



1. Company details

Name of entity:	Phoslock Environmental Technologies Limited
ABN:	88 099 555 290
Reporting period:	For the year ended 31 December 2025
Previous period:	For the year ended 31 December 2024

2. Results for announcement to the market

			\$'000
Revenues from ordinary activities	up	308.9% to	3,095
Underlying Loss Before Interest and Tax ('Underlying EBIT')	down	19.0% to	(2,753)
Loss from ordinary activities after tax attributable to the owners of Phoslock Environmental Technologies Limited	up	42.9% to	(3,253)
Loss for the year attributable to the owners of Phoslock Environmental Technologies Limited	up	42.9% to	(3,253)

Dividends

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

Comments

The loss for the Group after providing for income tax amounted to \$3,253,000 (31 December 2024: \$2,277,000).

Underlying Earnings/(Loss) Before Interest and Tax ('Underlying EBIT') for the year is as follows:

	Consolidated 2025 \$'000	2024 \$'000
Revenue	3,095	757
Net Operating Loss after Tax ('NPAT')	(3,253)	(2,277)
Add: Finance costs	24	15
Add: Impairment of assets	46	(568)
Add: Foreign exchange (gains)/losses	454	(494)
Less: Interest revenue	(24)	(89)
Underlying EBIT *	<u>(2,753)</u>	<u>(3,413)</u>

* Underlying EBIT is a financial measure which is not prescribed by Australian Accounting Standards ('AAS') and represents the profit or loss under AAS adjusted for the add back of income tax, finance costs and certain non-cash income and expense items that are deemed to not have an ongoing effect to the underlying performance of the business. The Company believes that Underlying EBIT provides a better reflection of its financial performance by facilitating a more representative comparison of financial performance between financial periods.

Refer to the Review of Operations section in the Directors' Report for more information on the Group's results for the year.

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>1.09</u>	<u>1.54</u>



The net tangible assets calculation includes the lease liabilities of \$689,000 (31 December 2024: \$367,000).

4. Loss of control over entities

Not applicable.

5. Dividends

Current period

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

Previous period

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

6. Dividend reinvestment plans

Not applicable.

7. Details of associates and joint venture entities

Not applicable.

8. Foreign entities

Details of origin of accounting standards used in compiling the report:

Not applicable.

9. Audit qualification or review

Details of audit/review dispute or qualification (if any):

The financial statements have been audited and an unmodified opinion has been issued.

10. Attachments

Details of attachments (if any):

The Annual Report of Phoslock Environmental Technologies Limited for the year ended 31 December 2025 is attached.



11. Signed

As authorised by the Board of Directors

A handwritten signature in black ink, appearing to read 'F Bart'.

Signed _____

Date: 27 February 2026

Fred Bart
Chairman
Melbourne



Phoslock Environmental Technologies Limited

ABN 88 099 555 290

Annual Report - 31 December 2025



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Directors	Fred Bart- Chairman and Non-Executive Director Shawn van Boheemen Graeme Newing
Company secretary	Shawn van Boheemen
Registered office	Suite3, Level 12, 75 Elizabeth Street, Sydney NSW 2000
Principal place of business	Suite 3, Level 12, 75 Elizabeth Street, Sydney NSW 2000
Share register	Computershare Investor Services Pty Limited Level 4 44 Martin Place Sydney NSW 2000 Phone: +61 2 8234 5000
Auditor	SW Audit Level 10 530 Collins Street Melbourne VIC 3000 Phone: +613 8635 1800
Stock exchange listing	Phoslock Environmental Technologies Limited shares are listed on the Australian Securities Exchange (ASX code: PET), currently suspended.
Website	https://www.petwatersolutions.com/
Corporate Governance Statement	<p>The Directors and management are committed to conducting the business of Phoslock Environmental Technologies Limited in an ethical manner and in accordance with the highest standards of corporate governance. Phoslock Environmental Technologies Limited has adopted and substantially complied with the ASX Corporate Governance Principles and Recommendations (Fourth Edition) ('Recommendations') to the extent appropriate to the size and nature of its operations.</p> <p>The Corporate Governance Statement, which sets out the corporate governance practices that were in operation during the financial year and identifies and explains any Recommendations that have not been followed, was approved by the Board of Directors at the same time as the Annual Report and can be found on the Investor Relations page at https://www.phoslock.com.au/site/Investors/Corporate-Governance.</p>



Dear Shareholders,

I am pleased to report that during 2025 we made meaningful progress in strengthening your business, building on the foundations established during 2024.

Sales increased five-fold to 1,200 tonnes. This improvement was driven primarily by the return of Hydro Science in Brazil as a key customer, noting that it made no purchases in 2024, having pre-purchased its full requirements in 2023. In addition, the agreement with Orion, which commenced on 1 January, saw the United States deliver its strongest sales performance for several years. Sales in Europe also strengthened materially, reaching their highest level since 2021.

While this increase in sales is encouraging, the Company has not yet reached profitability.. Based on current cost structures, this is expected to require sales volumes in the range of 3,000 to 4,000 tonnes. Encouraging early indications in Europe suggest that a further substantial increase in sales is achievable, and if realised, could support our ambition to reach breakeven. But this cannot be assured at this stage.

A key milestone was the resumption of production in January 2026. Restarting the factory was essential to replenish reduced inventory levels and to support anticipated sales growth, albeit cash outlays have naturally increased. As the facility last operated in November 2021, a number of equipment issues were encountered and resolved during the initial weeks of operation. The plant is now operating more reliably, and to support expected 2026 sales it will need to operate at close to its annual capacity of approximately 3,000 tonnes for the remainder of the year.

Competitive pressure from alternative phosphorus-binding products continues to increase. In response, we are working on developing an improved lanthanum modified bentonite product, which has made some early progress although commercial success is not guaranteed. In parallel, we are looking to benefit from products tailored for the US market and continue to evaluate entry into the wastewater sector. The latter has the potential to provide a growing and more predictable and revenue stream over time.

Uncertainty remains over the legal matters facing the Company, largely relating to events in China that occurred some years ago. The Company has not been approached by ASIC or the Australian Federal Police since the appointment of the current Board in January 2024, and it is therefore unclear whether those investigations are ongoing or on hold. The class action remains in the discovery phase, and its eventual outcome is uncertain. These matters continue to impose costs and demand management attention..

Notwithstanding these challenges, global urgency to address water quality issues caused by excess phosphorus levels continues to grow. Demand for effective, environmentally responsible solutions underpins the long-term opportunity for our products, and we remain focused on positioning the Company to benefit from these structural trends.

In summary, operational performance has improved, sales momentum has returned across several key markets, and the underlying business is better positioned than it has been for several years. However, there are some uncertainties to be overcome in the short term.

I would like to thank our employees, partners and shareholders for their continued support as we continue the work of rebuilding and strengthening the Company.

Yours faithfully,

Graeme Newing
Managing Director and CEO



The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Phoslock Environmental Technologies Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 31 December 2025.

Directors

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

Fred Bart - Chairman and Non-Executive Director
 Shawn van Boheemen - Non-Executive Director
 Graeme Newing - Executive Director

Principal activities

The principal activities of the Group during the period were selling and marketing of the patented product 'Phoslock®' and providing design, engineering and project implementation solutions for water related projects and water treatment products to clean up lakes, rivers, canals, wetlands and drinking water reservoirs. The Group allocates substantial resources to the research, evaluation, and in-house development of innovative water treatment products and technologies.

Dividends

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

Review of operations

The loss for the Group after providing for income tax amounted to \$3,253,000 (31 December 2024: loss of \$2,277,000).

Underlying Loss Before Interest and Taxes ('Underlying EBIT') for the year is as follows:

	Consolidated	
	2025	2024
	\$'000	\$'000
Revenue	3,095	757
Net Operating Loss after Tax ('NPAT')	(3,253)	(2,277)
Add: Finance costs	24	15
Add: Impairment of assets	46	(568)
Add: Foreign exchange (gains)/losses	454	(494)
Less: Interest revenue	(24)	(89)
Underlying EBIT *	<u>(2,753)</u>	<u>(3,413)</u>

* Underlying EBIT is a financial measure which is not prescribed by Australian Accounting Standards ('AAS') and represents the profit or loss under AAS adjusted for the add back of income tax, finance costs and certain non-cash income and expense items that are deemed to not have an ongoing effect to the underlying performance of the business. The Company believes that Underlying EBIT provides a better reflection of its financial performance by facilitating a more representative comparison of financial performance between financial periods.

Operating results

Revenue for the year totalled \$3,095,000, representing a 308.9% increase compared to \$757,000 recorded in the prior year. Growth was primarily driven by strong sales to our US and Brazilian distributor, which accounted for 75% of total volume and the majority of revenue.

The Group reported a gross profit of \$1,185,000 for the full year ended 31 December 2025 compared to a gross profit of \$51,000 for the prior year. The gross margin improved to 38%, reflecting a solid recovery in business performance during the period.

Underlying EBIT for the year was a loss of \$2,753,000 compared to a loss of \$3,413,000 in the prior year. Overheads included \$524,000 of legal expenses net of reimbursements by our insurer.

NPAT for the Group for the full year amounted to a loss of \$3,253,000 compared to a loss of \$2,277,000 in the prior year.



Cash Flows

Operating cash flow for the full year was a cash outflow of \$1,811,000 (full year to 31 December 2024 outflow of \$2,851,000).

Cash receipts from customers for the year were \$3,134,000 (full year to 31 December 2024: \$2,079,000). The increase reflects higher sales volumes and more effective cash collection during the period. Cash payments to suppliers and employees for the full year were \$4,970,000 (full year to 31 December 2024: \$5,019,000).

New plant, equipment and intangibles acquisitions for the current year totalled \$120,000. This expenditure primarily related to investments in the Company's Chinese manufacturing facilities, ongoing research and development activities, and patent application costs.

Financial position

The Group has net current asset position of \$7,051,000 as at 31 December 2025 (2024: \$10,369,000). At balance date, the Group had no external loan facilities.

The full year financial statements have been prepared on a going concern basis of accounting, which assumes the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business. The Board is committed to making the Group profitable and cash positive and will continue to revise its strategy to best meet its objectives. The Board believes that any contingent liabilities that may arise from the AFP investigation into the actions of former officers, or potential class actions, should not impact the current going concern assessment. Refer to note 2 for further details on the going concern basis of preparation.

Business risks

The following is a summary of material business risks that could adversely affect our financial performance and growth potential in future years and how we propose to mitigate such risks.

Macroeconomic risks

The Group's financial performance can be impacted by current and future economic conditions which it cannot control, such as increases in interest rates and inflation. The Group stays abreast of these conditions, focuses on its internal debtor controls and diversifies its customer base to help manage these risks.

US tariff risk

The Group is exposed to risks arising from changes in United States trade policy, including the imposition or escalation of tariffs on goods imported from China. As the Group sells inventory manufactured in China into the US market, such measures could increase costs, compress margins, reduce pricing competitiveness, and adversely affect customer demand. Changes in trade policy may also create supply chain uncertainty and fluctuations in customer ordering patterns. To mitigate this risk, the Group actively monitors trade policy developments and maintains flexibility in its pricing strategy where commercially feasible. The Group engages closely with customers to manage the impact of tariff changes, including evaluating pricing adjustments and cost-sharing arrangements where appropriate. The Group also seeks to diversify its customer base and geographic revenue streams to reduce overall exposure to the US market.

Cybersecurity and Information technology ('IT') infrastructure

The risk of system disruption, either malicious or accidental, is something that can never be completely mitigated against as technology and methods of potential disruption are, by definition, constantly changing. We manage this risk in diverse ways, including utilising third parties to proactively review our environments and make recommendations for improvement, focusing on monitoring and reporting back so we can be aware of any changes as they happen (before causing noticeable disruption). This enables us to make certain that we have backups and methods in place to reproduce our data and materials from scratch in case a worst-case scenario does happen.

Legal or regulatory

A change in laws or regulations could adversely affect the business. Changes may result in, but are not limited to, a change in the market conditions affecting the competitive landscape, increase in costs of operating the business, and increased information security requirements. The Group adopts a sound corporate governance structure and practices that align with industry standards. This enables the Group to have clarity and confidence around its regulatory risk framework and its ability to manage regulatory change.

Ongoing litigation risk

The Group faces claims from shareholders and potential claims against former directors and other parties, including a group proceeding initiated in November 2024 in the Federal Court of Australia. The Company denies liability and is defending the claims. Legal costs and outcomes are uncertain; no provision has been recognised as at 31 December 2025.



Climate Risk

The Group takes climate risk into account in its investment decisions. There is the possibility that such decisions have underestimated the severity of climate change.

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 31 December 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

During FY25, the Group's business operations demonstrated a recovery and are expected to continue improving in FY26, with particular growth anticipated in the European markets. The research and development team in China continues to progress work on new products; however, there can be no assurance that these initiatives will result in commercially successful outcomes.

In response to increased sales forecasts, the Group's factory in China recommenced production on 5 January 2026, initially operating on a single shift, with planned expansion toward a production capacity of 60 tonnes per week.

While forecasting remains inherently uncertain, cash flow projections indicate that the Group is expected to maintain sufficient liquidity to support ongoing operational activities and meet creditor obligations as they fall due. The Board anticipates that the operating cash deficit for FY26 is likely to be lower than the deficit recorded in FY25, reflecting improved operational performance and enhanced production efficiency.

Environmental regulation

The Group's operations are subject to environmental regulation of the territories in which it operates. Details of the Group's performance in relation to environmental regulations are as follows:

The Group commits to comply with all regulations governing the use and application of its water technology products both in Australia and internationally.

Phoslock® has been awarded the North American Drinking Water Certification (NSF/ANSI 60) since 2011. The certification is renewed annually.

Sustainability reporting

AASB S2 'Climate-related Disclosures' sets out specific climate related disclosures. It applies to entities required to prepare and lodge a financial report with ASIC under Chapter 2M and is effective for different entities based on certain criteria. This mandatory sustainability reporting may be applicable for the Group for the first time for the year ending 30 June 2028.

Information on directors

Name:	Fred Bart
Title:	Chairman and Non-Executive Director
Experience and expertise:	<p>In 1985, Mr Bart was appointed the Managing Director of Textile Industries Australia. The Group employed over 1,200 people and distributed product to many countries worldwide. The Company manufactured and distributed the majority of bed linen in Australia under brands like Sheridan and ACTIL. The Company was sold in 1987.</p> <p>In 1989, Mr Bart established and chairs a number of private companies under the umbrella of the Bart Group which covered hotels, retail, commercial and residential land development and technologies which still continue to operate. The Group today employs in excess of 1,000 people and is active in many local and overseas markets.</p> <p>In 2001, Mr Bart became Chairman of Electro Optic Systems Holdings Limited (ASX: EOS). Since that time it has grown to be one of Australia's premier defence companies with activities in many countries worldwide employing over 400 people and is currently included in the S&P/ASX 300.</p> <p>In September 2000, Mr Bart became a director and Chairman of Audio Pixels Holdings Limited (ASX: AKP). Audio Pixels is developing the first digital speaker in the world and currently has a market capitalisation of over \$181 million.</p> <p>In 2013, Mr Bart became Director and majority shareholder of Immunovative Therapies Limited, a private Israeli company involved in the manufacture of vaccines for the</p>



treatment of certain forms of cancer. The Company has undertaken trials in both collateral and liver cancers.

Other current directorships: In March 2018, Mr Bart joined the Board of Weebit Nano Limited (ASX: WBT). Weebit is a developer of memory technology.
 Chairman of ASX listed company, Audio Pixels Holdings Limited (ASX: AKP). He is also the Chairman of ASX listed company, Noxopharm Limited (ASX: NOX). Mr Bart is also a director of Immunovative Therapies Limited, an Israeli company involved in the manufacture of cancer vaccines for the treatment of most forms of cancer.

Former directorships (last 3 years): Electro Optics Systems Holdings Limited (ASX: ESO) - resigned 27 July 2021, Weebit Nano Limited – resigned 27 June 2023.

Special responsibilities: Member of Audit and Risk Committee, Member of Remuneration Committee

Interests in shares: None

Interests in options: None

Name: Shawn van Boheemen
 Title: Non-Executive Director
 Qualifications: Master of Commerce degree with a major in Accounting (UWS) and a Bachelor of Business degree in Accounting and Commercial Law (UWS), Fellow of the Australian Society of Certified Practising Accountants and a Justice of the Peace in NSW

Experience and expertise: Shawn's experience in commercial finance leadership spans 30 years across various sectors, including healthcare, manufacturing, biotech and financial services.

His expertise includes Australian ASX and ASIC reporting, SEC reporting in the USA, compliance and regulatory affairs, internal and external audit work, taxation, business and financial analytics, IP protection, as well as regulatory and financial reporting locally and in the United States.

He has held senior financial positions in both Australian and multinational organisations, including Covance, Unomedical, M.D. Sass, and New York Life Insurance. He is currently CFO of Noxopharm Limited (ASX: NOX) and CFO/Company Secretary of Audio Pixels Holdings Limited (ASX: AKP).

Other current directorships: None

Former directorships (last 3 years): None

Special responsibilities: Chairman of Audit and Risk Committee, Chairman of Remuneration Committee

Interests in shares: None

Interests in options: None

Name: Graeme Newing
 Title: Executive Director (appointed on 18 January 2024)
 Qualifications: BSc (Hons) in Mineral technology from Otago University

Experience and expertise: Graeme was a securities analyst within the stockbroking industry for some decades before his retirement. He was the top-rated mining analyst for most of the 1980s, at JM Bowyer and Co and then at County Natwest Securities Australia where he became a director.

Other current directorships: None

Former directorships (last 3 years): None

Special responsibilities: Member of the Audit and Risk Committee, Member of Remuneration Committee

Interests in shares: None

Interests in options: None

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Company Secretary

Shawn van Boheemen (appointed on 18 January 2024) - see directors information for Shawn's qualifications.



Meetings of directors

The number of meetings of the Company's Board of Directors ('the Board') held during the year ended 31 December 2025, and the number of meetings attended by each director were:

	Full Board Attended	Full Board Held	Remuneration Committee Attended	Remuneration Committee Held	Audit and Risk Committee Attended	Audit and Risk Committee Held
Fred Bart - Chairman and Non-Executive Director	2	3	1	2	1	2
Shawn Van Boheemen	3	3	3	3	2	2
Graeme Newing	3	3	3	3	2	2

Held: represents the number of meetings held during the time the director held office.

Remuneration report (audited)

Contents

The remuneration report is set out under the following main headings:

- Details of Key Management Personnel
- Principles used to determine the nature and amount of remuneration
- Details of Executive remuneration
- Consolidated entity performance and link to remuneration
- Service agreements
- Non-executive directors' remuneration
- Statutory and share-based reporting
- Additional information
- Additional disclosures relating to key management personnel

Details of Key Management Personnel

The remuneration report details the key management personnel remuneration arrangements for the Group, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The key management personnel ('KMP') of the Group consisted of the non-executive directors of the Company, executive directors and senior executives. The table below outlines the KMP of the Group and their movements for the year ended 31 December 2025.

Fred Bart- Chairman and Non-Executive Director
 Shawn van Boheemen - Non-Executive Director
 Graeme Newing - Executive Director
 Cherry Wang - Chief Financial Officer

Principles used to determine the nature and amount of remuneration

The objective of the Group's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness;
- acceptability to shareholders;
- performance linkage / alignment of executive compensation; and
- transparency.

The Remuneration Committee is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the Group depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high quality personnel.



The Remuneration Committee has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the Group.

The reward framework is designed to align executive reward to shareholders' interests. The Board has considered that it should seek to enhance shareholders' interests by:

- having profitable growth as a core component of plan design;
- focusing on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value; and
- attracting and retaining high calibre executives by providing a total remuneration opportunity sufficient to attract proven and experienced executives, and retain existing executives.

In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate.

Use of remuneration consultants

From time to time the Remuneration Committee may seek external guidance from independent remuneration advisers. Any advice provided by external advisers is used as a guide and is not a substitute for consideration of all the issues by each non-executive director of the Remuneration Committee.

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

At the AGM held on 22 May 2025, 78.54% of the votes received supported the adoption of the remuneration report for the year ended 31 December 2024. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

Executive remuneration

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the Remuneration Committee based on individual and business unit performance, the overall performance of the Group and comparable market remuneration.

Executives may receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits) where it does not create any additional costs to the Group and provides additional value to the executive.

Consolidated entity performance and link to remuneration

Over the past few years, the STI and LTI programs have not been in operation due to the challenging issues the Group has faced which has not allowed an opportunity for KMP to meet any targets. The Remuneration Committee is of the opinion that the recent effort to improve corporate governance and positive changes to the overall strategy of the business will increase shareholder wealth if maintained over the coming years.

Refer to the section 'Additional information' below for details of the earnings and total shareholder return for the last five years.

Service agreements

Name: Graeme Newing
Title: Managing Director and CEO
Agreement commenced: 26 August 2024
Term of agreement: Ongoing - no fixed minimum term
Details: Annual base salary of \$200,000.00 pa
Short-term incentive: None

Name: Cherry Wang
Title: CFO
Agreement commenced: 31 October 2023
Term of agreement: Ongoing - no fixed minimum term
Details: Annual base salary of \$180,000 pa
Short-term incentive: None



Employment contracts for senior executives specify a resignation notice period ranging from one to three months (six months for the Managing Director / Chief Executive Officer). The Company may terminate an employment contract without cause by providing written notice or payment in lieu of notice for a period equivalent to the resignation notice period (six months for the Managing Director / Chief Executive Officer, three months for the Chief Financial Officer). Termination payments are not applicable in cases of dismissal due to serious misconduct. In such instances, the Company reserves the right to terminate employment immediately.

Non-executive directors' remuneration

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

ASX listing rules require the aggregate non-executive directors' remuneration be determined periodically by a general meeting. The most recent determination was at the Annual General Meeting held in 2020, where the shareholders approved a maximum annual aggregate remuneration of \$800,000.

Statutory and share-based reporting

Details of the remuneration of key management personnel of the Group are set out in the following tables.

	Short-term benefits				Post-employment benefits	Long-term benefits	Share-based payments	Total
	Cash salary and fees	Cash bonus	Allowance	Other	Super-annuation	Long service leave	Equity-settled	
2025	\$	\$	\$	\$	\$	\$	\$	\$
<i>Non-Executive Directors:</i>								
Fred Bart	88,591	-	-	-	9,463	-	-	98,054
Shawn van Boheemen	44,844	-	-	-	5,269	-	-	50,113
<i>Executive Directors:</i>								
Graeme Newing	200,000	-	-	-	23,500	5,005	-	228,505
<i>Other Key Management Personnel:</i>								
Cherry Wang	176,667	-	-	-	20,767	16,932	-	214,366
	510,102	-	-	-	58,999	21,937	-	591,038



2024	Short-term benefits				Post-employment benefits	Long-term benefits	Share-based payments	Total
	Cash salary and fees	Cash bonus	Allowance	Other	Super-annuation	Long service leave	Equity-settled	
	\$	\$	\$	\$	\$	\$	\$	\$
<i>Non-Executive Directors:</i>								
Fred Bart *	77,113	-	-	-	8,684	-	-	85,797
Shawn van Boheemen *	42,841	-	-	-	4,825	-	-	47,666
<i>Executive Directors:</i>								
Lachlan McKinnon***	105,731	-	-	11,162	-	-	-	116,893
Graeme Newing*	95,419	-	-	-	10,871	129	-	106,419
<i>Other Key Management Personnel:</i>								
Matthew Parker***	88,632	-	-	5,589	-	-	-	94,221
Cherry Wang	92,070	-	-	-	10,553	11,395	-	114,018
	501,806	-	-	16,751	34,933	11,524	-	565,014

* Represents salaries from the date of appointment on 18 January 2024 to the end of financial year 31 December 2024.

** Represents salaries from 1 January 2024 to the date of resignation on 18 January 2024

*** Represents salaries from 1 January 2024 to the date of resignation on 8 March 2024.

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

Name	Fixed remuneration		At risk - STI		At risk - LTI	
	2025	2024	2025	2024	2025	2024
<i>Non-Executive Directors:</i>						
Fred Bart	100%	100%	-	-	-	-
Shawn van Boheemen	100%	100%	-	-	-	-
<i>Executive Directors:</i>						
Graeme Newing	-	100%	-	-	-	-
Lachlan McKinnon	100%	100%	-	-	-	-
<i>Other Key Management Personnel:</i>						
Matthew Parker	-	100%	-	-	-	-
Cherry Wang	100%	100%	-	-	-	-

Share-based compensation

Issue of shares

There were no shares issued to directors and other key management personnel as part of compensation during the year ended 31 December 2025.

Performance rights

There were no performance rights over ordinary shares issued to directors and other key management personnel as part of compensation that were outstanding as at 31 December 2025.



There were no performance rights over ordinary shares granted to or vested by directors and other key management personnel as part of compensation during the year ended 31 December 2025.

Additional information

The earnings of the Group for the five years to 31 December 2025 are summarised below:

	2025 \$'000	2024 \$'000	2023 \$'000	2022 \$'000	2021 \$'000
Sales revenue	3,095	757	3,392	3,022	6,297
Underlying EBIT	(2,753)	(3,413)	(8,219)	(9,050)	(7,896)
Loss after income tax	(3,253)	(2,277)	(2,056)	(11,212)	(3,937)

Additional disclosures relating to key management personnel

Shareholding

There were no ordinary 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.

Option holding

There were no options over ordinary 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.

This concludes the remuneration report, which has been audited.

Shares under option

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

Shares issued on the exercise of options

There were no ordinary shares of Phoslock Environmental Technologies Limited issued on the exercise of options during the year ended 31 December 2025 and up to the date of this report.

Shares under performance rights

There were no unissued ordinary shares of Phoslock Environmental Technologies Limited under performance rights outstanding at the date of this report.

Shares issued on the exercise of performance rights

There were no ordinary shares of Phoslock Environmental Technologies Limited issued on the exercise of performance rights during the year ended 31 December 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 insure 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

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



Non-audit services

There were no non-audit services provided during the financial year by the auditor.

Officers of the Company who are former partners of SW Audit

There are no officers of the Company who are former partners of SW Audit.

Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

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.

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

A handwritten signature in black ink, appearing to read 'Fred Bart'.

Fred Bart
Chairman

27 February 2026
Sydney

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF PHOSLOCK ENVIRONMENTAL TECHNOLOGIES LIMITED

As lead auditor, I declare that, to the best of my knowledge and belief, during the year ended 31 December 2025 there have been:

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



SW Audit
Chartered Accountants



Hayley Underwood
Partner

Melbourne, 27 February 2026

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Phoslock Environmental Technologies Limited
Statement of profit or loss and other comprehensive income
For the year ended 31 December 2025



	Note	Consolidated 2025 \$'000	2024 \$'000
Revenue			
Sales revenue	5	3,095	757
Cost of sales		(1,910)	(706)
Gross profit		<u>1,185</u>	<u>51</u>
Other income	6	547	553
Interest revenue calculated using the effective interest method		24	89
Expenses			
Distribution		(265)	(124)
Marketing		(17)	(14)
Occupancy		(21)	(7)
Director, listing and professional fees		(2,322)	(1,533)
Administration		(2,314)	(1,845)
(Impairment)/reversal of impairment of assets	7	(46)	568
Finance costs	7	(24)	(15)
Loss before income tax expense		<u>(3,253)</u>	<u>(2,277)</u>
Income tax expense	8	-	-
Loss after income tax expense for the year attributable to the owners of Phoslock Environmental Technologies Limited		<u>(3,253)</u>	<u>(2,277)</u>
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		65	48
Other comprehensive income for the year, net of tax		<u>65</u>	<u>48</u>
Total comprehensive loss for the year attributable to the owners of Phoslock Environmental Technologies Limited		<u>(3,188)</u>	<u>(2,229)</u>
		Cents	Cents
Basic earnings per share	28	(0.52)	(0.36)
Diluted earnings per share	28	(0.52)	(0.36)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Phoslock Environmental Technologies Limited
Statement of financial position
As at 31 December 2025



	Note	Consolidated 2025 \$'000	2024 \$'000
Assets			
Current assets			
Cash and cash equivalents	9	5,205	7,859
Trade and other receivables	10	342	374
Inventories	11	2,379	2,497
Financial assets		100	100
Other assets		412	403
Total current assets		<u>8,438</u>	<u>11,233</u>
Non-current assets			
Property, plant and equipment	12	-	-
Right-of-use assets	13	-	-
Intangibles	14	-	-
Total non-current assets		<u>-</u>	<u>-</u>
Total assets		<u>8,438</u>	<u>11,233</u>
Liabilities			
Current liabilities			
Trade and other payables	15	812	784
Contract liabilities		2	2
Lease liabilities	16	475	16
Employee benefits		98	62
Total current liabilities		<u>1,387</u>	<u>864</u>
Non-current liabilities			
Lease liabilities	16	214	351
Employee benefits		18	11
Total non-current liabilities		<u>232</u>	<u>362</u>
Total liabilities		<u>1,619</u>	<u>1,226</u>
Net assets		<u>6,819</u>	<u>10,007</u>
Equity			
Issued capital	17	92,398	92,398
Reserves	18	892	827
Accumulated losses		<u>(86,471)</u>	<u>(83,218)</u>
Total equity		<u>6,819</u>	<u>10,007</u>

The above statement of financial position should be read in conjunction with the accompanying notes

Phoslock Environmental Technologies Limited
Statement of changes in equity
For the year ended 31 December 2025



Consolidated	Issued capital \$'000	Foreign currency translation reserves \$'000	Accumulated losses \$'000	Total equity \$'000
Balance at 1 January 2024	92,398	779	(80,941)	12,236
Loss after income tax expense for the year	-	-	(2,277)	(2,277)
Other comprehensive income for the year, net of tax	-	48	-	48
Total comprehensive income/(loss) for the year	-	48	(2,277)	(2,229)
Balance at 31 December 2024	<u>92,398</u>	<u>827</u>	<u>(83,218)</u>	<u>10,007</u>

Consolidated	Issued capital \$'000	Foreign currency translation reserves \$'000	Accumulated losses \$'000	Total equity \$'000
Balance at 1 January 2025	92,398	827	(83,218)	10,007
Loss after income tax expense for the year	-	-	(3,253)	(3,253)
Other comprehensive income for the year, net of tax	-	65	-	65
Total comprehensive income/(loss) for the year	-	65	(3,253)	(3,188)
Balance at 31 December 2025	<u>92,398</u>	<u>892</u>	<u>(86,471)</u>	<u>6,819</u>

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

Phoslock Environmental Technologies Limited
Statement of cash flows
For the year ended 31 December 2025



	Note	Consolidated 2025 \$'000	2024 \$'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		3,134	2,079
Payments to suppliers and employees (inclusive of GST)		(4,970)	(5,019)
Interest received		25	89
		<u> </u>	<u> </u>
Net cash used in operating activities	27	<u>(1,811)</u>	<u>(2,851)</u>
Cash flows from investing activities			
Payments for property, plant and equipment		(67)	(32)
Payments for intangibles		(53)	(17)
		<u> </u>	<u> </u>
Net cash used in investing activities		<u>(120)</u>	<u>(49)</u>
Cash flows from financing activities			
Proceeds/(repayment) of leases		(436)	(355)
		<u> </u>	<u> </u>
Net cash used in financing activities		<u>(436)</u>	<u>(355)</u>
Net decrease in cash and cash equivalents		(2,367)	(3,255)
Cash and cash equivalents at the beginning of the financial year		7,859	10,622
Effects of exchange rate changes on cash and cash equivalents		(287)	492
		<u> </u>	<u> </u>
Cash and cash equivalents at the end of the financial year	9	<u><u>5,205</u></u>	<u><u>7,859</u></u>

The above statement of cash flows should be read in conjunction with the accompanying notes



Note 1. General information

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

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

Suite 3, Level 12,
75 Elizabeth Street,
Sydney NSW 2000

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 27 February 2026. The directors have the power to amend and reissue the financial statements.

Note 2. Material accounting policy information

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

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. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

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

Going concern

For the year ended 31 December 2025, the Group has reported a net loss of \$3,253,000 (31 December 2024: net loss of \$2,277,000) and net cash outflows from operating activities of \$1,811,000 (31 December 2024: net cash outflows of \$2,851,000).

The Group's ability to continue as a going concern is dependent on its ability to successfully execute its business plan. Notwithstanding the above conditions, the Board has determined that the financial statements for the year ended 31 December 2025 should be prepared on a going concern basis. This assessment reflects the Board's belief that Phoslock has the ability to continue its operations and meet its obligations as they fall due.

The Board is budgeting for an improvement in the gross profit during 2026, driven by further strong sales growth to the 2,500-3,000 tonne range.

Inventory had been run down during 2025 which led to the decision to resume production. This is naturally impacting cash flows but it is thought that the Company's strong cash position will be sufficient to support activities until sales rise to a level at which cash breakeven is achieved.

In the event that the Company's sales projections are not realised, production levels can be adjusted in order to maintain an appropriate level of working capital.

The financial statements do not include any adjustments relative to the recoverability and classification of recorded asset amounts or, to the amounts and classification of liabilities that might be necessary should the entity not continue as a going concern.



Note 2. Material accounting policy information (continued)

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 Accounting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention, unless otherwise stated.

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 29.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Phoslock Environmental Technologies Limited ('Company' or 'parent entity') as at 31 December 2025 and the results of all subsidiaries for the year then ended. Phoslock Environmental Technologies 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 Maker ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Foreign currency translation

Foreign currency transactions

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



Note 2. Material accounting policy information (continued)

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.

Sale of goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time when the goods are despatched from the Group's warehouse or loaded in the shipping vessels depending on the shipping terms.

Rendering of services

Revenue from the design, engineering and project implementation contract to provide services is recognised over time as the services are rendered.

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.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

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.



Note 2. Material accounting policy information (continued)

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

Inventories

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

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

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.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

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

Trade and other payables

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

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.

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.



Note 2. Material accounting policy information (continued)

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.

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 liability for annual leave and 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. 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 high quality 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.

Issued capital

Ordinary shares are classified as equity.

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

Earnings per share

Basic earnings per share

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

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

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.

Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.



Note 2. Material accounting policy information (continued)

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 31 December 2025. The Group's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Group, are set out below.

AASB 18 Presentation and Disclosure in Financial Statements

This standard is applicable to annual reporting periods beginning on or after 1 January 2027, with early adoption permitted. The standard replaces AASB 101 'Presentation of Financial Statements'. The implementation of this standard will introduce new categories in the statement of profit or loss and will require additional disclosures about management-defined performance measures ('MPMs'). The full impact of this standard is still being considered and will first apply to the Group for the financial year ending 31 December 2027.

The adoption of AASB 18 will impact the Groups disclosure of underlying EBIT as it will be required to include these (and any other) MPMs as defined in a single note to the financial statements, along with specified disclosures. The Group expects that there will be minimal impact to its classification of financial instruments in adopting these amendments.

AASB 2024-2 Amendments to the Classification and Measurement of Financial Instruments

AASB 2024-2 is applicable for annual reporting periods beginning from 1 January 2026, with early adoption permitted. This standard makes amendments to AASB 9 'Financial Instruments' and AASB 7 'Financial Instruments: Disclosures' to clarify how the contractual cash flows from financial assets should be assessed in determining how they should be classified.

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 makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience, historical collection rates and forward-looking information that is available. The allowance for expected credit losses is calculated based on the information available at the time of preparation. The actual credit losses in future years may be higher or lower. See note 10 for further information.

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. See note 11 for further information.

Note 4. Operating segments

Identification of reportable operating segments

The Group is organised into four operating segments based on geographical areas: Australia/NZ, Europe/UK, US/Canada/Brazil and China. These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Maker ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

The CODM reviews Underlying EBIT (earnings before interest and tax adjusted for non-cash items). The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information reported to the CODM is on a monthly basis.



Note 4. Operating segments (continued)

Intersegment transactions

Intersegment sales were made at an internally determined transfer price. The price is based on what would be realised in the event the sale was made to an external party at arm's-length. Intersegment sales are eliminated on consolidation.

Corporate charges are allocated to reporting segments based on the segment's overall proportion of revenue generation within the Group. The Board believes this is representative of likely consumption of head office expenditure that should be used in assessing segment performance and cost recoveries.

Intersegment receivables, payables and loans

Intersegment loans are initially recognised at the consideration received. Intersegment loans receivable and loans payable that earn or incur non-market interest are not adjusted to fair value based on market interest rates. Intersegment loans are eliminated on consolidation.

Major customers

During the year ended 31 December 2025, approximately 75% of the Group's external revenue was derived from sales to 3 customers (31 December 2024: approximately 50% of the Group's external revenue was derived from sales to 3 customers).

Operating segment information

Consolidated - 2025	Australia/NZ \$'000	Europe/UK \$'000	US/Canada/ Brazil \$'000	China \$'000	Eliminations \$'000	Total \$'000
Revenue						
Sales to external customers	223	573	2,278	21	-	3,095
Interest revenue	23	-	-	1	-	24
Total revenue	<u>246</u>	<u>573</u>	<u>2,278</u>	<u>22</u>	<u>-</u>	<u>3,119</u>
Underlying EBIT	(1,613)	(415)	(582)	(178)	35	(2,753)
Interest revenue	23	-	-	1	-	24
Reversal of impairment/(impairment) of assets	3	-	-	(49)	-	(46)
Foreign exchange gain/(loss)	(459)	(2)	-	7	-	(454)
Finance costs	-	-	-	(24)	-	(24)
Profit/(loss) before income tax expense	<u>(2,046)</u>	<u>(417)</u>	<u>(582)</u>	<u>(243)</u>	<u>35</u>	<u>(3,253)</u>
Income tax expense						-
Loss after income tax expense						<u>(3,253)</u>
Assets						
Segment assets	5,372	885	1,197	1,306	(322)	8,438
Total assets						<u>8,438</u>
Liabilities						
Segment liabilities	4,175	964	2,864	921	(7,305)	1,619
Total liabilities						<u>1,619</u>



Note 4. Operating segments (continued)

Consolidated - 2024	Australia/NZ \$'000	Europe/UK \$'000	US/Canada/ Brazil \$'000	China \$'000	Eliminations \$'000	Total \$'000
Revenue						
Sales to external customers	230	75	437	15	-	757
Interest revenue	67	-	-	22	-	89
Total revenue	297	75	437	37	-	846
Underlying EBIT						
Interest revenue	(2,221)	(305)	(334)	(286)	(267)	(3,413)
Reversal of impairment/(impairment) of assets	67	-	-	22	-	89
Foreign exchange gain/(loss)	(26)	-	154	440	-	568
Finance costs	504	(10)	-	-	-	494
Profit/(loss) before income tax expense	82	-	(81)	(16)	-	(15)
Income tax expense	(1,594)	(315)	(261)	160	(267)	(2,277)
Loss after income tax expense						(2,277)
Assets						
Segment assets	8,422	672	887	1,984	(732)	11,233
Total assets						11,233
Liabilities						
Segment liabilities	3,979	404	2,250	6,740	(12,147)	1,226
Total liabilities						1,226

Note 5. Revenue

Disaggregation of revenue

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

	Consolidated	
	2025	2024
	\$'000	\$'000
<i>Geographical regions</i>		
Australia/NZ	223	230
Europe/UK	573	75
US/Canada/Brazil	2,278	437
China	21	15
	3,095	757
<i>Timing of revenue recognition</i>		
Goods transferred at a point in time	3,065	729
Services transferred at a point in time	30	28
	3,095	757

Seasonality of operations

The Group's sale of goods is subject to seasonal fluctuations as a result of weather conditions. In particular, the sales and application of Phoslock® in northern China and European regions are affected by the winter weather conditions, which occur primarily from November to February.



Note 6. Other income

	Consolidated	
	2025	2024
	\$'000	\$'000
Net foreign exchange (loss)/gain	(456)	494
Research and development grants	-	2
Other income	1,003	57
	<u>547</u>	<u>553</u>

Note 7. Expenses

	Consolidated	
	2025	2024
	\$'000	\$'000
Loss before income tax includes the following specific expenses:		
<i>Amortisation</i>		
Patents	-	21
<i>Impairment expense/(reversal)</i>		
Inventories	(783)	(942)
Plant and equipment	39	-
Rights-of-use assets	740	377
Patents	50	(3)
Total impairment/(reversal)	<u>46</u>	<u>(568)</u>
<i>Finance costs</i>		
Interest and finance charges paid/payable on lease liabilities	24	15
<i>Leases</i>		
Short-term lease payments	21	5
<i>Employee benefits expense</i>		
Employee benefits expense excluding superannuation	1,360	1,005
Defined contribution superannuation expense	54	39
Total employee benefit expense	<u>1,414</u>	<u>1,044</u>



Note 8. Income tax

	Consolidated 2025 \$'000	2024 \$'000
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>		
Loss before income tax expense	(3,253)	(2,277)
Tax at the statutory tax rate of 25%	(813)	(569)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income	125	(27)
Current year tax losses not recognised	(688)	(596)
Foreign subsidiaries	377	646
	311	(50)
Income tax expense	-	-

	Consolidated 2025 \$'000	2024 Restated* \$'000
<i>Tax losses not recognised</i>		
Unused tax losses for which no deferred tax asset has been recognised	67,542	64,943
Potential tax benefit @ 25%	16,886	16,236

* The 2024 figures have been restated to include the potential tax benefit arising from foreign subsidiaries.

The above potential tax benefit for tax losses has not been recognised in the Statement of Financial Position. These tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed.

	Consolidated 2025 \$'000	2024 \$'000
<i>Deferred tax assets not recognised</i>		
Deferred tax assets not recognised comprises temporary differences attributable to:		
Tax losses	15,528	15,151
Accruals and provisions	134	(10)
Total deferred tax assets not recognised	15,662	15,141

The above potential tax benefit for deductible temporary differences has not been recognised in the Statement of Financial Position as the recovery of this benefit is uncertain.

Note 9. Cash and cash equivalents

	Consolidated 2025 \$'000	2024 \$'000
<i>Current assets</i>		
Cash at bank	5,205	7,859



Note 10. Trade and other receivables

	Consolidated	
	2025	2024
	\$'000	\$'000
<i>Current assets</i>		
Trade receivables	342	290
Less: Allowance for expected credit losses	(13)	(13)
	329	277
Other receivables	13	97
	342	374

Allowance for expected credit losses

The ageing of the receivables and allowance for expected credit losses provided for above are as follows:

Consolidated	Carrying amount		Allowance for expected credit losses	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Not overdue	330	282	-	-
3 to 6 months overdue	8	6	-	-
Over 6 months overdue	4	2	13	13
	342	290	13	13
	342	290	13	13

Movements in the allowance for expected credit losses are as follows:

	Consolidated	
	2025	2024
	\$'000	\$'000
Opening balance	13	12
Foreign exchange translation	-	1
Closing balance	13	13

Note 11. Inventories

	Consolidated	
	2025	2024
	\$'000	\$'000
<i>Current assets</i>		
Raw materials - at cost	871	892
Finished goods - at cost	1,871	2,791
Less: Provision for impairment	(363)	(1,186)
	1,508	1,605
	2,379	2,497



Note 11. Inventories (continued)

As at 31 December 2025, PWSC holds 146 tonnes of Phoslock® worth \$126,938 that has been defined as having a quality issue or defect in the product during the manufacturing process which renders it non-resaleable or non-useable in its current state, and therefore impairment has been fully provided for. During the year, 833 tonnes of the affected Phoslock® were reprocessed and repackaged by the manufacturing department. Subsequent testing performed internal quality department confirmed that the quality of the reprocessed product meets customer requirements. As a result, these products have been successfully sold to customers.

Note 12. Property, plant and equipment

	Consolidated	
	2025	2024
	\$'000	\$'000
<i>Non-current assets</i>		
Plant and equipment - at cost	2,403	2,434
Less: Accumulated depreciation	(389)	(400)
Less: Impairment	(2,014)	(2,034)
	<u>-</u>	<u>-</u>

Reconciliations

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

Consolidated	<i>Plant and equipment \$'000</i>
Balance at 1 January 2024	<u>-</u>
Balance at 31 December 2024	-
Additions	39
Impairment of assets	(39)
Depreciation expense	<u>-</u>
Balance at 31 December 2025	<u><u>-</u></u>

Impairment

This impairment loss reflects the uncertainty regarding the future operating performance of the Group in light of the loss incurred in the current year, volatile market conditions and uncertainty regarding the future performance of the Group's operations.

As at 31 December 2025, the assets are fully impaired.

Note 13. Right-of-use assets

	Consolidated	
	2025	2024
	\$'000	\$'000
<i>Non-current assets</i>		
Land and buildings - right-of-use	2,017	2,484
Less: Accumulated depreciation	(77)	(75)
Less: Impairment	(1,940)	(2,409)
	<u>-</u>	<u>-</u>



Note 13. Right-of-use assets (continued)

The Group leases land and buildings for its office and manufacturing facilities under agreements with terms of three years extending to 2029, with options to renew. Upon renewal, the lease terms are subject to renegotiation.

Reconciliations

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

Consolidated	Buildings right-of-use \$'000
Balance at 1 January 2024	-
Additions	377
Impairment of loss recognised	(377)
	<hr/>
Balance at 31 December 2024	-
Additions	740
Impairment of loss recognised	(740)
	<hr/>
Balance at 31 December 2025	<hr/> <hr/>

Impairment

This impairment loss reflects the uncertainty regarding the future operating performance of the Group in light of the loss incurred in the current year, volatile market conditions and uncertainty regarding the future performance of the Group's operations.

As at 31 December 2025, the assets are fully impaired.

For other AASB 16 and lease related disclosures, refer to the following:

- Refer note 7 for details of depreciation on right-of-use assets, interest on lease liabilities and other lease payments;
- Refer note 16 for lease liabilities;
- Refer note 20 for undiscounted future lease commitments; and
- Refer consolidated statement of cash flows for repayment of lease liabilities

Note 14. Intangibles

	Consolidated	
	2025	2024
	\$'000	\$'000
<i>Non-current assets</i>		
Patents - at cost	508	458
Less: Accumulated amortisation	(122)	(98)
Less: Impairment	(386)	(360)
	<hr/>	<hr/>
	<hr/> <hr/>	<hr/> <hr/>



Note 14. Intangibles (continued)

Reconciliations

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

Consolidated	Patents \$'000
Balance at 1 January 2024	-
Additions	18
Impairment of assets	3
Amortisation expense	(21)
	<hr/>
Balance at 31 December 2024	-
Additions	50
Impairment of assets	(50)
Amortisation expense	-
	<hr/>
Balance at 31 December 2025	<hr/> <hr/>

Impairment

This impairment loss reflects the uncertainty regarding the future operating performance of the Group in light of the loss incurred in the current year, volatile market conditions and uncertainty regarding the future performance of the Group's operations.

As at 31 December 2025, the assets are fully impaired.

Note 15. Trade and other payables

	Consolidated	
	2025 \$'000	2024 \$'000
<i>Current liabilities</i>		
Trade payables	445	240
Accrued expenses	418	640
Other payables	(51)	(96)
	<hr/>	<hr/>
	812	784
	<hr/> <hr/>	<hr/> <hr/>

Refer to note 20 for further information on financial instruments.

Note 16. Lease liabilities

	Consolidated	
	2025 \$'000	2024 \$'000
<i>Current liabilities</i>		
Lease liability	<hr/> 475	<hr/> 16
<i>Non-current liabilities</i>		
Lease liability	<hr/> 214	<hr/> 351
	<hr/> <hr/> 689	<hr/> <hr/> 367

Refer to note 20 for the contractual maturity of lease liabilities.



Note 17. Issued capital

	2025 Shares	Consolidated 2024 Shares	2025 \$'000	2024 \$'000
Ordinary shares - fully paid	624,390,509	624,390,509	92,398	92,398

Ordinary shares

Ordinary shares entitle the holder to participate in any dividends declared and any proceeds attributable to shareholders should the Company be wound up, in proportions that consider both the number of shares held and the extent to which those shares are paid up. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

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

Share buy-back

There is no current on-market share buy-back.

Capital risk management

The Group's objectives when managing capital are 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.

The Group would look to raise capital when an opportunity to invest or expand its business or the Company was seen as value adding relative to the current Company's share price at the time of the investment. The Group is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

Note 18. Reserves

	Consolidated 2025 \$'000	2024 \$'000
Foreign currency reserve	892	827

Foreign currency reserve

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars. It is also used to recognise gains and losses on hedges of the net investments in foreign operations.



Note 18. Reserves (continued)

Movements in reserves

Movements in each class of reserve during the current and previous financial year are set out below:

Consolidated	Foreign currency \$'000
Balance at 1 January 2024	779
Foreign currency translation	48
	<hr/>
Balance at 31 December 2024	827
Foreign currency translation	65
	<hr/>
Balance at 31 December 2025	<u>892</u>

Note 19. Dividends

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

Note 20. Financial instruments

Financial risk management objectives

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

Risk management is carried out by finance executives ('finance') under policies approved by Audit and Risk Committee under the delegated power from the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the Group and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the Group's operating units. Finance reports to the Board on a monthly basis.

Market risk

Foreign currency risk

The Group undertakes certain sales and purchase of goods denominated in foreign currencies particularly the US dollar, Chinese Yuan and European Euro and is exposed to foreign currency risk through foreign exchange rate fluctuations.

The carrying amounts of the Group's foreign currency denominated financial assets and financial liabilities at the reporting date were as follows:

Consolidated	Assets		Liabilities	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
US dollars	211	181	15	1
Euros	-	-	4	-
	<hr/>	<hr/>	<hr/>	<hr/>
	<u>211</u>	<u>181</u>	<u>19</u>	<u>1</u>



Note 20. Financial instruments (continued)

The Group had net assets denominated in foreign currencies of \$192,000 (assets of \$211,000 less liabilities of \$19,000) as at 31 December 2025 (31 December 2024: \$180,000 (assets of \$181,000 less liabilities of \$1,000)). Based on this exposure, had the Australian dollars weakened by 10%/strengthened by 10% (31 December 2024: weakened by 10% / strengthened by 10%) against these foreign currencies with all other variables held constant, the Group's profit before tax for the year would have been \$19,000 lower/\$19,000 higher (31 December 2024: \$18,000 lower/\$18,000 higher) and equity would have been \$13,000 lower/\$13,000 higher (31 December 2024: \$13,000 lower/\$13,000 higher). The percentage change is the expected overall volatility of the significant currencies, which is based on management's assessment of reasonable possible fluctuations taking into consideration movements over the last 12 months each year and the spot rate at each reporting date. The actual foreign exchange loss for the year ended 31 December 2025 was \$454,000 (31 December 2024: gain of \$494,000).

Price risk

The Group is not exposed to any significant price risk.

Interest rate risk

The Group's main interest rate risk arises from cash and cash equivalents. Cash and cash equivalents obtained at variable rates expose the Group to interest rate risk. Cash and cash equivalents obtained at fixed rates expose the Group to fair value interest rate risk.

As at the reporting date, the Group had the following variable rate cash and cash equivalents outstanding:

	2025		2024	
	Weighted average interest rate %	Balance \$'000	Weighted average interest rate %	Balance \$'000
Consolidated				
Cash and cash equivalents	0.14%	5,205	0.35%	7,859
Net exposure to cash flow interest rate risk		<u>5,205</u>		<u>7,859</u>

An analysis by remaining contractual maturities is shown in 'liquidity and interest rate risk management' below.

	Basis points increase			Basis points decrease		
	Basis points change	Effect on profit before tax	Effect on equity	Basis points change	Effect on profit before tax	Effect on equity
Consolidated - 2025						
Net exposure to cashflow interest rate risk	100	<u>52</u>	<u>52</u>	100	<u>(52)</u>	<u>(52)</u>
Consolidated - 2024						
Net exposure to cashflow interest rate risk	100	<u>79</u>	<u>79</u>	100	<u>(79)</u>	<u>(79)</u>

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The Group obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The Group does not hold any collateral.



Note 20. Financial instruments (continued)

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.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

Liquidity risk

Vigilant liquidity risk management requires the Group to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The Group manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Remaining contractual maturities

The following tables detail the Group's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 2025	1 year or less \$'000	Between 1 and 5 years \$'000	Over 5 years \$'000	Total \$'000
Non-derivatives				
<i>Non-interest bearing</i>				
Trade payables	445	-	-	445
Other payables	(51)	-	-	(51)
<i>Interest-bearing - variable</i>				
Lease liability	475	214	-	689
Total non-derivatives	<u>869</u>	<u>214</u>	<u>-</u>	<u>1,083</u>

Consolidated - 2024	1 year or less \$'000	Between 1 and 5 years \$'000	Over 5 years \$'000	Total \$'000
Non-derivatives				
<i>Non-interest bearing</i>				
Trade payables	240	-	-	240
Other payables	(96)	-	-	(96)
<i>Interest-bearing - variable</i>				
Lease liability	16	351	-	367
Total non-derivatives	<u>160</u>	<u>351</u>	<u>-</u>	<u>511</u>

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.



Note 21. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by the auditor of the Company, and its network firms:

	Consolidated 2025 \$	2024 \$
<i>Audit services</i>		
Audit or review of the financial statements - SW	241,943	279,245
<i>Audit services – network firm</i>		
Audit or review of the financial statements -SW China	16,284	15,883

Note 22. Contingent liabilities

The Group is continuing to assess regulatory, compliance, and operational matters related to its Chinese operations, which may result in penalties or additional costs for the Group. These matters are discussed in more detail below. As of the date of this financial report, it is not possible to reliably measure any contingent obligations, as they remain subject to the outcome of future events not entirely within the control of the entity. The Group will recognize a liability for these amounts if and when the possible obligations can be reliably measured.

Regulatory authorities

As indicated in previous announcements and disclosures, the Company self-reported the suspected fraud and mismanagement issues identified by the previous management and entered into an Investigation Cooperation Agreement ('ICA') with the Australian Federal Police ('AFP') in November 2021. This agreement requires the Company to engage cooperatively with the AFP. The ICA deals primarily with offences in the nature of bribery and foreign corruption. There has been no communication with the AFP in more recent years but presumably the investigation is ongoing.

The Company has also engaged in discussions with the Australian Securities and Investments Commission ('ASIC'). ASIC has made enquiries in relation to PET and its financial accounts that have been lodged with ASIC.

There is a risk that the Company will be exposed to judgments, fines and penalties arising from regulatory activity including the AFP's investigation and ASIC's inquiries that may have an adverse impact on its financial performance and financial position.

Claims by or against other persons involved in the Company's affairs

The announcements made on 16 November 2021 and 25 May 2022 foreshadowed potential claims that may be brought by Phoslock Environmental Technology (the Company) against individuals, including former directors Zhigang Zhang and Rob Schuitema. The announcement on 16 September 2022 stated: "After carefully considering (1) inquiries and investigations currently being conducted by regulators, with compulsory powers to access documents and information, (2) the significant resources that would be expended by the Company and its key personnel in pursuing these claims, and (3) the potential quantum of compensation that could be obtained by the Company should the claims be successful, the Company has determined to await the outcome of inquiries by regulatory agencies before filing legal claims against the aforementioned parties."

In November 2024, a group proceeding was initiated in the Federal Court of Australia against Phoslock Environmental Technology (the Company), with the Company named as the respondent. The case, filed by the Banton Group, also includes Laurence Stephen Freedman AM (former Chairman), Robert Paul Schuitema (former Managing Director), and KPMG (the Company's former auditor, ABN 51 194 660 183). The proceedings represent individuals who acquired fully paid ordinary shares in Phoslock Environmental Technology (Phoslock Shares) between 11 October 2018 and 17 September 2020 (the Relevant Period), or who held such shares prior to and throughout the Relevant Period. The proceedings also represent individuals who had a "long exposure" to Phoslock Shares by entering into equity swap agreements during the Relevant Period.

The Company denies liability and intends to vigorously defend the claims. At this stage, the claims remain in their early phases, and it is not possible to reliably estimate any potential financial impact. Accordingly, no provision has been recognized in relation to these matters as at 31 December 2025. The Company continues to monitor the progress of these proceedings and will update its assessment as further information becomes available.



Note 23. Contingent assets

A contingent asset exists in relation to legal costs incurred on behalf of Lawrence Freeman. The Company has incurred legal expenses, a portion of which has been reimbursed by AXA Insurance Company. The remaining amount is contingent upon future reimbursement and has not been recognized as an asset in the financial statements.

Note 24. Related party transactions

Parent entity

Phoslock Environmental Technologies Limited is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in note 26.

Transactions with key management personnel

Disclosures relating to key management personnel are set out in note 25 and the remuneration report included in the directors' report.

Transactions with related parties previously disclosed

The following transactions occurred with related parties:

	Consolidated	
	2025	2024
	\$	\$
Other income:		
Interest received from director related entity	-	9,178
Payment for services to director related entity	-	11,663

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.

Loans to/from related parties

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

Note 25. 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	510,102	518,557
Post-employment benefits	58,999	34,933
Long-term benefits	21,937	11,524
	<u>591,038</u>	<u>565,014</u>



Note 26. Interests in 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 %
Phoslock Europe GmbH	Switzerland	100%	100%
Phoslock Technologies Pty Ltd	Australia	100%	100%
Phoslock Pty Ltd	Australia	100%	100%
Phoslock International Pty Ltd	Australia	100%	100%
Phoslock Belgium BV	Belgium	100%	100%
Phoslock Water Solutions (UK) Ltd	United Kingdom	100%	100%
Phoslock (Shanghai) Water Solutions Ltd	China	100%	100%
Phoslock (Changxing) Water Solutions Ltd	China	100%	100%
Phoslock (Beijing) Ecological Engineering Technology Co., Ltd	China	100%	100%
Beijing Ecosystem Environmental Science and Technology Co., Ltd	China	100%	100%
Zhejiang Phoslock Environmental Technologies Ltd	China	100%	100%
Phoslock Canada Inc.	Canada	100%	100%
Phoslock Inc.	USA	100%	100%
Shanghai Phoslock Environmental Technologies Limited	China	100%	100%

Note 27. Cash flow information

Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated	
	2025 \$'000	2024 \$'000
Loss after income tax expense for the year	(3,253)	(2,277)
Adjustments for:		
Depreciation and amortisation	-	21
Impairment of assets	46	(568)
Foreign exchange differences	401	-
Change in operating assets and liabilities:		
Decrease in trade and other receivables	32	1,255
Decrease/(increase) in inventories	901	(250)
(Increase) in prepayments and other assets	(9)	42
(Decrease) in trade and other payables	28	(476)
(Decrease)/increase in contract liabilities	-	(7)
(Decrease) in employee benefits	43	(405)
Decrease in other provisions	-	(186)
Net cash used in operating activities	<u>(1,811)</u>	<u>(2,851)</u>



Note 27. Cash flow information (continued)

Changes in liabilities arising from financing activities

Consolidated	Lease liabilities \$'000
Balance at 1 January 2024	342
Net cash used in financing activities	(355)
Lease modifications/ new lease	365
Finance costs	15
	<hr/>
Balance at 31 December 2024	367
Net cash used in financing activities	(436)
Lease modifications/ new lease	735
Finance costs	24
	<hr/>
Balance at 31 December 2025	<u>690</u>

Note 28. Earnings per share

	Consolidated	
	2025	2024
	\$'000	\$'000
Loss after income tax attributable to the owners of Phoslock Environmental Technologies Limited	<u>(3,253)</u>	<u>(2,277)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>624,390,509</u>	<u>624,390,509</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>624,390,509</u>	<u>624,390,509</u>
	Cents	Cents
Basic earnings per share	(0.52)	(0.36)
Diluted earnings per share	(0.52)	(0.36)

Note 29. Parent entity information

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

Statement of profit or loss and other comprehensive income

	Parent	
	2025	2024
	\$'000	\$'000
Profit after income tax	<u>-</u>	<u>-</u>
Total comprehensive income	<u>-</u>	<u>-</u>



Note 29. Parent entity information (continued)

Statement of financial position

	Parent	
	2025 \$'000	2024 Restated* \$'000
Total current assets	7	7
Total assets	7	7
Total current liabilities	-	-
Total liabilities	-	-
Equity		
Issued capital	92,398	92,398
Accumulated losses	(92,391)	(92,391)
Total equity	7	7

* The prior period has been restated. In 2024, the Company recognised a reversal of impairment on its investment in Phoslock (Changxing) Water Solutions Ltd as a result of a capital reduction, and additional impairment losses on intercompany loans to Phoslock Pty Ltd and Phoslock Europe GmbH. These adjustments resulted in an increase in the loss for the year of \$8,772,000, a decrease in total assets of \$8,772,000, and a decrease in total equity of \$8,772,000. These restatements affect the Company's individual financial statements only and do not impact the consolidated financial statements of the Group.

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

The parent entity had no guarantees in relation to the debts of its subsidiaries as at 31 December 2025 and 31 December 2024.

Contingent liabilities

Except as disclosed in note 22, the parent entity had no contingent liabilities as at 31 December 2025 and 31 December 2024.

Capital commitments - Property, plant and equipment

The parent entity had no capital commitments for property, plant and equipment as at 31 December 2025 and 31 December 2024.

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 30. Events after the reporting period

No matter or circumstance has arisen since 31 December 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.

Phoslock Environmental Technologies Limited
Consolidated entity disclosure statement
As at 31 December 2025



Entity Name	Entity type	Place formed / incorporated	% of share capital held	Tax residency	Tax residency
				Australian or foreign	Foreign jurisdiction
Phoslock Environmental Technologies Limited	Body corporate	Australia	n/a	Australian	n/a
Phoslock Europe GmbH	Body corporate	Switzerland	100	Foreign	Switzerland
Phoslock Technologies Pty Ltd	Body corporate	Australia	100	Australian	n/a
Phoslock Pty Ltd	Body corporate	Australia	100	Australian	n/a
Phoslock International Pty Ltd	Body corporate	Australia	100	Australian	n/a
Phoslock Belgium BV	Body corporate	Belgium	100	Foreign	Belgium
Phoslock Water Solutions (UK) Ltd	Body corporate	United Kingdom	100	Foreign	United Kingdom
Phoslock (Shanghai) Water Solutions Ltd	Body corporate	China	100	Foreign	China
Phoslock (Changxing) Water Solutions Ltd	Body corporate	China	100	Foreign	China
Phoslock (Beijing) Ecological Engineering Technology Co., Ltd	Body corporate	China	100	Foreign	China
Beijing Ecosystem Environmental Science and Technology Co., Ltd	Body corporate	China	100	Foreign	China
Zhejiang Phoslock Environmental Technologies Ltd	Body corporate	China	100	Foreign	China
Phoslock Canada Inc.	Body corporate	Canada	100	Foreign	Canada
Phoslock Inc.	Body corporate	USA	100	Foreign	USA
Shanghai Phoslock Environmental Technologies Limited	Body corporate	China	100	Foreign	China



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 IFRS Accounting Standards as issued by the International 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 31 December 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; and
- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

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

A handwritten signature in black ink, appearing to read 'Fred Bart', written in a cursive style.

Fred Bart
Chairman

27 February 2026
Sydney

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PHOSLOCK ENVIRONMENTAL TECHNOLOGIES LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Phoslock Environmental Technologies Limited (the Company) and its subsidiaries (the Group) which comprises the statement of financial position as at 31 December 2025, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, and the directors' declaration.

In our opinion, the accompanying financial report of Phoslock Environmental Technologies Limited is in accordance with the *Corporations Act 2001*, including:

- a. giving a true and fair view of the Group's financial position as at 31 December 2025 and of its financial performance for the year then ended, and
- b. 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 & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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.



1. Going Concern

Why this is a key audit matter

Refer to Note 2 *Material accounting policy information – Going concern*

As at 31 December 2025, the Group has reported a net loss of \$3,253,000 (2024: loss of \$2,277,000), and net cash outflows from operating activities of \$1,811,000 (2024: net cash outflows from operating activities \$2,851,000) and, as at that date, had \$5.2 million in cash reserves.

The Company's ability to continue as a going concern is dependent on its ability to successfully execute its business plan.

The assessment of going concern involved significant judgement by management, including the preparation of cash flow forecasts incorporating assumptions production forecasts and sales growth, and the timing of planned activities.

Given the level of judgement involved and the potential impact on the financial statements if the going concern basis were not appropriate, we considered this matter to be of most significance in our audit and therefore a Key Audit Matter.

How our audit addressed the key audit matter

Our audit procedures included:

- Evaluating management's assessment of the Company's ability to continue as a going concern, including the underlying cash flow forecasts covering a period of at least 12 months from the date of this auditor's report.
- Assessing the reasonableness of key assumptions used in the forecasts, including assumptions relating to production activities.
- Comparing forecast cash inflows to historical performance to assess reasonableness.
- Performing sensitivity analysis on the cash flow forecasts to assess the impact of reasonably possible changes in key assumptions on the Group's liquidity position.
- Evaluating the adequacy of the disclosures in the financial statements relating to going concern, including disclosures of key assumptions, risks, and management's plans.

Why this is a key audit matter

Refer to Note 5 *Revenue*

The Company recognises revenue in accordance with *AASB 15 Revenue from Contracts with Customers*, which requires management to apply judgement in determining the timing and measurement of revenue recognition.

This includes the identification of performance obligations and whether revenue should be recognised over time or at a point in time.

Revenue is a key performance indicator for the Company and is quantitatively significant to the financial statements and there is a presumed risk of fraud.

Accordingly, we considered revenue recognition to be a key area of focus.

How our audit addressed the key audit matter

Our audit procedures included:

- Obtaining an understanding of, and evaluating the design and implementation of, key controls over revenue recognition.
- Assessing the revenue recognition policies for compliance with AASB 15, including evaluation of how performance obligations are identified and satisfied.
- Substantively testing a sample of revenue transactions to external supporting documentation and the underlying sales contract.
- Testing revenue cut-off at the year-end to ensure transactions have been recognised in the correct accounting period, and
- Evaluating the adequacy of the related disclosures in the financial statements.

Information Other than the Financial Report and Auditor's Report Thereon

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 31 December 2025, but does not include the financial report and our auditor's report thereon.

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

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

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

Responsibilities of the Directors for the Financial Report

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

- a) 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
- b) the consolidated entity disclosure statement for being true and correct in accordance with the requirements of the *Corporations Act 2001*, and

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 as true and correct and is free of misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial report. We are responsible for the direction, supervision and review of the work performed for the purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them, all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 8 to 12 of the directors' report for the year ended 31 December 2025.

In our opinion, the Remuneration Report of Phoslock Environmental Technologies Limited for the year ended 31 December 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.



SW Audit

Chartered Accountants



Hayley Underwood
Partner

Melbourne, 27 February 2026



The shareholder information set out below was applicable as at 19 February 2026.

Distribution of equitable securities

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

	Number of holders	Ordinary shares % of total shares issued	Number of shares
1 to 1,000	568	0.04	265,549
1,001 to 5,000	1,316	0.57	3,569,797
5,001 to 10,000	762	0.91	5,687,950
10,001 to 100,000	2,217	12.87	80,354,867
100,001 and over	837	85.61	534,512,346
	5,700	100.00	624,390,509
Holding less than a marketable parcel*	3,936	0.05	33,819,853

* Minimum \$500 parcel at \$0.0150 per unit.

Equity security holders

Twenty largest quoted equity security holders

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

	Number held	Ordinary shares % of total shares issued
LINK TRADERS (AUST) PTY LTD SUITE 405	67,840,714	10.87
CITICORP NOMINEES PTY LIMITED	26,353,546	4.22
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	11,579,735	1.85
BNP PARIBAS NOMINEES PTY LTD	10,459,421	1.68
DR DONALD LIU + MRS WENDY YAO	5,600,000	0.90
LESWEEK PTY LIMITED	5,559,051	0.89
MR KYLE STUART PASSMORE	5,527,500	0.89
QUIZETE PTY LTD	5,179,000	0.83
SHARKY HOLDINGS PTY LTD	4,800,000	0.77
MR BILAL AHMAD	4,510,000	0.72
ATATURK INVESTMENTS PTY LTD	4,407,711	0.71
MINCHEM SUPER PTY LTD	4,100,016	0.66
THIRTY SIXTH VILMAR PTY LTD	4,037,875	0.65
MR DAVID MICHAEL DEVLIN	3,800,000	0.61
MR WEI-FENG TU	3,635,280	0.58
MRS CAROLYN LISA KATZ	3,500,000	0.56
MR MOBEEN IQBAL	2,950,000	0.47
NETWEALTH INVESTMENTS LIMITED	2,939,366	0.47
MR MATTHEW ALEXANDER BAXTER	2,804,395	0.45
MRS IFRAH NISHAT	2,800,000	0.45
	182,383,610	29.23

Unquoted equity securities

There are no unquoted equity securities.



Substantial holders

Substantial holders in the Company are set out below:

	Ordinary shares	
	Number held	% of total shares issued
Laurence Freedman	69,378,512	11.11

Voting rights

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

Ordinary shares

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

There are no other classes of equity securities.