

Appendix 4E

Preliminary Final Report to the Australian Stock Exchange

Name of Entity	Foresta Group Holdings Limited
ABN	18 074 969 056
Financial Year Ended	30 June 2025
Previous Corresponding Reporting Period	30 June 2024

Results for Announcement to the Market

	\$'000	Percentage increase / (decrease) over previous corresponding period
Revenue from ordinary activities	-	%
Profit / (loss) after tax attributable to members	(3,375)	65% decrease
Net profit / (loss) for the period attributable to members	(3,375)	65% decrease

Financial Statements

Statement of comprehensive income together with notes to the statement: Refer attached Annual Report
Statement of financial position together with notes to the statement: Refer attached Annual Report
Statement of cash flows together with notes to the statement: Refer attached Annual Report
Statement of retained earnings, or a statement of changes in equity, showing movements: Refer attached Annual Report

Dividends

Dividends (distributions)	Amount per security	Franked amount per security
Final Dividend	0.0 cents	0.0 cents
Interim Dividend	0.0 cents	0.0 cents
Record date for determining entitlements to the dividends (if any)		Not applicable
Date the dividend is payable		Not applicable
Record date to determine entitlement to the dividend		
Amount per security		
Total dividend		
Amount per security of foreign sourced dividend or distribution		
Details of any dividend reinvestment plans in operation		
The last date for receipt of an election notice for participation in any dividend reinvestment plans		

NTA Backing

	Current Period	Previous corresponding period
Net tangible asset backing per ordinary security	0.05 cents	0.07 cents

Details of Entities over which Control has been gained or lost during the period

Refer to Note 31 to the Financial Statements in the attached Annual Report

Details of Associated and Joint Venture Entities

Refer to Note 31 to the Financial Statements in the attached Annual Report

Other Significant Information Needed by an Investor to Make an Informed Assessment of the Entity's Financial Performance and Financial Position

Refer attached Annual Report

Commentary on the Results for the Period

Refer attached Annual Report

Returns to shareholders including distributions and buy backs:

Not applicable

Significant features of operating performance:

Refer to the Review of Operations and Directors' Report in the attached Annual Report

The results of segments that are significant to an understanding of the business as a whole:

Refer to Note 4 to the Financial Statements (Operating segments) in the attached Annual Report

Discussion of trends in performance:

Refer to the Review of Operations and Directors' Report in the attached Annual Report

Any other factor which has affected the results in the period or which are likely to affect results in the future, including those where the effect could not be quantified:

Refer to the Review of Operations and Directors' Report in the attached Annual Report

Audit/Review Status

This report is based on accounts to which one of the following applies:

(Tick one)

The accounts have been audited



The accounts have been subject to review

The accounts are in the process of being audited or subject to review

The accounts have not yet been audited or reviewed

If the accounts have not yet been audited or subject to review and are likely to be subject to dispute or qualification, a description of the likely dispute or qualification:

Not Applicable

If the accounts have been audited or subject to review and are subject to dispute or qualification, a description of the dispute or qualification:

Not Applicable

Attachments Forming Part of Appendix 4E

Attachment #	Details
1	Audited Annual Report for the year ended 30 June 2025



Mark Licciardo
Company Secretary
By Order of the Board
28 August 2025



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Chairman's Message

To my fellow shareholders,

I am pleased to present FORESTA GROUP HOLDINGS LIMITED's FY2025 Annual Report.

This year marks a pivotal chapter in FORESTA's journey. We have transitioned from concept to execution, laying the groundwork for our flagship integrated biomass manufacturing facility in Kawerau, New Zealand. With a 30-year lease secured on industrially zoned land, resource consent granted for Stage 1 earthworks and stormwater discharge, and geotechnical investigations completed, we are now poised to begin detailed plant design. The extension granted by the Overseas Investment Office has provided us with the flexibility to align development milestones with our strategic objectives.

FORESTA's inclusion in the Fast-Track Approvals Act 2024 as one of twelve priority projects in the Bay of Plenty region reflects the national importance of our ground-breaking initiative. This special designation enables us to accelerate consenting and construction timelines, reinforcing our commitment to delivering infrastructure that supports New Zealand's transition to a low-carbon economy.

Our collaboration with EECA to assess geothermal steam integration for process heat exemplifies our focus on sustainability and innovation. By leveraging local geothermal resources, we aim to reduce emissions and enhance energy efficiencies across our operations.

On the commercial front, global demand for our bio-based products continues to grow. We signed a non-binding term sheet with GENESIS ENERGY LIMITED for the supply of torrefied wood pellets and secured a Letter of Intent with LAWTER (NZ) LIMITED for torrefied wood pellets, wood rosin and turpentine. These agreements validate the market's appetite for renewable alternatives and position FORESTA as a key supplier in the global bio-based energy and chemicals sector.

Our technology license agreement with E3 CARBON GMBH, supported by CERAMIC DRYING SYSTEMS LIMITED, grants us exclusive access to advanced torrefaction processes in New Zealand and Australia. This strategic partnership enables us to produce high-quality torrefied pellets and pine chemicals through a world-first integrated platform—unlocking multiple revenue streams and nearly doubling the economic output compared to traditional standalone facilities.

We strengthened our balance sheet through the raising of \$2.575 million in convertible notes, plus a \$1.15 million placement at a 25% premium to pre-suspension prices. SWAT7D's acquisition of 432.65 million shares further validates our strategy and provides working capital for next-stage development.

As we look ahead to FY2026, our focus is clear, namely, to secure funding required to commence construction and bring our Kawerau biomass manufacturing facility to life. We remain committed to delivering sustainable value for shareholders and leading the transition to bio-based energy and chemical solutions.

Should you have any questions, please do not hesitate to contact us at email: info@forestagroup.com.au.

Thank you for your continued support.

Yours sincerely,



Henry Cheng

Executive Chairman

FORESTA GROUP HOLDINGS LIMITED (ASX: FGH)

28 August 2025

Review of Operations

The Directors are pleased to present the 2025 Annual Report for the consolidated entity consisting of FORESTA GROUP HOLDINGS LIMITED (formerly LEAF RESOURCES LIMITED, “the Company” or “FORESTA”) and its controlled entities (the “Group”).

Kawerau Project Overview

FORESTA’s goal is to manufacture high-value torrefied (Black) wood pellets, sourced from renewable pine plantations to provide an alternative energy solution for coal, of which New Zealand consumes ~2.1 million tonnes per annum. Coal consumption contributes to approximately 5% of New Zealand’s total annual greenhouse gas emissions.

FORESTA’s world-first, patented integrated pine chemicals and torrefied wood pellets manufacturing processes, delivers multiple value-added products. We will produce high-value natural pine resins and pine oils as well as black wood pellets, yielding multiple revenue streams that provide nearly double the revenue of traditional stand-alone pine chemical or wood pellet plant production facilities.

FORESTA has built an outstanding team of professionals to deliver this project. Over the last 3 years we have obtained supply chain agreements including sustainable pine wood supply, sales and marketing with supporting contracts and agreements and solid experienced management and corporate governance.

We have sourced leading industry consultants to carry out the required design and regulatory consents to enable the project to succeed. These expert consultants will also be engaged to monitor construction and plant commissioning, where required.

Extension from Overseas Investment Office

FORESTA is pleased to announce that it has received approval from the New Zealand Overseas Investment Office (“OIO”) to extend the time to meet certain special conditions to comply with the consent.

This OIO approval provides FORESTA with additional time to advance negotiations in a structured manner, ensuring that all decisions align with the Company’s strategic objectives and uphold the best interests of shareholders.

Collaboration Agreement with EECA

FORESTA signed a collaboration agreement with EECA to investigate the feasibility of utilising geothermal steam for process heat at its proposed flagship integrated biomass manufacturing facility in Kawerau, New Zealand. As part of its commitment to sustainable energy solutions, FORESTA will assess the feasibility of utilising local geothermal steam to enhance energy efficiency and minimise environmental impact.

This collaboration marks a significant step in FORESTA’s project development at Kawerau, reinforcing its commitment to innovative, low-carbon manufacturing. The study outcomes will inform the design and implementation of energy-efficient processes, supporting FORESTA’s goal of becoming a global leader in renewable pine chemicals and biomass torrefied pellets.

Term Sheet with GENESIS for Supply of Torrefied Wood Pellets

FORESTA signed a non-binding term sheet with Genesis Energy Limited (“GENESIS”) to advance negotiations on the supply of torrefied ‘black’ wood pellets for electricity generation at Huntly Power Station. This is the first term sheet that GENESIS has signed with a potential New Zealand producer of torrefied wood pellets as GENESIS seeks to establish a sustainable, economic biomass supply for Huntly Power Station. GENESIS is targeting a supply of 300,000 tonnes per annum of torrefied biomass by financial year 2028 to reduce or, if possible, eliminate New Zealand’s current dependency on coal.



Granted Resource Consent for Stage 1 Development at Kawerau

FORESTA has been granted resource consent by the Bay of Plenty Regional Council (BOPRC) for earthworks and temporary stormwater discharge for Stage 1 of its development at Kawerau, New Zealand.

This approval represents a significant milestone for FORESTA's Stage 1 development of its integrated biomass manufacturing facility at Kawerau, enabling the commencement of critical earthworks and stormwater management activities. For context, with the receipt of these approvals, the Company is now ready to commence construction of its facility, subject to raising sufficient funding.

Proposed Offtake Arrangements

FORESTA signed a Letter of Intent with Lawter (NZ) Limited (LAWTER), which outlines the intention of LAWTER to purchase the following products from our proposed manufacturing facility in Kawerau, New Zealand:

- Torrefied wood pellets (approximately 1,200 tonnes per annum)
- Wood rosin (approximately 4,000 tonnes per annum)
- Wood turpentine (approximately 1,000 tonnes per annum)

This collaboration highlights the demand for sustainable and innovative alternatives to fossil fuel products.

Technology License Agreement with E3 CARBON

Pursuant to the terms of the Agreement, E3 CARBON has granted to the Company an unconditional exclusive license to use the Technology in New Zealand and Australia until 31 December 2025. The Company has also been granted an exclusive license to use the Technology in New Zealand for a period of fifteen (15) years, subject to the satisfaction (or waiver) of certain conditions subsequent which must be satisfied or waived on or before 31 December 2025, unless otherwise agreed by FORESTA and E3 CARBON.

Founded in 2015 and headquartered in Hamburg, Germany, E3 CARBON is on a mission to turn CO₂-neutral torrefied biomass (biocarbon) into a new global commodity. E3 CARBON, together with UK-based Ceramic Drying Systems Limited ("CDS"), have developed a leading torrefaction process ready for commercial and industrial scaling. Founded in 1983, CDS is among the key engineering and equipment suppliers for industrial thermal treatment and torrefaction systems, with teams located in 10 different countries. This key strategic partnership will enable FORESTA to produce high-quality 'torrefied wood pellets', a sustainable and efficient biomass fuel, at the Company's flagship integrated manufacturing facility to be developed in Kawerau, New Zealand. E3 CARBON's industry-leading torrefaction technology will allow the production of high-quality torrefied wood pellets in a highly efficient manner to meet the stringent requirements of national and international markets.

Fast-Track Approval

Stage 1 (construction and operation of a pine chemical and torrefied wood pellet plant) of the Company's flagship project in Kawerau, New Zealand, is included as 1 of 12 projects in the Bay of Plenty Region in New Zealand's *Fast-Track Approvals Act 2024*.

The purpose of the Fast-track Approvals legislation is to provide a streamlined decision-making process to facilitate the delivery of infrastructure and development projects with significant regional and/or national benefits, which currently includes a total of 149 'listed projects' comprising housing or land developments, renewable energy projects, mining projects and other roading, quarrying and farming projects.



Project Development

Kawerau

Utilities

A comprehensive feasibility study on water supply and wastewater systems has been completed to ensure there are no constraints that could impact our processes. Horizon has been engaged to initiate the power design study, marking an important step toward securing the necessary energy infrastructure for the project.

Earthworks Consent (Stage 1)

The Stage 1 Earthworks Consent was granted on 11 March 2025. Earthworks are scheduled to commence in September, aligning with the Bay of Plenty Regional Council (BOPRC) approved earthworks season which begins on 16 September.

Fast Track Consenting Application

The Kawerau project is one of the twelve projects in the Bay of Plenty region supported by the Government to participate in the new streamlined consenting programme. Our planning team has been engaged and is compiling the necessary information for our consenting application. We are also in the process of engaging other consultants to support the development of our application.

Forest Supply and Collaborative Partnerships

Key supply opportunities within New Zealand's forestry sector have been identified, with contractual negotiations now in their final stages. Concurrently, we are building and strengthening relationships with local Māori iwi and corporations. Recognising their role as kaitiaki (guardians) of the land and forests, we aim to foster partnerships that support economic opportunities, cultural preservation, and sustainable stewardship of natural resources.

In addition, we are actively engaging with government bodies, including local and regional councils and the Crown, to ensure our project aligns with national policies and regional development goals.

Apple Tree Creek

The Group has continued to work with claims preparations experts in order to finalise its property damages claim in relation to the fire at the Apple Tree Creek in November 2021. The Group's insurance underwriter confirmed indemnity over the claim in February 2022. Subsequent to the reporting period the Company received an offer of \$2,400,000 as final settlement, which was accepted by the Board. Management is currently working through settlement of the offer with its insurance advisors with receipt of funds expected shortly.

Work Health and Safety (WHS) authorities have formally acknowledged the reclassification of the site as a chemical storage facility, reflecting its current use and compliance requirements.

Efforts to relocate or sell assets from the site are ongoing. These activities are being conducted with the aim of maximising value and ensuring efficient management of resources during this transitional period.

Corporate Update

Board Update

Ramon Dudley Mountfort formally resigned from the Board on 12 July 2024. Furthermore, the Company advised that Russell Wayne Allen was appointed to the Board as a Non-Executive Director effective 12 July 2024.

\$2 Million Received from Convertible Note Agreement

FORESTA received \$2,000,000 AUD from SWAT7D Pty Ltd on 1 April 2025 pursuant to the convertible note agreement announced to the market on 30 October 2024. The Company issued a total of 2,000,000 convertible notes with a face value of \$1.00 each (Convertible Notes), convertible into fully paid ordinary shares in the Company, together with one (1) free attaching unlisted option to acquire a share, as approved by shareholders at the Company's general meeting held on 24 January 2025.

Placement Raises \$1.15 Million

The Placement was offered at an issue price of \$0.005, representing a 25% premium to the last closing price of the Company's shares of \$0.004 per share on 30 September 2024 (being the last recorded closing sale price of the Shares on ASX prior to the Company's suspension from the commencement of trading on 1 October 2024). Investors received one (1) free attaching unlisted option for each share issued, exercisable at \$0.02 with a 2-year expiry. The Placement was supported by new and existing sophisticated and professional investors, and directors of the Company.

Settlement of Acquisition of Substantial Shareholders' Shares

SWAT7D Pty Ltd (ACN 665 234 391) as trustee for SWAT7D Investment Trust (SWAT7D) acquired 432,650,000 fully paid ordinary shares in the capital of the Company (Shares) from the Company's substantial shareholders Mr Ramon Dudley Mountfort and Mrs Shirley Joy Mountfort as trustees for Mounties1 Family Trust at a price of \$0.005 per share (Acquisition), pursuant to a Share Sale Agreement as announced on 22 November 2024. The Company's shareholders approved the Acquisition, pursuant to section 611 (item 7) of the Corporations Act 2001 (Cth) by resolution at an extraordinary general meeting of shareholders held on 24 January 2025.

Outlook for 2025-26

Over the past financial year, we have laid strong foundations for building a company poised to harness the immense opportunities in bio-based energy and chemicals. Following a strategic board-level restructuring, our efforts have been focused on stabilising the company and optimising cash flow.

Our primary focus for 2025-26 is to secure project funding, which is currently underway. We are fully committed to driving this project forward.

Business Risks

- **Regulatory Approval Risk** - the Company's operations are subject to various National and regional local laws as well as other Regulations, Standards, Guidelines and Plans, including those relating to manufacturing, development & construction permit requirements, industrial relations, environment, land access use, royalties, water, native title and cultural heritage and occupational health and safety. Approvals, licences and permits required to comply with such rules are subject to the discretion of the applicable government and/or regulatory body officials. No assurance can be given that the Company will be successful in acquiring and maintaining such authorisations in full force and effect without modification or revocation.

- **Environmental** - the Company's operations are subject to environmental regulations pursuant to a variety of national and regional laws and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on forest and harvesting management, sediment control, spills, releases or emissions of various substances produced in association with manufacturing operations. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. The Company assesses each of its projects very carefully with respect to potential environmental issues, in conjunction with specific environmental regulations applicable to each project, prior to commencing construction and operations.
- **Safety** - safety is of critical importance in the planning, organisation and execution of the Company's construction and operating activities. The Company is committed to providing and maintaining a working environment in which its employees are not exposed to hazards that will jeopardise an employee's health, safety or the health and safety of others associated with the Company. The Company recognises that safety is both an individual and shared responsibility of all employees, contractors and other persons involved with the operations of the Company, whilst also acknowledging that the Company as the "Person conducting a Business or Undertaking" (PCBU), has a primary duty of care (as reasonably practicable) for the health and safety of workers and others influenced by the Company's work.
- **Funding** - the Company will require additional funding to continue the construction and operations of its projects before they become cashflow positive. There is no certainty that the Company will have access to available financial resources sufficient to fund its construction or development costs at the required points in time. Discussions with ongoing development sources of funds, and key project finance funders have confirmed that a project of these scales should be able to be funded with a combination of Debt (various types) and Equity. The company continues to have the full support of its existing largest shareholders and is working with potential offtake partners, brokers, senior debt providers, private equity firms, government grants and traditional funders to best ensure that the Company will be in a position to fund the projects as needed. It is also possible that the Company could pursue other value realisation strategies such as joint venture of the projects if the opportunity presents itself.
- **Macro-economic/External Risks** - Fluctuations in commodity prices foreign currency exchange rates have the ability to significantly affect the financial outcomes and profitability of operations. There can be no assurance that commodity prices will be significantly supportive so the Company can construct and operate its plants at a profit. Commodity prices fluctuate due to a variety of factors including supply and demand fundamentals, international economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates, global or regional consumption patterns and speculative activities. Similarly, demand and supply of capital and currencies, forward trading activities, relative interest rates and exchange rates and relative economic conditions can impact exchange rates.
- **Technology Risks** - The Company is exposed to risks associated with the successful integration of new, specialised technology, particularly during the scaling, installation, and commissioning phases. A failure to properly integrate this technology could lead to operational inefficiencies and financial impacts due to potential delays in production. To mitigate the risk of performance issues, the Company is contractually securing performance guarantees from all key equipment suppliers. This proactive measure ensures accountability and quality assurance. The Company's innovative processes and technologies are a key asset. The risk of unauthorised use or infringement is addressed through a structured and proactive intellectual property protection plan, which is centred on the ongoing pursuit of patents to legally protect our proprietary innovations.
- **Climate change** - There are a number of climate-related factors that may affect the operations and proposed activities of the Company. Climate change may be said to cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. These risks said to be associated with climate change may have a direct impact on Company's ability to perform its operations.

Directors' Report

The directors present their report, together with the financial statements, on the consolidated entity consisting of FORESTA GROUP HOLDINGS LIMITED and entities it controlled at the end of, or during, the year ended 30 June 2025.

Directors

The following persons were directors of FORESTA GROUP HOLDINGS LIMITED during the whole of the financial year and up to the date of this report, unless otherwise stated:

PAI-HENG (HENRY) CHENG

Chairman

Mr Henry Cheng is a senior management and board executive with over 35 years of extensive experience in international business, resources, insurance, investment, finance and banking.

Henry has developed strong global networks, having travelled extensively and worked in many countries. He has forged well-established and influential relationships at senior executive and board level with publicly listed and private companies as well as leading financial institutions and government entities across Asia, USA, Europe and UK.

Henry is a Graduate of the National Taiwan University and holds a Bachelor of Business and Master of Business (International Finance). Henry currently serves as Executive Chairman of Formosa Group Australia, Executive Chairman of Formosa Resources and Executive Chairman of Arizona Global Transaction Management Services. He was previously the Managing Director of Manulife Insurance and General Manager of Halifax as well as a Director of the Australian Patients Association (APA).

Chairman: Appointed 6 April 2023

Executive Director: Appointed 6 April 2023

Other current listed directorships: None

Previous directorships of listed companies (last 3 years): Nil

Interests in shares, options and performance rights at the date of this report: 9,000,000 ordinary shares, 6,000,000 unlisted options

MAURIZIO (MAURICE) FABIANI

Executive Director

Dr Maurice Fabiani is a senior management and board executive with over 30 years' experience in international business as well as the biomedical field and related health areas. He has an extensive professional background, having held senior roles in business, academia, biomedical/biotechnology industry and the not-for-profit sector.

Dr Fabiani is a Graduate of the University of Melbourne and holds a PhD (Medicine/Pharmacology) as well as MBA (Finance and Strategy) from the Melbourne Business School. He is also a Graduate of the Australian Institute of Company Directors.

Dr Fabiani is currently the Chief Executive Officer of Formosa Group Australia. He was previously a Senior Research Fellow in the Department of Medicine, University of Melbourne, and head of an internationally recognised medical research group. He is also a published author of many international peer-reviewed scientific and medical research publications. Dr Fabiani has served as CEO and Managing Director of biotechnology companies as well as a Founding Director and Chairman of the Australian Patients Association (APA).

Executive Director: Appointed 6 April 2023

Other current listed directorships: None

Previous directorships of listed companies (last 3 years): Nil

Interests in shares, options and performance rights at the date of this report: 62,000,000 ordinary shares, 57,000,000 unlisted options

RUSSELL WAYNE ALLEN (appointed 12 July 2024)**Non-Executive Director**

Mr Russell Allen is a highly successful businessman, entrepreneur and investor. Mr Allen has over 40 years' experience across several industries including international business, global trading, transport and logistics, construction, retail, hospitality, property development and investment. He has built, owned and operated several successful businesses over his career. He was previously Managing Director of Alenco Pty Ltd and Noirot Pty Ltd. Mr Allen is currently Managing Director of Formosa Group Australia Pty Ltd. Mr Allen has a wealth of business experience, expertise and acumen, and represents a valuable addition to the Board.

Non-Executive Director: Appointed 12 July 2024

Other current listed directorships: None

Previous directorships of listed companies (last 3 years): Nil

Interests in shares, options and performance rights at the date of this report: 846,863,325 ordinary shares, 338,662,803 unlisted options, 2,000,000 convertible notes

RAMON MOUNTFORT (resigned 12 July 2024)

Managing Director: Appointed 22 December 2020, Resigned 12 July 2024

Principal activities

During the year, the Group's principal activities included research and development of environmentally sustainable methods of extracting wood chemicals and production of torrefied wood pellets on an industrial level. The Group is working on building a state-of-the art integrated biomass manufacturing facility located at Kawerau, New Zealand, and has been planning and securing offtake and supply partners. The project is now investment-ready and the Group is now working on raising the required capital.

Operational and financial results

During the 2025 financial year, the Company continued to focus on planning, establishing supply and offtake agreements, and applying for consents for the factory to be built in Kawerau, New Zealand. The Company has started building relationships with key stakeholders and is now working on securing the required capital.

The Company completed share placements in December 2024 and convertible note raising in July and September 2024 and April 2025 to advance with the planning and development of the Kawerau factory.

The Group's operating loss for the year ended 30 June 2025 amounted to \$3,375,115 (30 June 2024: \$9,650,145 loss).

Significant changes in the state of affairs

Significant changes in the state of affairs of the Group during the financial year included the following:

- On 31 July 2024 FORESTA successfully raised \$500,000 through the issue of convertible notes.
- On 12 September 2024 FORESTA successfully raised \$75,000 through the issue of convertible notes.
- On 4 December 2024 FORESTA successfully raised \$1,150,000 through the issue of fully paid shares.
- On 6 February 2025 FORESTA successfully raised \$80,000 through the issue of fully paid shares.
- On 1 April 2025 FORESTA successfully raised \$2,000,000 through the issue of convertible notes.

Events arising since the end of the reporting period

Since 30 June 2025, the following matters have arisen which may significantly affect the operations of the Group:

- During August 2025, the Company received an improved offer of \$2,400,000 as final settlement in relation to the insurance claim in connection with assets damaged in the Apple Tree Creek incident, with payment expected shortly.

Dividends

Since the end of the previous financial year, no dividends have been paid or declared by the Group, and the directors of the Group recommend that no dividend be provided for the year ended 30 June 2025.

Environmental issues

The Group is not aware of any adverse environmental protection issues with any of its operations.

Directors' meetings

The number of meetings of the Company's Board of Directors held during the year ended 30 June 2025 and the number of meetings attended by each Director / member was:

DIRECTOR'S NAME	BOARD MEETINGS	
	Entitled to attend	Attended
HENRY CHENG	12	12
MAURICE FABIANI	12	12
RUSSELL ALLEN	12	12
RAMON MOUNTFORT	-	-

Remuneration Report (audited)

The Directors of FORESTA GROUP HOLDINGS LIMITED ('the Group') present the Remuneration Report for Non-Executive Directors, Executive Directors and other Key Management Personnel, prepared in accordance with the *Corporations Act 2001* and the *Corporations Regulations 2001*. The Remuneration Report has been prepared for the period 1 July 2024 to 30 June 2025.

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

- a. Principles used to determine the nature and amount of remuneration
- b. Details of remuneration
- c. Service agreements
- d. Share-based remuneration
- e. Bonuses included in remuneration
- f. Other information

(a) Principles used to determine the nature and amount of remuneration

A distinction is made between the structure of remuneration for non-executive directors and executives.

The objectives of the executive remuneration policy are:

- to motivate executive management to manage and lead the business successfully and to drive strong long-term organisational growth in line with the strategy and business objectives;
- to drive successful organisational performance by incorporating an annual performance incentive and establish longer-term performance objectives;
- to further drive longer-term organisational performance through an equity-based reward structure;
- to make sure that there is transparency and fairness in the executive remuneration policy and practices;
- to deliver a balanced solution addressing all elements of total pay – base pay, incentive pay (cash and shares) and other benefits;
- to make sure appropriate superannuation arrangements are in place for executives; and
- to contribute to appropriate attraction and retention strategies for executives.

The objectives of the non-executive director remuneration policy are:

- to attract and retain appropriately qualified and experienced directors;
- to remunerate directors fairly having regard to their responsibilities, including providing leadership and guidance to management; and
- to build sustainable shareholder value by encouraging a longer-term strategic perspective.

Executive remuneration packages

It is intended that base salaries take into account market relativities, having regard to the need for the Company to attract, motivate and retain executives. The Board decides the remuneration based on recent market conditions and the executive's direct accountability and responsibility for the operational management, strategic direction and decision-making for the Company and demonstrated leadership. There is no guaranteed base pay increases included in any executive's contract and the payment of bonuses is reviewed by the Board for approval against performance criteria.

The remuneration structure that has been adopted by the Group consists of the following components:

- Fixed remuneration being annual salary or fees; and
- Short-term incentives being performance-based bonuses.

The Company has performance conditions linked to the executive's short-term incentives and this involves the use of annual performance objectives, performance appraisals and an emphasis on the contribution to the team and values. The criteria are set annually after consultation with the executives and are specifically tailored to the areas where each executive has a level of control and focus on where the board believe the greatest potential for expansion and execution of the business strategies. Given the stage of development of the Company, the key performance indicators focus on non-financial

measures and funding measures includes the development of the New Zealand project to a stage where it is investment ready, and successfully obtain project funding.

The Company has non-market-based performance conditions linked to the executive's medium to long-term incentives. Medium to long term incentives is paid through the FORESTA Performance Rights Plan, the Employee Share Option Plan or other incentive schemes approved by the Board.

Non-executive director remuneration

On appointment to the board, all non-executive directors enter into an agreement with the Company. This summarises the board policies and terms. Non-executive directors' fees are reviewed annually by the board. The board surveys comparable remuneration levels in the external market and makes sure that fees and payments paid reflect the demands that are made and the responsibilities of directors. No retirement benefits accrue, and the Company does not pay directors additional fees for chairing board committees.

Shares granted

As a research and development phase Company where significant revenues are yet to be generated and cash is restrained, the Company seeks to preserve cash reserves through conservative expenditure patterns which may include issuing shares in lieu of fees and salaries.

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

The Company received 96.67% of "yes" votes on its remuneration report for the 2024 financial year. The Company did not receive any specific feedback at the annual general meeting on its remuneration report.

Earnings per share

	2025	2024	2023	2022	2021
EPS (cents)	(0.10)	(0.44)	(0.44)	(0.38)	(0.72)
Dividends (cents/share)	-	-	-	-	-
Net profit/(loss) (\$)	(3,411,013)	(9,650,145)	(8,206,788)	(6,032,263)	(9,074,136)
Share price (\$)	0.009	0.01	0.01	0.08 ^A	0.11

- A. At 30 June 2022, the Company was under trading suspension. The \$0.08 per share represents the share price when the Company trading suspension commenced.

(b) Details of the remuneration of key management personnel and directors of the Group are set out in the following table

The key management personnel of the Group consisted of the following directors of FORESTA GROUP HOLDINGS LIMITED:

- Henry Cheng - Executive Director
- Maurice Fabiani - Executive Director
- Russell Allen – Non-Executive Director (appointed effective 12 July 2024)
- Ramon Mountfort - Executive Director (resigned effective 12 July 2024)

And the following persons:

- Grant Yeatman – Chief Technical Officer
- Erich Van Zyl – Chief Financial Officer (resigned effective 5 September 2024)
- Steve Pittman – Chief Development Officer (resigned effective 26 July 2024)

		Short-term employee benefits		Post-employment benefits	Long-term	Termination benefits	Share based payment				Performance based percentage of remuneration
Key Management Personnel	Year	Cash salary and fees	Cash bonus	Super-annuation	Long service leave	Termination payments	Shares	Options	Performance rights	Total	
Executive Directors											
Henry Cheng	2025	380,700	-	-	-	-	-	-	-	380,700	0%
	2024	378,900	-	-	-	-	-	-	-	378,900	0%
Maurice Fabiani	2025	380,700	-	-	-	-	-	-	-	380,700	0%
	2024	378,900	-	-	-	-	-	-	-	378,900	0%
Ramon Mountfort ^A	2025	44,139	-	-	-	-	-	-	-	44,139	0%
	2024	325,292	-	-	-	-	-	-	-	325,292	0%
Non-Executive Directors											
Russell Allen ^B	2025	-	-	-	-	-	-	-	-	-	0%
	2024	-	-	-	-	-	-	-	-	-	0%
Other Key Management Personnel											
Grant Yeatman ^A	2025	200,000	-	23,000	-	-	-	-	-	223,000	0%
	2024	200,000	-	22,000	-	-	-	-	-	222,000	0%
Erich van Zyl ^C	2025	50,506	-	4,777	-	-	-	-	-	55,283	0%
	2024	200,000	-	22,000	-	-	-	-	-	222,000	0%
Steve Pittman ^D	2025	39,053	-	2,343	-	-	-	-	-	41,396	0%
	2024	221,538	-	6,508	-	-	-	-	-	228,046	0%
2025 Total		1,095,098	-	30,120	-	-	-	-	-	1,125,218	0%
2024 Total		1,704,630	-	50,508	-	-	-	-	-	1,755,138	0%

- A. Mr Ramon Mountfort resigned from all associated roles effective 12 July 2024.
 B. Mr Russell Allen was appointed as Non-executive Director on 12 July 2024.
 C. Mr Erich Van Zyl resigned as Chief Financial Officer on 5 September 2024.
 D. Mr Steve Pittman resigned as Chief Development Officer on 26 July 2024.

For each cash bonus included in the remuneration table, the percentage of the available bonus or grant that was paid, or that vested in the financial year, and the percentage that was forfeited because the service and performance criteria were not met is set out below. Short-term incentive bonuses are paid in cash. No short-term incentive bonuses in respect of the 2025 financial year have been approved by the Board.

Name	Cash bonus paid/payable		Cash bonus forfeited	
	2025	2024	2025	2024
Ramon Mountfort	0%	0%	100%	100%

The relative proportions of remuneration that are linked to performance and those that are fixed are as follows:

	30 June 2025		30 June 2024	
	Fixed remuneration	At risk Short-Term Incentives (STI)	Fixed remuneration	At risk Short-Term Incentives (STI)
Executive Directors				
Henry Cheng	100%	-	100%	-
Maurice Fabiani	100%	-	100%	-
Ramon Mountfort	100%	-	100%	-
Non-Executive Directors				
Russell Allen	100%	-	N/A	-
Other Key Management Personnel				
Grant Yeatman	100%	-	100%	-
Erich Van Zyl	100%	-	100%	-
Steve Pittman	100%	-	100%	-

(c) Service agreements

Remuneration and other terms of employment for the Executive Directors and other Key Management Personnel are formalised in a Service Agreement. The major provisions of the agreements relating to remuneration are set out below:

Name	Base salary including superannuation ^D	Term of agreement
Henry Cheng	380,700	No fixed term
Maurice Fabiani	380,700	No fixed term
Ramon Mountfort ^A	325,292	No fixed term
Grant Yeatman	223,000	No fixed term
Erich van Zyl ^B	223,000	No fixed term
Steve Pittman ^C	228,046	No fixed term

- A. Mr Ramon Mountfort resigned from all associated roles effective 12 July 2024.
B. Mr Erich Van Zyl resigned as Chief Financial Officer on 5 September 2024.
C. Mr Steve Pittman resigned as Chief Development Officer on 26 July 2024.
D. Base salaries quoted are for the year ended 30 June 2025, they are reviewed annually by the board.

(d) Details of movements in options held by KMP and Directors

Movement during the period							
	Balance at 1-Jul-24	Granted as compensation	Net change other	Number Exercised	Number Expired	Balance at 30-Jun-25	Total vested and exercisable at 30-Jun-25
Year ended 30 June 2025							
Options							
H Cheng ^A	-	-	6,000,000	-	-	6,000,000	6,000,000
M Fabiani ^A	47,000,000	-	10,000,000	-	-	57,000,000	57,000,000
R Allen ^B	-	-	338,662,803	-	-	338,662,803	338,662,803
G Yeatman	2,564,102	-	-	-	-	2,564,102	2,564,102
R Mountfort ^C	384,616	-	(384,616)	-	-	-	-
Total	49,948,718	-	354,278,187	-	-	404,226,905	404,226,905

- A. During the period Mr Henry Cheng and Mr Maurice Fabiani participated in a capital raising that included free attaching options.
B. Mr Russell Allen was appointed as Non-executive Director on 12 July 2024. On appointment, Mr Allen held 286,923,077 options and received 51,739,726 options upon conversion of convertible notes on 4 December 2024.
C. Mr Ramon Mountfort resigned from all associated roles effective 12 July 2024.

(e) Shares held by Key Management Personnel

The number of ordinary shares in the Company during the 2025 reporting period held by each of the Group's Key Management Personnel, including their related parties, is set out below:

	Balance at 1-Jul-24	Exercise of Rights	Balance at appointment / resignation	Net Change Other	Balance at 30-Jun-25
H Cheng ^A	-	-	-	9,000,000	9,000,000
M Fabiani ^A	47,000,000	-	-	15,000,000	62,000,000
R Allen ^B	-	-	362,473,599	484,389,726	846,863,325
R Mountfort ^C	591,084,616	-	(591,084,616)	-	-
G Yeatman	59,444,551	-	-	-	59,444,551
E van Zyl ^D	66,300	-	(66,300)	-	-
S Pittman ^E	4,045,534	-	(4,045,534)	-	-
Total	701,641,001	-	(232,722,851)	508,389,726	977,307,876

- A. During the period Mr Henry Cheng and Mr Maurice Fabiani participated in a capital raising that included free attaching options.
- B. Mr Russell Allen was appointed as Non-executive Director on 12 July 2024. Mr Allen acquired 51,739,726 shares on 4 December 2024 on conversion of convertible notes and acquired 432,650,000 shares on 7 April 2025 in an off-market transfer of shares as approved by shareholders.
- C. Mr Ramon Mountfort resigned from all associated roles effective 12 July 2024.
- D. Mr Erich Van Zyl resigned as Chief Financial Officer on 5 September 2024.
- E. Mr Steve Pittman resigned as Chief Development Officer on 26 July 2024.
- F. During the period Mr Henry Cheng and Mr Maurice Fabiani acquired shares by participating in capital raisings along with other investors.

Other transactions with Key Management Personnel

The following transactions occurred with related parties:

Consolidated	2025 \$	2024 \$
Payment for services:		
Salary payment to Ms Mikaela Sutton (Daughter of Ramon Mountfort)	16,622	64,817
Salary payment to Ms Ana Da Silva (Spouse of Ramon Mountfort)	6,098	9,270
Salary payment to Mr Joseph Collins (Son-in-law of Ramon Mountfort)	9,945	14,651

There are no outstanding amounts receivable or payable at the reporting date in relation to transactions with related parties.

During the period the Company entered into the following convertible note agreements with SWAT7D Pty Ltd an entity associated with Director Mr Russell Allen.

i) Convertible Note

- Issue date: 31 July 2024
- Total amount raised: \$500,000
- Issue price: Face value of \$0.01 per convertible note
- Convertible notes issued: 50,000,000
- Interest rate: 10% per annum capitalised annually and payable upon conversion or redemption. The interest amount can be settled on the same terms as the convertible notes.
- Maturity date: The earlier to occur of the completion of a future capital raising and 31 July 2025.
- Security: The convertible notes are unsecured.
- Conversion: The convertible notes may be converted, subject to shareholder approval, at the sole discretion of the noteholder.

- Conversion price: \$0.01 per share. For every share issued at conversion, the subscriber will receive, subject to shareholder approval, one free attaching unlisted option exercisable at \$0.02 on the date that is one year from the date of issue.

On 4 December 2024, following shareholder approval, the noteholder elected to convert the 50,000,000 notes and accrued interest of \$17,397 into 51,739,726 fully paid ordinary shares and 51,739,726 unlisted options with an exercise price of \$0.02 on or before 4 December 2025.

ii) Convertible Note

- Issue date: 1 April 2025
- Total amount raised: \$2,000,000
- Issue price: Face value of \$1.00 per convertible note
- Convertible notes issued: 2,000,000
- Interest rate: 10% per annum capitalised annually and payable upon conversion or redemption. The interest amount can be settled on the same terms as the convertible notes.
- Maturity date: 1 April 2028.
- Security: The convertible notes are unsecured.
- Conversion: The convertible notes may be converted, subject to shareholder approval (which has been received), at the sole discretion of the noteholder.
- Conversion price: \$0.005 per share. For every share issued at conversion, the subscriber will receive, subject to shareholder approval (which has been received), one free attaching unlisted option exercisable at \$0.01 on the date that is three years from the date of issue.

End of audited remuneration report.

Options

At the date of this report, the options over shares of the Company are as follows.

Grant Date	Expiry Date	Exercise Price	Total
Share options			
5 April 2023	31 December 2025	\$0.045	42,000,000
15 June 2023	31 December 2025	\$0.045	210,000,000
16 October 2023	16 October 2025	\$0.020	182,039,234
1 December 2023	1 December 2025	\$0.020	5,384,616
20 May 2024	20 May 2027	\$0.020	10,632,500
4 December 2024	4 December 2025	\$0.020	51,739,726
4 December 2024	4 December 2026	\$0.020	214,000,000
6 February 2025	6 February 2026	\$0.020	7,787,671
6 February 2025	6 February 2027	\$0.020	16,000,000
Total Share Options			739,583,747

No ordinary shares were issued during and since the year ended 30 June 2025 on the exercise of options. Option holders do not have any rights to participate in any share issue or other interests in the Company or any other entity.

Indemnification of officers

During the financial year, FORESTA agreed to indemnify each director and secretary of the Company and of its subsidiaries against any liability:

- to a party other than FORESTA or a related body corporate, but only to the extent that the liability arises out of conduct in good faith, and
- for legal costs incurred in connection with proceedings in respect of a liability incurred by them.

The amount payable under the agreement is the full amount of the liability. No liability has arisen under these indemnities as at the date of this report.

During the year, FORESTA paid a premium to insure officers of the Group. The officers of the Group covered by the insurance policy include all directors, executives, company secretary and officers.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else to cause detriment to the Group.

Details of the amount of the premium paid in respect of the insurance policy are not disclosed as such disclosure is prohibited under the terms of the contract.

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.

Non-audit services

During the year, the Company's previous auditor Hall Chadwick, performed certain other services in addition to their statutory audit duties. Hall Chadwick was engaged to review tax disclosure calculations prepared by management for inclusion in the 2024 Annual Report.

The Board has considered the non-audit services provided during the year by the auditor and is satisfied that the provision of those non-audit services during the year is compatible with, and did not compromise, the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- (a) All non-audit services were subject to the corporate governance procedures adopted by the Company and have been reviewed by the Board to ensure they do not impact upon the impartiality and objectivity of the auditor; and
- (b) The non-audit services do not undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants*, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards.

Details of the amounts paid to the current and previous auditor of the Company, and their related practices for non-audit services provided during the year are set out below:

	2025 \$	2024 \$
Independent valuation reports – Hall Chadwick	-	44,154
Tax compliance services – Hall Chadwick	8,695	13,900
Total auditor's remuneration for non-audit services	8,695	58,054

Auditor's independence declaration

A copy of the Auditor's Independence Declaration as required under s307C of the *Corporations Act 2001* is set out immediately after this Directors' Report.

Proceedings on behalf of the Company

No person has applied to the Court under s237 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.

Rounding of amounts

The Company is of a kind referred to in ASIC Corporations instrument 2016/191. Amounts in the Directors' report have been rounded to the nearest dollar.

Directors' authorisation

Signed in accordance with a resolution of the Directors.



Henry Cheng
Chairman
Melbourne, Victoria, Australia
28 August 2025



Maurice Fabiani
Executive Director
Melbourne, Victoria, Australia
28 August 2025

Auditor's Independence Declaration



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DECLARATION OF INDEPENDENCE BY R J LIDDELL TO THE DIRECTORS OF FORESTA GROUP HOLDINGS LIMITED

As lead auditor of Foresta Group Holdings Limited for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Foresta Group Holdings Limited and the entities it controlled during the period.



R J Liddell

Director

BDO Audit Pty Ltd

Brisbane, 28 August 2025

BDO Audit Pty Ltd ABN 33 134 022 870 is a member of a national association of independent entities which are all members of A.C.N. 050 110 275 Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit Pty Ltd and A.C.N. 050 110 275 Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.



CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2025

	Note	2025 \$	2024 \$
Income			
Insurance recoveries	11	970,000	1,830,000
Other income	7	188,257	41,172
Expenses			
Project related expenses		(348,619)	(151,330)
Depreciation and amortisation	8	(138,198)	(323,381)
Employee and consultant expenses	8	(2,114,769)	(2,916,701)
Legal, accounting and auditing expenses		(561,236)	(266,610)
Corporate compliance expenses		(117,297)	(106,084)
Insurance expenses		(71,203)	(61,454)
Travel expenses		(60,153)	(202,047)
Other expenses		(192,192)	(478,827)
Finance expense	8	(319,182)	(186,475)
Share-based payments		-	(50,000)
Loss on sale of fixed assets		-	(36,728)
Impairment of assets	8	(612,597)	(6,638,927)
Foreign currency gain / (loss)		2,074	(102,753)
Loss before income tax		(3,375,115)	(9,650,145)
Income tax expense	9	-	-
Loss for the year after income tax expense		(3,375,115)	(9,650,145)
Other comprehensive income for the year		(35,898)	-
Total comprehensive loss for the year		(3,411,013)	(9,650,145)
Earnings per share			
		Cents	Cents
Basic loss per share	6	(0.13)	(0.44)
Diluted loss per share	6	(0.13)	(0.44)

Note: This statement should be read in conjunction with the notes to the financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	Note	2025 \$	2024 \$
Current Assets			
Cash and cash equivalents	10	1,199,115	185,748
Trade and other receivables	11	2,499,567	2,307,361
Inventories		-	3,303
Other current assets	13	68,865	71,403
Non-current assets held for sale	12	-	124,492
Total Current Assets		3,767,547	2,692,307
Non-Current Assets			
Property, plant and equipment	14	357,023	938,487
Right-of-use assets	15	41,233	92,975
Other non-current assets		-	37,899
Total Non-Current Assets		398,256	1,069,361
Total Assets		4,165,803	3,761,668
Current Liabilities			
Trade and other payables	16	619,092	497,578
Borrowings	17	54,092	45,233
Lease liability	18	147,593	127,766
Provisions	19	111,490	160,364
Liabilities directly associated with non-current assets held for sale	12	-	72,561
Total Current Liabilities		932,267	903,502
Non-Current Liabilities			
Borrowings	17	987,150	85,312
Lease liability	18	958,042	1,129,131
Provisions	19	16,084	52,910
Total Non-Current Liabilities		1,961,276	1,267,353
Total Liabilities		2,893,543	2,170,855
Net Assets		1,272,260	1,590,813
Equity			
Issued capital	20	37,217,510	35,462,635
Reserves	21	2,673,308	1,371,621
Accumulated losses	22	(38,618,558)	(35,243,443)
Total Equity		1,272,260	1,590,813

Note: This statement should be read in conjunction with the notes to the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2025

	Issued Capital \$	Accumulated Losses \$	Reserves \$	Total Equity \$
Balance at 1 July 2023	32,406,009	(25,593,298)	1,185,296	7,998,007
Loss after income tax expense for the year	-	(9,650,145)	-	(9,650,145)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the year	-	(9,650,145)	-	(9,650,145)
Shares issued (note 20)	3,495,758	-	-	3,495,758
Share issue transaction costs (note 20)	(439,132)	-	-	(439,132)
Share-based payments – options & rights (note 21)	-	-	186,325	186,325
Total transactions with owners	3,056,626	-	186,325	3,242,951
Balance as at 30 June 2024	35,462,635	(35,243,443)	1,371,621	1,590,813
Balance at 1 July 2024	35,462,635	(35,243,443)	1,371,621	1,590,813
Loss after income tax expense for the year	-	(3,375,115)	-	(3,375,115)
Other comprehensive income	-	-	(35,898)	(35,898)
Total comprehensive loss for the year	-	(3,375,115)	(35,898)	(3,411,013)
Shares issued (note 20)	1,230,000	-	-	1,230,000
Share issue transaction costs (note 20)	(18,100)	-	-	(18,100)
Issue of convertible notes (note 21)	-	-	1,517,157	1,517,157
Shares issued - convertible notes (note 20 & 21)	542,975	-	(179,572)	363,403
Total transactions with owners	1,754,875	-	1,337,585	3,092,460
Balance as at 30 June 2025	37,217,510	(38,618,558)	2,673,308	1,272,260

Note: This statement should be read in conjunction with the notes to the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2025

	Note	2025 \$	2024 \$
Net cash flows from operating activities			
Receipts from customers		-	59,149
Insurance recoveries		800,000	-
Other Income		-	100,000
Payments to suppliers & employees		(3,361,600)	(4,077,426)
Interest received		-	1,036
Interest paid		(86,755)	(156,678)
Net cash (used in) operating activities	29(b)	(2,648,355)	(4,073,919)
Cash flows from investing activities			
Payment for property, plant and equipment		(3,651)	(558,889)
Proceeds from sale of property, plant and equipment		172,486	1,080,927
Net cash provided by investing activities		168,835	522,038
Cash flows from financing activities			
Proceeds from issue of share capital	20	1,230,000	3,481,908
Share issue transaction costs	20	(29,359)	(288,957)
Proceeds from borrowings	17	2,575,000	145,952
Repayment of borrowings	17	-	(845,438)
Payment of principal portion of lease liabilities	18	(241,859)	(174,686)
Net cash provided by financing activities		3,533,782	2,318,779
Net increase in cash and cash equivalents		1,054,262	(1,233,102)
Foreign exchange losses		(40,895)	(20,733)
Cash and cash equivalents at the beginning of the period		185,748	1,439,583
Cash and cash equivalents at the end of the period	29(a)	1,199,115	185,748

Note: This statement should be read in conjunction with the notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. Nature of operations

FORESTA GROUP HOLDINGS LIMITED and Subsidiaries' (the Group) principal activity is the commercialisation of the natural pine chemical extraction process and biomass pellet manufacturing.

2. General information and statement of compliance

The consolidated general-purpose financial statements of the Group have been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB). Compliance with Australian Accounting Standards results in full compliance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). FORESTA GROUP HOLDINGS LIMITED is a for-profit entity for the purpose of preparing the financial statements.

FORESTA GROUP HOLDINGS LIMITED is the Group's Ultimate Parent Company. FORESTA GROUP HOLDINGS LIMITED is a Public Company incorporated and domiciled in Australia. The address of its registered office and its principal place of business is Level 7, 330 Collins Street Melbourne VIC 3000. Shareholders approved the Company's name change to FORESTA GROUP HOLDINGS LIMITED on 7 August 2023.

The consolidated financial statements for the year ended 30 June 2025 were approved and authorised for issue by the Board of Directors on 28 August 2025.

3. Going Concern

For the year ended 30 June 2025, the Group incurred a loss before income tax of \$3,375,115 (2024: \$9,650,145), with negative cash flows from operating activities amounting to \$2,648,355 (2024: \$4,073,919). The Group has not generated any revenues from operations.

The ability of the Group to continue as a going concern is principally dependent upon one or more of the following:

- The Group raising additional funding from shareholders or other parties; and/or
- The Group reducing expenditure in line with available funding.

These conditions give rise to material uncertainty which may cast significant doubt over the Group's ability to continue as a going concern.

The directors believe that the going concern basis of preparation is appropriate due to the following reasons:

- Accepted an improved offer of \$2,400,000 as final settlement in relation to the insurance claim in connection with assets damaged in the Apple Tree Creek incident, with payment expected shortly.
- Ongoing discussions with potential project funding providers are taking place.
- Undertaken a process of minimising forward working capital requirements.

Despite these challenges, the Group remains committed to its strategic goals, particularly the establishment of the New Zealand factory, and is optimistic about achieving these objectives within the next 12 months and beyond.

Securing funding for the construction of the New Zealand factory is also a priority. The Group has presented its comprehensive business plan to the New Zealand government and international investors and is engaged in exploratory discussions with financial institutions and investors to secure a combination of equity and debt financing.

Should the Group be unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. This financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts or classification of liabilities and appropriate disclosures that may be necessary should the Group be unable to continue as a going concern.

4. Summary of material accounting policies

The material accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

The Group has adopted all amendments required for the year ended 30 June 2025. The adoption of these amendments did not have a material impact on the financial statements. No other new and amended accounting standards not yet adopted are expected to have a material effect on the entity and will be adopted as required.

Basis of preparation

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

Historical cost convention

The financial statements have been prepared under the historical cost convention.

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 5.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the Group only. The financial information for the parent entity has been prepared on the same basis as the consolidated financial statements, except for investments in subsidiaries are accounted for at cost in the financial statements of the parent entity. Supplementary information about the parent entity is disclosed in note 30.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of FORESTA GROUP HOLDINGS LIMITED ('Company' or 'parent entity') as at 30 June 2025 and the results of all subsidiaries for the year then ended. FORESTA GROUP HOLDINGS 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

The Group has one operating segment: commercialisation of technology & development. The operating segment undertakes research, development and commercialisation of specific technologies (R&D). Management has determined the operating segment based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

Foreign currency translation

The financial statements are presented in Australian dollars, which is FORESTA GROUP HOLDINGS LIMITED's functional and presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars 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.

Insurance recoveries

Insurance recoveries from third parties for items of property, plant and equipment that were impaired, lost or given up are recognised in profit or loss when the compensation becomes receivable.

Income tax

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

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

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled, and it is probable that the temporary difference will not reverse in the foreseeable future.

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

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

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

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

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

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

Current and non-current classification

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

- An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.
- A liability is classified as current when: it is either expected to be settled in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Cash and cash equivalents

Cash and cash equivalents include 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. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

Trade and other receivables

Trade receivables are initially recognised at fair value 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.

Other receivables are recognised at fair value, less any allowance for expected credit losses.

Financial instruments

Financial assets

Financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Financial liabilities

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs. Financial liabilities are subsequently measured at amortised cost using the effective interest method.

Property, plant and equipment

Plant and equipment are stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Plant and equipment	3-15 years
Leasehold improvements	9-10 years
Motor vehicles	5-8 years

The residual values, useful lives and depreciation methods are reviewed and adjusted if appropriate, at each reporting date. Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

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

Trade and other payables

These amounts 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.

Borrowings

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

Convertible notes that exhibit characteristics of a liability are recognised as a liability in the statement of financial position, net of transaction costs. Convertible notes accounted for as financial liabilities are measured at amortised cost until extinguished on conversion or redemption. Derivatives on convertible notes are accounted for separately in accordance with the Group's accounting policy for derivative financial instruments.

The increase in the liability due to the passage of time is recognised as a finance cost. The corresponding interest on convertible notes is expensed to profit or loss.

Where convertible notes issued by the Company contain both a liability component and an equity component, the liability and equity components are recognised separately at the time of issuance. On initial recognition, the liability component is measured at the fair value using present value calculation by discounting future cash flows at the rate of interest that would apply to an identical financial instrument without the conversion option. The equity component is measured as the residual amount, being the difference between the total proceeds of the instrument and the fair value of the liability component. Transaction costs are allocated to the liability and equity components on a pro-rata basis.

Subsequently, the liability component is measured at amortised cost using the effective interest method. The equity component is not remeasured after initial recognition. Interest expense related to the liability component is recognised in profit or loss.

Lease liabilities

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

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

Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Provisions

Provisions are recognised when the Group has a present (legal or constructive) obligation as a result of a past event, it is probable the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

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 using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Share-based payments

Equity-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

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

The cost of equity-settled transactions is recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

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

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

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

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

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

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. Free attaching options attached to the issue of new shares have been measured at \$nil.

Non-current assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for-sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated to the assets and liabilities on a pro-rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets or employee benefit assets, which continue to be measured in accordance with the Group's other accounting policies. Impairment losses on initial classification as held-for-sale or held-for-distribution and subsequent gains and losses on remeasurement are recognised in profit or loss.

Earnings per share*Basic earnings per share*

Basic earnings per share is calculated by dividing the profit attributable to the owners of Pinnacle Listed Practical 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 dollars.

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 consolidated entity for the annual reporting period ended 30 June 2025. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, 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 and early adoption is permitted. The standard replaces IAS 1 'Presentation of Financial Statements', with many of the original disclosure requirements retained and there will be no impact on the recognition and measurement of items in the financial statements. But the standard will affect presentation and disclosure in the financial statements, including introducing five categories in the statement of profit or loss and other comprehensive income: operating, investing, financing, income taxes and discontinued operations. The standard introduces two mandatory sub-totals in the statement: 'Operating profit' and 'Profit before financing and income taxes'. There are also new disclosure requirements for 'management-defined performance measures', such as earnings before interest, taxes, depreciation and amortisation ('EBITDA') or 'adjusted profit'. The standard provides enhanced guidance on grouping of information (aggregation and disaggregation), including whether to present this information in the primary financial statements or in the notes. The consolidated entity will adopt this standard from 1 July 2027 and it is expected that there will be a significant change to the layout of the statement of profit or loss and other comprehensive income.

5. 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.

Impairment of non-financial assets

The Group assesses impairment of non-financial assets at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. Refer to note 14 for property, plant and equipment written off at 30 June 2025.

Estimation of useful lives of assets

The Group determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down. There were no changes in estimated useful lives of property, plant and equipment (2024: nil).

6. Earnings per share

Both the basic and diluted earnings per share have been calculated using the loss attributable to shareholders of the parent company as the numerator.

Reconciliation of earnings used in calculating earnings per share	2025 \$	2024 \$
Loss attributable to the owners of FORESTA GROUP HOLDINGS LIMITED used in the calculation of basic and dilutive EPS	(3,375,115)	(9,650,145)
Loss attributable to the owners of FORESTA GROUP HOLDINGS LIMITED	(3,375,115)	(9,650,145)
Weighted average number of ordinary shares	Number	Number
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	2,520,757,923	2,204,091,728
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per shares	2,520,757,923	2,204,091,728
Loss per share and Diluted loss per share (cents)	0.13	0.44

Calculation of dilutive EPS

As at 30 June 2025 there were 749,583,747 unlisted options on issue which have vested. The 749,583,747 unlisted options that have vested were excluded from the calculation of diluted earnings per share due to the Group being in a loss position.

As at 30 June 2024, there were 484,806,350 unlisted options on issue which had vested and were excluded from the calculation of diluted earnings per share due to the Group being in a loss position.

7. Other Income

Consolidated	2025 \$	2024 \$
Interest income	-	1,036
Other revenue	20,171	4,603
Gain on disposal of assets	168,086	35,533
Total other income	188,257	41,172

8. Expenses

Loss before income tax from operations includes the following specific expenses:

Consolidated	Note	2025 \$	2024 \$
Depreciation expense			
Depreciation of property, plant and equipment	14	88,513	174,920
Depreciation of right of use assets	15	49,685	148,461
Total depreciation expense		138,198	323,381
Finance expenses			
Finance costs on borrowings		16,031	81,070
Interest on leases		80,211	105,405
Finance costs on convertible notes		221,622	-
Other finance expenses		1,318	-
Total finance expense		319,182	186,475
Impairment of assets			
Impairment of fixed assets	14	612,597	5,747,926
Impairment of right-of-use assets	15	-	891,001
Total impairment of assets		612,597	6,638,927

Employee and consultant expenses		
Salaries and wages	1,336,207	2,271,686
Superannuation	57,977	104,401
Payroll tax	(8,834)	2,088
Staff training	594	2,038
Recruitment costs	-	933
Adjustment to accrued benefits	(86,681)	(66,222)
Other employee cost	5,950	24,253
Consultant fees	809,556	577,524
Total employee and consultant expenses	2,114,769	2,916,701

9. Income Tax

Reconciliation between the income tax benefit and the expected tax expense (income) based on the Group's applicable income tax rate is as follows:

	2025 \$	2024 \$
Loss before income tax	(3,375,115)	(9,650,145)
Income tax at 25%	(843,779)	(2,412,536)
Loss relating to foreign subsidiary	382,853	308,324
Expenditure not allowable for income tax purposes	7,197	12,500
Movement in unrecognised tax losses and temporary differences	453,729	2,091,712
Total income tax expense	-	-
Deferred income tax	2025 \$	2024 \$
Deferred tax assets		
-Provisions	61,606	52,384
-Share capital costs	232,807	285,141
-Patents	98,109	94,650
-Right of use leases	265,096	290,167
-Tax losses	11,124,054	9,436,023
Total deferred tax asset	11,781,672	10,158,365
Deferred tax liabilities		
-Trade and other payables	(600,000)	(557,500)
-Property, plant and equipment	(19,914)	(32,109)
-Prepayments and other assets	(4,309)	(12,308)
Total deferred tax liability	(624,223)	(601,917)
Net deferred tax asset/ (liability)	11,157,449	9,556,448
Deferred tax asset not recognised	(11,157,449)	(9,556,448)
Net deferred tax asset/ (liability) recognised	-	-

Deferred income tax (continued)	2025 \$	2024 \$
Carried forward tax losses	44,496,214	37,744,091
Unused tax losses for which no deferred tax asset has been recognised	44,629,794	38,225,793
Potential tax benefit at 25%	11,157,449	9,556,448

Losses

At 30 June 2025, the Group has unused tax losses of \$44,629,794 (2024: \$38,225,793) for which no deferred tax asset has been recognised. Of this, \$44,496,214 (2024: \$37,744,091) relates to carried forward tax losses. The deferred tax asset which may be derived from these tax losses, has not been carried forward as an asset in the balance sheet and will only be recognised if:

- The Group derives assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the loss to be realised;
- the Group continues to comply with the conditions for deductibility imposed by law; and
- no changes in tax legislation adversely affect the Group in realising the benefit from the deductions for the losses.

Offsetting within a tax consolidated group

FORESTA GROUP HOLDINGS LIMITED and its wholly owned subsidiaries form a consolidated tax group, whereby the entities are taxed as a single entity. Accordingly, the deferred tax assets and deferred tax liabilities have been offset in the consolidated financial statements.

10. Cash and cash equivalents

Cash and cash equivalents include the following components:	2025 \$	2024 \$
Cash at bank and in hand	1,199,115	185,748
Total cash and cash equivalents	1,199,115	185,748

11. Trade and other receivables

	2025 \$	2024 \$
Trade receivables	4,669	-
Allowance for expected credit losses	-	-
Net trade receivables	4,669	-
Insurance receivable ^(a)	2,400,000	2,230,000
GST receivable	52,688	77,361
Other receivables	42,210	-
Total Trade and other receivables	2,499,567	2,307,361

(a) Reconciliation of Insurance receivable

Opening balance at 1 July	2,230,000	400,000
Proceeds received	(800,000)	-
Increase / (decrease) in receivable	970,000	1,830,000
Closing balance 30 June	2,400,000	2,230,000

- During August 2025, the Company received an improved offer of \$2,400,000 as final settlement in relation to the insurance claim in connection with assets damaged in the Apple Tree Creek incident, with payment expected shortly.

Trade receivables are initially recognised at fair value 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.

12. Non-current assets held for sale

Non-current asset held for sale:

Consolidated	2025 \$	2024 \$
Asset held for sale	-	124,492
Total non-current assets held for sale	-	124,492

Liabilities directly associated with non-current assets held for sale:

Consolidated	2025 \$	2024 \$
Liabilities directly associated with non-current assets held for sale	-	72,561
Total liabilities directly associated with non-current assets held for sale	-	72,561

13. Other current assets

Consolidated	2025 \$	2024 \$
Prepayments	30,789	71,403
Deposits	38,076	-
Total other current assets	68,865	71,403

14. Property, plant and equipment

Property, plant and equipment are included in the accounts, at cost, on the following basis:

Consolidated	Plant & Equipment \$	Motor Vehicles \$	Leasehold Improvements \$	Work in Progress \$	Total \$
Cost	50,669	354,312	-	612,597	1,017,578
Accumulated depreciation and impairment	(11,716)	(67,375)	-	-	(79,091)
Closing balance at 30 June 2024	38,953	286,937	-	612,597	938,487
Cost	170,314	354,312	-	-	524,626
Accumulated depreciation and impairment	(60,492)	(107,111)	-	-	(167,603)
Closing balance at 30 June 2025	109,822	247,201	-	-	357,023

Movements in carrying amounts for each class of property, plant and equipment

All depreciation and impairment charges are included within depreciation, amortisation and impairment of non-financial assets.

Consolidated	Plant & Equipment \$	Motor Vehicles \$	Leasehold Improvements \$	Work in Progress \$	Total \$
Opening written down value 1 July 2023	951,797	101,112	65,765	4,984,757	6,103,431
Additions	23,153	212,875	-	513,849	749,877
Assets written-off	(764,578)	-	(57,882)	(4,886,009)	(5,708,469)
Transfer of assets held for sale	(14,385)	-	-	-	(14,385)
Disposals	(17,047)	-	-	-	(17,047)
Depreciation	(139,987)	(27,050)	(7,883)	-	(174,920)
Closing balance at 30 June 2024	38,953	286,937	-	612,597	938,487
Opening written down value 1 July 2024	38,953	286,937	-	612,597	938,487
Additions	3,651	-	-	-	3,651
Assets written-off ^(a)	-	-	-	(612,597)	(612,597)
Transfer from assets held for sale	115,995	-	-	-	115,995
Disposals	-	-	-	-	-
Depreciation	(48,777)	(39,736)	-	-	(88,513)
Closing balance at 30 June 2025	109,822	247,201	-	-	357,023

(a) Management has reviewed the expenditure incurred to 30 June 2024 and has taken the conservative position to write off the work in progress costs to 30 June 2024 as the Company is yet to make a Final Investment Decision in relation to the plant located in New Zealand.

15. Right-of-use assets

Right-of-use assets are included in the accounts, at cost, on the following basis:

Consolidated	Property Leases – Right-of-use \$	Total \$
Cost	152,141	152,141
Accumulated depreciation and impairment	(59,166)	(59,166)
Closing balance at 30 June 2024	92,975	92,975
Cost	149,056	149,056
Accumulated depreciation and impairment	(107,823)	(107,823)
Closing balance at 30 June 2025	41,233	41,233

Movements in carrying amounts for right-of-use assets

All depreciation and impairment charges are included within depreciation, amortisation and impairment of non-financial assets.

Consolidated	Property Leases – Right-of-use \$	Total \$
Opening written down value 1 July 2023	1,316,723	1,316,723
Additions	-	-
Impairment	(891,001)	(891,001)
Lease remeasurement	(184,286)	(184,286)
Depreciation	(148,461)	(148,461)
Closing balance at 30 June 2024	92,975	92,975
Opening written down value 1 July 2024	92,975	92,975
Additions	-	-
Lease remeasurement	(2,057)	(2,057)
Depreciation	(49,685)	(49,685)
Closing balance at 30 June 2025	41,233	41,233

Leased assets

The Group leases land and buildings for its offices used in its operations. The lease terms consist of:

Operational site - Isis Central	20 years
Corporate office - Landsborough	5 years
Corporate office - Papamoa	3 years

The operational site lease includes an option in favour of the Group for an additional 10 years, and the corporate office include options for an additional 5 and 3 years respectively. The right-of-use assets included above have been calculated on the fixed lease period and do not include the potential option period.

The Group's obligations under its leases are secured by the lessor's title to the leased assets.

16. Trade and other payables

Trade and other payables consist of the following:

Consolidated	2025 \$	2024 \$
Trade payables	381,619	391,389
Accruals	237,473	106,189
Total trade and other payables	619,092	497,578

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

17. Borrowings

Consolidated	2025 \$	2024 \$
Current Borrowings		
Vehicle finance	39,517	13,861
Insurance premium funding	14,575	31,372
Total current borrowings	54,092	45,233
Non-current Borrowings		
Vehicle finance	71,088	85,312
Convertible Notes (a)	916,062	-
Total non-current borrowings	987,150	85,312

(a) Convertible Notes

During the period the Company entered into the following convertible note agreements:

i) Convertible Note A

- Issue date: 31 July 2024
- Total amount raised: \$500,000
- Issue price: Face value of \$0.01 per convertible note
- Convertible notes issued: 50,000,000
- Interest rate: 10% per annum capitalised annually and payable upon conversion or redemption. The interest amount can be settled on the same terms as the convertible notes.
- Maturity date: The earlier to occur of the completion of a future capital raising and 31 July 2025.
- Security: The convertible notes are unsecured.
- Conversion: The convertible notes may be converted, subject to shareholder approval, at the sole discretion of the noteholder.
- Conversion price: \$0.01 per share. For every share issued at conversion, the subscriber will receive, subject to shareholder approval, one free attaching unlisted option exercisable at \$0.02 on the date that is one year from the date of issue.

On 4 December, following shareholder approval, the noteholder elected to convert the 50,000,000 notes and accrued interest of \$17,397 into 51,739,726 fully paid ordinary shares and 51,739,726 unlisted options with an exercise price of \$0.02 on or before 4 December 2025.

ii) Convertible Note B

- Issue date: 12 September 2024
- Total amount raised: \$75,000
- Issue price: Face value of \$0.01 per convertible notes
- Convertible notes issued: 7,500,000
- Interest rate: 10% per annum capitalised annually and payable upon conversion or redemption. The interest amount can be settled on the same terms as the convertible notes.
- Maturity date: 12 September 2027.
- Security: The convertible notes are secured against all present and after acquired property of the Company.
- Conversion: The convertible notes may be converted at the sole discretion of the noteholder.
- Conversion price: \$0.01 per share. For every share issued at conversion, the subscriber will receive one free attaching unlisted option exercisable at \$0.02 on the date that is one year from the date of issue.

On 6 February 2025, the noteholder elected to convert the 7,500,000 notes and accrued interest of \$4,406 into 7,787,671 fully paid ordinary shares and 7,787,671 unlisted options with an exercise price of \$0.02 on or before 6 February 2026.

iii) Convertible Note C

- Issue date: 1 April 2025
- Total amount raised: \$2,000,000
- Issue price: Face value of \$1.00 per convertible note
- Convertible notes issued: 2,000,000
- Interest rate: 10% per annum capitalised annually and payable upon conversion or redemption. The interest amount can be settled on the same terms as the convertible notes.
- Maturity date: 1 April 2028.
- Security: The convertible notes are unsecured.
- Conversion: The convertible notes may be converted, subject to shareholder approval (which has been received), at the sole discretion of the noteholder.
- Conversion price: \$0.005 per share. For every share issued at conversion, the subscriber will receive, subject to shareholder approval (which has been received), one free attaching unlisted option exercisable at \$0.01 on the date that is three years from the date of issue.

Reconciliation of convertible notes

Consolidated	Convertible Note A \$	Convertible Note B \$	Convertible Note C \$	Total \$
Opening balance 1 July 2024	-	-	-	-
Face value of notes issued	500,000	75,000	2,000,000	2,575,000
Equity component – conversion feature	(159,140)	(20,432)	(567,397)	(746,969)
Equity component – options	(137,020)	(19,427)	(613,741)	(770,188)
Effective interest expense	118,534	5,888	97,200	221,622
Value of notes and accrued interest converted to shares	(322,374)	(41,029)	-	(363,403)
Closing balance 30 June 2025	-	-	916,062	916,062

18. Lease liabilities

Consolidated	2025 \$	2024 \$
Current liabilities		
Lease liabilities	147,593	127,766
Total current lease liabilities	147,593	127,766
Non-current liabilities		
Lease liabilities	958,042	1,129,131
Total non-current lease liabilities	958,042	1,129,131

19. Provisions

Consolidated	2025 \$	2024 \$
Current Provisions		
Employee leave entitlements	51,849	105,364
Mining rehabilitation provisions ^(a)	50,000	50,000
Provision for make good	9,641	5,000
Total current provisions	111,490	160,364
Non-current Provisions		
Employee leave entitlements	16,084	48,346
Provision for make good	-	4,564
Total non-current provisions	16,084	52,910

- (a) FORESTA GROUP HOLDINGS LIMITED's subsidiary AQL Mining Pty Ltd is required to restore the mining lease held in Karratha, Western Australia, to the extent required by the mining approvals. A provision for rehabilitation has been recognised for the present value of the estimated expenditure required to restore the ground site on cessation of mining.

20. Issued capital

The current issued share capital of FORESTA GROUP HOLDINGS LIMITED consists only of fully paid ordinary shares; the shares do not have a par value. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings. In the event of winding up of the Group, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any proceeds of liquidation.

	2025 Number	2025 \$	2024 Number	2024 \$
Movements in ordinary share capital				
Balance at beginning of financial year	2,355,379,053	35,462,635	2,062,038,878	32,406,009
Shares issued (a)	8,000,000	80,000	-	-
Shares issued (b)	214,000,000	1,070,000	-	-
Conversion of notes (c)	51,739,726	481,514	-	-
Shares issued (d)	16,000,000	80,000	-	-
Conversion of notes (e)	7,787,671	61,461	-	-
Shares issued (f)	-	-	3,424,658	50,000
Shares issued (g)	-	-	174,039,234	2,262,508
Shares issued (h)	-	-	5,384,616	70,000
Shares issued (i)	-	-	4,166,667	50,000
Shares issued (j)	-	-	106,325,000	1,063,250
Transaction costs	-	(18,100)	-	(439,132)
Total contributed equity	2,652,906,450	37,217,510	2,355,379,053	35,462,635

Notes for the above table, relating to the year ended 30 June 2025, are:

- (a) On 4 December 2024, shareholders approved the placement of 8,000,000 ordinary shares to current directors at a value of \$80,000.
- (b) On 4 December 2024, the Company issued 214,000,000 ordinary shares at \$0.005 per share raising \$1,070,000. Each share also had a free-attaching option with an expiry date of 4 December 2026, that can be exercised at \$0.02 per option.

- (c) On 4 December 2024, the Company issued 51,739,726 ordinary shares following the conversion of 50,000,000 convertible notes and accrued interest to the date of conversion. Each issued share had an attaching option with expiry date of 4 December 2025, that can be exercised at \$0.02 per option.
- (d) On 6 February 2025, shareholders approved the placement of 16,000,000 ordinary shares to current directors at a value of \$80,000. Each share also had a free-attaching option with an expiry date of 6 February 2027, that can be exercised at \$0.02 per option.
- (e) On 6 February 2025, the Company issued 7,787,671 ordinary shares following the conversion of 7,500,000 convertible notes and accrued interest to the date of conversion. Each issued share had an attaching option with expiry date of 6 February 2026, that can be exercised at \$0.02 per option.

Notes for the above table, relating to the year ended 30 June 2024, are:

- (f) On 28 August 2023, the Company issued 3,424,658 ordinary shares at a value of \$50,000 to fund corporate advisory services.
- (g) On 16 October 2023, the Company successfully completed a placement raising of \$2,262,508 through the issue of 174,039,234 ordinary shares.
- (h) On 28 November 2023, Shareholders approved the issue of 5,384,616 ordinary shares, raising \$70,000.
- (i) On 26 February 2024, the company issued 4,166,667 ordinary shares at a value of \$50,000 to fund corporate advisory services.
- (j) On 20 May 2024, the Company successfully completed a placement raising \$1,063,250 through the issue of 106,325,000 ordinary shares.

21. Reserves

	2025 \$	2024 \$
Share-based payments reserve		
Movements:		
Balance at beginning of the financial year	1,371,621	1,185,296
Share-based payment expense	-	186,325
Balance at the end of the financial year	1,371,621	1,371,621
Convertible note reserve		
Movements:		
Balance at beginning of the financial year	-	-
Convertible notes – conversion feature (refer note 17)	746,969	-
Convertible notes – options (refer note 17)	770,188	-
Convertible notes – conversion to shares	(179,572)	-
Balance at the end of the financial year	1,337,585	-
Foreign currency translation reserve		
Movements:		
Balance at beginning of the financial year	-	-
Revaluation of foreign currency operations	(35,898)	-
Balance at the end of the financial year	(35,898)	-
Total Reserve balance	2,673,308	1,371,621

22. Accumulated losses

Consolidated	2025 \$	2024 \$
Balance at beginning of the financial year	(35,243,443)	(25,593,298)
Loss after income tax for the year	(3,375,115)	(9,650,145)
Balance at the end of the financial year	(38,618,558)	(35,243,443)

23. Financial instruments

The Group's principal financial instruments comprise of lease liabilities, borrowings, receivables, payables, cash and short-term deposits.

Primary responsibility for the identification and control of financial risks rests with the Board. The Group uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rate and foreign exchange risk and assessment of market forecasts for interest rate and foreign exchange. The Group manages credit risk by only dealing with recognised, creditworthy, third parties and liquidity risk is monitored through the development of future rolling cash flow forecasts.

Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a change in interest rate will affect future cash flows. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's cash investments. Surplus funds are invested in interest bearing deposits and are managed by the directors and monitored on a regular basis.

At reporting date, the Group had the following exposure to variable interest rate risk:

Financial assets	2025 \$	2024 \$
Cash at bank	1,199,115	185,748
	1,199,115	185,748

Borrowings disclosed in Note 17 have not been included in the above table as the applicable interest rates are fixed.

The following table summarises the impact of reasonably possible changes in interest rates for the Group at 30 June 2025. The sensitivity is based on the assumption that interest rate changes by 50 basis points (2024: 50 basis points) with all other variables held constant. The 50-basis points sensitivity is based on reasonably possible changes over the reporting period.

Impact on post tax profit and equity Higher / (lower)	2025 \$	2024 \$
50bp increase (2024: 50bp)	5,996	929
50bp decrease (2024: 50bp)	(5,996)	(929)

The analysis above excludes borrowings and lease liabilities as both are contracted under fixed interest rates.

Foreign currency risk

The Group has foreign currency risk exposure on cash reserves and has transactional exposures arising from the payment of foreign currency invoices. The Company is exposed to movements in US dollar and NZ dollar on cash reserves.

At the reporting date the Group had the following exposure to foreign currencies.

Financial assets	2025 \$	2024 \$
<i>Cash and cash equivalents</i>		
- USD	179	175
- NZD	52,748	35,219
	52,927	35,394

The following table summarises the impact of reasonably possible changes in foreign currency exchange rates for the Group at 30 June 2025 on recognised financial assets at the reporting date. The sensitivity is based on the assumption that the exchange rates change by increasing 10% or decreasing 10% with all other variables held constant. These 10% sensitivities are based on reasonably possible changes over the reporting period, using the observed range of actual historical rates for the preceding three-year period. The analysis is performed on the same basis for the comparative period.

Impact on post tax profit and equity Higher / (lower)	2025 \$	2024 \$
- AUD/USD +10% (2024: +10%)	(17)	(16)
- AUD/USD -10% (2024: +10%)	20	19
- AUD/NZD +10% (2024: +10%)	(4,974)	(3,170)
- AUD/NZD -10% (2024: +10%)	5,682	3,874

Credit risk

Credit risk arises in the event that a counterparty will not meet its obligations under a financial instrument leading to financial losses. The Group is exposed to credit risk from its operating activities and financing activities including deposits with banks.

The credit risk control procedure adopted by the Group is to assess the credit quality of the institution with which funds are deposited or invested, taking into account its financial position and past experiences. The limits are assigned to minimise the concentration of risks and mitigate financial loss through potential counterparty failure. Compliance with credit limits is regularly monitored as part of day-to-day operations. Any credit concerns are highlighted to the Board.

Credit Quality of Financial Assets	S&P Credit Rating	
	A1+ \$	Unrated \$
30 June 2024		
Cash and cash equivalents	185,748	-
Receivables	-	2,307,360
Number of Counterparties	2	3
Largest counterparty (%)	82%	97%
30 June 2025		
Cash and cash equivalents	1,199,115	-
Receivables	-	2,499,567
Number of Counterparties	3	3
Largest counterparty (%)	90%	96%

Liquidity risk

The responsibility for liquidity risk management rests with the Board of Directors.

The Group manages liquidity risk by maintaining sufficient cash or credit facilities to meet the operating requirements of the business and investing excess funds in highly liquid short-term investments. The Group's liquidity needs can be met through a variety of sources, including:

- cash generated from operations and the sale of assets,
- short- and long-term borrowings, and
- issue of equity instruments.

Alternatives for sourcing the Group's future capital needs include current cash position, future operating cash flow, debt financings and equity raisings. These alternatives are evaluated to determine the optimal mix of capital resources.

The following table details the Group's non-derivative financial instruments according to their contractual maturities. The amounts disclosed are based on contractual undiscounted cash flows. As a result, these balances may not agree with the amounts disclosed in the statement of financial position.

As at 30 June 2024	Less than 12 months	1-5 years	More than 5 years
	\$	\$	\$
Trade and other payables	497,578	-	-
Lease Liabilities	223,479	602,701	997,377
Borrowings	56,699	98,047	-
Liabilities associated with non-current assets held for sale	75,605	-	-
Total	853,361	700,748	997,377

As at 30 June 2025	Less than 12 months	1-5 years	More than 5 years
	\$	\$	\$
Trade and other payables	619,092	-	-
Lease Liabilities	223,323	499,378	876,483
Borrowings	69,802	2,742,498	-
Total	912,217	3,241,876	876,483

Capital risk management

When managing capital (being equity and long-term debt) management's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits to other stakeholders. Management also aims to maintain a capital structure that ensures the lowest cost of capital available to the entity reflecting the current business status of the entity.

Management constantly adjusts the capital structure to take advantage of favourable costs of capital or high return on assets. As the market is constantly changing, management may return capital to shareholders, issue new shares or sell assets to reduce debt. The Group does not currently have a dividend policy.

The Group monitors its capital through monthly Board reporting including management accounts and forecasts combined with appropriate external financial, corporate and legal advice when required. Due to the nature of the operations of the Group and its financial position, Management does not have a target debt/equity ratio. Management prefers to maintain a flexible financing structure.

The Group is not subject to any externally imposed capital requirements.

24. Key management personnel disclosures

Key management personnel compensation:

Consolidated	2025 \$	2024 \$
Short-term employee benefits	1,095,098	1,704,630
Post-employment benefits	30,120	50,508
Share-based payments	-	-
Total	1,125,218	1,755,138

25. Remuneration of auditors

	2025 \$	2024 \$
Audit and review of financial statements – Hall Chadwick	66,817	60,000
Audit and review of financial statements – BDO Audit Pty Ltd	81,551	-
Total auditor's remuneration	148,368	60,000

Other Services		
Taxation compliance services – Hall Chadwick	8,695	13,900
Project valuation – Hall Chadwick	-	44,154
Total remuneration for other services	8,695	58,054

26. Related party transactions

Parent Entity

The Parent entity within the Group is FORESTA GROUP HOLDINGS LIMITED. The Company is listed on the Australian Securities Exchange with no shareholders exerting significant influence, other than those that are also key management personnel.

Subsidiaries

Interests in subsidiaries are set out in subsidiaries Note 31.

Key Management Personnel

Disclosures relating to the remuneration of key management personnel are set out in Note 24 and also further details are included in the Remuneration Report contained in the Directors' Report.

Transactions with related parties

The following transactions occurred with related parties:

Consolidated	2025 \$	2024 \$
Payment for services:		
Salary payment to Ms Mikaela Sutton (Daughter of Ramon Mountfort)	16,622	64,817
Salary payment to Ms Ana Da Silva (Spouse of Ramon Mountfort)	6,098	9,270
Salary payment to Mr Joseph Collins (Son-in-law of Ramon Mountfort)	9,945	14,651

There are no outstanding amounts receivable or payable at the reporting date in relation to transactions with related parties.

During the period the Company entered into the following convertible note agreements with SWAT7D, an entity associated with Non-Executive Director Mr Russell Allen:

i) Convertible Note

- Issue date: 31 July 2024
- Total amount raised: \$500,000
- Issue price: Face value of \$0.01 per convertible note
- Convertible notes issued: 50,000,000
- Interest rate: 10% per annum capitalised annually and payable upon conversion or redemption. The interest amount can be settled on the same terms as the convertible notes.
- Maturity date: The earlier to occur of the completion of a future capital raising and 31 July 2025.
- Security: The convertible notes are unsecured.
- Conversion: The convertible notes may be converted, subject to shareholder approval, at the sole discretion of the noteholder.
- Conversion price: \$0.01 per share. For every share issued at conversion, the subscriber will receive, subject to shareholder approval, one free attaching unlisted option exercisable at \$0.02 on the date that is one year from the date of issue.

On 4 December, following shareholder approval, the noteholder elected to convert the 50,000,000 notes and accrued interest of \$17,397 into 51,739,726 fully paid ordinary shares and 51,739,726 unlisted options with an exercise price of \$0.02 on or before 4 December 2025.

ii) Convertible Note

- Issue date: 1 April 2025
- Total amount raised: \$2,000,000
- Issue price: Face value of \$1.00 per convertible note
- Convertible notes issued: 2,000,000
- Interest rate: 10% per annum capitalised annually and payable upon conversion or redemption. The interest amount can be settled on the same terms as the convertible notes.
- Maturity date: 1 April 2028.
- Security: The convertible notes are unsecured.
- Conversion: The convertible notes may be converted, subject to shareholder approval (which has been received), at the sole discretion of the noteholder.
- Conversion price: \$0.005 per share. For every share issued at conversion, the subscriber will receive, subject to shareholder approval (which has been received), one free attaching unlisted option exercisable at \$0.01 on the date that is three years from the date of issue.

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

27. Share-based payments

Share-based payment expense

Total expenses arising from share-based payment transactions recognised during the period as part of total comprehensive income for the year were as follows:

	2025	2024
	\$	\$
Share-based payments reserve		
Movements:		
Balance at beginning of the financial year	1,371,621	1,185,296
Share based payment expense	-	186,325
Balance at the end of the reporting period	1,371,621	1,371,621

There were no share-based payments granted during the reporting period.

Option summary and weighted average exercise price of options issued as share based payments

Share options and weighted average exercise prices "WAEP" are as follows for the reporting periods presented:

	Number of options 2025	WAEP \$ 2025	Number of options 2024	WAEP \$ 2024
Outstanding at the beginning of the year	45,382,500	0.025	38,250,000	0.044
Granted during the year	-	-	10,632,500	0.020
Exercised during the year	-	-	-	-
Expired during the year	(24,750,000)	0.023	(3,500,000)	0.203
Forfeited during the year	-	-	-	-
Outstanding at the end of the year	20,632,500	0.027	45,382,500	0.025

The weighted average remaining contractual life of the options was 1 year (2024:1.27 years). There are no options that were issued but not vested at 30 June 2025 (nil unvested at 30 June 2024).

Outstanding options

The outstanding balance of all options on issue as at 30 June 2025 is represented below.:

Grant Date	Expiry Date	Exercise Price	Share options 2025	Share options 2024
17 February 2020 ^A	1 March 2025	\$0.023	-	24,750,000
5 May 2022 ^A	19 July 2025	\$0.040	10,000,000	10,000,000
5 April 2023	31 December 2025	\$0.045	42,000,000	42,000,000
15 June 2023	31 December 2025	\$0.045	210,000,000	210,000,000
16 October 2023	16 October 2025	\$0.020	182,039,234	182,039,234
1 December 2023	1 December 2025	\$0.020	5,384,616	5,384,616
20 May 2024 ^A	20 May 2027	\$0.020	10,632,500	10,632,500
4 December 2024	4 December 2025	\$0.020	51,739,726	-
4 December 2024	4 December 2026	\$0.020	214,000,000	-
6 February 2025	6 February 2026	\$0.020	7,787,671	-
6 February 2025	6 February 2027	\$0.020	16,000,000	-
Total			749,583,747	484,806,350
The weighted average exercise price of the options outstanding at year-end.			\$0.029	\$0.033
The weighted average remaining life of the options outstanding at year-end.			0.75 years	1.77 years

^A These options relate to the share-based payments disclosed above.

28. Commitments and contingent liabilities

Legal proceedings from the Office of Work Health and Safety Prosecutor (OWHSP)

On 24 November 2023 the Group announced that the OWHSP had brought a claim and served a summons, statement of fact and complaint on the Company for an offence under section 32 of the Work Health and Safety Act 2011, following an investigation from Work Health and Safety Queensland. The investigation relates to the events on 12 November 2021 at the Group's facility in Apple Tree Creek, Queensland.

The maximum financial penalty to the Group is approximately \$1,500,000 (15,000 penalty units). The Court is currently conducting their review of all relevant information, and the Group will inform the public when the matter has been settled. At this stage, it is not practical to estimate the potential effect of this claim.

Public Liability Claim

The contractor that was injured during the explosion at the Apple Tree Creek plant on 12 November 2021 has lodged a liability claim against the Group for medical costs incurred as a result of the injury. The claim is currently administrated on behalf of the Group by the Group's public liability insurer. The Group has insurance cover which is expected to cover any potential claim in full.

29. Notes to the statement of cash flows

a) Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, net of outstanding bank overdrafts.

Cash and cash equivalents at the end of the year as shown in the statement of cash flow is reconciled to the related item in the statement of financial position as follows:

	2025 \$	2024 \$
Cash and cash equivalents	1,199,115	185,748

b) Reconciliation of net loss for the period to cash flows provided by operating activities:

	2025 \$	2024 \$
Net loss for the period	(3,375,115)	(9,650,146)
Adjustments for:		
Depreciation	138,198	323,381
Share-based payments	-	50,000
Finance costs on borrowing	221,622	36,943
Insurance recoveries related to property, plant and equipment	(970,000)	(1,830,000)
(Gain)/Loss on disposal and impairment of property plant and equipment	434,575	6,674,688
Unrealised loss on foreign exchange	40,895	20,732
Net changes in working capital:		
Change in trade and other receivables	992,206	41,068
Change in other assets	(2,538)	82,509
Change in trade and other payables	(42,498)	150,484
Change in provisions	(85,700)	26,422
Net cash provided/(used) in operating activities	(2,648,355)	(4,073,919)

c) Non-cash investing and financing activities

Non-cash investing and financing activities disclosed in other notes are:

- Options and shares issued on settlement of convertible notes – Note 17
- Remeasurement of lease liabilities – Note 18

30. Parent entity information

Impairment testing

At each reporting date the parent assesses whether there is any indication that an investment in a subsidiary may be impaired. If any such indication exists, the Group estimates the recoverable amount of the investment. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

An impairment loss of \$12,789 was recognised by the parent entity in operating loss for the year ended 30 June 2024 to adjust for recoverability of loans to and investments in subsidiaries. This impairment loss reduced the carrying value of the line-item investment in subsidiaries and loans to subsidiaries for the parent entity financial information but eliminates on consolidation.

- Loan to Leaf Malaysia OpCo Sdn. Bhd. – impairment expense \$12,789

The parent entity does not have any guarantees held over debts of the subsidiaries, contingent liabilities or contractual commitments as at 30 June 2025. Contingencies and commitments at Note 28 relate to Essential Queensland Pty Ltd.

The individual financial statements for the parent entity show the following aggregate amounts:

	2025	2024
	\$	\$
Financial Position		
Assets		
Current assets	1,196,608	177,209
Non-current assets	1,990,478	1,513,433
Total assets	3,187,086	1,690,642
Liabilities		
Current liabilities	533,287	315,587
Non-current liabilities	941,970	151,100
Total liabilities	1,475,257	466,687
Equity		
Issued capital	81,927,202	80,172,327
Reserve	3,544,297	2,206,713
Retained losses	(83,759,670)	(81,155,085)
Total equity	1,711,829	1,223,955
Financial Performance		
Profit/(loss) before income tax	(2,604,585)	(7,404,835)
Income tax expense	-	-
Total comprehensive loss for the year	(2,604,585)	(7,404,835)

31. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following principal subsidiaries in accordance with the accounting policy on consolidation. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the parent of the Group, and the proportion of ownership interests held equal the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name Unlisted:	Principal activities	Country of incorporation	Class of shares	Ownership interest	
				2025%	2024%
<i>Essential Queensland Pty Ltd</i>	<i>Chemicals extraction</i>	<i>Australia</i>	Ord	100	100
<i>AQL Mining Pty Ltd</i>	<i>Mining of gravel and general fill</i>	<i>Australia</i>	Ord	100	100
<i>Farmacule BioIndustries Pty Ltd</i>	<i>Research & development</i>	<i>Australia</i>	Ord	100	100
<i>Leaf Sciences Pty Ltd</i>	<i>Intellectual property owner</i>	<i>Australia</i>	Ord	100	100
<i>Leaf Research Pty Ltd</i>	<i>Research & development</i>	<i>Australia</i>	Ord	100	100
<i>Leaf Performance Plan Pty Ltd</i>	<i>Trustee of employee share trust</i>	<i>Australia</i>	Ord	100	100
<i>Leaf Resources USA, LLC</i>	<i>Investor in Leaf Development, LLC</i>	<i>USA</i>	Ord	100	100
<i>Leaf Development LLC</i>	<i>Investment Company</i>	<i>USA</i>	Ord	80	80
<i>Leaf Malaysia OpCo Sdn. Bhd.</i>	<i>Investment Company</i>	<i>Malaysia</i>	Ord	100	100
<i>Foresta (NZ) Limited</i>	<i>Project company</i>	<i>New Zealand</i>	Ord	100	100

32. Events after the reporting period

Since 30 June 2025, the following matters have arisen which may significantly affect the operations of the Group:

- During August 2025, the Company received an improved offer of \$2,400,000 as final settlement in relation to the insurance claim in connection with assets damaged in the Apple Tree Creek incident, with payment expected shortly.

Consolidated entity disclosure statement

Name of entity	Type of entity	Trustee, partner, or participant in joint venture	% of share capital	Country of incorporation	Australian resident	Foreign jurisdiction(s) in which entity is a resident for tax purposes (according to the law of the foreign jurisdiction)
Foresta Group Holdings Limited	Body Corporate	N/A	N/A	Australia	Yes	N/A
Essential Queensland Pty Ltd	Body Corporate	N/A	100%	Australia	Yes	N/A
AQL Mining Pty Ltd	Body Corporate	N/A	100%	Australia	Yes	N/A
Farmacule BioIndustries Pty Ltd	Body Corporate	N/A	100%	Australia	Yes	N/A
Leaf Sciences Pty Ltd	Body Corporate	N/A	100%	Australia	Yes	N/A
Leaf Research Pty Ltd	Body Corporate	N/A	100%	Australia	Yes	N/A
Leaf Performance Plan Pty Ltd	Body Corporate	N/A	100%	Australia	Yes	N/A
Leaf Resources USA, LLC	Body Corporate	N/A	100%	United States of America	No	United States of America
Leaf Development LLC	Body Corporate	N/A	80%	United States of America	No	United States of America
Leaf Malaysia OpCo Sdn. Bhd.	Body Corporate	N/A	100%	Malaysia	No	Malaysia
Foresta (NZ) Limited	Body Corporate	N/A	100%	New Zealand	No	New Zealand

Basis of preparation

The consolidated Entity Disclosure Statement has been prepared in accordance with the Corporations Act 2001, reflecting the amendments to section 295(3A)(vi) and (vii) which clarify the definition of foreign resident as being an entity that is treated as a resident of a foreign country under the tax laws of that foreign country. These amendments apply for financial years beginning on or after 1 July 2024. The CEDS includes certain information for each entity that was part of the consolidated entity at the end of the financial year in accordance with AASB 10 Consolidated Financial Statements.

Determination of tax residency

Section 295 (3A) of the Corporations Act 2001 defines Australian resident as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgment as there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency. Section 295 (3A)(a)(vii) requires the determination of tax residency in a foreign jurisdiction to be based on the law of the foreign jurisdiction relating to foreign income tax.

In determining tax residency, the consolidated entity has applied the following interpretations:

Australian tax residency

The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5.

Foreign tax residency

Where necessary, the consolidated entity has used independent tax advisers in foreign jurisdictions to assist in determining tax residency in those foreign jurisdictions and ensure compliance with applicable foreign tax legislation.

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of FORESTA GROUP HOLDINGS LIMITED, I state that:

In the opinion of the directors of FORESTA GROUP HOLDINGS LIMITED:

- a) the consolidated financial statements and notes of FORESTA GROUP HOLDINGS LIMITED are in accordance with the *Corporations Act 2001*, including:
 - i) giving a true and fair view of its financial position as at 30 June 2025 and of its performance for the financial year ended on that date; and
 - ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and
- b) there are reasonable grounds to believe that FORESTA GROUP HOLDINGS LIMITED will be able to pay its debts as and when they become due and payable.
- c) 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* from the chief executive officer for the financial year ended 30 June 2025.

Note 4 confirms that the consolidated financial statements also comply with International Financial Reporting Standards.

This report is made in accordance with a resolution of the Board of Directors and is signed by authority for on behalf of the Directors.



Henry Cheng
Executive Chairman
FORESTA GROUP HOLDINGS LIMITED
Melbourne, Victoria, Australia
28 August 2025

INDEPENDENT AUDITOR'S REPORT

To the members of Foresta Group Holdings Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Foresta Group Holdings Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

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

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year ended on that date; and
- (ii) 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 *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

Material uncertainty related to going concern

We draw attention to Note 3 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Accounting for convertible notes

Key audit matter	How the matter was addressed in our audit
As disclosed in note 17 of the financial report, the Group has issued convertible notes during the year. The accounting for convertible notes was considered a key audit matter due to the complexity involved in assessing whether to account for the notes as equity, a liability or a combination of both as well as the subsequent measurement of the individual components of the liability based on the terms and conditions of the agreement. The assessment includes significant judgement and there is a high degree of estimation applied in determining the fair value of the liability.	Our audit procedures included, amongst others: • Obtaining an understanding of and assessing the terms and conditions of the convertible note agreements to determine if the convertible notes are to be accounted for as equity, a liability or a combination of both • Evaluating the appropriateness of the valuation methodology applied against the requirements of the relevant Australian Accounting Standard including an assessment of the significant inputs applied by management in the valuation model • Obtaining the external valuation report prepared by the management expert and assessing the professional competence and objectivity of the valuer and evaluating the appropriateness of the methods and assumptions used • Providing the valuation report to our internal experts to assess the reasonableness of the methodology and assumptions applied in the valuation report and evaluating the results of their work • Assessing the reasonableness of the inputs to the valuation • Reviewing the adequacy of the disclosures in the financial report.

Other information

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

Our opinion on the financial report does not cover the other information and 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 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 that is true and correct in accordance with the Corporations Act 2001, and

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

- i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or 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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf



This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 12 to 17 of the directors' report for the year ended 30 June 2025.

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

Responsibilities

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

BDO Audit Pty Ltd

BDO

A handwritten signature in black ink, appearing to read 'R J Liddell', is written over a faint, larger 'BDO' watermark.

R J Liddell

Director

Brisbane, 28 August 2025

Shareholder Information

The ASX additional shareholder information set out below was applicable as at 18 August 2025.

1. Distribution of equity security holders:

Holding Distribution

Equity security holders

Range	No. of Holders	% of Securities	Options
100,001 and over	720	98.89%	45
10,001 to 100,000	596	1.03%	-
5,001 to 10,000	174	0.05%	-
1,001 to 5,000	199	0.02%	-
1 to 1,000	435	0.01%	-
	2,124	100%	45

2. Quoted equity security holders:

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

#	Name	Ordinary shares number	Ordinary shares % issued
1	SWAT7D PTY LTD	484,389,803	18.26%
2	CITICORP NOMINEES PTY LIMITED	385,474,429	14.53%
3	BEACHLEY INVESTMENTS PTY LTD	60,000,000	2.26%
4	GREGORY LLOYD SAMSON & ROSEMARIE ANNE SAMSON	53,625,000	2.02%
5	MR GEOFFREY JAMES STEVENSON	47,084,816	1.77%
6	BRINCLIFF PTY LTD	45,205,128	1.70%
7	DR FAB SUPER PTY LTD	42,000,000	1.58%
8	KELIRI PTY LTD	40,708,000	1.53%
9	MRPG INVESTMENTS (AUS) PTY LTD	40,057,051	1.51%
10	BNP PARIBAS NOMINEES PTY LTD	39,426,158	1.49%
11	MR GRANT RICHARD LESLIE YEATMAN & MRS CARMEN RAE YEATMAN	35,250,000	1.33%
12	MR MARK PHILLIP JONES	35,000,000	1.32%
13	FORCE CAPITAL PTY LTD	33,648,727	1.27%
14	NETWEALTH INVESTMENTS LIMITED	31,806,010	1.20%
15	MR ROBERT JAMES ALLEN	31,767,398	1.20%
16	MR PETER LESLIE DICKINSON	25,300,000	0.95%
17	JOBRAT PTY LTD	25,000,008	0.94%
18	MR PETER HARRY KALADIS	25,000,000	0.94%
19	THE TRUST COMPANY (AUSTRALIA) LIMITED	24,673,946	0.93%
20	BNP PARIBAS NOMINEES PTY LTD	23,478,178	0.88%

3. Unquoted equity securities – Options & Performance Rights

Expiry Date	Number on issue	Number of holders
Options		
Unlisted 31 December 2025	252,000,000	2
Unlisted 16 October 2025	182,039,234	10
Unlisted 1 December 2025	5,384,616	2
Unlisted 20 May 2027	10,632,500	1
Unlisted 4 December 2025	51,739,726	1
Unlisted 4 December 2026	214,000,000	26
Unlisted 6 February 2026	7,787,671	1
Unlisted 6 February 2027	16,000,000	2

4. Substantial holders

The number of shares held by substantial shareholders with a holding greater than 5% is set out below:

Shareholder	Number of Ordinary Shares Held	Percentage
SWAT7D PTY LTD	484,389,803	18.26%
CITICORP NOMINEES PTY LIMITED	385,474,429	14.53%

5. Unmarketable Parcels

The number of shareholders holding less than a marketable parcel is 1,156.

6. Voting Rights

There are no restrictions on voting rights attached to the ordinary shares on issue. On a show of hands, every member present in person shall have one vote and upon a poll, every member present in person or by proxy shall have one vote for every share held.

The options and performance rights have no voting rights.

7. Corporate Governance

The Company's Corporate Governance Statement can be found at: <https://forestagroup.com.au/investors/>

Corporate Directory

Board of Directors:	Mr Pai-Heng (Henry) Cheng Dr Maurizio (Maurice) Fabiani Mr Russell Wayne Allen
Company Secretary:	Mr Mark Licciardo
Registered Office:	Level 3, 62 Lygon Street Carlton Victoria 3053 Australia
Principle Place of Business:	Level 14, 440 Collins Street Melbourne Victoria 3000 Australia
Auditors:	BDO AUDIT PTY LTD Level 10, 12 Creek Street Brisbane QLD 4000 Australia
Stock Exchange:	FORESTA GROUP HOLDINGS LIMITED (ASX: FGH) shares are listed on the Australian Securities Exchange (ASX)
Bankers:	WESTPAC BANKING CORPORATION 260 Queen Street Brisbane Queensland 4000 Australia AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED 388 Collins Street Melbourne VIC 3000 Australia
Share Registry:	MUFG PENSION & MARKET SERVICES Level 10, Tower 4, 727 Collins Street Melbourne VIC 3000 Australia
Solicitors:	STEINPREIS PAGANIN Level 6, 99 William Street Melbourne VIC 3000 Australia
ASX Code:	FGH
Website:	www.forestagroup.com.au

