Constable**
Independent Director (Non-Executive)
Chair of Audit and Risk Committee
- Mr Vincent D’Rozario**
Independent Director (Non-Executive)
- Ms Lucia Cade**
Independent Director (Non-Executive)
Appointed to the Board on 26 September 2024
- Mr Graeme Nayler**
Independent Director (Non-Executive)
Resigned from the Board 23 October 2024

Interests in the shares and options of the Group and related bodies corporate.

As at the date of this report, the interests of the Directors in the shares and options of The Environmental Group Limited (EGL) were:

	No. of Ordinary Shares	No. of options over Ordinary Shares
Ms Lynn Richardson	3,862,251	-
Mr Michael Constable	1,196,739	-
Ms Lucia Cade	60,000	-

Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Principal activities

The principal activities during the period ending 30 June 2025 of the entities within the Group were design, application and servicing of innovative gas vapour and dust emission control systems, inlet and exhaust systems for gas turbines, engineering services, developing innovative water treatment and service install provider for heat transfer plant and equipment primarily related to boilers including 24/7 customer service for mechanical, electrical and automation support to a wide variety of industries. The Group also has a waste agency agreement with an engineering and fabrication company of waste recycling plant and equipment.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Group during the financial year

Review of operations and material business risks

Please refer to the Review of Operations report (page 19) for the operating and financial review, including the material business risks.

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the Group’s operations, the results of those operations, or the Group’s state of affairs in future financial years.

Likely developments and expected results of operations

In the opinion of the Directors’ no other significant changes, not otherwise disclosed in this report or the consolidated financial statements, occurred in the state of affairs of the Group during the financial year under review.

Environmental regulation

The Group’s operations may have an environmental impact. Where the Group undertakes site work it is typically incumbent upon the Group to address environmental issues in relation to those sites. This usually involves the preparation and implementation of an Environmental Management Plan for the site. Activities of this nature and environmental issues generally are addressed by and carried out under The Environmental Group Management System.

No significant environmental issues were reported or recorded on any EGL sites during the financial year and the Group met all its obligations in this area.

Information on Directors



Ms Lynn Richardson

Chair (Non-Executive)

Appointed to the Board: 22 May 2015
Elected Chairman: 23 November 2017

Ms Lynn Richardson is an accomplished non-executive director known for enhancing shareholder value through fostering a positive corporate culture, driving innovation and achieving strategic objectives. With extensive governance experience, including nine years with ASX-listed companies, Ms Richardson has successfully guided the company through a significant growth phase and has demonstrated exceptional leadership during multiple acquisitions.

Ms Richardson’s broad expertise spans ASX-listed organisations, not-for-profit entities and government boards.

A graduate of the Australian Institute of Company Directors, Ms Richardson possesses an MBA from the Australian Graduate School of Entrepreneurship and postgraduate qualifications in professional accounting and educational research from the University of Melbourne. Her 20-year career is marked by a dedication to continuous improvement and a passion for entrepreneurial leadership.

Before becoming Chair, Ms Richardson served on the executive committee of Baltec IES, where her strategic leadership significantly contributed to the company’s growth.

Interest in shares:	3,862,251
Interest in options:	Nil
Interest in rights:	Nil
Contractual rights to shares:	Nil



Mr Michael Constable

Independent Non-Executive Director
Chair of Audit and Risk Committee

Appointed to the Board: 24 August 2023

Mr Michael Constable was appointed to the board as a non-executive director in August 2023. Michael has significant financial management experience and board exposure gained within large ASX-listed companies over the last 20 years. Michael is a Chartered Accountant who has had senior executive finance roles within Nylex and Programmed Maintenance Group and was CFO of Tox Free Solutions Ltd. for over 10 years. Michael was also CFO of Millennium Services Group Ltd. for 4 years.

Michael’s industry experience spans labour and equipment hire, industrial services, waste management and contracting businesses, and he has had significant experience in high-growth environments. Michael has developed and successfully executed business organic and inorganic growth strategies, governance, risk management, equity and debt funding initiatives, and has driven significant shareholder value.

Interest in shares:	1,196,739
Interest in options:	Nil
Interest in rights:	Nil
Contractual rights to shares:	Nil



Mr Vincent D’Rozario

Independent Non-Executive Director

Appointed to the Board: 9 March 2021

Vincent D’Rozario is a senior executive and non-executive director with over 25 years of experience in engineering, resources and aviation across ASX-listed and global companies. He is currently Chief Operating Officer of Austin Engineering Ltd (ASX:ANG), leading global operations for a mining equipment manufacturer, and Non-Executive Director at Environmental Group Limited (ASX:EGL), supporting strategic growth and governance.

Vincent’s executive career includes senior leadership roles with CHC Helicopter, Aker Solutions and Jacobs, where he managed large-scale operations, capital projects and business transformations across Asia-Pacific. He has extensive experience in operational turnarounds, international expansion, and building high-performance teams in safety-critical, capital-intensive industries.

He brings strong expertise in corporate governance, ESG, M&A and stakeholder engagement, with a proven track record of delivering value in both growth and restructuring environments. His board contributions reflect a pragmatic and disciplined approach to risk, strategy and long-term value creation.

Vincent holds a Bachelors Degree in Electrical Engineering and has completed the Australian Institute of Company Directors course (AICD).

Interest in shares:	Nil
Interest in options:	Nil
Interest in rights:	Nil
Contractual rights to shares:	Nil



Ms Lucia Cade
Independent Non-Executive Director
Appointed to the Board: 26 September 2024

Lucia is an experienced non-executive director and chair with professional engineering and commercial executive experience. Over 20 years her director portfolio has spanned utilities, infrastructure, waste recycling, advanced high-tech manufacturing, renewable energy research and investment in the private, listed and government sectors.

Lucia has a focus on board leadership that creates value through business growth, delivering both sustainable financial and societal impact, and that delivers value to customers and creates places where people want to work.

Prior to becoming a non-executive director, Lucia held engineering, executive and advisory roles in infrastructure, utilities and professional engineering services, working in global technical services, listed companies, significant government organisations and private enterprises. Lucia is a Fellow of AICD and of Engineers Australia.

Interest in shares:	60,000
Interest in options:	Nil
Interest in rights:	Nil
Contractual rights to shares:	Nil



Mr Graeme Nayler
Independent Non-Executive Director
Appointed to the Board: 9 March 2021
Resigned from the Board: 23 October 2024

Mr Graeme Nayler is an accomplished executive manager and board director with over 30 years’ experience across defence, government, mining, construction, emergency services, oil and gas, airports, automotive, ports and engineering consultancy. He was recently appointed regional director for BMT Asia Pacific to lead significant investment and growth in the region.

Previously, Graeme completed senior roles at Silentium Defence and Babcock, where he grew annual revenue from \$30M to over \$500M in eight years, serving as Managing Director, Executive Director for Strategy and Future Business and board member for the Australasian business.

With expertise in strategy, business development, operations, corporate affairs and program management—underpinned by deep technical knowledge—Graeme strengthens EGL’s governance and growth trajectory. He holds a Master of Science from the University of Kingston, London, and a Company Directors Diploma from the Australian Institute of Company Directors.

Interest in shares:	Nil
Interest in options:	Nil
Interest in rights:	Nil
Contractual rights to shares:	Nil

Company Secretary

Mr Andrew Bush has held the role Company Secretary since 1 July 2017. Andrew is a Fellow Certified Practising Accountant, Associate Member of the Institute of Chartered Management Accountants.

Ms Kate Goland of CSB Corporate Services was appointed joint Company Secretary on 27 October 2022. Kate is a BCom, CPA and a GIA (Affiliate).

Meetings of Directors

The number of meetings of the Company’s Board of Directors (‘the Board’) and of each Board committee held during the year ended 30 June 2025, and the number of meetings attended by each Director were:

Full Board	Attended	Held
Ms Lynn Richardson	12	12
Mr Graeme Nayler	4	4
Mr Vincent D’Rozario	12	12
Mr Michael Constable	12	12
Ms Lucia Cade	8	9

Nomination and Remuneration Committee	Attended	Held
Ms Lynn Richardson	6	6
Mr Graeme Nayler	4	4
Mr Vincent D’Rozario	6	6
Mr Michael Constable	6	6
Ms Lucia Cade	3	3

Audit and Risk Committee	Attended	Held
Ms Lynn Richardson	5	5
Mr Graeme Nayler	1	1
Mr Vincent D’Rozario	5	5
Mr Michael Constable	5	5
Ms Lucia Cade	4	4

‘Held’ represents the number of meetings held during the time the Director held office or was a member of the relevant committee.

The Nomination and Remuneration Committee meetings are a component of the Full Board meetings.

The June 2025 board meeting was held 26 June 2025.



Corporate Governance

The Environmental Group Ltd. is committed to maintaining a sound corporate governance framework in the best interests of The Environmental Group, shareholders and stakeholders more generally.

The Corporate Governance Statement outlines The Environmental Group's approach to corporate governance, and its compliance with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations 4th edition.

environmental.com.au

environmental.com.au/corporate-governance



Remuneration Report

(Audited)

This Remuneration Report outlines the Directors and Executive Key Management Personnel remuneration arrangements of the Group in accordance with the requirements of the *Corporations Act 2001* and the *Corporate Regulations 2001*. For the purposes of this report, Key Management Personnel (KMP) of the Group 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).

For the purposes of this report, the term Executive encompasses the Chief Executive Officer, Chief Financial Officer, Chief Commercial Officer and Chief Operating Officer of the Group.

Remuneration committee and philosophy

The objective of the Group's remuneration policy is to ensure that Senior Executives of the Group are motivated to pursue the long-term growth and success of the Group within an appropriate control framework and that there is a clear relationship between performance and remuneration. The remuneration structures offered to Senior Executives are designed to attract and retain suitable qualified candidates, reward the achievement of strategic objectives and achieve the broader outcome of creating value for shareholders. The remuneration structures take into account:

- the capacity and experience of the Senior Executives
- the Senior Executives' ability to control the performance of areas of the Group's business
- the Group's performance including earnings and overall returns to shareholders
- the amount of incentives within each Senior Executive's remuneration.

Executive and Non-Executive Directors remuneration

The Executive and Non-Executive Directors of the Company are entitled to a fee that is determined by the Remuneration Committee on the commencement of the role and on an annual basis thereafter. The Board seeks to set aggregate remuneration at a level that provides the Group with the ability to attract and retain Directors of the highest calibre, while incurring a cost that is acceptable to shareholders based on the size and nature of the Company.

Each Non-Executive Director receives a maximum fee of \$70,000 for being a Director of the Company. The Chair of the Board receives a maximum fee of \$140,000. No additional fee is paid to a Director who sits on a Board committee. The Directors do not receive retirement benefits in excess of their Directors' fees, nor do they participate in any incentive programs. The remuneration of Directors for the periods ended 30 June 2025 and 30 June 2024 are detailed in Tables 1 and 2 respectively of this report.

Executive remuneration

Total remuneration for Senior Executives is described below:

Fixed remuneration

Fixed remuneration is provided, being a guaranteed salary that is set by reference to market conditions, the scope and nature of the Executive's role and their performance and experience. Market research of both an informal and formal nature is periodically undertaken to determine market salary levels. Group superannuation contributions are included in the fixed remuneration. Executives are given the opportunity to receive their fixed remuneration in a variety of forms including cash and fringe benefits. It is intended that the manner of payment chosen will be optimal for the recipient without creating undue cost for the Group. The fixed remuneration component of Executives is detailed in Tables 1 and 2 of this report.

Group performance and Directors' and Executives' remuneration

The remuneration policy and practices are aimed at aligning remuneration of key staff with the performance of the Group and with the wealth of shareholders. Other than reflected within the tables on pp. 50 and 51, no short term or long-term incentives have been paid for the 2025 financial year.

Executives

All Executives have rolling contracts. The Group may terminate the Executive's employment agreement by providing three months written notice or providing payment in lieu of the notice period. The Group may terminate these contracts at any time without notice if serious misconduct has occurred. Where termination with cause occurs, the Executive is only entitled to that portion of remuneration that is fixed and only up to the date of termination.

Voting and comments made at the company's 2024 Annual General Meeting (AGM).

At the 2024 AGM, 99.39% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2024. The company did not receive any specific feedback at the AGM regarding its remuneration practices.

Amounts of remuneration

Details of the remuneration of key management personnel of the Group are set out in the tables on pp. 50 to 51..

The key management personnel of the Group including Directors of the Group:

- Ms Lynn Richardson: Non-Executive Chairman (Appointed Chair 23 November 2017)
- Mr Graeme Nayler: Non-Executive (Appointed 9 March 2021) (Resigned 23 October 2024)
- Mr Vincent D'Rozario: Non-Executive (Appointed 9 March 2021)
- Mr Michael Constable: Non-Executive (Appointed 24 August 2023)
- Ms Lucia Cade: Non-Executive (Appointed 26 September 2024)
- Mr Andrew Bush: Chief Financial Officer and Company Secretary (Appointed CFO 25 May 2017 and Company Secretary 1 July 2017)
- Mr Jason Dixon: Chief Executive Officer (Appointed 8 February 2021)
- Mr Paul Gaskett: Chief Commercial Officer (Appointed 8 February 2021)
- Ms Brenda Borghouts: Chief Operating Officer (Appointed 28 February 2022)

Table 1: Remuneration report – remuneration for year ended 30 June 2025

		Short-term benefits		Post-employment benefits	Long-term benefits	Performance rights	
	Cash salary and fees	Cash bonus	Non-monetary	Super-annuation	Long service leave	Equity settled	Total
2025	\$	\$	\$	\$	\$	\$	\$
Non-Executive Directors							
Ms Lynn Richardson	120,633	-	-	13,973	-	-	134,506
Mr Graeme Nayler ¹	16,000	-	-	-	-	-	16,000
Mr Vincent D'Rozario	59,524	-	-	6,845	-	-	66,369
Mr Michael Constable	59,524	-	-	6,845	-	-	66,369
Ms Lucia Cade ²	52,500						52,500
Other Key Management Personnel							
Mr Jason Dixon	450,000	-	-	51,750	-	81,523	583,273
Mr Andrew Bush	300,681	-	-	34,578	-	27,175	362,434
Mr Paul Gaskett	259,239	-	-	29,812	-	27,175	316,226
Ms Brenda Borghouts	238,680	-	-	27,448	-	27,175	293,303
	1,556,781	-	-	171,151	-	163,048	1,890,980

Notes to Table 1

1. Paid from 1 July 2024 to 23 October 2024 to GJN Professional Services Pty Ltd in relation to Directors Fees.
2. Paid from 26 September 2024 to 30 June 2025 to Cade & Associates in relation to Directors Fees.

Table 2: Remuneration report – remuneration for year ended 30 June 2024

		Short-term benefits		Post-employment benefits	Long-term benefits	Performance rights	
	Cash salary and fees \$	Cash bonus \$	Non-monetary \$	Super-annuation \$	Long service leave \$	Equity settled \$	Total \$
2024							
Non-Executive Directors							
Ms Lynn Richardson	96,000	-	-	10,560	-	-	106,560
Mr Adrian Siah ¹	8,000	-	-	-	-	-	8,000
Mr Graeme Nayler ²	48,000	-	-	-	-	-	48,000
Mr Vincent D’Rozario	43,603	-	-	4,796	-	-	48,399
Mr Michael Constable ³	36,976	-	-	4,067	-	-	41,043
Other Key Management Personnel							
Mr Jason Dixon	296,423	-	-	32,607	-	44,390	373,420
Mr Andrew Bush	311,793	-	-	34,297	-	50,000	396,090
Mr Paul Gaskett	249,269	-	-	27,420	-	22,195	298,884
Ms Brenda Borghouts	229,500	-	-	25,245	-	9,057	263,802
	1,319,564	-	-	138,992	-	125,642	1,584,198

Notes to Table 2

1. Paid from 1 July 2023 to 23 August 2023 to Gem Syndication Pty Ltd in relation to Directors Fees.
2. Paid from 1 July 2023 to 30 June 2024 to GJN Professional Services Pty Ltd relation to Directors Fees.
3. Paid from 24 August 2023 to 30 June 2024.

The proportion of remuneration linked to performance and the fixed proportion are as follows.

	Fixed remuneration		At risk – STI		At risk – LTI	
	2025	2024	2025	2024	2025	2024
2024						
Non-Executive Directors						
Ms Lynn Richardson	100%	100%	-	-	-	-
Mr Adrian Siah	-	100%	-	-	-	-
Mr Graeme Nayler	100%	100%	-	-	-	-
Mr Vincent D’Rozario	100%	100%	-	-	-	-
Mr Michael Constable	100%	100%	-	-	-	-
Ms Lucia Cade	-	-	-	-	-	-
Other Key Management Personnel						
Mr Jason Dixon	86%	88%	-	-	14%	12%
Mr Andrew Bush	93%	87%	-	-	7%	13%
Mr Paul Gaskett	91%	93%	-	-	9%	7%
Ms Brenda Borghouts	91%	97%	-	-	9%	3%

Share-based compensation

The shared-based compensation for Directors and other key management personnel as part of compensation during the year ended 30 June 2025 were limited to the performance rights as per the section below.

Performance Rights

In each of FY22, FY23 and FY24, the company’s actual EBITDA was measured against target EBITDA for that year, and the maximum share allocation would be made if the Company achieved or exceeded 100% of the target. If less than 100% was achieved, then the share allocation would be reduced by a like proportion, down to a minimum of 70%. If the Company’s actual EBITDA was less than 70% of the target EBITDA, then no shares would be issued.

On the 10 September 2024, the following performance rights were converted to fully paid ordinary shares after achieving 100% of the FY24 target. The rights are with a ratio of one for one shares based on the number of rights that are issuable depending on the target achieved.

Mr Jason Dixon	4,333,333
Mr Andrew Bush	213,000
Mr Paul Gaskett	2,166,667
Ms Brenda Borghouts	75,471

The terms and conditions of future performance rights with a ratio of one for one ordinary shares affecting remuneration of key management personnel in this financial year or future reporting years are as follows.

The Allocation of Performance Rights relating to FY25–FY27 are based on the following targets.

Targets	Milestones
Financial (33.3% of total LTI)	EPS growth above 20% over the three-year period.
ERP project (33.4% of total LTI)	1. Phase 1 milestone: Business case approved by the Board due December 2024. 2. Phase 2 milestones: On time and on budget implementation +/- 15% for cost and timing. 3. Phase 3 milestones: 80% user acceptance during the ERP system launch and 80% user acceptance 6 and 12 months after launch, including pre- and post-implementation feed-back on the systems performance and the analytics and business insights the system provides the business.
PFAS business opportunity (33.3% of total LTI)	1. Phase 1 milestone: Business plan approved by the Board due October 2024. 2. Phase 2 milestone: Nine (9) units sold within the FY25–FY27 period.

Key Management Personnel (KPM)	Number of performance rights granted	Grant date	Vesting date and exercisable date	Exercise price	Fair value per performance right
Mr Jason Dixon	1,698,113	17 March 2025	30 June 2027	\$0.00	\$0.27
Mr Andrew Bush	566,038	17 March 2025	30 June 2027	\$0.00	\$0.27
Mr Paul Gaskett	566,038	17 March 2025	30 June 2027	\$0.00	\$0.27
Ms Brenda Borghouts	566,038	17 March 2025	30 June 2027	\$0.00	\$0.27

Additional information

The following table summarises the Group’s financial performance and share price over the past five financial years.

	2021	2022	2023	2024	2025
Sales revenue	46,562,933	57,065,291	82,672,245	98,251,869	111,921,268
EBITDA	3,050,077	3,723,285	5,859,158	9,651,504	9,940,712
EBIT	1,759,467	2,145,864	4,145,987	7,108,917	6,986,706
Profit after income tax	1,711,056	1,553,664	2,613,069	4,390,131	4,709,699
Share price at financial year end (cents)	8.50	20.00	22.00	34.00	25.50
Number of shares issued	276,975,129	312,202,805	366,338,953	373,436,874	380,497,795

Additional Disclosures relating to key management personnel

Shareholding

The number of shares in the Company held during the financial year by each Director and other members of key management personnel of the Group, including their personally related parties are set out below and in Note 36. There were no shares granted during the reporting period as remuneration.

Ordinary shares	Balance at the start of the year	Exercise of performance rights	Additions	Disposals/ other	Balance at the end of the year
Ms Lynn Richardson	3,825,001	-	37,250	-	3,862,251
Mr Andrew Bush	1,553,854	213,000	-	(532,805)	1,234,049
Mr Jason Dixon	24,070,580	4,333,333	-	(340,000)	28,063,913
Mr Paul Gaskett	12,335,290	2,166,666	-	-	14,501,956
Ms Brenda Borghouts	170,130	75,471	-	-	245,601
Mr Michael Constable	1,080,819	-	115,920	-	1,196,739
Ms Lucia Cade	-	-	60,000	-	60,000
Mr Graeme Nayler	268,000	-	-	(268,000)	-
	43,303,674	6,788,470	213,170	(1,407,805)	48,897,509

Loans to key management personnel and their related parties

In 2025 (2024-nil), no loans were made to Directors of The Environmental Group Limited or other key management personnel of the Group, including their personally related parties.

Other transactions with key management personnel and their related parties

In 2025 (2024-nil), no other transactions were made to Directors of The Environmental Group Limited or other key management personnel of the Group, including their personally related parties.

This concludes the remuneration report, which has been audited.

Shares under option

There were no unissued ordinary shares of The Environmental Group Limited under option outstanding at the date of this report.

Shares issued on the exercise of options

There were no ordinary shares of The Environmental Group Limited issued on the exercise of options during the year ended 30 June 2025 and up to the date of this report.

Indemnity and insurance of officers

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

During the financial year, the Company paid a premium in respect of a contract to ensure the directors and executives of the Company 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.

Indemnity and insurance of auditor

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

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

Proceedings on behalf of the Company

In the financial year, EGL briefed counsel with instructions to prepare a statement of claim that will be filed in Court against the ex-directors of Airtight Pty Ltd. Counsel started drafting the statement of claim, but have asked that EGL seek an opinion from a quantity surveyor to confirm the quantity of the claim. We are in the process of appointing a quantity surveyor, who will then work with counsel and finalise a statement of claim that will be filed in Court.

Non-audit services

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in Note 37 to the financial statements.

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

Officers of the Company who are former partners of RSM Australia Partners

There are no officers of the Company who are former partners of RSM Australia Partners.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this Directors' Report.

Auditor

RSM Australia Partners continues in office in accordance with section 327 of the Corporations Act 2001.

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

On behalf of the Directors,

[Signature]

Lynn Richardson
Non-Executive Chair

19 August 2025



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www.rsm.com.au

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of The Environmental Group Limited and controlled entities for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

[Signature]

RSM AUSTRALIA PARTNERS

[Signature]

B Y CHAN
Partner

Dated: 19 August 2025
Melbourne, Victoria

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RSM Australia Partners is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.
RSM Australia Partners ABN 36 965 185 036
Liability limited by a scheme approved under Professional Standards Legislation



Financial Statements

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General Information

The financial statements cover The Environmental Group Limited as a Group consisting of The Environmental Group Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is The Environmental Group Limited's functional and presentation currency.

The Environmental Group Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

**Suite 2.01, Level 2
315 Ferntree Place
Mount Waverley
VIC 3149
Australia**

A description of the nature of the Group's operations and its principal activities are included in the Directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 19 August 2025. The Directors have the power to amend and reissue the financial statements.

Consolidated statement of profit or loss and other comprehensive income

For the year ended 30 June 2025

		Consolidated	
		2025 \$	2024 \$
Revenue from continuing operations	Note		
Revenue and other income	5	111,921,268	98,251,869
Costs of sales and provisions of services	6	(79,177,097)	(68,993,486)
Gross profit		32,744,171	29,258,383
Expenses			
Employee expenses	7	(13,738,868)	(11,705,446)
Depreciation and amortisation	8	(2,954,006)	(2,542,587)
Professional fees		(2,151,800)	(1,636,671)
Travel expenses		(1,826,038)	(1,635,794)
Marketing expenses		(383,967)	(427,297)
Occupancy expenses		(1,021,675)	(769,191)
Other expenses		(3,681,111)	(3,432,480)
Operating profit		6,986,706	7,108,917
Interest income	9	34,558	55,656
Interest expense		(721,859)	(417,694)
Profit before income tax expense		6,299,405	6,746,879
Income tax expense	10	(1,589,706)	(2,356,748)
Profit after income tax expense for the year attributable to the owners of The Environmental Group Limited	32	4,709,699	4,390,131
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the owners of The Environmental Group Limited		4,709,699	4,390,131
		Cents	Cents
Basic earnings per share	45	1.23	1.16
Diluted earnings per share	45	1.23	1.15

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Consolidated statement of financial position

For the year ended 30 June 2025

		Consolidated	
		2025	2024
Assets	Note	\$	\$
Current assets			
Cash and cash equivalents	11	2,696,697	10,147,059
Trade and other receivables	12	19,310,449	15,342,397
Inventories	13	8,582,536	5,103,132
Other current assets	14	444,612	771,099
Contract assets	15	23,088,924	13,139,326
Total current assets		54,123,218	44,503,013
Non-current assets			
Deferred tax assets	16	4,400,474	3,213,158
Property, plant and equipment	17	2,459,689	1,994,756
Intangible assets	18	22,782,807	19,857,216
Other non-current assets	19	324,578	154,941
Right-of-use assets	20	6,969,015	4,996,544
Total non-current assets		36,936,563	30,216,615
Total assets		91,059,781	74,719,628
Liabilities			
Current liabilities			
Trade and other payables	21	22,840,522	18,601,338
Contract liabilities	22	4,429,325	4,105,809
Financial liabilities	23	3,671,679	191,836
Employee benefits	24	4,173,267	3,461,354
Lease liabilities	26	2,203,940	1,711,544
Total current liabilities		37,318,733	28,071,881
Non-current liabilities			
Financial liabilities	27	225,065	137,569
Deferred tax liabilities	28	2,478,953	1,934,002
Lease liabilities	30	5,068,157	3,478,493
Employee benefits	29	152,100	153,656
Total non-current liabilities		7,924,275	5,703,720
Total liabilities		45,243,008	33,775,601
Net assets		45,816,773	40,944,027
Equity			
Issued capital	31	37,064,481	37,064,481
Retained earnings	32	7,224,114	2,514,415
Reserves	33	1,528,178	1,365,131
Total equity		45,816,773	40,944,027

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Consolidated statement of change in equity

For the year ended 30 June 2025

Consolidated	Share capital \$	Reserves \$	Retained earnings \$	Total equity \$
Balance at 1 July 2023	37,064,481	1,206,791	(1,875,716)	36,395,556
Profit after income tax expense for the year	-	-	4,390,131	4,390,131
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	4,390,131	4,390,131
Share-based payments (Note 46)	-	158,340	-	158,340
Balance at 30 June 2024	37,064,481	1,365,131	2,514,415	40,944,027

Consolidated	Share capital \$	Reserves \$	Retained earnings \$	Total equity \$
Balance at 1 July 2024	37,064,481	1,365,131	2,514,415	40,944,027
Profit after income tax expense for the year	-	-	4,709,699	4,709,699
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	4,709,699	4,709,699
Share-based payments (Note 46)	-	163,047	-	163,047
Balance at 30 June 2025	37,064,481	1,528,178	7,224,114	45,816,773

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Consolidated statement of cash flows

For the year ended 30 June 2025

		Consolidated	
	Note	2025 \$	2024 \$
Cash flows from operating activities			
Receipts from customers		112,923,589	100,097,691
Payments to suppliers and employees		(116,024,426)	(95,524,223)
		(3,100,837)	4,573,468
Interest received		34,558	55,656
Interest paid		(721,859)	(417,694)
Net cash from/(used in) operating activities	44	(3,788,138)	4,211,430
Cash flows from investing activities			
Payment for purchase of business, net of cash acquired	41	(4,176,642)	(99,751)
Payment for acquisition of plant and equipment	17	(631,132)	(503,998)
Payments for intangibles	18	(275,422)	(541,168)
Security deposits (paid/returned)		(34,170)	75,989
Proceeds from disposal of property, plant and equipment		121,113	-
Net cash from used in investing activities		(4,996,253)	(1,068,928)
Cash flows from financing activities			
Repayment of borrowings		(150,000)	(600,000)
Repayment of lease liabilities		(2,035,949)	(1,762,656)
Net cash from/(used in) financing activities		(2,185,949)	(2,362,656)
Net increase/(decrease) in cash and cash equivalents		(10,970,340)	779,846
Cash and cash equivalents at the beginning of the financial year		10,147,059	9,367,213
Cash and cash equivalents at the end of the financial year	11	(823,281)	10,147,059

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Notes to the consolidated financial statements

For the year ended 30 June 2025

Note 1. Corporate information

This financial report of The Environmental Group Limited (EGL) for the year ended 30 June 2025 was authorised for issue by the Directors in accordance with a resolution of the Directors on 19 August 2025.

The Environmental Group Limited’s registered office is Level 2, Suite 2.01, 315 Ferntree Gully Road, Mount Waverley, VIC 3149, Melbourne, Australia.

The financial report includes financial statements for EGL and its controlled entities as a consolidated entity (‘the Group’). EGL is a public listed company, limited by shares traded on the Australian Security Exchange, incorporated and domiciled in Australia.

For the purposes of preparing the financial statements the Company and Group are for profit entities.

The principal activities during the period ending 30 June 2025 of the entities within the Group were design, application and servicing of innovative gas, vapour and dust emission control systems, inlet and exhaust systems for gas turbines, engineering services, developing innovative water treatment solutions, service install provider for heat transfer plant and equipment primarily related to boilers and burners including 24/7 customer service for mechanical, electrical and automation support to a wide variety of industries and an agency agreement for the manufacturing of waste recycling plant and equipment.

Note 2. Material accounting policy information

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

New or amended Accounting Standards and Interpretations adopted

The Group 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.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (‘AASB’) and the *Corporations Act 2001*, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB).

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’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 3.

Parent entity information

In accordance with the *Corporations Act 2001*, these financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in Note 40.

Principles of consolidation

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

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group 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 Group.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. 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.

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Operating segments

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

Foreign currency transactions and balances

Functional and presentation currency

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Exchange differences are recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Revenue recognition

The Group recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group: 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.

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.

Products

Revenue on capital work contracts are recognised when performance obligations are satisfied. Where performance obligations are deemed to be satisfied over a period of time, the input method is used for recognising revenue based on costs incurred. Revenue recognised on ongoing capital work contracts in excess of amounts billed to customers is reflected as an asset ('contract assets'). Amounts billed to customers in excess of revenue recognised on uncompleted capital work contracts are reflected as a liability ('contract liabilities').

Revenue from sales other than capital work contracts is recognised when goods have been dispatched to a customer pursuant to a sales order and the associated risks of ownership have passed to the customer.

Services

Revenue from the rendering of a service is recognised upon the delivery of the service to the customer.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

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

Government grants

Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or

When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

The Environmental Group Limited and its wholly owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. The head entity and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from each subsidiary in the tax consolidated group.

Current and non-current classification

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

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

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

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank, cash in hand and other short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Bank overdrafts are included within other financial liabilities in current liabilities on the statement of financial position.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due based on 30-90 day terms.

The Group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue. Expected credit losses are also assessed on individual debtors with overdue balances for any specific allowance required. Specific expected credit losses are recognised when there is objective evidence that the Group will not be able to collect the receivable. Financial difficulties of the debtor or, default payments are considered objective evidence of possible impairment.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Customer contract assets are recognised when the Group has

transferred goods or services to the customer, or performance obligations are met but where the Group is yet to establish an unconditional right to consideration (that is, billing milestones are not achieved yet). Contract assets are treated as financial assets for impairment purposes.

Contract assets

Customer contract assets are recognised when the Group has transferred goods or services to the customer, or performance obligations are met but where the Group is yet to establish an unconditional right to consideration (that is, billing milestones are not achieved yet). Contract assets are treated as financial assets for impairment purposes.

Inventories

Inventory is measured at the lower of cost and net realisable value. Costs are assigned on a first in, first out basis. Costs of purchased inventory are determined after deducting rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. All other repairs and maintenance are recognised in the statement of comprehensive income as incurred.

Depreciation is calculated on either a straight-line or diminishing value basis over the estimated useful life of the specific asset. The expected useful lives as follows:

Leasehold improvements 3-10 years

Plant and equipment 3-10 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Right-of-use assets

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

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

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

Goodwill and intangibles

Goodwill

Goodwill arises on the acquisition of a business and is initially measured at cost being the excess of the cost of the business combination over the Group’s interest in the net fair value of the acquiree’s identifiable assets, liabilities and contingent liabilities. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed

Intangibles other than goodwill

Intangible assets acquired separately or in a business combination are initially measured at cost. The cost of an intangible asset acquired in a business combination is its fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each financial year end. The amortisation expense on intangible assets with finite lives is recognised in profit or loss in the expense category consistent with the function of the intangible asset.

Customer relationship

Customer relationship assets acquired in a business combination are recognised at fair value at the acquisition date, and subsequently amortised on a straight-line basis over the period of their expected benefit.

Intellectual property

Intellectual property acquired in a business combination is recognised at fair value at the acquisition date. They have an indefinite useful life and are subsequently tested for impairment.

Research and development costs

Research costs are expensed in the period in which they are incurred. Development costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the Group is able to use or sell the asset; the Group has sufficient resources and intent to complete the development; and its costs can be measured reliably. When a capitalised development project is complete, the costs are amortised on a straight-line basis over the period of their expected benefit, being their finite life of 5 to 10 years.

Software

An intangible asset arising from software purchased or development expenditure, the cost model is applied requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses. Any expenditure so capitalised is amortised over the period of expected benefit from the related project.

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 post-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. Further details on the methodology and assumptions used are outlined in Note 18.

Impairment losses recognised for goodwill are not subsequently reversed. Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level consistent with the methodology outlined for goodwill above. Such intangibles are not amortised. The useful life of an intangible asset with an indefinite life is reviewed each reporting period to determine whether indefinite life assessment continues to be supportable.

Trade and other payables

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

Contract liabilities

Contract liabilities represent the Group’s obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Group recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the consolidated entity has transferred the goods or services to the customer

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Lease liabilities

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

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

Borrowing costs

Borrowing costs are recognised as an expense when incurred unless they are attributable to a qualifying asset.

Provisions

Provisions are recognised when the Group has a present (legal or constructive) obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of management’s best estimate of the expenditure required to settle the present obligation at the reporting date using a discounted cash flow methodology. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the time value of money and the risks specific to the liability.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liabilities for long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Retirement benefit obligations

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of AASB 137 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

Contributed equity

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

Earnings per share

Basic earnings per share

Basic earnings per share is calculated as net profit attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends), divided by the weighted average number of ordinary shares, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

Diluted earnings per share is calculated as net profit or loss attributable to members of the parent, divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

Potential ordinary shares are treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations.

Business combinations

The acquisition method of accounting is used to account for business combinations regardless of whether the equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree’s identifiable net assets.

On the acquisition of a business, the consolidated entity assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the consolidated entity’s operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Where the business combination is achieved in stages, the consolidated entity remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured

and its subsequent settlement is accounted for within equity.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer’s previously held equity interest in the acquirer.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

Goods and Services Tax (GST) and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Comparatives

Where necessary, comparatives have been reclassified and repositioned for consistency with current year disclosures.

New Accounting Standards and interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2025. AASB 18 Presentation and Disclosure in Financial Statements: The adoption of IFRS 18 is expected to significantly impact the presentation and disclosure of the Group’s financial statements, particularly the statement of profit or loss, through mandatory categorisation of income and expenses, enhanced disclosure of management-defined performance measures, and revised subtotals aimed at improving transparency and comparability.

Note 3. Critical accounting judgements, estimates and assumptions

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 judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

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 assumptions laid to allocate an overall expected credit loss rate for each group. The allowance for expected credit losses is calculated based on the information available at the time of preparation. The actual credit losses in future years may be higher or lower.

Provision for impairment of inventories

The provision for impairment of inventories assessment requires a degree of estimation and judgement. 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 Group 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.

Impairment of goodwill

The Group tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill and other indefinite life intangible assets have suffered any impairment, in accordance with the accounting policy stated in Note 2. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows as discussed in Note 18.

Impairment of non-financial assets other than goodwill

The Group assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Income tax

The Group is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on the Group’s current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences only if the Group considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the consolidated entity’s operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The consolidated entity reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the consolidated entity estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

Employee benefits provision

As discussed in Note 2, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Business combinations

As discussed in Note 2, business combinations are initially accounted for on a provisional basis. The fair value of assets acquired, liabilities and contingent liabilities assumed are initially estimated by the Group taking into consideration all available information at the reporting date. Fair value adjustments on the finalisation of the business combination accounting is retrospective, where applicable, to the period the combination occurred and may have an impact on the assets and liabilities, depreciation and amortisation reported.

Revenue from contracts with customers, contract assets and contract liabilities

When recognising revenue in relation to capital projects (service revenue), the key performance obligation of the Group is considered to be the percentage of the completion for respective projects. Judgement is exercised in determining the percentage of completion of the contract and in reliably estimating the total contract revenue and contract costs to completion.

Contract assets are measured at revenue recognised for each project, net of any provision for anticipated future losses, and in excesses of the amounts billed to the customers based on the underlying contracts. Judgement is exercised in determining the provision for expected future losses, as well as the amount of revenue recognised as explained above, which in turn impacts the contract assets, as well.

Contract liabilities are measured at the amounts billed to the customers based on the underlying contracts, in excess of the revenues recognised for respective projects. Judgement is exercised in determining the amount of revenue recognised as explained above, which in-turn impacts the contract liabilities, as well.



Note 4. Operating segments

Identification of reportable operating segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision-makers) in assessing performance and determining the allocation of resources. Unless stated otherwise all amounts reported to the Board of Directors, being the chief operating decision-makers with respect to operating segments, are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group.

The Group is managed primarily on the basis of product category and service offerings as the diversification of the Group’s operations inherently have notably different risk profiles and performance assessment criteria. Operating segments are therefore determined on the same basis. Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics and are also similar with respect to the following:

- The products sold and/or services provided by the segment.
- The fabrication process.
- The type or class of customer for the products or services.
- The distribution method.
- Any external regulatory requirements.

Types of products and services by segment

Products segment **EGL Clean Air** incorporates the operations related to the supply, design, construction and installation services to industry; this segment includes activities related to air pollution control.

Products segment **EGL Baltec** (previously EGL Turbine Enhancements) incorporates the operations related to the supply, design, construction and installation services to industry; this segment includes activities related to design, engineering and manufacture of gas turbine equipment and solutions.

EGL Energy are a combination of Tomlinson and Ignite. The segment reflects the sale of boilers, heat exchange and combustion systems, services and after sales support to construction, health sector, food processing, manufacturing and many other industrial markets.

EGL Waste: This segment reflects the agency agreement with Turmec and includes services related to the Waste and Water Industry including the PFAS extraction technology.

Advanced Boilers & Combustion: This segment reflects the recently acquired business (Note 41) that reflects the services and after sales support to construction, health sector, food processing, manufacturing, and many other industrial markets.

Intersegment transactions

All intersegments transactions occur through a funds transfer or via a loan account and are eliminated on consolidation in the Group’s financial statements.

Segment assets

Where an asset is used across multiple segments, the asset is allocated to that segment that receives majority economic value from that asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

Segment liabilities

Liabilities are allocated to segments where there is a direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Group as a whole and are not allocated. Segment liabilities include trade and other payables and certain direct borrowings.

Segment performance

The following table present revenue and profit information and certain asset and liability information regarding business segments for the years ended 30 June 2025 and 30 June 2024.

Operating segment information

Consolidated – 2025	EGL Clean Air \$	EGL Energy \$	Advanced Boilers & Combustion \$	EGL Baltec \$	EGL Waste \$	Corporate \$	Total \$
Revenue							
Sales to external customers	19,392,215	49,140,412	3,957,569	35,107,904	3,468,450	-	111,066,550
Intersegment sales	120,779	150,585	364,976	-	-	-	636,340
Total sales revenue	19,512,994	49,290,997	4,322,545	35,107,904	3,468,450	-	111,702,890
Other revenue	113,176	(11,734)	13,281	562,302	177,692	-	854,717
Intersegment eliminations	-	-	-	-	-	(636,339)	(636,339)
Total revenue	19,626,170	49,279,263	4,335,826	35,670,206	3,646,142	(636,339)	111,921,268
EBITDA							
Depreciation and amortisation	-	-	-	-	-	-	(2,954,006)
Forex (gain)/loss	-	-	-	-	-	-	213,995
Interest revenue	-	-	-	-	-	-	34,558
Finance costs	-	-	-	-	-	-	(721,859)
ERP costs	-	-	-	-	-	-	(306,799)
Performance shares	-	-	-	-	-	-	(163,047)
Restructuring costs	-	-	-	-	-	-	(96,771)
Acquisition & integration cost	-	-	-	-	-	-	(808,060)
Profit before income tax expense	-	-	-	-	-	-	6,299,405
Income tax expense	-	-	-	-	-	-	(1,589,706)
Profit after income tax expense	-	-	-	-	-	-	4,709,699
Assets							
Segment assets	37,484,489	42,183,446	8,649,225	41,502,617	7,393,514	40,536,486	177,749,777
Intersegment eliminations	-	-	-	-	-	-	(91,090,470)
Unallocated assets	-	-	-	-	-	-	-
Deferred tax asset	-	-	-	-	-	-	4,400,474
Total assets	-	-	-	-	-	-	91,059,781
Liabilities							
Segment liabilities	4,336,563	8,698,788	5,040,052	(24,687,365)	2,728,649	(44,443,102)	(48,326,415)
Intersegment eliminations	-	-	-	-	-	-	91,090,470
Unallocated liabilities	-	-	-	-	-	-	-
Deferred tax liability	-	-	-	-	-	-	2,478,953
Total liabilities	-	-	-	-	-	-	45,243,008

Operating segment information

Consolidated – 2024	EGL Clean Air \$	EGL Energy \$	EGL Baltec \$	EGL Waste \$	Corporate \$	Total \$
Revenue						
Sales to external customers	32,569,127	37,488,041	27,012,489	810,829	-	97,880,486
Intersegment sales	156,458	376,247	-	-	-	532,705
Total sales revenue	32,725,585	37,864,288	27,012,489	810,829	-	98,413,191
Other revenue	214,470	-	116,310	40,603	-	371,383
Total segment revenue	32,940,055	37,864,288	27,128,799	851,432	-	98,784,574
Intersegment eliminations	-	-	-	-	(532,705)	(532,705)
Total revenue					(532,705)	98,251,869
EBITDA						
EBITDA	3,214,869	5,347,913	4,811,059	(132,308)	(3,139,642)	10,101,891
Depreciation and amortisation	-	-	-	-	-	(2,542,587)
Restructuring Costs	-	-	-	-	-	(40,367)
FX gains/(loss)	-	-	-	-	-	(163,367)
Interest revenue	-	-	-	-	-	55,656
Finance costs	-	-	-	-	-	(417,694)
Performance shares	-	-	-	-	-	(158,340)
Integration costs	-	-	-	-	-	(88,090)
Profit before income tax expense						6,746,879
Income tax expense						(2,356,748)
Profit after income tax expense						4,390,131
Assets						
Segment assets	38,289,583	28,146,667	35,245,639	4,285,780	35,848,781	141,816,450
Intersegment eliminations	-	-	-	-	-	(70,309,980)
Unallocated assets						
Deferred tax asset	-	-	-	-	-	3,213,158
Total assets						74,719,628
Liabilities						
Segment liabilities	7,670,363	11,204,862	(9,880,615)	1,335,495	(48,798,486)	(38,468,381)
Intersegment eliminations	-	-	-	-	-	70,309,980
Unallocated liabilities						
Deferred tax liability	-	-	-	-	-	1,934,002
Total liabilities						33,775,601

Major customers

The Group has a number of customers to whom it provides both products and services. The Group supplies to a single external customer in the EGL Baltec segment who accounts for 11.2% of external revenue (2024: 12.6%). The next most significant client accounts for 4.8% (2024: 6.9%) of external revenue, also in the EGL Baltec segment.

Geographical information

	Sales to external customers		Geographical non-current assets	
	2025 \$	2024 \$	2025 \$	2024 \$
Australia	90,471,452	73,444,245	32,536,088	28,513,117
Rest of the World	20,595,098	24,436,241	-	-
	111,066,550	97,880,486	32,536,088	28,513,117

The geographical non-current assets above are exclusive of, where applicable, financial instruments and deferred tax assets.



Note 5. Revenue from continuing operations and other income

	Consolidated	
Revenue	2025 \$	2024 \$
From external customers	111,066,550	97,880,486
R&D tax offset	698,679	371,383
Water Trail Blazer Grant	177,692	-
Loss on sale of asset	(21,653)	-
Total revenues	111,921,268	98,251,869

Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows.

	Consolidated	
Major product lines	2025 \$	2024 \$
Engineering and fabrication solutions	51,026,213	51,227,029
Service	52,358,100	40,777,115
Parts	7,682,237	5,876,342
	111,066,550	97,880,486

	Consolidated	
Geographical regions	2025 \$	2024 \$
Australia	90,471,452	73,444,245
Rest of the World	20,595,098	24,436,241
	111,066,550	97,880,486

	Consolidated	
Timing of revenue recognition	2025 \$	2024 \$
Goods transferred at a point in time	7,682,237	5,876,342
Services transferred over time	103,384,313	92,004,114
	111,066,550	97,880,486

Note 6. Cost of goods sold

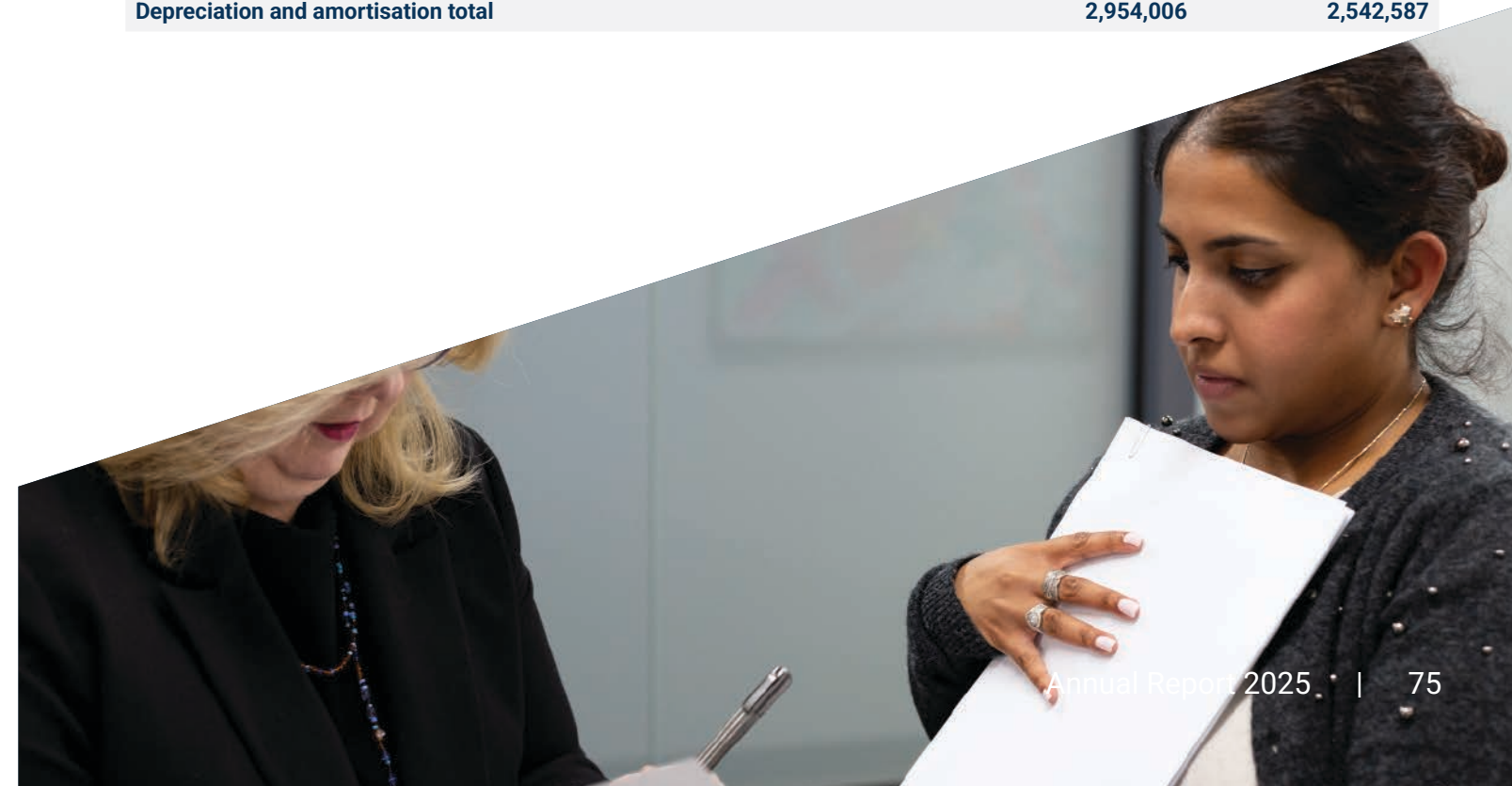
	Consolidated	
	2025 \$	2024 \$
Cost of sales	79,165,127	68,993,486

Note 7. Employee expenses

	Consolidated	
	2025 \$	2024 \$
Wages and salaries	8,743,374	7,700,030
Superannuation expense	2,695,944	2,218,945
Share-based payments expense	163,047	158,340
Other employee benefits expense	2,148,473	1,628,131
Employee expenses total	13,750,838	11,705,446

Note 8. Depreciation and amortisation

	Consolidated	
	2025 \$	2024 \$
Depreciation of Property, Plant & Equipment	565,250	540,312
Amortisation of Intangibles	275,779	259,264
Depreciation of ROU Assets	2,112,977	1,743,011
Depreciation and amortisation total	2,954,006	2,542,587



Note 9. Interest expense

	Consolidated	
	2025 \$	2024 \$
Finance cost on borrowings	181,588	105,865
Interest on lease liabilities	506,482	311,829
Other interest expense	33,788	-
	721,858	417,694

Note 10. Income tax expense

Income tax expense	Consolidated	
	2025 \$	2024 \$
Current tax	2,232,071	1,328,320
Deferred tax - origination and reversal of temporary differences	(642,365)	672,691
Prior adjustment	-	355,737
Aggregate income tax expense	1,589,706	2,356,748
Deferred tax included in income tax expense comprises		
Increase in deferred tax assets (Note 16)	(1,187,316)	(22,906)
Increase in deferred tax liabilities (Note 28)	544,951	(695,597)
Deferred tax – origination and reversal of temporary differences	(642,365)	672,691
Numerical reconciliation of income tax expense and tax at the statutory rate		
Profit before income tax expense	6,299,405	6,746,879
Tax at the statutory tax rate of 30%	1,889,822	2,024,064
Prior period adjustments	-	355,737
Permanent differences	(71,539)	(90,483)
Other items	(228,577)	67,430
Income tax expense	1,589,706	2,356,748

The Consolidated entity does not have any unused losses (FY2024: nil).

Note 11. Current assets – Cash and cash equivalents

	Consolidated	
	2025 \$	2024 \$
Cash at bank	1,563,271	7,342,426
Cash on deposit	-	2,155,240
Cash in transit	1,133,426	649,393
	2,696,697	10,147,059

Reconcilitaion to cash and cash equivalents at the end of the financial year

The above figures are reconciled to cash and cash equivalents at the end of the financial year as shown in the statement of cash flows as follows:

Balances as above	2,696,697	10,147,059
Bank overdraft (Note 25)	(3,519,979)	-
	(823,282)	10,147,059

Note 12. Current assets – Trade and other receivables

	Consolidated	
	2025 \$	2024 \$
Trade receivables	19,556,075	15,412,048
Less: Allowance for expected credit losses	(707,693)	(510,106)
	18,848,382	14,901,942
Other receivables	462,067	440,455
	19,310,449	15,342,397

Allowance for expected credit losses

Trade receivables are non-interest bearing and vary between 30 to 90 day terms. A provision for impairment loss is recognised when there is objective evidence that an individual trade receivable is impaired. Amounts are included in other expenses in the statement of profit and loss and other comprehensive income.

Expected credit loss allowances for trade receivables are deducted from the gross carrying amount of trade receivables.

As at 30 June 2025, the ageing of trade receivables is as follows.

	Consolidated					
	Expected credit loss rate		Carrying amount			
	2025 %	2024 %	2025 \$	2024 \$	2025 \$	2024 \$
Current	-	-	14,203,965	12,961,538	-	-
30 Days	-	-	846,860	517,997	-	-
60+ Days past due	-	-	148,430	421,956	-	-
90+ Days past due	16.3%	32.8%	4,356,820	1,510,557	707,693	510,106
			19,556,075	15,412,048	707,693	510,106

Payment terms on these amounts have not been renegotiated; however, credit is being monitored until full payment is made. Each business unit has been in direct contact with the relevant debtor and is satisfied that payment will be received in full.

Movements in the provision for impairment of receivables are as follows.

	Consolidated	
	2025	2024
	\$	\$
Opening balance	510,106	82,004
Additions through business combinations	31,616	-
Additional provision in the current year	165,971	428,102
Closing balance	707,693	510,106

Fair value and credit risk

Due to the short-term nature of these receivables, their carrying value is assumed to approximate their fair value. The maximum exposure to credit risk is the fair value of receivables. Collateral is not held as security, nor is it the Group’s policy to transfer (on-sell) receivables to special purpose entities.

Note 13. Current assets – Inventories

	Consolidated	
	2025	2024
	\$	\$
Inventory on hand - at cost	8,582,536	5,103,132

Inventory write-down

There were no write-down of inventories to net realisable value for the year ended 30 June 2025 (2024: \$0). As a result, there is no provision for impairment.

Note 14. Current assets – Other current assets

	Consolidated	
	2025	2024
	\$	\$
Prepayments	444,612	771,099

Note 15. Current assets – Contract assets

	Consolidated	
	2025	2024
	\$	\$
Contract assets	23,088,924	13,139,326

Reconciliation

Reconciliation of the written down values at the beginning and end of the current and previous financial year is set out below.

	Consolidated	
	2025	2024
	\$	\$
Opening balance	13,139,326	10,044,553
Invoice to customers	(69,695,395)	(53,663,347)
Additions through business combinations (Note 41)	1,415,144	-
Accrued income	78,229,849	56,758,120
Closing balance	23,088,924	13,139,326

Note 16. Non-current assets – Deferred tax assets

Deferred tax asset comprises temporary differences attributable to amounts recognised in profit or loss.	Consolidated	
	2025	2024
	\$	\$
Leases	2,181,629	1,557,011
Fixed assets	248,062	186,393
Accruals	205,130	23,795
Provisions	1,638,694	1,388,932
Other	126,959	57,027
Deferred tax asset	4,400,474	3,213,158
Movements		
Opening balance	3,213,158	3,190,252
Credited to profit or loss (Note 11)	1,187,316	22,906
Closing balance	4,400,474	3,213,158

Note 17. Non-current assets – Property, plant and equipment

	Consolidated	
	2025 \$	2024 \$
Plant and equipment – at cost	4,027,136	3,393,084
Less: Accumulated depreciation	(2,383,465)	(1,962,122)
	1,643,671	1,430,962
Motor vehicles – at cost	746,521	672,388
Less: Accumulated depreciation	(306,203)	(276,935)
	440,318	395,453
Motor vehicles under lease	481,748	218,000
Less: Accumulated depreciation	(106,048)	(49,659)
	375,700	168,341
Closing balance	2,459,689	1,994,756

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below.

Consolidated	Plant and Equipment \$	Motor Vehicles \$	Total \$
Balance at 1 July 2023	1,111,733	690,965	1,802,698
Additions	471,315	36,364	507,679
Disposals	-	(3,681)	(3,681)
Reclassifications	228,372	-	228,372
Depreciation expense	(380,458)	(159,854)	(540,312)
Balance at 30 June 2024	1,430,962	563,794	1,994,756
Additions	631,152	-	631,152
Additions through business combinations (Note 41)	22,900	497,264	520,164
Disposals	(13,667)	(107,466)	(121,133)
Depreciation expense	(427,676)	(137,574)	(565,250)
Balance at 30 June 2025	1,643,671	816,018	2,459,689

Note 18. Non-current assets – Intangible assets

	Consolidated	
	2025 \$	2024 \$
Goodwill – at cost	19,630,866	18,068,920
Product development – at cost	1,171,597	845,822
Less: Accumulated amortisation	(179,369)	(93,845)
	992,228	751,977
Intellectual property – at cost	1,714,000	350,000
Customer Relationships –at cost	240,000	240,000
Less: Accumulated amortisation	(184,000)	(136,000)
	56,000	104,000
Software – at cost	1,296,361	1,346,712
Less: Accumulated amortisation	(906,648)	(764,393)
	389,713	582,319
	22,782,807	19,857,216

Consolidated	Goodwill \$	Intellectual Property \$	Customer Relationships \$	Software \$	Product Development \$	Total \$
Balance at 1 July 2023	18,967,224	350,000	152,000	13,282	792,992	20,275,498
Additions	-	-	-	501,440	39,729	541,169
Acquisition adjustment in the 12-month measuring period business combinations (Note 41)	(898,304)	-	-	-	-	(898,304)
Reclassification	-	-	-	198,117	-	198,117
Amortisation expense	-	-	(48,000)	(130,521)	(80,743)	(259,264)
Balance at 30 June 2024	18,068,920	350,000	104,000	582,318	751,978	19,857,216
Additions	-	-	-	-	325,774	325,774
Acquisition adjustment in the 12-month measuring period business combinations (Note 41)	1,561,946	1,364,000	-	-	-	2,925,946
Other Adjustments	-	-	-	(50,350)	-	(50,350)
Amortisation expense	-	-	(48,000)	(142,255)	(85,524)	(275,779)
Balance at 30 June 2025	19,630,866	1,714,000	56,000	389,713	992,228	22,782,807

Research and development

Research costs are expensed in the period in which they are incurred. Development costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the Group is able to use or sell the asset; the Group has sufficient resources and intent to complete the development; and its costs can be measured reliably. When a capitalised development project is complete, the costs are amortised on a straight-line basis over the period of their expected benefit, being their finite life of 5 to 10 years.

Customer relationships

Customer relationships acquired in a business combination are amortised on a straight-line basis over the period of their expected benefit.

	EGL Clean Air TAPC \$	EGL Clean Air Airtight \$	EGL Energy Tomlinson \$	EGL Energy Ignite \$	EGL Energy Advanced \$	EGL Baltec \$	EGL Waste \$	EGL Total \$
Goodwill	5,328,297	2,998,703	3,956,878	1,584,425	1,561,946	4,007,647	192,969	19,630,866

EGL Clean Air Cash Generating Unit (TAPC)

The recoverable amount of the EGL Clean Air (TAPC) Cash Generating Unit has been determined using a value in use calculation, which is based on the following key assumptions:

- 11% post-tax discount rate (2024: 11.7%)
- 5% (2024:5%) per annum projected revenue and cost of sales growth rate;
- 3% (2024: 3.5%) per annum increase in overhead;
- 2% (2024: 2%) projected indefinite nominal growth in the terminal value.

Based on the above, there was no impairment of goodwill.

Sensitivity

Revenue would need to decrease by more than 0.2% before the goodwill would need to be impaired, with all other assumptions remaining constant.

The discount rate would be required to increase by 0.27% before goodwill would need to be impaired with all other assumptions remaining constant.

Software

Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 5 years.

Intellectual property

Intellectual property acquired in a business combination is recognised at fair value at the acquisition date. They have an indefinite useful life and are subsequently tested for impairment.

Impairment testing

Goodwill acquired through business combinations and licences have been allocated to the relevant cash generating units as summarised in the table below:

EGL Clean Air Cash Generating Unit (Airtight)

The recoverable amount of the EGL Clean Air (Airtight) Cash Generating Unit has been determined using a value in use calculation, which is based on the following key assumptions:

- 11% post-tax discount rate (2024: 11.7%)
- 5% (2024:10%) per annum projected revenue and cost of sales growth rate;
- 3% (2024:3.5%) per annum increase in overhead;
- 2% (2024:2%) projected indefinite nominal growth in the terminal value.

Based on the above, there was no impairment of goodwill.

Sensitivity

Revenue would need to decrease by more than 0.05% before the goodwill would need to be impaired, with all other assumptions remaining constant.

The discount rate would be required to increase by 0.1% before goodwill would need to be impaired with all other assumptions remaining constant.

EGL Baltec Cash Generating Unit

The recoverable amount of the EGL Baltec Cash Generating Unit has been determined using a value in use calculation, which is based on the following key assumptions:

- 11% post-tax discount rate (2024: 13.7%)
- 6% (2024: 5%) per annum projected revenue and cost of sales growth rate;
- 3% (2024: 3.5%) per annum increase in overhead;
- 2% (2024: 2%) projected indefinite nominal growth in the terminal value.

Based on the above, there is no impairment of goodwill.

Sensitivity

Revenue would need to decrease by more than 4.1% before the goodwill would need to be impaired, with all other assumptions remaining constant.

The discount rate would be required to increase by 51.8% before goodwill would need to be impaired with all other assumptions remaining constant.

EGL Energy Cash Generating Unit (Tomlinson)

The recoverable amount of the EGL Energy (Tomlinson) Cash Generating Unit has been determined using a value in use calculation, which is based on the following key assumptions:

- 11% post-tax discount rate (2024: 11.7%)
- 5% (2024: 5%) per annum projected revenue and cost of sales growth rate;
- 3% (2024: 3.5%) per annum increase in overhead;
- 2% (2024: 2%) projected indefinite nominal growth in the terminal value.

Based on the above, there is no impairment of goodwill.

Sensitivity

Revenue would need to decrease by more than 3.2% before the goodwill would need to be impaired, with all other assumptions remaining constant.

The discount rate would be required to increase by 12.3% before goodwill would need to be impaired with all other assumptions remaining constant.

EGL Energy Cash Generating Unit (Ignite)

The recoverable amount of the EGL Energy (Ignite) Cash Generating Unit has been determined using a value in use calculation, which is based on the following key assumptions:

- 11% post-tax discount rate (2024:11.7%)
- 5% (2024:5%) per annum projected revenue and cost of sales growth rate;
- 3.5% (2024:3.5%) per annum increase in overhead;
- 2% (2024:2%) projected indefinite nominal growth in the terminal value.

Based on the above, there is no impairment of goodwill.

Sensitivity

Revenue would need to decrease by more than 1.55% before the goodwill would need to be impaired, with all other assumptions remaining constant.

The discount rate would be required to increase by 40.2% before goodwill would need to be impaired with all other assumptions remaining constant.

EGL Energy Cash Generating Unit (Advanced)

The recoverable amount of the EGL Energy (Advanced) Cash Generating Unit has been determined using a value in use calculation, which is based on the following key assumptions:

- 11% post-tax discount rate (2024:NA)
- 10% (2024:NA) per annum projected revenue and cost of sales growth rate;
- 3% (2024:NA) per annum increase in overhead;
- 2% (2024:NA) projected indefinite nominal growth in the terminal value.

Based on the above, there is no impairment of goodwill.

Sensitivity

Revenue would need to decrease by more than 5.55% before the goodwill would need to be impaired, with all other assumptions remaining constant.

The discount rate would be required to increase by 25.8% before goodwill would need to be impaired with all other assumptions remaining constant.

EGL Waste

The recoverable amount of the EGL Waste Cash Generating Unit has been determined using a value in use calculation, which is based on the following key assumptions:

- 11% post-tax discount rate (2024:11.7%)
- 10% (2024: 10%) per annum projected revenue and cost of sales growth rate;
- 3% (2024: 3.5%) per annum increase in overhead;
- 2% (2024: 2%) projected indefinite nominal growth in the terminal value.

Based on the above, there is no impairment of goodwill.

Sensitivity

Revenue would need to decrease by more than 9.4% before the goodwill would need to be impaired, with all other assumptions remaining constant.

The discount rate would be required to increase by 95.5% before goodwill would need to be impaired with all other assumptions remaining constant.

Key assumptions used in value in use calculations

The calculation of value in use for each of the Cash Generating units is most sensitive to assumptions made concerning projected revenues, cost of sales and overheads, projected gross margins for the first year, discount rates, and growth rates used to extrapolate cash flows beyond the budget period.

Gross margins are based on the values achieved in recent years preceding the start of the budget period. Discount rates reflect management’s estimate of the time value of money and the risks specific to each unit that are not already reflected in the cash flows. In determining the appropriate discount rates, regard has been given to the weighted average cost of capital of the entity as a whole and adjusted for business risk specific to each unit. Growth rate estimates reflect recent past experience.

Note 19. Non-current assets – Other non-current assets

	Consolidated	
	2025	2024
	\$	\$
Security deposits	324,578	154,941

Note 20. Non-current assets – Right-of-use assets

	Consolidated	
	2025	2024
	\$	\$
Land and buildings – right-of-use	4,544,063	4,215,765
Less: Accumulated depreciation	(1,353,884)	(2,105,484)
	3,190,179	2,110,281
Motor vehicles – right-of-use	5,908,637	4,239,982
Less: Accumulated depreciation	(2,129,801)	(1,353,719)
	3,778,836	2,886,263
	6,969,015	4,996,544

The Group leases land and buildings for its offices and warehouses under agreements of between one to seven years with, in some cases, options to extend. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated. The Group also leases motor vehicles with agreements of four (4) years.

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below.

Consolidated	Land and building leases	Motor vehicle leases	Total
Balance at 1 July 2023	1,794,867	1,468,755	3,263,622
Additions	1,206,624	2,301,287	3,507,911
Disposals	-	(31,978)	(31,978)
Depreciation expense	(891,210)	(851,801)	(1,743,011)
Balance at 30 June 2024	2,110,281	2,886,263	4,996,544
Additions	2,141,914	2,155,937	4,297,851
Disposals	(183,971)	(28,432)	(212,403)
Depreciation expense	(878,045)	(1,234,932)	(2,112,977)
Balance at 30 June 2025	3,190,179	3,778,836	6,969,015

Note 21. Current liabilities – Trade and other payables

	Consolidated	
	2025	2024
	\$	\$
Trade payables	15,526,159	14,470,087
Provision for Income Tax	3,386,608	1,321,636
Other payables	3,927,755	2,809,615
	22,840,522	18,601,338

Refer to Note 35 for further information on financial risk management.

Note 22. Current liabilities – Contract liabilities

	Consolidated	
	2025	2024
	\$	\$
Contract liabilities	4,429,325	4,105,809

Reconciliation

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below.

Opening balance	4,105,809	3,870,002
Payments received in advance	32,568,170	38,576,604
Additions through business combinations (Note 41)	376,620	-
Transfer to revenue – included in the opening balance	(32,621,274)	(38,340,797)
Closing balance	4,429,325	4,105,809

Unsatisfied performance obligations

The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied at the end of the reporting period was \$36,467,720 as at 30 June 2025 (\$40,602,740 as at 30 June 2024) and is expected to be recognised as revenue in future periods as follows:

	Consolidated	
	2025	2024
	\$	\$
Within 6 months	21,264,656	15,575,684
6 to 12 months	15,203,064	25,027,057
	36,467,720	40,602,741

Accounting policy for contract liabilities

Contract liabilities represent the Group’s obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Group recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Group has transferred the goods or services to the customer.

Note 23.Current liabilities – Financial liabilities

	Consolidated	
	2025	2024
	\$	\$
Bank overdraft	3,519,979	-
Finance leases	151,700	41,836
Bank bill business loan	-	150,000
	3,671,679	191,836

Refer to Note 26 for further details.

The amount of the Group’s Overdraft facility used on 30 June 25 was \$3,519,979.

The Group’s financial lease liability is \$376,765 of which the current portion represents principal repayments of \$151,700 within the next 12 months.

Note 24. Current liabilities – Employee benefits

	Consolidated	
	2025	2024
	\$	\$
Annual leave	2,907,012	2,406,643
Long service leave	1,266,255	1,054,711
	4,173,267	3,461,354

Amounts not expected to be taken in the next 12 months.

The current provision for employee benefits includes all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The entire amount is presented as current, since the Group does not have an unconditional right to defer settlement. However, based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

Note 25. Current liabilities – Borrowings

Financing arrangements

Unrestricted access was available at the reporting date to the following lines of credit.

	Consolidated	
	2025	2024
	\$	\$
Total facilities		
Bank overdraft	8,000,000	5,000,000
Bank Bill Business loan	-	150,000
Trade Guarantee and Standby Letters of Credit Facility	13,500,000	12,000,000
	21,500,000	17,150,000
Used at the reporting date		
Bank overdraft	3,519,979	-
Bank Bill Business loan	-	150,000
Trade Guarantee and Standby Letters of Credit Facility	12,293,483	11,000,846
	15,813,461	11,150,846
Unused at the reporting date		
Bank overdraft	4,480,022	5,000,000
Bank Bill Business loan	-	-
Trade Guarantee and Standby Letters of Credit Facility	1,206,517	999,154
	5,686,539	5,999,154

On the 7 April 2025, the Group established a temporary increase for its working capital overdraft facility from \$5,000,000 to \$8,000,000 until 30 September 2025 with the Westpac Banking Corporation.

Trade Guarantee and Standby Letter of Credit facility is used by the Group to issue performance bonds and bank guarantees, which are disclosed as a contingent liability. As at 30 June 2025, the Group had \$12,293,483 outstanding Trade Guarantees and Standby Letter of Credits.

On the 8 April 2025, the group established a permanent increase to its Trade Guarantee and Standby Letter of Credit facility to \$13,500,000.

No covenants were breached in the reporting period of 30 June 2025.



Note 26. Current liabilities – Lease liabilities

	Consolidated	
	2025	2024
	\$	\$
Lease liability	2,203,940	1,711,544

Note 27. Non-current liabilities - Financial liabilities

	Consolidated	
	2025	2024
	\$	\$
Finance leases	225,065	137,569

Note 28. Non-current liabilities – Deferred tax liabilities

	Consolidated	
Deferred tax liability comprises temporary differences attributable to:	2025	2024
	\$	\$
Amounts recognised in profit or loss		
Right-of-use assets	2,090,703	1,498,963
Other	388,250	435,039
Deferred tax liability	2,478,953	1,934,002
Movements		
Opening balance	1,934,002	1,238,405
Charged to profit or loss (Note 10)	544,951	695,597
Closing balance	2,478,953	1,934,002

Note 29. Non-current liabilities – Employee benefits

	Consolidated	
	2025	2024
	\$	\$
Long service leave	152,100	153,656

Note 30. Non-current liabilities – Lease liabilities

	Consolidated	
	2025	2024
	\$	\$
Lease liability	5,068,157	3,478,493

Refer to Note 35 for further information on financial risk management.

Note 31. Equity – Issued capital

	Consolidated			
	2025 Shares	2024 Shares	2025	2024
Ordinary shares - fully paid	380,497,795	373,436,874	37,064,481	37,064,481

Movements in ordinary share capital

Details	Date	Shares	Issue Price	\$
Balance	1 July 2023	366,338,953	0.00	37,064,481
Performance rights	11 October 2023	7,097,921	0.00	-
Balance	30 June 2024	373,436,874	0.00	37,064,481
Performance rights	10 September 2024	7,060,921	0.00	-
Balance	30 June 2025	380,497,795	000	37,064,481

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held.

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.

Capital risk management

The Group’s objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

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

The Group would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company’s share price at the time of the investment.

The Group is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

The capital risk management policy remains unchanged from the 2024 Annual Report.

Ordinary shares are classified as equity.

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

Note 32. Equity – Retained earnings

	Consolidated	
	2025 \$	2024 \$
Retained earnings/accumulated losses at the beginning of the financial year	2,514,415	(1,875,716)
Profit after income tax expense for the year	4,709,699	4,390,131
Retained earnings at the end of the financial year	7,224,114	2,514,415

Note 33. Equity – Reserves

	Consolidated	
	2025 \$	2024 \$
General reserve	151,721	151,721
Share-based payments reserve	1,376,457	1,213,410
	1,528,178	1,365,131

The share-based payments reserve relates to the performance shares of Key Management Personnel and General Managers.

Performance Year	KMP	Probability	Number of shares expected to be vested	Share price	Share-based reserve movement
FY25	Jason Dixon	54.3%	922,908	0.265	81,524
FY25	Paul Gaskett	54.3%	307,636	0.265	27,174
FY25	Brenda Borghouts	54.3%	307,636	0.265	27,175
FY25	Andrew Bush	54.3%	307,636	0.265	27,174
Total		100%	1,845,815		163,047
FY24	Jason Dixon	100%	4,333,333	0.035	44,390
FY24	Paul Gaskett	100%	2,166,667	0.035	22,195
FY24	Brenda Borghouts	100%	75,471	0.27	9,057
FY24	General Managers	100%	272,451	0.27	32,698
FY24	Andrew Bush	100%	213,000	0.235	50,000
Total		100%	7,060,922		158,340

Note 34. Equity – Dividends

Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Franking credits

	Consolidated	
	2025 \$	2024 \$
Franking credits available at the reporting date based on a tax rate of 30% (2024: 30%)	2,821,328	2,379,856
Franking credits available for subsequent financial years based on a tax rate of 30%	2,821,328	2,379,856

Note 35. Financial risk management

Financial risk management objectives

The Group’s principal financial instruments comprise receivables, payables, cash and short term deposits, bank loans and leases.

The Group manages its exposure to key financial risks, including interest rate and currency risk with the objective of supporting the delivery of the Group’s financial targets while protecting future financial security.

The main financial risks that arise in the normal course of business for the Group’s financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. The Group uses different methods to measure and manage different types of risks to which it is exposed. Liquidity risk is monitored through the development of future rolling cash flow forecasts.

Ageing analyses and monitoring of specific credit allowances are undertaken to manage credit risk.

The Board has continued the policy that no speculative trading in financial instruments be undertaken.

Details of the significant accounting policies and methods adopted, including criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of financial instruments, are disclosed in Note 2 of the financial statements.

Financial instruments

Set out below by category are the carrying amounts of all of the Group’s financial instruments recognised in the financial statements. The carrying amounts approximate their fair value.

Financial assets	Consolidated	
	2025 \$	2024 \$
Cash and cash equivalents	1,563,271	9,497,666
Trade and other receivables	19,310,449	15,342,397
Cash in transit	1,133,426	649,393
	22,007,146	25,489,456
Financial liabilities		
Trade and other payables	14,348,504	12,625,897
Lease liabilities	7,272,097	5,190,037
Finance leases	376,765	179,405
Bank loan	-	150,000
Overdraft utilised	3,519,979	-
	26,737,266	18,930,743

Foreign currency risk

The Group has transactional currency exposure arising from those sales and purchases, which are denominated in United States dollars and Euros. From time to time the Group hold cash denominated in United States dollars and Euros. Currently the Group has no foreign exchange hedge programs in place. Transaction exposures, where possible, are netted off across the Group to reduce volatility and provide a natural hedge.

The financial assets denominated in United States dollars and Euros at reporting date are as follows.

Performance year	2025 USD A\$	2025 EURO A\$	2024 USD A\$	2024 EURO A\$
Cash at bank and on hand	42,784	19,128	4,546,894	1,197,500
Trade and other receivables	2,212,185	2,736,128	1,328,626	329,141
Trade and other payables	4,192,325	1,280,928	4,428,289	447,711

At current exchange rates sourced from the Reserve Bank of Australia, and based on foreign denominated payables and receivables at reporting date, if the Australian dollar was 5% higher, the impact on before tax profit, with all other variables held constant, would be an increase of \$22,049 (2024: decrease of \$120,293), directly impacting the equity in the Group. If the Australian dollar was 5% lower, the impact on before tax profit, with all other variables held constant, would be a decrease of \$24,370 (2024: increase of \$146,174), directly impacting the equity in the Group.

Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Interest rate risk arises from interest bearing financial assets and liabilities that are used. Interest bearing assets are predominantly short-term liquid assets, such as bank deposits and interest-bearing current accounts.

The Group had no bank loans outstanding (2024: \$150,000). The group used the overdraft facility with an average interest rate of 6.5% (2024: N/A). Monthly cash outlays of approximately \$11,663 (2024: N/A) per month are required to service the interest payments.

Credit risk

Credit risk arises from the financial assets of the Group which comprise cash and cash equivalents, trade and other receivables, term deposit and bank bills. The Group’s exposure to credit risk arises from potential default of the counter party, with a maximum exposure equal to the carrying amount of these instruments. Exposure at reporting date is addressed in each applicable note.

The Group trade only with creditworthy third parties. The credit

risk for cash and cash equivalents is considered negligible, since the counter parties are reputable banks with high quality external credit ratings. It is the Group’s policy that all customers who wish to trade on credit terms are 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.



Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The liquidity position of the Group is managed to ensure sufficient liquid funds are available to meet all financial commitments in a timely and cost-effective manner. The Group constantly reviews the liquid position including cash flow forecasts to determine the forecast liquidity position and maintain appropriate liquidity levels.

The remaining contractual maturities of the Group’s financial liabilities are:

	Consolidated	
	2025 \$	2024 \$
6 months or less	17,887,269	16,054,284
6 – 12 months	1,427,820	972,332
1 – 5 years	5,926,697	4,051,543
	25,241,786	21,078,159

Financing arrangements

Unused borrowing facilities at the reporting date.

	Consolidated	
	2025 \$	2024 \$
Bank overdraft	4,480,022	5,000,000
Trade Guarantee and Standby Letters of Credit Facility	1,206,517	999,154
	5,686,539	5,999,154

Remaining contractual maturities

The Group currently has an overdraft facility of \$8,000,000, of which \$4,480,021 was unused, it also has an unused; Trade Guarantee and Standby Letters of Credit Facility of \$1,206,517. This facility was also increased on 8 April 2025 from \$12,000,000 to \$13,500,000.

Note 36. Key management personnel disclosures

Compensation

The aggregate compensation made to Directors and other members of key management personnel of the Group is set out below.

	Consolidated	
	2025 \$	2024 \$
Short-term employee benefits	1,556,781	1,319,564
Post-employment benefits	171,151	138,992
Performance rights	163,048	125,642
	1,890,980	1,584,198

Options

No options were granted in the year ended 30 June 2025 (nil-2024).

Shareholdings of key management personnel

Ordinary shares held in The Environmental Group Limited by key management personnel are shown in the below tables.

2025	Balance at start of year	Received during year on exercise of options	Other changes during the year	Balance at end of year
Directors and key management personnel				
Ms Lynn Richardson	3,825,001	-	37,250	3,862,251
Mr Graeme Nayler	268,000	-	(268,000)	-
Mr Michael Constable	1,080,819	-	115,920	1,196,739
Ms Lucia Cade	-	-	60,000	60,000
Mr Andrew Bush	1,553,854	-	(319,805)	1,234,049
Mr Jason Dixon	24,070,580	-	3,726,333	27,796,913
Mr Paul Gaskett	12,335,290	-	2,166,667	14,501,956
Ms Brenda Borghouts	170,130	-	75,471	245,601

2024	Balance at start of year	Received during year on exercise of options	Other changes during the year	Balance at end of year
Directors and key management personnel				
Ms Lynn Richardson	3,825,001	-	-	3,825,001
Mr Adrian Siah	7,389,724	-	(7,389,724)	-
Mr Graeme Nayler	268,000	-	-	268,000
Mr Michael Constable	-	-	1,080,819	1,080,819
Mr Andrew Bush	1,382,032	-	171,822	1,553,854
Mr Jason Dixon	20,337,247	-	3,733,333	24,070,580
Mr Paul Gaskett	10,168,623	-	2,166,667	12,335,290
Ms Brenda Borghouts	132,224	-	37,906	170,130

Details relating to key management personnel are included in the Remuneration Report.

Note 37. Remuneration of auditors

During the financial year, the following fees were paid or payable for services provided by RSM Australia Partners, the auditor of the Company.

	Consolidated	
	2025 \$	2024 \$
Audit and review of the financial statements	190,437	193,450

Note 38. Contingent liabilities

The Group’s bank has given guarantees to unrelated parties in respect of performance bonds and guarantees. No liability is expected to arise from these guarantees and accordingly no provision has been recognised in these financial statements. The total performance bonds and guarantees for the Group at 30 June 2025 are \$12,293,483 (2024: \$11,000,846).

Note 39. Related party transactions

Parent entity

The Environmental Group Limited is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in Note 42.

Key management personnel

Disclosures relating to key management personnel are set out in Note 36 and the Remuneration Report included in the Directors’ Report.

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date. There were no trade loans from or to related parties at the current and previous reporting date.

Note 40. Parent entity information

Set out below is the supplementary information about the parent entity.

	Consolidated	
	2025 \$	2024 \$
Statement of profit or loss		
Financial performance		
Loss after income tax	(3,458,515)	(3,132,059)
Statement of financial position		
Assets		
Current assets	15,082,270	18,848,535
Non-current assets	6,029,464	1,294,429
Total assets	21,111,734	20,142,964
Liabilities		
Current liabilities	8,209,625	3,767,885
Non-current liabilities	721,221	898,724
Total liabilities	8,930,846	4,666,609
Net assets	12,180,887	15,476,355
Equity		
Equity attributable to the ordinary equity holders of the Company	-	-
Contributed equity	37,064,481	37,064,481
Accumulated losses	(26,260,051)	(22,801,536)
Reserves	1,376,457	1,213,410
Total equity	12,180,887	15,476,355

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries

The parent company provided no guarantees or securities during the year (2024: \$0.00).

Contingent liabilities

The parent company provided no guarantees or securities during the year (2024: \$0.00).

Capital commitments – Property, plant and equipment

The parent entity had no capital commitments for property, plant and equipment as at 30 June 2025 and 30 June 2024.

Significant accounting policies

The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in Note 2.

Material accounting policy information

The accounting policies of the parent entity are consistent with those of the Group, as disclosed in Note 2, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Note 41. Business combinations

Details of purchase price consideration of net assets acquired and goodwill are as follows.

FY25

On 4 April 2025, EGL acquired 100% of the ordinary shares of Advance Boilers & Combustion Pty Ltd for the total consideration transferred of \$4,876,719. Advanced Boilers & Combustion ('Advanced') offers a comprehensive range of boiler and control panel sales and services, including the manufacturing, supply and installation of Maxitherm steam, heating and combustion products. They also provide service and repair of components essential for the reliable daily operation of in-service plant and equipment. Advanced is headquartered in Victoria, with its operations in three locations: Clayton in Victoria, Seven Hills in NSW and Hemmant in QLD.

The goodwill of \$1,561,946 represents and reflects strong recurring revenue and expected future growth from the areas mentioned in the previous paragraph.

The acquisition will be a major expansion of EGL's presence in the industrial boiler market complimenting EGL Energy's existing business. Advanced has expertise in fabrication, boiler fit out, economisers, pipe welding, skid manufacture and control panel design and manufacture. This will build on and enhance EGL Energy's capabilities and introduce cross-selling opportunities for other EGL divisions. Advanced own exclusive intellectual property rights to Maxitherm boiler technology, which is particularly relevant to larger industrial uses and compliments EGL's existing boiler range offering.

Integrating the acquired business will provide operational synergies in service teams, sales, and logistics. It will also improve efficiency and further consolidate EGL's leadership in the boiler and energy services.

The acquired business contributed revenues of \$3,970,399 and an EBIT of \$778,228 to the consolidated entity for the period from 4 April 2025 to 30 June 2025. It is impracticable to disclose the revenue and profit or loss of the combined entity as if the acquisition had occurred at the beginning of the annual reporting period, as the acquired entity did not comply with Australian Accounting Standards prior to its acquisition by The Environmental Group Limited.

The Group has adopted provisional accounting for the above acquisition, which will be finalised before the measurement period on 4 April 2026.

	Fair value \$
Cash and cash equivalents	324,178
Trade receivables	1,805,394
Expected credit losses	(31,616)
Other receivables	51,295
Inventories	313,908
Contract assets	1,415,144
ROU assets	720,242
Plant and equipment	22,900
Motor vehicles	497,264
Intellectual property	1,364,000
Deferred tax asset	448,062
Trade payables	(505,463)
Other payables	(511,615)
Provision for income tax	(557,099)
Deferred tax liability	(216,073)
Employee benefits	(498,965)
ROU liability	(720,242)
Lease liability	(229,921)
Contract liability	(376,620)
Net assets acquired	3,314,773
Goodwill	1,561,946
Acquisition-date fair value of the total consideration transferred	4,876,719
Representing	
Cash paid to vendor	4,376,719
Holdback	500,000
	4,876,719
Acquisition costs expensed to profit or loss	376,572

FY24: There were no business combinations in FY24.

Note 42. Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in Note 2.

Name	Principal place of business / Country of incorporation	Ownership interest	
		2025 %	2024 %
The Environmental Group Share Plans Pty Limited	Australia	100%	100%
Environmental Group (Operations) Pty Limited (formerly Environmental Systems Pty Limited)	Australia	100%	100%
Total Air Pollution Control Pty Limited	Australia	100%	100%
Baltec IES Pty Ltd.	Australia	100%	100%
EGL Waste Services Pty Ltd.	Australia	100%	100%
EGL Water Pty Ltd.	Australia	100%	100%
Tomlinson Energy Service Pty Ltd.	Australia	100%	100%
Active Environmental Services Pty Ltd.	Australia	100%	100%
Ignite Services Pty Ltd.	Australia	100%	100%
Airtight Pty Ltd.	Australia	100%	100%
Advanced Boilers & Combustion Pty Ltd.	Australia	100%	-

Note 43. Events after the reporting period

No matter or circumstance has arisen since 30 June 2025 that has significantly affected or may significantly affect the Group’s operations, the results of those operations, or the Group’s state of affairs in future financial years.



Note 44. Reconciliation of profit after income tax to net cash from/(used in) operating activities

Statement of profit or loss	Consolidated	
	2025 \$	2024 \$
Profit after income tax expense for the year	4,709,699	4,390,131
Adjustments for		
Depreciation and amortisation	2,954,006	2,542,587
Share-based payments expense	163,046	158,340
Foreign exchange differences	(213,995)	163,367
Change in operating assets and liabilities		
Increase in trade and other receivables	(1,532,383)	(2,996,545)
Increase in contract assets	(8,911,074)	(3,094,773)
Increase in inventories	(3,165,495)	(428,164)
Increase in deferred tax assets	(739,254)	(22,906)
Decrease/(increase) in prepayments	326,488	(297,918)
(Decrease)/increase in trade and other payables	1,757,008	2,800,811
Increase in contract liabilities	323,516	-
Increase in deferred tax liabilities	328,878	695,597
Increase in other provisions	211,422	300,903
Net cash provided by operating activities	(3,788,138)	4,211,430

Note 45. Earnings per share

	Consolidated	
	2025 \$	2024 \$
Profit after income tax attributable to the owners of The Environmental Group Limited	4,709,699	4,390,131
	Cents	Cents
Basic earnings per share	1.23	1.16
Diluted earnings per share	1.23	1.15
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	382,520,528	379,537,382
Adjustments for calculation of diluted earnings per share		
Outstanding performance rights	1,373,494	1,964,082
Weighted average number of ordinary shares used in calculating diluted earnings per share	383,894,022	381,501,464

Note 46. Share-based payments

A performance rights plan has been established by the Group and approved by shareholders at a general meeting, whereby the Group may, at the discretion of the Nomination and Remuneration Committee, grant performance rights over ordinary shares in the Company to certain key management personnel of the Group. The rights are issued for nil consideration and are granted

in accordance with performance guidelines established by the Nomination and Remuneration Committee.

Set out below are summaries of performance rights granted under the plan.

2025	Performance year-end	Exercise price	Balance at start of year	Granted	Exercised	Expired/ forfeited/ other	Balance at year-end
Grant date							
08/02/2021	30/06/2024	\$0.03	4,333,333	-	(4,333,333)	-	-
08/02/2021	30/06/2024	\$0.03	2,166,667	-	(2,166,667)	-	-
11/03/2022	30/06/2024	\$0.27	347,922	-	(347,922)	-	-
24/11/2023	30/06/2024	\$0.23	213,000	-	(213,000)	-	-
17/03/2025	30/06/2027	\$0.26	-	3,396,227	-	-	3,396,227
Total revenue			7,060,922	3,396,227	(7,060,922)	-	3,396,227

2024	Performance year-end	Exercise price	Balance at start of year	Granted	Exercised	Expired/ forfeited/ other	Balance at year-end
Grant date							
08/02/2021	30/06/2024	\$0.03	4,333,333	-	-	-	4,333,333
08/02/2021	30/06/2024	\$0.03	2,166,667	-	-	-	2,166,667
08/02/2021	30/06/2023	\$0.03	4,333,333	-	(4,333,333)	-	-
08/02/2021	30/06/2023	\$0.03	2,166,667	-	(2,166,667)	-	-
11/03/2022	30/06/2024	\$0.27	347,922	-	-	-	347,922
11/03/2022	30/06/2023	\$0.27	347,922	-	(347,922)	-	-
24/11/2023	30/06/2024	\$0.23	-	213,000	-	-	213,000
29/09/2022	30/06/2023	\$0.19	250,000	-	(250,000)	-	-
Total revenue			13,945,844	213,000	(7,097,922)	-	7,060,922

The table below reflects targets to be achieved for the performance shares to be exercised.

Targets	Target allocation	Description
Financial (33.4% of total LTI)	33.4%	EPS growth above 20% over the three-year period.
ERP project (33.3% of total LTI)	33.3%	1. Phase 1 milestone: Business case approved by the Board due December 2024. 2. Phase 2 milestones: On time and on budget implementation +/- 15% for cost and timing. 3. Phase 3 milestones: User acceptance during the ERP system launch and user acceptance 6 and 12 months after launch, including pre- and post-implementation feedback on the system's performance and the analytics and business insights the system provides the business.
PFAS (33.3% of total LTI)	33.3%	1. Phase 1 milestone: Business Plan approved by the Board due October 2024. 2. Phase 2 milestone: Nine (9) units sold within the FY25–FY27 period.

Consolidated entity disclosure statement

For the year ended 30 June 2025

Entity name <i>(All represents body corporate entities unless otherwise specified)</i>	Place formed/Country of incorporation	Ownership interest %	Tax residency
The Environmental Group Limited	Australia	100.00%	Australian
The Environmental Group Share Plans Pty Limited	Australia	100.00%	Australian
Environmental Group (Operations) Pty Limited (formerly Environmental Systems Pty Limited)	Australia	100.00%	Australian
EGL Waste Service Pty Ltd.	Australia	100.00%	Australian
EGL Water Pty Ltd.	Australia	100.00%	Australian
Tomlinson Energy Service Pty Ltd.	Australia	100.00%	Australian
Ignite Services Pty Ltd.	Australia	100.00%	Australian
Active Environmental Services Pty Ltd.	Australia	100.00%	Australian
Baltec IES Pty Ltd.	Australia	100.00%	Australian
Airtight Pty Ltd.	Australia	100.00%	Australian
Total Air Pollution Control Pty Ltd.	Australia	100.00%	Australian
Advanced Boilers & Combustion Pty Ltd.	Australia	100.00%	Australian

Directors' Declaration

The Environmental Group Limited (the 'head entity') and its wholly owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime.

In the Directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, the Accounting Standards, the *Corporations Regulations 2001*, and other mandatory professional reporting requirements
- the attached financial statements and notes comply with Australian Financial Reporting Standards as issued by the Australian Accounting Standards Board as described in Note 2 to the financial statements
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2025 and of its performance for the financial year ended on that date
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable
- the information disclosed in the attached Consolidated Entity Disclosure Statement required by subsection (3A) is true and correct in accordance with Section 295(4)(da) of the *Corporations Act 2001*.

The Directors have been given the declarations required by section 295A of the *Corporations Act 2001*.

Signed in accordance with a resolution of Directors made pursuant to section 295(5)(a) of the *Corporations Act 2001*.

On behalf of the Directors



Ms Lynn Richardson
Non-Executive Chair

19 August 2025

INDEPENDENT AUDITOR'S REPORT To the Members of The Environmental Group Limited

Opinion

We have audited the financial report of The Environmental Group Limited (the Company) and its subsidiaries (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, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

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

- 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*.

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 and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Key Audit Matters (Continued.)

Key Audit Matter	How our audit addressed this matter
Impairment of Goodwill Refer to Note 18 in the financial statements	
At 30 June 2025, the Group had goodwill with a carrying value of \$19,630,866. As required under AASB 136 <i>Impairment of Assets</i>, management have tested goodwill for impairment. As goodwill does not generate cashflows that are largely independent from other assets, its recoverable amount was determined by calculating the recoverable amount of the cash generating unit ("CGU") to which it belongs. This recoverable amount was then compared to the CGU's carrying amount. In this instance, the recoverable amount was determined to be its value in use. We determined the impairment review of goodwill to be a Key Audit Matter because of the materiality of the Goodwill balance, and because of the significant management judgments and assumptions used to determine the value in use of the CGU which contains it, including the future underlying cashflows of the CGU, estimated growth rates for the next 5 years as well as in perpetuity, and judgments of an appropriate discount rate to apply to the estimated cashflows.	With the assistance of our Corporate Finance team, our audit procedures included: - Assessing the reasonableness of management's determination that the goodwill should be allocated to seven CGUs based on the nature of the Group's business; - Assessing the valuation methodology used to determine the recoverable amount; - Challenging the reasonableness of key assumptions, including the following: - Cash flow projections; - Future growth rates; - Discount rates; - Terminal value; - Performing sensitivity analysis over the key assumptions used in the models; - Checking the mathematical accuracy of the cashflow model and reconciling input data to supporting evidence, such as approved budgets, and considering the reasonableness of the evidence (such as budgets); and - Assessing the appropriateness and accuracy of the disclosures included in the financial report.
Revenue recognition Refer to Note 5 in the financial statements	
Revenue for the year ended 30 June 2025 was \$111,921,268. The primary revenue streams are: - Engineering and Fabrication Solutions - Provision of services - Sales of parts Revenue is considered to be a Key Audit Matter because of: - the identification of performance obligations, - the method of recognition of revenue (over time or at a point in time); and - revenue is generated from varying income sources, with different recognition patterns requiring significant management estimates.	Our audit procedures included: - Assessing whether the Group's revenue recognition policies are in compliance with AASB 15 <i>Revenue from Contracts with Customers</i>; - Evaluating the operating effectiveness of management's controls related to revenue recognition; - For a sample of revenue transactions, substantiating transactions by agreeing to supporting documentation, including customer contracts and ensuring they are accounted for in line with the revenue recognition policy; - Assessing revenue transactions before and after year-end to ensure that revenue is recognised in the correct period; and - Performing substantive analytical review procedures on the different revenue streams.

Key Audit Matters (Continued.)

Key Audit Matter	How our audit addressed this matter
Accounting for Business Combination Refer to Note 41 in the financial statements	
On 4 April 2025, the Group acquired 100% of the ordinary shares of Advanced Boilers & Combustion Pty Ltd ('Advanced') for the total consideration transferred of \$4,876,719. The transaction has been assessed to be a business combination under AASB 3 <i>Business Combinations</i> ('AASB 3') wherein the Group is the acquirer and Advanced is the acquiree. As at 30 June 2025, the accounting for this business combination is provisional. This is considered a Key Audit Matter as accounting for such a transaction is complex and involves significant judgement in applying the accounting standards. This includes valuation of consideration paid and payable, including contingent consideration, as well as the measurement and recognition of intangible assets. Apart from the accounting treatment of the consideration and assets recognised, there is also a risk that sufficient and accurate disclosures are not made in accordance with the accounting standards.	Our audit procedures included: - Assessing the share purchase agreement and other associated documents and understanding the nature of the transaction to confirm that it met the definition of business combinations under AASB 3; - Confirming the identify of the accounting acquirer and acquiree in line with AASB 3; - Tracing the values of consideration transferred to the signed purchase agreement and to bank; - Reviewing the reasonableness of the valuation of contingent consideration; - Assessing the accuracy and completeness of fair values of identified assets and liabilities acquired; - Reviewing management's estimates in relation to the purchase price allocation, including measurement and recognition of intangible assets, and the resulting goodwill; and - Reviewing the adequacy of the relevant disclosures, including the disclosures in respect of judgements made, 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 the 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 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

Responsibilities of the Directors for the Financial Report (Continued.)

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

- i. 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
- ii. the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or 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/admin/file/content102/c3/ar2_2020.pdf. This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2025.

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

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.



RSM AUSTRALIA PARTNERS



B Y CHAN
Partner

Dated: 19 August 2025
Melbourne, Victoria



Shareholder information

The shareholder information set out below was applicable as at 4 August 2025.

Distribution of equitable securities

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

	Ordinary shares		Performance rights over ordinary shares	
	Number of holders	% of total shares issued	Number of holders	% of total shares issued
1 to 1,000	1,278	0.10	-	-
1,001 to 5,000	743	0.60	-	-
5,001 to 10,000	341	0.70	-	-
10,001 to 100,000	880	8.90	1	2.30
100,001 and over	290	89.70	4	97.70
	3,532	100.00	5	100.00
Holding less than a marketable parcel	1,450			

Options over ordinary shares

There are no options over ordinary shares.

Substantial shareholding notices lodged with the ASX as of 4 August 2025 in the Company are set out below.

	Ordinary shares	
	Number of holders	% of total shares issued
Mrs Denise Morgan Richardson	32,535,382	8.71
Mr Ellis Richardson	32,535,382	8.71
Jalie 2 Pty Ltd (Jalie 2A/C)	28,403,913	7.46
Mirrabooka Investments Limited	28,860,476	7.58
HD Capital Partners Pty Ltd	20,000,000	5.4
Challenger Limited & Apollo Global Management Inc.	35,704,882	9.38
Greencape Capital Pty Ltd	35,704,882	9.38

Voting rights

The voting rights attached to ordinary shares are set out below options and performance rights do not carry a right to vote.

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.

Equity security holders

Twenty (20) largest quoted equity security holders.

The names of the 20 largest security holders of quoted equity securities as at 4 August 2025 are listed below.

	Ordinary shares	
	Number of holders	% of total shares issued
MIRRABOOKA INVESTMENTS LIMITED	30,814,973	8.10
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	29,755,463	7.82
CITICORP NOMINEES PTY LTD	29,382,968	7.72
JALIE 2 PTY LTD (JALIE 2 A/C)	27,796,913	7.31
JP MORGAN NOMINEES AUSTRALIA	16,630,687	4.37
MRS DENISE MORGAN RICHARDSON	16,267,691	4.28
MR ELLIS RICHARDSON	16,267,691	4.28
MR PAUL WALTER GASKET	14,501,955	3.81
CARRIER INTERNATIONAL PTY LIMITED (SUPER FUND A/C)	8,547,828	2.25
AMCIL LIMITED	8,004,618	2.10
CANNINGTON CORPORATION PTY LTD CANNINGTON (SUPER FUND A/C)	4,774,778	1.25
DALDORY PTY LTD	4,761,182	1.25
ZACHARY INVESTMENTS PTY LTD	4,500,000	1.18
KHONG PERPETUAL DYNASTY	4,287,500	1.13
BNP PARIBAS NOMINEES PTY LTD (AGENCY LENDING A/C)	4,249,708	1.12
MR ALEXANDER JAMES HILL	4,000,000	1.05
ACE PROPERTY HOLDINGS PTY LTD	3,960,000	1.04
RICHMARSH INVESTMENTS PTY LIMITED	3,825,001	1.01
SERVO CAPITAL PTY LTD	3,610,433	0.95
BUILD ASSIST NSW PTY LTD	3,389,354	0.89
	239,328,743	62.91

Corporate Directory

Directors	Ms Lynn Richardson Chair (Non-Executive) <i>Appointed Chair 23 November 2017</i> Mr Vincent D’Rozario (Non-Executive) <i>Appointed 9 March 2021</i> Mr Michael Constable (Non-Executive) <i>Appointed 24 August 2023</i> Ms Lucia Cade (Non-Executive) <i>Appointed 26 September 2024</i> Mr Graeme Nayler (Non-Executive) <i>Appointed 9 March 2021 (Resigned 23 October 2024)</i>
Company Secretary	Mr Andrew Bush (Joint Company Secretary) <i>Appointed 1 July 2017</i> Ms Kate Goland of CSB Corporate Service was appointed joint Company Secretary on 27 October 2022
Notice of annual general meeting	The Environmental Group Limited’s annual general meeting details are: Quest Notting Hill 10 Ferntree Place Notting Hill VIC 3168 10.00 AM AEDT, 18 November 2025
Registered office	The Environmental Group Limited Level 2, Suite 2.01 315 Ferntree Gulley Road Mount Waverley VIC 3149 Telephone: (03) 9763 6711
Share register	Boardroom Pty Ltd. Level 8, 210 George Street Sydney NSW 2000 Telephone: (02) 9290 9600
Auditor	RSM Australia Partners Level 26, 120 Collins Street Melbourne VIC 3000
Solicitors	Baker Jones Level 10, 160 Queen Street Melbourne VIC 3000
Bankers	Westpac Banking Corporation
Stock exchange listing	The Environmental Group Limited shares are listed on the Australian Securities Exchange (ASX code: EGL)
Website	www.environmental.com.au
Corporate Governance Statement	https://environmental.com.au/corporate-governance

Disclaimer

The Environmental Group Limited (EGL) 2024–2025 Annual Report covers the operations of The Environmental Group for the financial year ended 30 June 2025. These financial statements are based on information available on the date of this report as required by law or regulation (ASX Listing Rules). Financial statements are not guarantees or predictions of The Environmental Group’s future performance. Known and unknown risks, which are beyond our control, may cause actual results to differ materially from those expressed in the statements contained in this report.

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