APPENDIX 4E

Under ASX Listing Rule 4.3A

Rubicon Water Limited

ACN 651 852 470

Current reporting period ('FY25')	1 July 2024 to 30 June 2025
Previous corresponding period ('FY24')	1 July 2023 to 30 June 2024

The financial and other information included in this Appendix 4E is that of Rubicon Water Limited ('the Company') and its controlled entities (collectively 'the Group') as at 30 June 2025.

RESULTS FOR ANNOUNCEMENT TO THE MARKET

	FY25 $'000				FY24 $'000
Revenue from ordinary activities	$69,068	up	18.3%	from	$58,397
Earnings before interest, tax, depreciation and amortisation (Underlying EBITDA[1])	($4,795)	up	11.8%	from	($5,434)
Earnings before interest, tax, depreciation and amortisation (Statutory EBITDA)	($4,543)	up	34.2%	from	($6,904)
Profit / (Loss) from ordinary activities after tax attributable to members	($6,788)	up	36.6%	from	(10,710)
Profit / (Loss) after tax attributable to members	($6,788)	up	36.6%	from	(10,710)

[1] Underlying EBITDA is before unrealised foreign exchange gains/losses.

DIVIDENDS

	AMOUNT PER SECURITY	FRANKED AMOUNT PER SECURITY
Current period		
None	-	-
Total dividend	**-**	**-**
Previous corresponding period		
None	-	-
Total dividend	-	-

The Company does not currently offer a dividend reinvestment plan.

NET TANGIBLE ASSETS PER SHARE

	30 JUNE 2025	30 JUNE 2024
Net tangible assets per ordinary security ($)[1]	0.25	0.29

[1] Net tangible assets are calculated by deducting intangible assets from the net assets of the Group. Net assets include right-of-use assets and corresponding lease liabilities recognised under AASB 16 Leases.

APPENDIX 4E (CONTINUED)

DETAILS OF EQUITY ACCOUNTED INVESTMENTS

		OWNERSHIP INTEREST	
NAME	TYPE	30 JUNE 2025	30 JUNE 2024
Medha Rubicon Water Technologies Pvt Ltd	Joint Venture	50%	50%

COMMENTARY ON RESULTS FOR THE PERIOD

For further explanation of the statutory figures included in this report refer to the accompanying Financial Report for the year ended 30 June 2025, which includes the Directors' Report. The Full Year Results Presentation released in conjunction with this Results Announcement provides further analysis of these results.

ANNUAL REPORTING REQUIREMENTS

REPORTING REQUIREMENT	DATE
Audited Financial Statements Year ended 30 June 2025	25-Aug-25
Deadline for nomination as Director	1-Oct-25
Annual Report sent to shareholders	20-Oct-25
Notice of AGM sent to shareholders	20-Oct-25
Annual General Meeting	19-Nov-25

OTHER INFORMATION

This report is based on the consolidated financial statements which have been audited by BDO Audit Pty Ltd.

RUBICON 30
THIRTY YEARS OF GLOBAL IMPACT EST. 1995

Rubicon Water Limited
Annual Report **2025**

Rubicon Water acknowledges the Traditional Custodians of the lands on which we live and work, and pays our respects to Elders past and present. We recognise their enduring connection to land, waters, and culture, and honour the knowledge and stewardship that continue to guide sustainable water use.

Our mission is to make water available to the world, with greater efficiency. Our vision is to sustainably increase global food and fibre production through smarter, more responsible water management.

Now in our 30th year, we continue to lead the world in automating gravity-fed irrigation systems. We design and manufacture smart gates, precision flow meters, and advanced software that deliver exactly the right amount of water, in the right place, at the right time. Reducing waste, boosting productivity, and supporting a more sustainable future.

Front cover: Paloma Irrigation District, Arizona, January 2025

The Annual Report includes the Directors' Report, the Financial Statements and Independent Audit Report for the financial year ended 30 June 2025 lodged with the Australian Securities and Investments Commission and ASX Limited. The Annual Report is available on the Rubicon Water website.

A copy of our full Corporate Governance Statement outlining compliance with ASX Corporate Governance Principles and Recommendations is available on our website at:

rubiconwater.com/au/investor-centre/corporate-governance/

From the Chair & CEO

It is my honour to present my first address as Chair of Rubicon Water, having been appointed in April this year. It is a privilege to lead the Board during such a pivotal period in our company's journey.

I would like to acknowledge the leadership of Gordon over the past 15 years as Chair. His guidance and dedication have been instrumental in shaping Rubicon into the global leader it is today, and I thank him on behalf of the Board, our team, and our shareholders.

I am pleased to present Rubicon Water's Annual Report for the 2025 financial year and share the achievements, challenges and developments that have shaped this period.

Tony Morganti
Chair, Rubicon Water

Tony Morganti
Chair, Rubicon Water

Bruce Rodgerson
CEO, Rubicon Water


CEO Bruce Rodgerson with representatives from an Italian Agropontino Delegation, Shepparton, Victoria, April 2025

Dear Shareholders,

The global irrigation and water management sector is facing unprecedented pressure as population growth and increasing resource stress drive demand for more efficient, measurable, and scalable solutions. Around the world, governments, water authorities, and industry are recognising the critical need to modernise infrastructure and optimise water use.

Despite impacts from our regional strategic transitions, along with changing political landscapes and various timing challenges, we have secured and advanced initiatives that will shape our future trajectory.

Against the backdrop of varying market conditions across our operating regions, there are significant opportunities for long-term growth. The value of water is becoming more visible and measurable, whether through direct pricing mechanisms, the energy costs linked to pumping, or the agricultural losses caused by limited access. While project timelines and conversion rates vary, the need for improved water management continues to rise in priority.

We are also seeing a shift across multiple sectors as industries and corporates adopt water stewardship initiatives to offset water use in the regions where they operate. This elevates the importance of measuring, monitoring, and controlling flows in the systems that consume the majority of the world's available freshwater.

Rubicon delivered its highest revenue result since IPO, at $69 million, on the back of a significant uplift in our Rest of World segment, with revenue growing by 42%, driven primarily by performance in the US and EMEA markets. The Company reported a Net Loss after Tax of tax of $7m, compared to $11m in FY24. Importantly, the Group generated an operating cash inflow of $5.4 million for the year.

Market Overview

Despite political complexities and resultant delays on funding releases in some federal programs in the second half of the year, Rubicon delivered record revenue performance in the United States, recognising A$31.7 million, up from A$25.6 million in FY24.

The US market is continuing to show signs of transformation reminiscent of Australia's Millennium Drought era, when wide-scale adoption of modern water management technology reshaped the agricultural landscape and revolutionised water management. For Rubicon, this represents an opportunity to capture significant, sustained value as adoption of our proven technology becomes central to how the region responds to its water challenges.

To date, Australian investment in our technology has exceeded A$760 million, creating a mature marketplace characterised by ongoing service contracts, partnerships, and value-add offerings. In the US, we have achieved just over one-fifth of this figure, with total sales of A$165 million since operation presence in 2005. Half of this has been generated in the past four years, highlighting both the momentum already achieved and the substantial growth potential that remains in a market that is approximately 10 times bigger than Australia's.

Increasing pressure on water availability and rising labour costs are accelerating adoption of Rubicon's FarmConnect technology. Following the A$4.2 million project secured at the end of FY24 with Fondomonte Farms, we have built on this momentum in FY25 with a further A$3.1 million contract at Gila River Farms under the Pima-Maricopa Irrigation Project. The value that FarmConnect is delivering is presenting a powerful use-case for broader adoption of our on-farm technology, with this already becoming evident in our pipeline.

We are also excited about the continued development of our EMEA market which this year has recorded revenue of A$9.6m up 123% from A$4.3m in FY24. Similar to the US market we continue to build a solid portfolio of irrigation districts beginning the adoption of our water management solutions.

Operational overview

In the United States, a landmark contract with Turlock Irrigation District (TID) secured in May represents a major step forward. TID has been a Rubicon customer since 2006, historically using our devices for targeted measurement and control. This A$2.8 million pilot for the Ceres Lateral 8 introduces autonomous operation through our Total Channel Control (TCC) system, integrating 45 additional gates and over A$400,000 in customised software development. TID is now investing in network-wide connectivity to begin moving toward the kind of system-wide efficiency gains achieved by Murrumbidgee Irrigation (MI) in Australia. MI's transformation has lifted distribution efficiencies to more than 90%, delivering long-term outcomes for operators, irrigators, the environment, and the broader community. In November, MI announced the completion of its decade-long automation program, marking a milestone in an ongoing partnership that continues to deliver new opportunities for innovation and efficiency.

In one of Italy's most historically significant agricultural regions, the Pontine Marshes, we are delivering our largest open channel automation project in Europe. This A$6 million initiative will automate 25,000 acres, targeting a 20% reduction in water withdrawals and a 40% reduction in pumped operations, directly cutting energy costs for the region. The scale and ambition of the project have attracted global attention, with a recent United Nations led delegation from several countries visiting the site. We expect this will be the first of many such visits once the system is fully operational in late FY26.

Our Indian operations are gaining momentum through the Narayanpur Left Bank Canal (NLBC) Phase II automation project, which is highlighting the national importance of canal automation solutions. Similar automation is now being implemented in the NLBC command area. The project has been referenced and commended by federal government representatives and Australian officials who have visited the site, and it is generating strong interest from neighbouring states as a proven, viable solution to address challenges around water availability and farmers' crop production.

Over the course of the year, we have concluded our comprehensive strategic review of our operations in China. We are pleased to announce that we have established a new joint venture arrangement which has exclusive China wide rights to Rubicon's products and services, and positions us well to optimise Rubicon's participation in the future growth in this important Asian market.

The new joint venture has now been finalised between Rubicon and partners, TUS Water Internet Co. Ltd., an arm of the world renowned Tsinghua University's Science Park, and Guoxin Runze Investment Co. Ltd.

Our previous partner, Beijing LGY Water Technology (LGY), has decided not to participate in the new joint venture moving forward. As a result of our exit from the previous structure, there is a net financial impact of A$2.6 million to our FY25 accounts. While this outcome has affected this year's results, it enables Rubicon to capitalise on the opportunities the new JV will present in China.

Our people & partnerships propel us

Our international deployment footprint now spans 22 nations, supported by deliberate investment in localised teams. Over the past five years, we have grown international employment outside Australia from 92 to 120, a 31% increase, building self-sufficient teams with engineering and commercial expertise close to customers. Our workforce covers mechanical, civil, and software engineering, alongside specialised operational and commercial roles, enabling us to deliver complex, integrated solutions globally.

Our people remain at the core of Rubicon's success. The capability, dedication, and collaboration of our teams are what enable us to deliver on complex projects, adapt to changing conditions, and maintain strong partnerships with our customers. This commitment and expertise are critical in driving our business forward and realising the opportunities ahead.

The safety and wellbeing of our people is central to this. Safe working practices are embedded into every stage of our operations, from design and manufacturing through to installation and servicing, supported by clear processes and compliance standards across all regions. By continuously driving safe, healthy workplaces, we protect our teams, reduce operational risk, and strengthen the trust of our customers, partners, and communities.

Looking ahead

The reference projects now in development across multiple continents will soon serve as compelling demonstrations of what is possible when irrigation networks are transformed for efficiency, productivity, and sustainability. These achievements are positioning Rubicon for broader adoption of our technology in the years ahead.

On behalf of the Board and Executive team, we thank our shareholders for their continued support, our customers and partners for their trust, and our global team for the expertise and dedication that underpin our success.

Highlights

A$69.1m

Total delivered revenue as a Group
Strongest revenue year since IPO in 2021

A$5.4m

FY25 operating cash inflow
Up from outflow of A$7.0m in FY24

↑42.2%

Revenue growth in Rest of World markets
Driven by performance in our US and EMEA markets

A$31.7m

Record US revenue up from A$25.6m in FY24
Up 23.8% on prior record breaking year

↓54.8%

Decrease in net debt compared to FY24
Net debt down from A$31.6m in FY24 to A$14.3 in FY25

In the Agropontino region of Italy, we are delivering one of Europe's most significant open-channel automation projects. This **A$6 million initiative will automate 25,000 acres, targeting a 20% reduction in water withdrawals and a 40% reduction in pumped operations**, directly cutting energy costs for the region.

Following the A$4.2 million project secured at the end of FY24 with Fondomonte, we have built on this momentum **in FY25 with a further A$3.1 million contract at Gila River Farms** under the Pima-Maricopa Irrigation Project, extending the benefits of network modernisation directly onto farms.

In Mexico, we delivered our strongest contracting performance to date, with projects that directly support the government's national water efficiency agenda. **These achievements signal a clear acceleration in the adoption of modern irrigation technology, creating long-term opportunities for Rubicon beyond initial project delivery**.

In the US, a landmark contract with Turlock Irrigation District (TID) secured in May represents a major step forward. **This A$2.8 million pilot for the Ceres Lateral 8 introduces autonomous operation through our Total Channel Control (TCC) system, integrating 45 additional gates and over A$400,000 in customised software development**.

Our international deployment footprint now spans 22 nations, supported by deliberate investment in localised teams. **Over the past five years, we have grown international employment outside Australia from 92 to 120, a 31% increase,** building self-sufficient teams with engineering and commercial expertise close to customers.

Thirty years of global impact

1995

Rubicon Water is founded

Rubicon Water was established with a clear vision to revolutionise water management through advanced technology. This foundation set the stage for decades of innovation in irrigation efficiency.

1998

First SCADA contract

Securing the first SCADA contract marked Rubicon's entry into large-scale automation projects. This partnership with Murray Irrigation validated the company's technology and expertise in water control systems.

2000

FlumeGate prototyping

Development of the FlumeGate prototype began, representing a major step forward in precise irrigation control. This innovation laid the groundwork for scalable, automated water delivery solutions.

2010

Flow lab commissioned

Opening of Rubicon's purpose-built R&D facility in Shepparton, featuring dedicated hydraulic flow testing laboratory for developing, testing and verifying products under varied hydraulic conditions.

2012

Entering Latin America

Securing a project in Latin America expanded Rubicon's global footprint and influence. It further demonstrated the versatility of Rubicon's technology across varied agricultural landscapes.

2019

Breakthrough in India

Rubicon secured the contract to modernise the Narayanpur Left Bank Canal in Karnataka, India, one of the world's largest canal automation projects, deploying 4.200 automated gates across 3000 km to improve serviceability, boost farm productivity, and transform water management.

Our history

2002

First pilot projects

Rubicon successfully installed its first pilot projects, demonstrating the real-world effectiveness of its technology. These installations at Goulburn-Murray Water and Coleambally provided critical insights and proof of concept.

2005

Global expansion begins

Rubicon expanded globally by launching operations in the US, opening new markets and growth opportunities. This move signified a commitment to solving water challenges worldwide, with entry into Europe following soon after.

2008

First project in India

Winning the first project in India marked Rubicon's entry into one of the world's most water-stressed regions. It showcased the adaptability and relevance of Rubicon's technology across diverse environments.

2021

ASX listing

Rubicon Water Limited successfully listed on the Australian Securities Exchange, marking a major milestone in our corporate journey. The listing provided new opportunities for growth, investment, and global expansion.

2024

Record bookings in USA

Achieving record bookings in the US demonstrated exceptional growth momentum and market confidence. This achievement reinforced Rubicon's position as a key player in North American water management.

2025

Continued ROW growth

As Rubicon celebrates 30 years, we continue to achieve record bookings in the US, while also securing landmark contracts in EMEA, such as the iconic Agropontino project in Italy.

Reflections on 15 years as Chair

Dear Shareholders,

It has been an honour to serve as Chair of Rubicon Water for the past 15 years. In April this year, I moved into the position of Deputy Chair, handing the responsibilities of Chair to my fellow Director, Tony Morganti. Tony's deep knowledge of the company, extensive career experience and fresh perspective make him well suited to guide Rubicon's future success as we deliver on the strong foundations we have built in expansive markets. While my position has changed, my commitment to the company remains as strong as ever. I look forward to continuing to support the Board and management team as we enter an exciting new phase of growth.

When I joined as a Director in 2003, Rubicon was in the early stages of its first pilot projects in Coleambally and Goulburn-Murray Water. These formative years helped transform water management in Australia, proving that open channel networks could be automated to deliver water more precisely and efficiently. This allowed more water to be stored for irrigators, the environment and communities during the height of the Millennium Drought. Today, that same technology forms the backbone of operations across Australia's largest irrigation areas.

Over the past decade and a half, I have seen the business shift from generating most of its revenue in Australia to now being more than 70 per cent internationally focused. This growth has been built on landmark projects in some of the most water-stressed regions in the world, proving our technology can achieve similar results globally. Our dedication to developing industry-leading solutions has built a portfolio of more than 150 patents, many developed in collaboration with the University of Melbourne. This long-standing partnership has played a valuable role in solving some of the most complex challenges in water management.

As Rubicon celebrates 30 years of innovation, we are entering another exciting chapter. The investments made in global pillar projects, strong in-country teams and large-scale demonstrations are now bearing fruit, as seen in the operational milestones of FY25. I remain confident in our trajectory and in our ability to deliver meaningful impact as global pressures on water availability continue to grow.

It has been a privilege to serve as Chair for the past chapter, and I look forward to contributing to Rubicon's success in this next phase.

Gordon Dickinson
Deputy Chair, Rubicon Water

US Market Trend Analysis

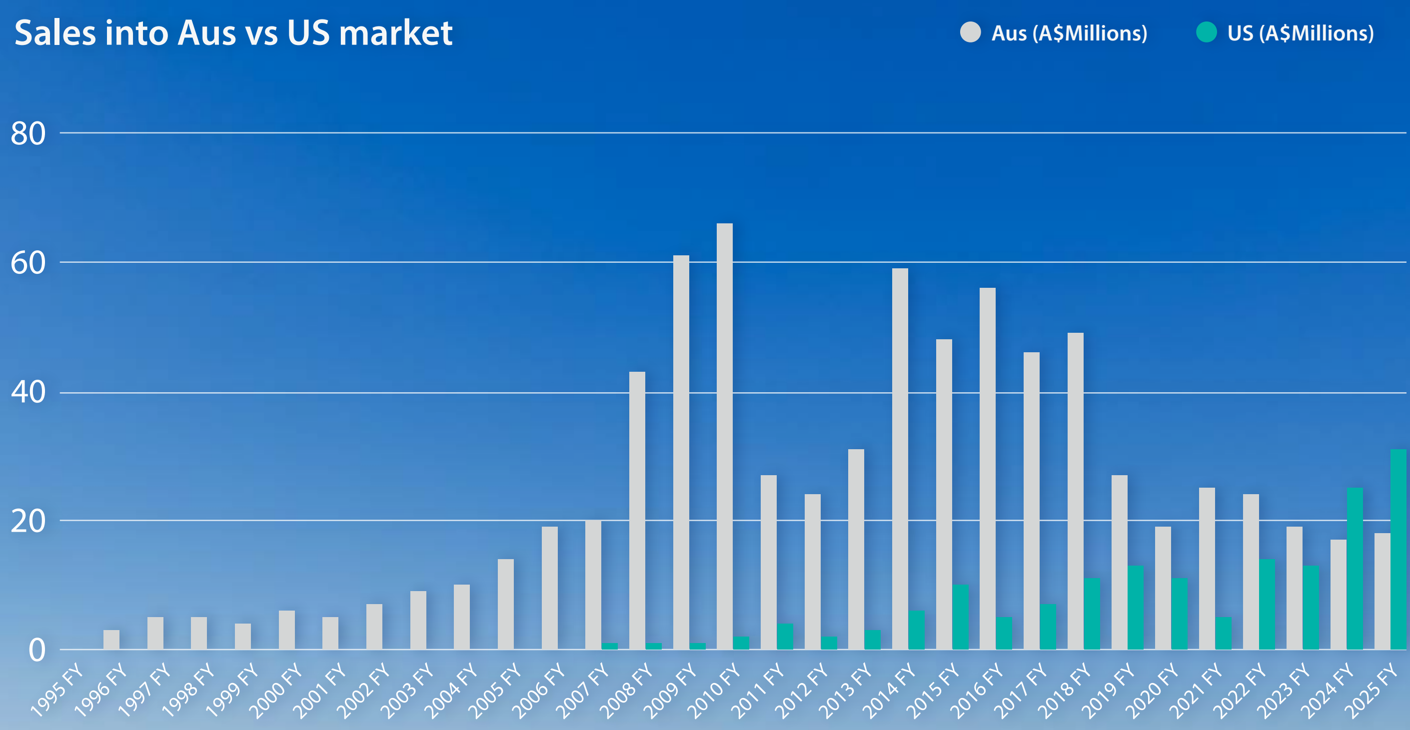
In Australia, steady early adoption of Rubicon's technology accelerated sharply in the mid-2000s during the peak of the Millennium Drought. Rising water prices and competing demand between urban communities, environmental flows, and agriculture drove large-scale investment in irrigation network efficiency.

A similar dynamic is now unfolding in the United States, particularly in the Colorado River Basin, which supports over 40 million people and extensive agriculture. Currently, programs are incentivising land fallowing to keep water in the system for urban use, offering a short-term boost while limiting agricultural production and, in some cases, impacting rural economies.

With up to ten times the irrigated land compared to Australia, the US presents a substantial opportunity. Our solutions provide visibility, connectivity, and autonomous control. They have the proven potential to conserve large volumes of water that would otherwise be unproductively diverted from the Colorado River, where agriculture consumes more than half of all withdrawals. Supporting growers, communities, and the environment, as now demonstrated in Australia decades on.

As districts, cities, farmers, and governments search for viable long-term strategies, FY25 marked a record year for US revenue, up 23.8% on the previous record, reflecting the growing demand for connectivity shown in the chart below.

Sales into Aus vs US market



Murrumbidgee Irrigation

Murrumbidgee Irrigation (MI) is at the heart of Australia's "Food Bowl", delivering water to more than 2,300 customers across almost 379,000 hectares in the Murrumbidgee Irrigation Area (MIA). This water is the lifeblood for high-value crops such as rice, nuts, fruit, cotton and vineyards, industries that depend on precise and reliable water delivery.

Under the leadership of Managing Director Brett Jones, MI has undergone a remarkable transformation, partnering with Rubicon Water to implement world-leading Total Channel Control (TCC) technology throughout the MIA.

A decade ago, MI's water delivery network was primarily characterised by manual structures like timber drop boards, with 70 staff working across 30 zones to move water around the network. Customers were required to order water 48 hours in advance, with distribution efficiencies sitting around 70 per cent.

In November 2024, MI announced the completion of its decade-long automation program which has revolutionised not only how water is managed, but the future prosperity of the community and environment. Around 80 per cent of the network is now automated, characterised by a wide-spread distributed network of Rubicon technology to tightly manage the flow of water from diversion off the Murrumbidgee River to the 2,300 irrigators. The interconnectivity of the system enables growers to order water via an app, with all data flowing through to the centralised control room where MI staff are monitoring and analysing the network for future enhancements. The visibility the network provides, beyond control and efficiency, is simply the beginning of MI's ambitious plans to digitise the district and maximise network performance.

Driving a cultural shift has been a defining feature of this transformation, building a forward-looking, performance-enabling, values-driven culture across the organisation. The change in workforce structure has seen field staff reduced from 70 to 11, with many being transitioned into data-driven roles at MI headquarters, focused on system monitoring, analytics and asset performance. This has created broader opportunities to attract the next generation of workers through technology-driven roles.

Distribution efficiencies now consistently exceed 90 per cent, leaving losses primarily to evaporation and minor unaccounted volumes. The system now operates on 24 hours' notice for new orders, with changes allowed within 2 hours. This is giving farmers greater flexibility to meet crop requirements and the confidence to invest in on-farm application technology.

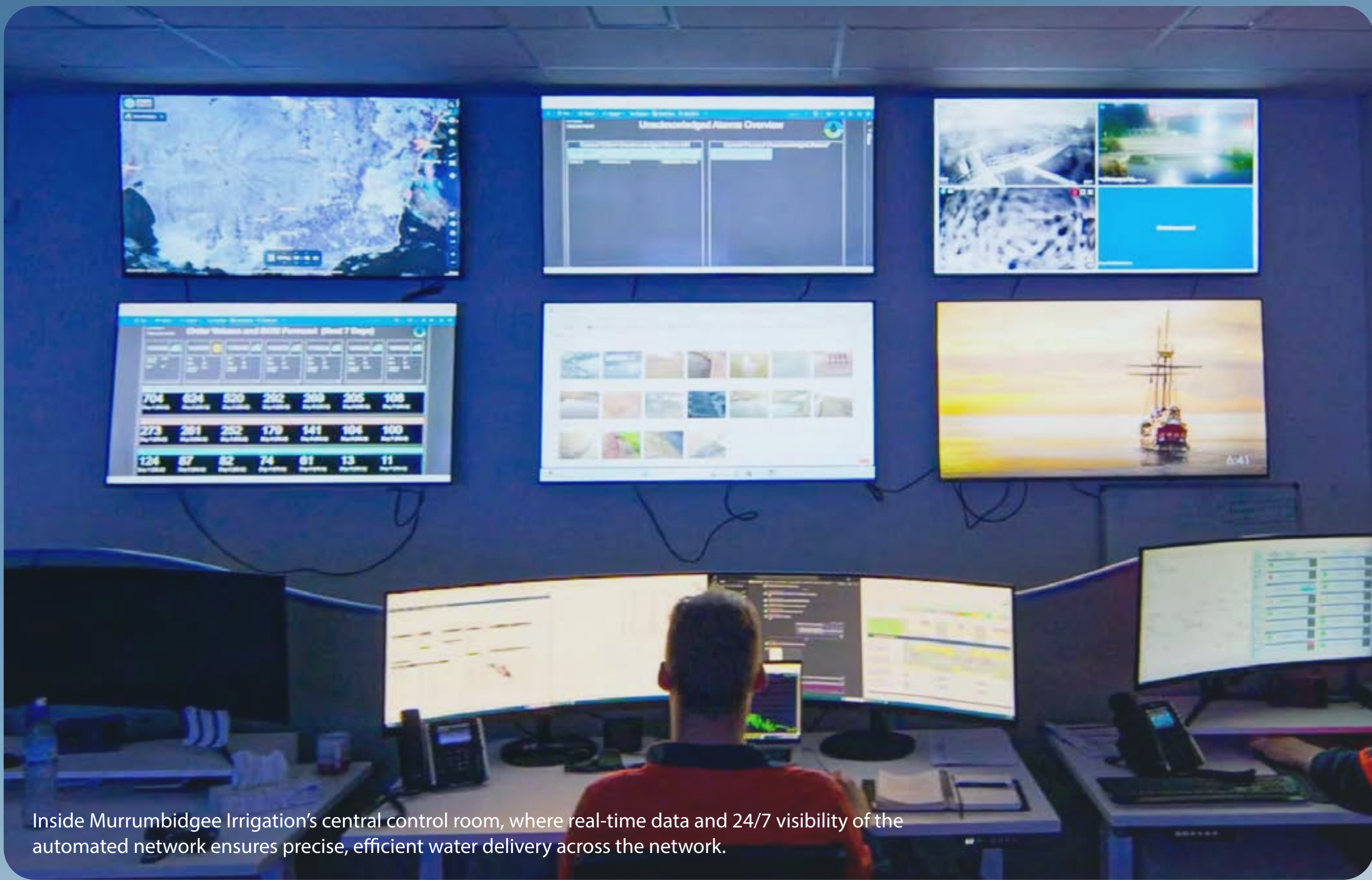
The availability of real-time data at almost every point in the network is redefining what's possible in open channel management. With plans to expand automation, integrate predictive analytics and enhance on-farm digital customer services, MI and Rubicon are setting a global benchmark for resilient, sustainable irrigation that will keep the MIA productive for generations to come.

Over the past two years, MI has welcomed numerous Rubicon-led international delegations from Spain, USA, Japan, Chile, Turkmenistan and Uzbekistan to witness what is now considered one of the most innovative districts in the world.

The achievements to date are the foundation for even greater innovation in the years ahead.

Partnering for prosperity

Murrumbidgee Irrigation



Inside Murrumbidgee Irrigation's central control room, where real-time data and 24/7 visibility of the automated network ensures precise, efficient water delivery across the network.

"It's been a game changer for the efficiency of our system compared to how it used to operate. We've proven its value in dry, wet, and normal periods alike. Over the past four to five years, we've been able to operate effectively through all these different environmental conditions. When compared with similar situations from a decade ago, the benefits are clear and substantial.

Growers have seen the advantages of automation and they've changed their farming practices to take advantage of higher flow rates and greater trust in the system.

Brett Jones
Managing Director, Murrumbidgee Irrigation

Proven success in the on-farm market segment

FarmConnect™ is Rubicon Water's advanced, scalable IoT solution that is transforming on-farm irrigation management. By combining proven irrigation district automation with practical on-farm applications, FarmConnect delivers intelligent control of farm gates and valves, enabling surface irrigation to be managed with precision and efficiency.

Built on decades of Rubicon's expertise in large-scale off-farm irrigation, FarmConnect brings the same level of accuracy and automation to individual farms. Using real-time data from in-field sensors, remote monitoring and cloud-based analytics, it helps farmers reduce water waste, increase crop yields and reduce labour-intensive manual work.

At the head of the field, an automated gate opens at the desired time to deliver high-flow water to the area. As water moves downstream, Rubicon's high-accuracy flow measurement technology monitors discharge rates in real time. This data feeds into a central control unit which automatically operates turnout bays to release water at the right time and for the right duration.

In comparison to traditional flood application techniques, FarmConnect delivers short, high-intensity irrigation events lasting between 6 and 20 hours with precisely measured volumes, usually 50 to 75 millimeters at a time. This targeted approach reduces runoff, deep percolation and evaporation losses while ensuring even soil moisture throughout the field.

In-field sensors track water infiltration and soil moisture, allowing the system to fine-tune irrigation schedules based on actual conditions. All information is available on a secure cloud platform so growers can monitor performance, track water use and make adjustments remotely.

With water-use efficiency exceeding 90 per cent, comparable to modern sprinkler systems but without the high-energy infrastructure, FarmConnect turns traditional surface irrigation into a high-efficiency, low-labour and sustainable solution for large-scale farming operations.

Advanced Surface Irrigation

Increasing pressure on water availability, along with rising labour costs driven by both market conditions and tightening state regulations, is driving strong interest in Rubicon's FarmConnect technology, particularly across the western United States. On the back of a significant project secured at the end of FY24 with the world's largest vertically integrated dairy company, we have followed through with another major contract in FY25, a **$3.1 million installation at Gila River Farms** under the Pima-Maricopa Irrigation Project.

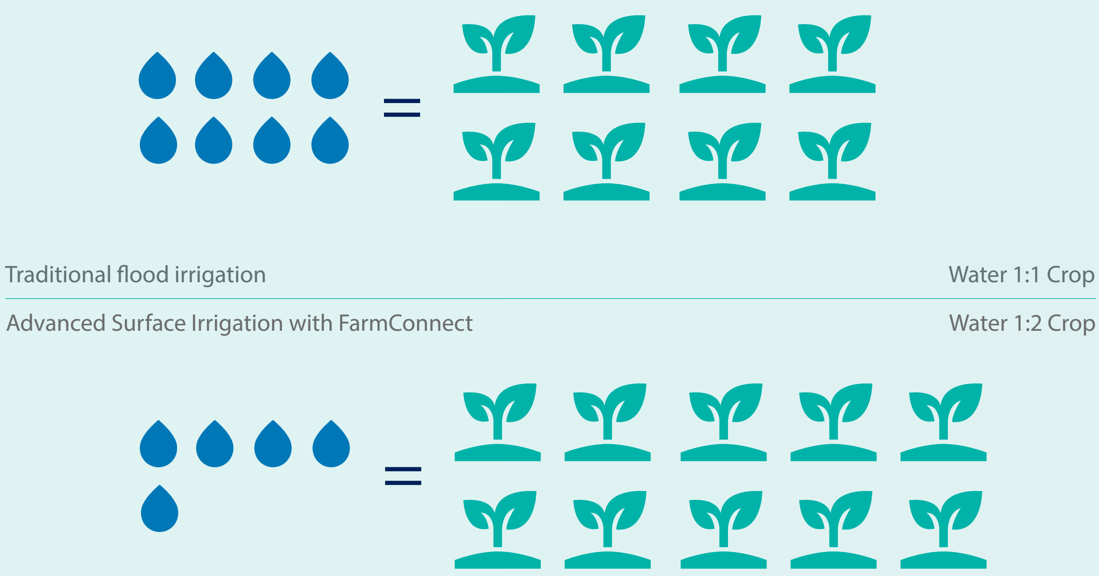
FarmConnect is emerging as a practical alternative to precision application methods such as drip and sprinkler. It preserves the surface irrigation process familiar to growers while delivering application efficiency comparable to pressurised systems. By automating water application and replacing manual labour with connected, in-field devices, farming practices remain largely unchanged, but growers gain remote control, real-time data and accurate measurement that improve efficiency and decision-making. We refer to this as **Advanced Surface Irrigation.**

FarmConnect draws on the same proven automation and measurement technology that underpins Rubicon's canal-based solutions, tailored specifically for on-farm applications to deliver precision water management at the field level.

An independent study on a FarmConnect project in Palo Verde, California found that **automating formerly manual flood irrigation reduced water applied by more than 37 per cent** while increasing crop yields by 25 per cent. This shifted the water-to-crop ratio from approximately 1:1 to 1:2, meaning almost double the crop was produced per unit of water applied.

These results demonstrate the tangible benefits FarmConnect can deliver beyond the convenience of automation, directly impacting both resource efficiency and productivity. With this momentum, we are ready to step even further on-farm in FY26, expanding the role of Advanced Surface Irrigation in meeting the evolving needs of growers.

FarmConnect automation increased yields while cutting water use by over 37%



Our people

Over the past five years, Rubicon Water's workforce has grown and adapted to meet the evolving needs of our industry and the communities we serve. From July 2020 to July 2025, our total headcount increased from 304 to 320, with notable changes in where our people are based and how they work. This evolution reflects our commitment to placing expertise closer to our projects and clients.

Australia remains our largest base with 200 employees, representing more than 60 per cent of our workforce. The Shepparton manufacturing facility continues to anchor production, where highly skilled fabrication and assembly teams create the advanced water management technology that supports our operations globally.

Internationally, our presence has grown by more than 30 per cent, increasing from 92 to 120 employees. India has seen the most significant rise, growing from two team members to 19. The United States workforce has almost doubled, and Europe has more than tripled. Latin America has grown steadily, while New Zealand has remained consistent. In China, headcount has reduced in response to market conditions as we continue to optimise our regional operations.

Our team brings together an exceptional range of expertise. Mechanical, electrical, software, controls and civil engineers design and refine the technology that drives our solutions. Software and controls specialists create automation and Total Channel Control systems used across the world, while mechanical and electrical engineers ensure precision in manufacturing and field deployment.

They are supported by project managers, logistics specialists, customer support and administrative teams who ensure projects are delivered efficiently and clients receive the highest level of service.

From design and manufacturing in Australia to implementation across Asia, the Americas, Europe and New Zealand, our people are united by a shared purpose. They are the driving force behind every innovation, every project and every partnership, working together to make water work smarter for sustainable agriculture.

The safety and wellbeing of our people are at the heart of everything we do. Safe practices are built into every stage of our operations, supported by clear processes and compliance across all regions. By fostering healthy workplaces, we protect our teams, reduce risk, and build trust with customers, partners, and communities.

Our global presence

ANZ
Melbourne, Australia
Shepparton, Australia
Ashburton, NZ

ASIA
Beijing, China
Ningxia, China
Bengaluru, India
Astana, Kazahkstan

EMEA
Cairo, Egypt
Bologna, Italy
Rome, Italy
Girona, Spain

North America
Imperial, US
Loveland, US
Modesto, US
Phoenix, US

Latin America
Santiago, Chile
Talca, Chile

Directors' Report

The Directors present their report, together with the consolidated financial statements of Rubicon Water Limited ('the Company') and its controlled entities (collectively 'Rubicon' or 'the Group') for the financial year ended 30 June 2025 and the auditor's report thereon.

In order to comply with the provisions of the *Corporations Act 2001*, the Directors Report is as follows.

Directors

The names and particulars of the Directors of the Group at any time during or since the end of the financial year are:

Name	Position Held	Period
Tony Morganti	Chair and Independent Director	Full period[1]
Gordon Dickinson	Deputy Chair and Chair of the Audit and Risk Committee	Full period[2]
Bruce Rodgerson	Executive Director and Chief Executive Officer	Full period
David Aughton	Executive Director	Full period
Lynda O'Grady	Independent Director	Full period
Iven Mareels	Independent Director	Full period

[1] Tony Morganti previously served as Chair of the Audit and Risk Committee before being elected as Chair of the Board, effective 29 April 2025.
[2] Gordon Dickinson stepped down as Chair of the Board to assume the roles of Deputy Chair and Chair of the Audit and Risk Committee, effective 29 April 2025.

Name	Background
Tony Morganti 	Tony has over 30 years' experience as a professional advisor in tax and M&A transactions and was previously a corporate tax partner at KPMG for 20 years, specialising in the agribusiness, telecommunications, media and mining industries. Tony has been a Director of Rubicon since July 2021. Tony is currently the Chief Financial Officer of GS1 Australia Limited. Tony is a Fellow of the Chartered Accountants Australia & New Zealand and admitted as a lawyer of the Supreme Court of Victoria. Tony has a Bachelor of Business (Accounting) degree, Victoria University and a Master of Laws (Juris Doctor), Monash University.
Gordon Dickinson 	Gordon has over two decades of experience in the financial services industry. His experience includes 10 years at UBS, where he held the position of Chief Executive Officer and Chair of UBS in Australia and New Zealand. Gordon has been a shareholder and a Director of Rubicon since December 2003. Gordon was awarded the Centenary Medal by the Federal Government in 2001 for services to the financial services industry. He currently runs a family farming business and is the Chair of the Australian Wool Testing Authority. Gordon holds an Advanced Diploma in Farm Management.

Bruce Rodgerson

Bruce is a founding Director and current CEO of Rubicon. Previously, as Operations Manager Bruce was responsible for the establishment of Rubicon's manufacturing and project delivery business units. He also had a significant role as part of Rubicon's marketing and business development team and managed Rubicon's R&D programs. Bruce has been a Director of Rubicon since May 1995.

In 2010, Bruce took over from founding Chief Executive David Aughton to lead Rubicon through its next stage of growth. Prior to the establishment of Rubicon in 1995, Bruce spent six years with the Victorian Rural Water Corporation.

Bruce has a degree in Civil Engineering from RMIT.

David Aughton

David has more than 30 years' experience in water irrigation and has been instrumental in bringing reform to the industry, particularly in the area of operations. He was Rubicon's Managing Director from when it was founded in 1995 until 2010. David has been a Director of Rubicon since May 1995.

Prior to this David held senior executive roles with the Rural Water Corporation in Victoria.

David is currently an Executive Director with Rubicon with responsibilities for business development, strategy and R&D.

David has a degree in Agricultural Engineering (Hons) from the University of Melbourne.

Lynda O'Grady

Lynda has 30 years' experience in IT, telecommunications and media.

Her executive career included roles at Telstra at the Executive/Managing Director level including as Chief of Product, Commercial Director of Australian Consolidated Press, the publishing subsidiary of PBL and General Manager of Alcatel Australia. Lynda served as the inaugural Chair of the Aged Care Financing Authority and on the board of National Electronic Health Authority. Lynda has been a Director of Rubicon since August 2021.

Currently, Lynda is a non-executive Director of Domino's Pizza Enterprises.

Lynda has a Bachelor of Commerce (Hons) from the University of Queensland and is a Fellow of the Institute of the Company Directors.

Directorships of listed entities, current and recent (last three years):

Lynda has served as a Non-Executive Director of Domino's Pizza Enterprises Ltd since April 2015. She was also a Non-Executive Director of Wagners Holding Company Ltd from November 2017 until her resignation in August 2024.

Iven Mareels

Since October 2022, Iven has been the Pro-Vice Chancellor Innovation, and Executive Dean at Federation University responsible for the business, engineering, IT and science disciplines. Prior to this he was with IBM, inter alia as Director of IBM Research in Australia (2018-2021) and Dean of the University of Melbourne's School of Engineering (2007-2018). Ivan has been a Director of Rubicon since August 2021.

He is a Fellow of Engineers Australia (EngExec, NER, CPEng), the Institute of Electrical and Electronic Engineers (IEEE, USA), the Federation of Automatic Control (IFAC, Austria) and a Fellow of the Australian Academy of Technology and Engineering - which he also serves as Director/Vice-President Audit & Risk, and a Foreign Fellow of the Royal Flemish Academy of Belgium for Science and the Arts (KVAB, Belgium).

Iven has published widely, he has co-authored over 500 refereed publications, and is a co-inventor on some of the key patents that underpin Rubicon's unique water management technology.

Iven obtained the IR (equivalent to BEME) in Electro-Mechanical Engineering from the University of Gent, Gent Belgium in 1982 and the PhD in Systems Engineering from the Australian National University in 1987.

Directors' shareholdings in the Company

Director	Number of shares held[1]	Number of Performance Rights held[2]
Tony Morganti	350,000	-
Gordon Dickinson	47,004,893	-
Bruce Rodgerson	22,294,429	1,147,027
David Aughton	25,678,751	792,225
Lynda O'Grady	585,000	-
Iven Mareels	300,000	-

[1] The number of shares held refers to shares held either directly or indirectly by Directors. Refer to the Remuneration Report tables for total shares held by Directors and their related parties directly, indirectly or beneficially as at 30 June 2025

[2] Bruce Rodgerson and David Aughton are the only Directors who have rights on issue and their rights holdings are set out in the Remuneration Report. Rubicon does not have any options on issue.

Meetings of Directors

The number of Directors' meetings (including meeting of committees of Directors) and number of meetings attended by each of the Directors of the Group during the financial year are listed below:

	BOARD		AUDIT AND RISK COMMITTEE		NOMINATION, CULTURE AND REMUNERATION COMMITTEE	
DIRECTOR – CURRENT	Held[1]	Attended[2]	Held[1]	Attended[2]	Held[1]	Attended[2]
Tony Morganti[3]	10	10	4	4	2	2
Gordon Dickinson[4]	10	10	4	4	2	2
Bruce Rodgerson[5]	10	10	-	-	-	-
David Aughton[5]	10	10	-	-	-	-
Lynda O'Grady	10	10	4	3	2	2
Iven Mareels[5]	10	9	-	-	-	-

[1] 'Held' indicates the number of meetings held during the period that the Director was a member of the Board or Committee.

[2] 'Attended' indicates the number of meetings attended during the period that the Director was a member of the Board or Committee.

[3] Tony Morganti commenced as the Chair of the Board on 29 April 2025.

[4] Gordon Dickinson commenced as the Deputy Chair and the Chair of the Audit and Risk Committee on 29 April 2025.

[5] Attended by invitation: Bruce Rodgerson and David Aughton attended all Audit and Risk Committee and Nomination, Culture and Remuneration Committee meetings. Iven Mareels attended 1 Nomination, Culture and Remuneration Committee meeting.

Company Secretary

The Company Secretary for the Group at any time during or since the end of the financial year is:

Oliver Carton

Oliver is a qualified lawyer with over 30 years' experience in a variety of corporate roles. He currently runs his own consulting business and was previously a Director of the Chartered Accounting firm KPMG. Prior to that, he was a senior legal officer with ASIC. Oliver is an experienced company secretary and is currently company secretary of a number of listed, unlisted and not for profit companies.

Principal Activity

The principal activity of the Group during the year was a provider of specialist operational technology to the water and broader utility market.

Rubicon is a water technology solutions business that designs, manufactures, installs and maintains irrigation automation software and hardware. Rubicon aims to address the issue of global water scarcity by maximising water availability and agricultural productivity through improved irrigation water use efficiency.

Operating and Financial Review

Operating Results

Financial information in the operating and financial review is based on the audited consolidated financial statements for the year ended 30 June 2025.

Rubicon Water Limited reported a net loss after tax, including non-controlling interests, of $6,987,645 for the year ended 30 June 2025 ($10,964,158 loss for the year ended 30 June 2024).

Revenue was $69,067,951 (30 June 2024: $58,396,809), up 18.3% for the year ended 30 June 2025. At a segment level, compared to the year ended 30 June 2024, revenue grew 42.2% in the Rest of World segment and 4.8% in the ANZ segment while declined in the Asia segment (down 70.1%).

The significant growth in the Rest of World (ROW) was led by the US but also saw Europe experience a material uplift over the last 12 months. The ROW segment revenue increased from $33,186,925 in 2024 to $47,192,021 in the current financial year. In the US we contracted $24 million worth of new orders, this continues to demonstrate a significant pipeline of orders to be fulfilled in the next financial year.

ANZ recorded an increase in sales from $19,145,199 to $20,060,367 led by an increase in hardware solution sales to our Australian and New Zealand customers.

Asia segment revenues fell by 70.1% from $6,064,442 to $1,815,243. The Chinese government spending on infrastructure relating to irrigation automation projects continued to be below the trend of the pre-Covid years. This resulted in no new contract signings and a further material slowing of existing contracts during this period. While no existing contracts have been cancelled, uncertainty surrounds the timelines for resuming works on several contracts. The comprehensive strategic review of the operations in China was concluded which resulted in an impairment loss of $2,638,428 against its contract assets held in that country.

The Group reported an underlying EBITDA loss of $4,794,626 (30 June 2024: $5,434,122). and net cash inflow from operations of $5,447,906 (30 June 2024: cash outflow from operations of $6,952,710). The Group had strong operating cash inflows during the year driven by collections of receivables from our customers, in particular from India.

Group results for the financial year 2025 compared to prior financial year are provided in the below table:

	2025 $'000	2024 $'000
REVENUE	**69,068**	58,397
COST OF SALES	**(40,587)**	(34,934)
GROSS PROFIT	**28,481**	23,463
OTHER INCOME	**68**	87
OTHER OPERATING EXPENSES	**(33,539)**	(28,526)
SHARE OF GAIN/(LOSS) OF JOINT VENTURE	**195**	(458)
UNDERLYING EBITDA	**(4,795)**	(5,434)
UNREALISED FOREIGN EXCHANGE GAINS/(LOSSES)	**252**	(1,470)
EBITDA[1]	**(4,543)**	(6,904)
DEPRECIATION AND AMORTISATION EXPENSE	**(2,964)**	(2,437)
EBIT[2]	**(7,507)**	(9,341)
NET FINANCE COSTS	**(2,248)**	(2,711)
LOSS BEFORE TAX	**(9,755)**	(12,052)
INCOME TAX BENEFIT	**2,767**	1,088
LOSS AFTER TAX	**(6,988)**	(10,964)

[1] EBITDA is EBIT before transactions costs, depreciation and amortisation.
[2] EBIT is earnings before transactions costs, finance costs and income tax expense.

Note – EBIT, Underlying EBITDA and EBITDA are non-IFRS financial measures, which have not been subject to review by the Group's external auditors. These measures are presented to assist understanding of the underlying performance of the Group and are consistent with the measures reported to management for the purpose of resource allocation and managing performance of the Group.

Other key performance measures are provided in the below table:

	2025	2024
	$'000	$'000
NET OPERATING CASH INFLOW/(OUTFLOW)	**5,448**	(6,953)
NET ASSETS	**63,958**	54,855
NET (DEBT) / CASH	**(14,256)**	(31,608)

Net (debt)/Cash comprises of HSBC debt facilities of $17,740,000, bank overdraft of $1,487,572 and chattel mortgage of $537,796, less cash of $5,509,522.

Refer to CEO and Chairman's statement for further operational details.

Key Business Risks

The Group recognises the material business risks that are relevant to its activities and takes appropriate actions to manage those risks. The Board is responsible for overseeing and approving the Company's risk management framework (for both financial and non-financial risks) including its strategy, plans, policies, procedures and systems and adopting and approving a risk appetite statement within which the Board expects management to operate. The Group regularly reviews its risks and their mitigation strategies, so that it can support the delivery of its purpose and strategy and respond to challenges faced by the Group's businesses and the water and broader utility industry. The Company's management is responsible for establishing the Company's risk management framework, including identifying major risk areas and developing the Company's policies and procedures, which are designed effectively to identify, treat, monitor, report and manage key business risks.

The below table outlines material business risks and their mitigation strategies:

Risk	Summary	Select mitigation strategies
Liability and reputational risk	The provision of products, solutions and services by the Group carries with it the risk of liability for injury, damage or losses arising from defects or failures in its hardware or software (including design and manufacturing processes). This includes not only potential repair and/or replacement costs of the Rubicon hardware and software, but also flood damage to channel networks, flood damage to third party properties or consequential loss caused to parties relying on water supply, such as farmers suffering crop damage as a result of water supply disruptions.	• Stakeholder engagement strategy; • Design, development and release approach for new products; • Incoming inspection process for new materials; • Review and testing of new designs; • Live telemetry links to installed sites with appropriate alarms as a part of commissioning; and • Appropriate insurance coverage.
Counterparty risk	Rubicon has several commercial agreements and arrangements with third-parties, including customers and suppliers, and will enter into a number of further agreements and arrangements with others in order to meet its growth strategy. This risk is particularly present in overseas markets where Rubicon aims to establish its presence and takes necessary steps to establish relationships with local partners.	• Ensure designs and contracted technical specifications are robust, with reasonable performance testing regimes and tolerances. Ensure adequate PI insurance cover is in place. • Maintain contract review process and authority limits. Ensure adequate liability cover is in place. • Ensure sign off process for contract approvals including legal and commercial.
Supply and logistics	The Group is heavily reliant on freight logistics including air, sea and land for the inbound delivery of materials and outbound distribution of goods to customers. The Group is also heavily reliant on third party suppliers to produce and supply key componentry. There is a risk of disruption to the supply chain due to the occurrence of extreme weather events and longer-term changes in weather patterns or supply issues from the Group's suppliers, their suppliers, or broad market issues with component availability.	• Business continuity plans to manage the supply chain and delivery of goods to stores during extreme weather and business disruptive events. This includes working closely with freight forwarders, booking containers in advance to secure shipping space and investigation of alternate freight sources. • Providing demand forecast information to key suppliers for their preparation of raw materials and production planning. • Establishing multiple sources where feasible for certain commodity groups, supplier appraisals and close supplier management.

Risk	Summary	Select mitigation strategies
Working Capital	The Group's customers comprise governments and water authorities. Contracts with these customers are often structured to be paid in instalments. There is a risk that these payments may be delayed or not paid at all as a result of bureaucratic processes within government agencies delaying the release of funds, funds being paid to third-party joint venture partners and delayed release to Rubicon or disagreements with customers over the completion of contract milestones that release payment.	• HSBC facility amended in May 2025 – refer Note 18. • Payments terms – Where possible the Group will commercially negotiate payment terms that include deposits on order, followed by a portion on delivery with the final amount due on commissioning. • Diligent cash flow management - management oversight to ensure tight cash flow management.
Timing of uptake of products and services	As a result of the significant outlay required for large-scale irrigation modernisation projects, the customer decision making process is typically protracted. Since Rubicon's products, solutions and services are new and untested in some regions, it is common for customers to run several pilots before committing to larger-scale projects. As a result, the timing of commitments to take up the Group's products, solutions and service is uncertain.	• Establish a broad pipeline for potential projects; • Geographical diversity across multiple markets; • Scalability – ensure Rubicon has the capacity to accommodate the timing of new projects when won.
Fluctuations in commodity prices and foreign exchange movement	Commodities, including aluminium, represent a component of Rubicon's materials cost. If they were to increase significantly, a reduction to the Group's margins may eventuate, negatively impacting financial performance. Rubicon's expenditure and revenue will predominantly be made and received in the various jurisdictions and currencies in which Rubicon operates. As a result, Rubicon may be adversely affected by fluctuations in those foreign currencies and the relative Australian dollar exchange rates.	• Strategies including locking in contract supply prices for a period of time, monitoring pricing trends and stockpiling inventory. • Consider FX exposures when pricing new projects in foreign currency. For larger projects prepare sensitivity analysis on submissions to identify the break-even FX rate for the project. On contracted works - ensure there is an understanding of the Group Hedging Policy.
Intellectual property	Rubicon relies heavily on its intellectual property and software technology. Rubicon has patent coverage on many aspects of its hardware, algorithms and software design and owns certain copyrights and trademarks in its business however, those protections can expire and not be replaced on the same terms.	• Ensure employee and other contracts contain appropriate wording with regard to IP protection; • Ensure systems and controls are in place to minimise the risk of IP theft; • Minimise IP taken into risk jurisdictions; • Rubicon employs (contract) a patent attorney who advises and reports to the CEO • Formal policies and procedures; ensuring adequate systems and processes are in place to maintain patents; • Enforcement of Patents.

Risk	Summary	Select mitigation strategies
Health and Safety	The Group prioritises the safety of all team members. In particular, the risk of personal harm presents from people working in factory and field environments. As a global business, many team members also travel regularly domestically and internationally which presents personal safety risks.	• OHS Strategy in place • Rubicon internal project safety standards in place • OHS systems for manufacturing and assembly • Global OHS software system for reporting, communication and incident management • Travel guidelines and emergency contacts in place

Review of Principal Businesses

Disclosure of information regarding principal business performance and likely developments has been made in the CEO and Chairman's section of this report.

Significant Changes in the State of Affairs

During the financial year, 64,000,000 shares at a price of $0.25 per share were issued which raised $16,000,000 (before share issue costs) via two tranches:

- Tranche 1 placement raised $6,472,091 via issue of 25,888,364 shares. These shares were issued at $0.25 per share on 13 August 2024.
- Tranche 2 placement raised $9,527,909 via issue of 38,111,636 shares. These shares were issued at $0.25 per share on 16 September 2024.

During the financial year, the Group raised $1,026,500 via issue of 4,106,000 shares by way of a security purchase plan. These shares were issued at $0.25 per share on 30 September 2024.

Of the total capital raised, $10,900,000 was used to pay down the existing bank debt, and $2,500,000 was used to repay the remaining balance of the directors' working capital facility. The directors' working capital facility of $6,000,000 expired on 21 February 2025.

In the opinion of the directors there were no other significant changes in the state of affairs of the Group that occurred during the financial year under review.

Dividends

There were no dividends paid during the 2025 financial year (2024: Nil).

Environmental Regulation (s.299(1)(f))

Group operations are subject to significant environmental regulation under Commonwealth, state and international law, including noise, air emissions and the use, handling, haulage and disposal of dangerous goods and wastes. The Group follows practices that minimise adverse environmental impacts and comply with environmental requirements.

The Board is not aware of any significant breaches during the periods covered by this report nor does it consider the Group is subject to any material environmental liabilities.

National Greenhouse and Energy Reporting Guidelines

The Group's environmental obligations are regulated under both federal and state law. The Group is not subject to the conditions imposed by the registration and reporting requirements of the *National Greenhouse and Energy Reporting Act 2007*.

Share Options and Performance Rights

CEO Share Grants

During the financial year 60,000 CEO Share Grants were granted to employees of the Company.

The following table provides the key details and movements of all CEO Share Grants applicable to the financial year ended 30 June 2025:

CEO Share Grants	Total Granted	Grant Date	Fair Value at Grant date[1]	1 July 2024	Granted	Vested	Expired/ Forfeited	30 June 2025
2021 CEO Offer	580,000	1/9/2021	$1.00	133,337	-	(126,670)	(6,667)	-
2022 CEO Offer	20,000	21/10/2022	$1.05	20,000	-	(13,333)	-	6,667
2023 CEO Offer	380,000	24/1/2024	$0.50	380,000	-	(126,664)	-	253,336
Special CEO Offer	30,000	6/2/2024	$0.55	30,000	-	(30,000)	-	-
	15,000	24/1/2024	$0.50	15,000	-	(15,000)	-	-
	270,000	10/5/2024	$0.33	270,000	-	(270,000)	-	-
2024 CEO Offer	60,000	19/9/2024	$0.24	-	60,000	-	-	60,000
Total	**1,355,000**			**848,337**	**60,000**	**(581,667)**	**(6,667)**	**320,003**

[1] Fair values of the CEO Share Grants are determined based on the market price of Rubicon share price on the grant dates.

Performance Rights

During the financial year 2,606,436 (2024: 1,149,460) performance rights were granted to members of the Company's Executive Group pursuant to the Company's long-term incentive plan. 170,661 performance rights were exercised as at 30 June 2025 (2024: Nil) and 614,442 performance rights expired or were forfeited as at 30 June 2025.

The following table provides the key details and movements of all performance rights applicable to the financial year ended 30 June 2025.

Year Issued	Tranche	Grant Date	Vesting Date	Fair Value at Grant date[1]	1 July 2024	Issued	Exercised	Expired/ Forfeited[3]	30 June 2025[2]
2021	1	11/8/2021	31/8/2024	$1.00	249,041	-	-	(249,041)	-
2021	2	11/8/2021	31/8/2024	$0.62	155,651	-	-	(155,651)	-
2021	3	11/8/2021	31/8/2024	$1.00	217,911	-	(170,661)	(47,250)	-
					622,603	**-**	**(170,661)**	**(451,942)**	**-**
2022	1	1/12/2022	31/8/2025	$0.87	262,908	-	-	(65,000)	197,908
2022	2	1/12/2022	31/8/2025	$0.48	164,318	-	-	(40,625)	123,693
2022	3	1/12/2022	31/8/2025	$0.87	230,045	-	-	(56,875)	173,170
					657,271	**-**	**-**	**(162,500)**	**494,771**
2023	1	1/12/2023	31/8/2026	$0.60	459,784	-	-	-	459,784
2023	2	1/12/2023	31/8/2026	$0.38	287,365	-	-	-	287,365
2023	3	1/12/2023	31/8/2026	$0.60	402,311	-	-	-	402,311
					1,149,460	**-**	**-**	**-**	**1,149,460**
2024	1	11/12/2024	31/8/2027	$0.29	-	1,042,574	-	-	1,042,574
2024	2	11/12/2024	31/8/2027	$0.18	-	651,609	-	-	651,609
2024	3	11/12/2024	31/8/2027	$0.29	-	912,253	-	-	912,253
						2,606,436			**2,606,436**
Total					**2,429,334**	**2,606,436**	**(170,661)**	**(614,442)**	**4,250,667**

[1] Fair values of the Performance Rights are determined using the Black-Scholes option pricing model for Performance Rights subject to non-market conditions, and the Monte Carlo simulation model for those subject to market conditions.

[2] Exercise price is nil.

[3] Performance Rights have an expiry period of 3 years.

Indemnification and Insurance of Officers and Auditors

Rubicon Water Limited has indemnified and paid premiums to insure each of Rubicon Water Limited's directors and executives against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in their capacity, other than conduct involving a wilful breach of duty in relation to Rubicon Water Limited.

The directors have not included details of the nature of the liabilities covered or the amount of the premiums paid in respect of the directors' and officers' liability and legal expenses' insurance contracts, as such disclosure is prohibited under the terms of the contract.

The Group has not entered into any agreement to indemnify their auditor, BDO Audit Pty Ltd for any liabilities to another person (other than the Company) that may arise from their position as auditor.

Auditor

Under Section 327B of the *Corporations Act 2001*, BDO Audit Pty Ltd (BDO) was appointed as the auditor of the Company. BDO replaced Deloitte Touche Tohmatsu (Deloitte) as the Group's auditor during the financial year.

Non-Audit Services

During the year BDO, the Group's auditor, has not performed any assurance services in addition to the audit and review of the financial statements.

Details of the amounts paid or payable to the auditor of the Group, BDO (2024: Deloitte), and its network firms for all services provided during the year are set out below:

	2025 **$**	2024 $
AUDIT AND REVIEW OF FINANCIAL STATEMENTS	**304,000**	352,750
OTHER ASSURANCE SERVICES	-	-
TOTAL PAID OR PAYABLE TO AUDITORS	**304,000**	352,750

Lead Auditor's Independence Declaration

The lead auditor's independence declaration is set out on page 48 and forms part of the Directors' Report for the financial year ended 30 June 2025.

Rounding

The Group is of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 dated 24 March 2016* and in accordance with that Instrument, amounts in the consolidated financial statements and Directors' Report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Remuneration Report

The Remuneration Report forms part of the Directors' Report and is set out on pages 34 to 44.

Events Subsequent to Reporting Date

There has not arisen, in the interval between the end of the financial year and the date of this report, any item, transaction or event which would have a material effect on the financial statements of the Group subsequent to the financial year ended 30 June 2025.

This report of the directors is made in accordance with a resolution of the Board of Directors made pursuant to s.295(2) of the *Corporations Act 2001*.

On behalf of the Directors:

Tony Morganti

Chairman

Dated on 25 August 2025

Remuneration Report (Audited)

Remuneration report – audited

The Directors of Rubicon Water Limited on behalf of the Group present the Remuneration Report for the Company and its subsidiaries (the Group) for the financial year ended 30 June 2025.

The Report provides information on the remuneration arrangements for the Key Management Personnel (KMP) which comprise non-executive directors as well as executives, including the Chief Executive Officer and the Chief Financial Officer.

The information provided in the Report has been audited as required by section 308(3C) of the *Corporations Act 2001.*

Remuneration Policy and Governance

The Board is responsible for the Group's remuneration policies and practices. The Remuneration and Nomination Committee's role is to assist the Board in fulfilling its responsibilities for corporate governance and oversight of the Group's remuneration and nomination policies and practices which enable it to attract and retain senior management of the Group (comprising the Chief Executive Officer and such other individuals as the Committee determines from time to time (Senior Management)) and appropriately align their interests with those of key stakeholders. The performance of the Group depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high-quality personnel.

The Board has adopted several corporate governance policies to support a strong governance framework, each of which has been prepared having regard to the ASX Corporate Governance Principles and Recommendations. They include a Diversity Policy, Shareholder Communication Policy, Securities Trading Policy, Whistle-blower Protection Policy and Anti-bribery and Corruption Policy. These policies have been implemented to promote responsible management and conduct.

The Board has determined that the remuneration framework for senior management should comprise the following components:

- fixed remuneration – consisting of base salary and superannuation contributions;
- short-term incentives paid in cash and/or equity instruments; and
- long-term incentives granted in equity (under the Long-Term Incentive Plan).

The performance objectives of each executive are agreed at the beginning of each fiscal year and recorded in their annual short-term incentive plan (STI). Entitlements to STI payments are based on their achievement relative to those performance objectives. The STI plans are designed to motivate and align executives with the Group's strategic and financial objectives. All incentive payments are at the discretion of the Board.

Non-executive Directors

Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees are reviewed annually by the Remuneration and Nomination Committee and reflect the market salary for a position of an individual of comparable responsibility and experience. Non-executive directors' fees do not include any performance-based remuneration.

The maximum aggregated amount of fees that may be paid to the non-executive directors for their services is subject to approval by shareholders at the Annual General Meeting. This cap has been set at $850,000 per annum (inclusive of any superannuation payments). Remuneration for non-executive directors during the financial year consists of fixed remuneration and superannuation contributions.

Executive Key Management Personnel

The Group's remuneration framework is designed to reward Executive KMP for their contribution to the collective performance of the Company and to support the alignment between the remuneration of Executive KMP and shareholder returns.

The executive KMP of the Company are Bruce Rodgerson (CEO), David Aughton (Executive Director) and Andrew Bendall (CFO).

An employment contract of a KMP does not stipulate a term of employment but does stipulate a notice period for resignation and periods of remuneration and conditions upon termination. The Company may summarily terminate KMP's employment contract in certain circumstances, without notice or payment in lieu of notice, for conduct which in the reasonable opinion of the Company warrants summary dismissal including where the KMP engages in serious misconduct, including an act of theft or dishonesty, negligence, breach of confidentiality, or conduct that causes risk to the Company's reputation, viability, or profitability.

Key terms of the employment agreements for the executive KMP are as follows:

Executive KMP	Bruce Rodgerson	David Aughton	Andrew Bendall
Role	CEO	Executive Director	CFO
Terms of Agreement	Permanent employment contract	Permanent employment contract	Permanent employment contract
Notice Period	6 months	4 weeks	3 months
Termination benefit	6 months in lieu of notice	4 weeks in lieu of notice	3 months in lieu of notice
Annual base salary (exclusive of superannuation benefits and statutory leave entitlements)	$364,000	$248,349	$330,229
Other benefits	$25,000 car allowance[1]	$25,000 car allowance[1]	Nil
Short term incentive (STI)	Maximum bonus of $182,000 subject to satisfactory completion of agreed KPIs.	Nil	Maximum bonus of $99,069, subject to satisfactory completion of agreed KPIs.
Long term incentive (LTI)	Long-Term Incentive Plan (LTIP)	Long-Term Incentive Plan (LTIP)	Long-Term Incentive Plan (LTIP)

[1] Monetary benefit.

Performance conditions linked to remuneration

Remuneration of the non-executive directors are not linked to the performance of the Company as they are remunerated with set fees and do not receive any performance-based pay. The remuneration level for Executive KMP is based on a number of factors, including skills and qualification, achievement of performance metrics, and demonstrated management capability.

Short-term incentives

The Company has adopted a short-term incentive (STI) plan for the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO). The STI metrics align with the Group's financial and strategic objectives. Performance is measured against a target Underlying EBITDA and Net Debt as set in the Group's operational budget approved by the Board. A further requirement for qualifying for a Net debt STI, is that the Underlying EBITDA must be at least 50% of the target. An "STI opportunity" set at for the CEO and CFO respectively is allocated between the underlying EBITDA and Net Debt hurdles as set out in the table below:

Performance metric	Target achieved	Payout %
Underlying EBITDA - 60% of STI	70%	25%
	80%	50%
	90%	75%
	100%	100%
Net Debt - 40% of STI	100%	100%

Neither of the performance targets were met in the FY25 and consequently none of the STI vested for both the CEO and CFO.

Consequences of performance on shareholder wealth

The Executive KMP have not been awarded short-term performance benefits in the current and comparative reporting period related to the achievement of the annual short-term incentive plan. The following table shows the earnings and dividends of the Group for the last five full financial periods:

	2025 $'000	2024 $'000	2023 $'000	2022 $'000	2021 $'000
Revenue	69,068	58,397	55,223	65,291	81,529
EBITDA[1]	(4,543)	(6,904)	(8,702)	2,589	14,197
(Loss) / Profit after tax	(6,988)	(10,964)	(11,158)	(731)	8,225
Dividends paid (cents per share)	-	-	-	10	-
Basic loss (cents per share)[2]	(3.0)	(6.2)	(6.4)	(0.3)	6.3
Share price at year-end[3]	$0.175	$0.33	$0.65	$1.05	N/A

[1] EBITDA is EBIT before transaction costs, depreciation and amortisation.

[2] Earnings per share for financial years 2020-2021 were adjusted to reflect the 1:1.31123 (in-substance) share split which occurred in connection with the pre-IPO structuring steps.

[3] Rubicon Water Limited listed on the Australian Securities Exchange on 31 August 2021 issuing additional 40,000,000 ordinary shares for cash consideration of $1.00 per share.

Options and Rights over equity instruments granted

The Company adopted a new long-term incentive plan (LTI) in connection with its admission to the ASX in August 2021. The Performance Rights incentivise the executive Directors and Company's senior management team and are not ordinary course of business remuneration securities. Performance Rights are not listed and may not be traded on any exchange.

The Board may determine to make further grants in the future at its discretion. The Performance Rights for the Executive KMP under the FY25 LTI plan were allocated on 1 December 2024, following the 2024 AGM at which the grant was approved for the purposes of ASX Listing Rule 10.14.

Values of Performance Rights over ordinary shares granted, exercised and lapsed for directors and other key management personnel as part of compensation during the year ended 30 June 2025 are set out below:

KMP	Value of Performance Rights granted during the year ($)[1]	Value of Performance Rights exercised during the year ($)[2]
Bruce Rodgerson	30,335	14,742
David Aughton	19,997	13,104
Andrew Bendall	15,862	-

[1] This reflects only the value of 2024 Performance Rights granted to KMP during the year. For the total share-based payments expense, refer to the table *Directors' and Key Executive Officers' Remuneration Details for the Year Ended 30 June 2025*.

[2] This relates to the 2021 Tranche 3 Performance Rights that were exercised during the year.

Details of movement in executive KMP performance rights during the financial year are set out below:

KMP	Year Issued	Tranche	Grant Date	Fair Value at Grant Date	Opening Balance	Granted	Exercised	Expired / Forfeited	Closing Balance	Accounting fair value of grant yet to vest ($)[1]
	2021	1	11/8/2021	$1.00	53,990	-	-	(53,990)	-	
	2021	2	11/8/2021	$0.62	33,744	-	-	(33,744)	-	
	2021	3	11/8/2021	$1.00	47,242	-	(47,242)	-	-	
	2022	1	1/12/2022	$0.87	49,991	-	-	-	49,991	
	2022	2	1/12/2022	$0.48	31,244	-	-	-	31,244	
	2022	3	1/12/2022	$0.87	43,742	-	-	-	43,742	
	2023	1	1/12/2023	$0.60	112,162	-	-	-	112,162	
	2023	2	1/12/2023	$0.38	70,101	-	-	-	70,101	
	2023	3	1/12/2023	$0.60	98,141	-	-	-	98,141	
	2024	1	11/12/2024	$0.29	-	296,658	-	-	296,658	
	2024	2	11/12/2024	$0.18	-	185,412	-	-	185,412	
	2024	3	11/12/2024	$0.29	-	259,576	-	-	259,576	
Bruce Rodgerson					**540,357**	**741,646**	**(47,242)**	**(87,734)**	**1,147,027**	**444,047**
	2021	1	11/8/2021	$1.00	47,990	-	-	(47,990)	-	
	2021	2	11/8/2021	$0.62	29,994	-	-	(29,994)	-	
	2021	3	11/8/2021	$1.00	41,992	-	(41,992)	-	-	
	2022	1	1/12/2022	$0.87	44,436	-	-	-	44,436	
	2022	2	1/12/2022	$0.48	27,772	-	-	-	27,772	
	2022	3	1/12/2022	$0.87	38,881	-	-	-	38,881	
	2023	1	1/12/2023	$0.60	76,895	-	-	-	76,895	
	2023	2	1/12/2023	$0.38	48,060	-	-	-	48,060	
	2023	3	1/12/2023	$0.60	67,283	-	-	-	67,283	
	2024	1	11/12/2024	$0.29	-	195,559	-	-	195,559	
	2024	2	11/12/2024	$0.18	-	122,225	-	-	122,225	
	2024	3	11/12/2024	$0.29	-	171,114	-	-	171,114	
David Aughton					**423,303**	**488,898**	**(41,992)**	**(77,984)**	**792,225**	**318,922**
	2021	1	11/8/2021	$1.00	-	-	-	-	-	
	2021	2	11/8/2021	$0.62	-	-	-	-	-	
	2021	3	11/8/2021	$1.00	-	-	-	-	-	
	2022	1	1/12/2022	$0.87	-	-	-	-	-	
	2022	2	1/12/2022	$0.48	-	-	-	-	-	
	2022	3	1/12/2022	$0.87	-	-	-	-	-	
	2023	1	1/12/2023	$0.60	59,606	-	-	-	59,606	
	2023	2	1/12/2023	$0.38	37,254	-	-	-	37,254	
	2023	3	1/12/2023	$0.60	52,155	-	-	-	52,155	
	2024	1	11/12/2024	$0.29	-	155,121	-	-	155,121	
	2024	2	11/12/2024	$0.18	-	96,951	-	-	96,951	
	2024	3	11/12/2024	$0.29	-	135,731	-	-	135,731	
Andrew Bendall					**149,015**	**387,803**	**-**	**-**	**536,818**	**183,011**
Total					**1,112,675**	**1,618,347**	**(89,234)**	**(165,718)**	**2,476,070**	**945,980**

[1] The fair value of performance rights is an estimate of the total maximum value of grants in future financial years. The Performance Rights are subject to satisfaction of conditions and, therefore, the minimum total value of the awards for future financial years is nil.

The key features of the Performance Rights in Rubicon Water Limited are outlined below:

<table>
<tr><th>Term</th><th>Description</th></tr>
<tr><td>Eligibility</td><td>Offers may be made at the Board’s discretion to the members of the Executive Team (and any other individuals that the Board determines).</td></tr>
<tr><td>Issue and exercise price</td><td>Performance Rights are issued for nil consideration and have no exercise price.</td></tr>
<tr><td>Vesting and disposal restriction</td><td>
The Performance Rights vest when applicable performance conditions have been fulfilled, as specified in an invitation.
The Performance Rights granted vest in three tranches.
Tranche 1 – representing 40% of the Performance Rights granted
Where the Company achieves <10.0% EPS Compound Annual Growth Rate (CAGR) over the relevant testing period, none of the Performance Rights will vest.
Where the Company achieves between 10.0% and 15.0% EPS CAGR over the relevant testing period, the Rights will vest pro rata on a straight-line basis (for example, 50% of Performance Rights will vest for achieving a 12.5% EPS CAGR and 100% of Performance Rights will vest for achieving a 15.0% or more EPS CAGR).
Where the Company achieves >15.0% EPS CAGR over the relevant testing period, all of the Performance Rights will vest.
<table>
<tr><th>Performance – EPS CAGR</th><th>% of the 40% Performance Rights Vest</th></tr>
<tr><td><10.0%</td><td>0%</td></tr>
<tr><td>10.0% TO 15%</td><td>0% to 100% (straight line, for example 12.5% = 50%)</td></tr>
<tr><td>> 15%</td><td>100%</td></tr>
</table>
Tranche 2 – representing 25% of the Performance Rights granted
Where the Company achieves a total shareholder return (TSR) in the bottom third or fourth quartile when compared to the S&P/ASX Small Ordinaries Index (XSO) for the relevant testing period, none of the Performance Rights will vest.
Where the Company achieves a TSR in the second quartile when compared to the constituents of the S&P/ASX Small Ordinaries Index (XSO) for the relevant testing period, the Performance Rights will vest pro rata on a straight-line basis (for example, 50% of Rights will vest if TSR is in the middle of the second quartile and 100% of Performance Rights will vest if TSR is at the top of the second quartile).
Where the Company achieves a TSR in the top quartile when compared to the constituents of the S&P/ASX Small Ordinaries Index (XSO) for the relevant testing period, all Performance Rights will vest.
<table>
<tr><th>Performance – TSR comparable</th><th>% of the 25% Performance Rights Vest</th></tr>
<tr><td>TSR 3^{rd} and 4th Quartile</td><td>0%</td></tr>
<tr><td>TSR within the 2nd Quartile</td><td>0% to 100% (straight line, for example middle of 2^{nd} Quartile = 50%</td></tr>
<tr><td>TSR in 1st Quartile</td><td>100%</td></tr>
</table>
Tranche 3 – representing 35% of the Performance Rights granted
Participants’ remaining Performance Rights will vest if they remain employed by the Rubicon group at the end of the vesting period.
Calculations relating to the EPS CAGR will be rounded to one decimal place.
</td></tr>
</table>

Term	Description
	The initial 2021 Performance Rights were subject to a 3-year vesting period. 170,661 of the 2021 performance rights were exercised and 451,942 expired or were forfeited during the current reporting period. Subsequent grants of Performance Rights are subject to the vesting period determined by the Board, and set out in an invitation letter. Performance Rights issued in 2022, 2023 and 2024 are subject to a 3-year vesting period to the release of the Company's FY2025, FY2026 and FY2027 financial results respectively. 162,500 of the 2022 performance rights were forfeited during the current reporting period.
Gate	For Tranche 2, the Company's TSR must be positive in order for Performance Rights in that tranche to vest.
Cessation of employment	Subject to the Board's discretion under the LTIP Rules, if a Participant ceases employment with the Group before the Performance Rights have vested, the Participant will forfeit any unvested Performance Rights and unexercised Shares.
Dividend and voting rights	Performance Rights do not carry voting or dividend rights. Shares issued following the exercise of vested Performance Rights carry voting and dividend rights.
Plan limit	No Shares under the LTIP or the ESP may be issued to a Participant if to do so would contravene the Corporations Act, the ASX Listing Rules or any relief or waiver granted by ASIC or the ASX that binds the Company in making any offer under the LTIP or the ESP. The number of Shares which may be granted under the LTIP or the ESP (in aggregate) prior to approval of the LTIP Rules or the ESP Rules by Shareholders following Listing will not exceed 5% of the total issued capital of the Company as at Listing.

The grant date fair value of the tranche 1 and tranche 3 of 2021 Performance Rights, which have no market-based performance hurdles, has been determined to be $1.00 per instrument based on Rubicon's initial IPO price. The grant date fair value of the tranche 1 and tranche 3 of 2022 Performance Rights was $0.87 based on Rubicon's share price at the Grant date. The grant date fair value of the tranche 1 and tranche 3 of 2023 Performance Rights was $0.60 based on Rubicon's share price at the Grant date. The grant date fair value of the tranche 1 and tranche 3 of 2024 Performance Rights was $0.29 based on Rubicon's share price at the Grant date.

It has been assumed that no dividends would be paid over the vesting period for 2021, 2022, 2023 and 2024 Performance Rights.

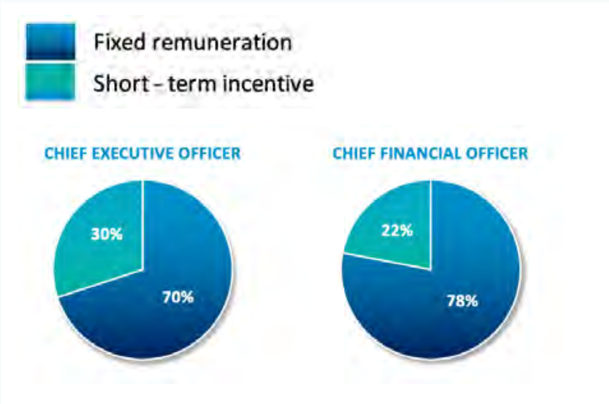
The grant date fair value of the tranche 2 of 2021 Performance Rights, which are subject to a TSR (market-based) performance hurdle, has been determined to be $0.62. The grant date fair value of the tranche 2 of 2022 Performance Rights was $0.48. The grant date fair value of the tranche 2 of 2023 Performance Rights was $0.38. The grant date fair value of the tranche 2 of 2024 Performance Rights was $0.18.

The testing period for 2022 Performance Rights ended on 30 June 2025. The vesting conditions for Tranche 1 and 2 of those performance rights have not been met. However, vesting condition pursuant to Tranche 3 has been met by several Participants and consequently, 173,170 of the 2022 Performance Rights vested at the time of the release of this Annual Report were converted to ordinary shares (82,623 of those shares related to KMP) (in 1:1 ratio).

Remuneration mix

The remuneration mix for the executive Key Management Personnel for the 2025 financial year is comprised of fixed and short-term incentive elements and Long-term incentives in the form of performance rights, which have not yet vested.

2025 remuneration mix at maximum for executives is summarised below.



The variable/at-risk component of total remuneration is 30% for the Chief Executive Officer and 22% for the Chief Financial Officer.

Directors' and Key Executive Officers' Remuneration Details for Year Ended 30 June 2025

Details of the nature and amount of each major element of remuneration for each director of the Company, and other Key Management Personnel of the Group, are:

		Short-term employee benefits				Post-employment benefits	Long-term employee benefits		
		Salary & Fees $	Short-term Incentive $	Non-monetary $	Subtotal $	Super-annuation $	Long Service leave $	Share-based payments $	Total $
NON-EXECUTIVE DIRECTORS									
Tony Morganti[1]	**2025**	**109,300**	-	-	**109,300**	**12,569**	-	-	**121,869**
Chair	2024	99,595	-	-	99,595	10,955	-	-	110,550
Gordon Dickinson[1]	**2025**	**107,652**	-	-	**107,652**	**12,380**	-	-	**120,032**
Deputy Chair	2024	108,649	-	-	108,649	11,951	-	-	120,600
Lynda O'Grady	**2025**	**100,135**	-	-	**100,135**	**12,475**	-	-	**112,610**
	2024	102,300	-	-	102,300	8,250	-	-	110,550
Iven Mareels	**2025**	**81,928**	-	-	81,928	**9,422**	-	-	**91,350**
	2024	81,487	-	-	81,487	8,964	-	-	90,450
Total Non-Executive	**2025**	**399,014**	-	-	**399,014**	**46,846**	-	-	**445,861**
Directors' Remuneration	2024	392,030	-	-	392,030	40,120	-	-	432,151

[1] Gordon Dickinson stepped down as the Chair of the Board on 29 April 2025 and assumed the role of the Deputy Chair. Tony Morganti was elected as Chair of the Board on the same day.

		Short-term employee benefits				Post-employment benefits	Long-term employee benefits		
		Salary & Fees	Short-term Incentive	Non-monetary	Subtotal	Super-annuation	Long Service leave	Share-based payments	Total
		$	$	$	$	$	$	$	$
EXECUTIVE DIRECTORS									
Bruce Rodgerson	**2025**	**393,998**	**-**	**-**	**393,998**	**29,932**	**16,939**	**55,001**	**495,870**
Chief Executive Officer	2024	422,173	-	-	422,173	27,399	52,861	20,639	523,071
David Aughton	**2025**	**288,210**	**-**	**-**	**288,210**	**28,077**	**10,898**	**38,594**	**365,779**
	2024	278,651	-	-	278,651	26,395	6,383	12,798	324,226
Total Executive Directors'	**2025**	**682,208**	**-**	**-**	**682,208**	**58,009**	**27,837**	**93,595**	**861,650**
Remuneration	2024	700,824	-	-	700,824	53,793	59,243	33,437	847,298
EXECUTIVES									
Andrew Bendall	**2025**	**339,117**	**-**	**-**	**339,117**	**29,932**	**2,740**	**57,570**	**429,359**
Chief Financial Officer	2024	318,485	-	-	318,485	27,399	2,292	14,501	362,677
Jason York[2]	**2025**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Chief Financial Officer	2024	119,051	-	-	119,051	4,950	2,693	-	126,694
Total Executive Officers'	**2025**	**339,117**	**-**	**-**	**339,117**	**29,932**	**2,740**	**57,570**	**429,359**
Remuneration	2024	437,536	-	-	437,536	32,349	4,985	14,501	489,371
Total Directors' and Executive Officers' Remuneration	**2025**	**1,420,340**	**-**	**-**	**1,420,340**	**134,788**	**30,577**	**151,165**	**1,736,870**
	2024	1,530,391	-	-	1,530,391	126,263	64,228	47,938	1,768,819

2 Jason York ceased to be a KMP on 30 June 2023 but remained employed until 31 August 2023. His 2024 compensation includes termination benefits of $22,500.

3 Of the total share-based payment expense for Andrew Bendall, $33,000 relates to CEO Share Grants and $24,570 to Performance Rights.

Equity instruments

Number of ordinary shares held in Rubicon Water Limited, directly, indirectly or beneficially by each Director and executive Key Management Personnel, including their related parties, at the reporting date:

Ordinary Shares

Key Management Person	Opening Balance	Share Purchases	Performance Rights exercised	CEO Share Grants	Share Disposals	Closing Balance
Gordon Dickinson	24,004,893	23,000,000	-	-	-	47,004,893
Tony Morganti	50,000	300,000	-	-	-	350,000
Lynda O'Grady	65,000	520,000	-	-	-	585,000
Iven Mareels	100,000	200,000	-	-	-	300,000
Bruce Rodgerson	16,467,187	5,780,000	47,242	-	-	22,294,429
David Aughton	19,856,759	5,780,000	41,992	-	-	25,678,751
Andrew Bendall	29,000	800,000	-	100,000	-	929,000
Total	**60,572,839**	**36,380,000**	**89,234**	**100,000**	**-**	**97,142,073**

Other transactions with Key Management Personnel

(a) Loans to Key Management Personnel

There were no loans to Key Management Personnel in financial year 2025.

(b) Loans from Key Management Personnel

The Group did not extend the $6,000,000 of unconditional working capital facilities, which comprised of a $5,500,000 facility from Gordon Dickinson, and a $500,000 facility from Perrysands Pty Ltd, an entity related to the CEO Bruce Rodgerson. The facility was repaid during the 2025 financial year. Total interest on the facilities from Gordon Dickinson and Bruce Rodgerson was $98,398 and $25,486 for the financial year 2025 (2024: $84,193 and $21,807 respectively).

(c) Other transactions with Key Management Personnel

All transactions between the Group and any Director or executive Key Management Personnel and their related parties are conducted on the basis of normal commercial trading terms and conditions as agreed upon between the parties as per normal arms-length business transactions. There were no other transactions with Key Management Personnel during the financial year 2025.

Directors' Declaration

Directors' Declaration

1. The directors declare that in their opinion:
   a. the consolidated financial statements and notes that are set out on pages 56 to 107 are 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 its performance for the financial year ended on that date; and
      ii. complying with the Australian Accounting Standards and the *Corporations Regulations 2001*; and
   b. There are reasonable grounds to believe that Rubicon Water Limited will be able to pay its debts as and when they become due and payable.
   c. The consolidated entity disclosure statement on page 108 is true and correct.
2. The directors have been given the declarations required by Section 295A of the *Corporations Act 2001* from the Chief Executive Officer and Chief Financial Officer for the financial year ended 30 June 2025.
3. The directors draw attention to Note 1 to the financial statements, which includes a statement of compliance with International Financial Reporting Standards.
4. At the date of this declaration, the Company is within the class of companies affected by ASIC Corporations (Wholly-owned Companies) Instrument 2016/785. The nature of the deed of cross guarantee is such that each company which is party to the deed guarantees to each creditor payment in full of any debt in accordance with the deed of cross guarantee.

   In the directors' opinion, there are reasonable grounds to believe that the Company and the companies to which ASIC Corporations (Wholly-owned Companies) Instrument 2016/785 applies, as detailed in Note 24 to the financial statements will, as a group, be able to meet any liabilities to which they are, or may become, by virtue of the deed of cross guarantee.

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

On behalf of the Directors:

Tony Morganti

Chairman

Dated on 25 August 2025

Auditor's Independence Declaration

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DECLARATION OF INDEPENDENCE BY TONY BATSAKIS TO THE DIRECTORS OF RUBICON WATER LIMITED

As lead auditor of Rubicon Water 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 Rubicon Water Limited and the entities it controlled during the period.

Tony Batsakis

Director

BDO Audit Pty Ltd

Melbourne

25 August 2025

Independent Auditor's Report

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INDEPENDENT AUDITOR'S REPORT

To the directors of Rubicon Water Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Rubicon Water 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.

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.

<table>
<tr><th>Key audit matter</th><th>How the matter was addressed in our audit</th></tr>
<tr><td>
Recognition of construction revenue and recovery of related contract assets - Refer to Note 3 'Revenue and Other Income' and Note 9 'Trade, Other Receivables and Contract Assets.'

As at 30 June 2025 construction (hardware) revenue for the Group totals $51.9m as disclosed in Note 3. The Group performs various long-term contract engineering and service works (projects). The Group contracts in a variety of ways and each project has differing deliverables and risk profiles based on their individual contractual terms.

Significant judgement is required to assess the timing of revenue recognition determined by the Group. A substantial portion of project revenue is earned over time, typically using costs incurred as a proportion of total forecast costs as a measure of progress.

Contract assets of $24.5m as disclosed in Note 9 are balances due from customers under long term contracts as work is performed and represent the Group's enforceable right to consideration for the products and services transferred to date.

Contract assets are re-classified as trade receivables when these amounts have been invoiced to a customer.

During the financial year ended 30 June 2025, a strategic review of the operations in China was completed and the Group impaired contract assets previously related to a number of active projects, resulting in an impairment loss of approximately $2.6m of contract assets.

We focused on recognition of construction revenue and the recovery of related contract assets and trade receivables as a key audit matter, due to the quantum and type of estimation events over the course of a contract life, the unique nature of individual contract terms, the judgement involved in evaluating the probability of recovery of contract assets and trade receivables and the materiality of the impairments recognised during the financial year.
</td><td>
Our procedures included, but were not limited to:

Evaluating management's accounting policies for the recognition of revenue in accordance with AASB 15 Revenue from Contracts with Customers.
Evaluating management's processes and testing the design and implementation of controls in respect of the recognition of construction revenue and the recovery of contract assets and trade receivables.
Selecting a sample of projects and performing the following procedures:

Evaluating and testing management's review of project margins and cost forecasting.
Reading relevant contract terms and conditions to evaluate the key metrics used in the Group's estimates.
Testing the mathematical integrity of the schedules supporting the Group's estimates.
Agreeing the contract price to the underlying contractual arrangements.
Recalculating the percentage of project completion by substantiating actual costs incurred for labour and materials to supplier invoices and other documentation and then comparing against forecast costs to complete the project.
Obtaining confirmations from project managers supporting the progress status of significant projects.

For a sample of items, vouching the cost of inventory recognised as cost of sales by comparing to the inventory listing.
Vouching a sample of raw material inventory costs on the inventory listing to underlying support such as vendor invoices and assessing the reasonableness of the labour and overhead costs allocated.
For a sample of invoiced project income amounts, we vouched the respective sales invoices to evidence of cash receipts and proof of delivery to customers.
Evaluating the probability of recovery of contract assets and trade receivables by reference to the status of the contract, historical recoveries and other supporting documentation.
In respect of the impairment of contract assets and trade receivables, including the recognition of any recoveries:

</td></tr>
</table>

	○ Obtaining an understanding of the issues giving rise to the need for impairment of contract assets and trade receivables. ○ Assessing management's Expected Credit Loss (ECL) analysis and by challenging the key assumptions and underlying data used to determine the impairment losses recognised. ○ Verifying the recoverable value of impaired contract assets by testing the existence and valuation of collateral held comprising of inventory. ○ Obtaining an understanding of recoveries and tested the validity and existence of related contract arrangements, including valuation of related security held. ○ Obtaining an analysis undertaken by management to specifically identify the inventory for release and the rework and cost required to transform the inventory. ○ Evaluating management's provision for obsolescence associated with the items returned to inventory. • Assessing the adequacy of the disclosures in Notes 3, 9, 10, and 27(d) of the financial statements

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 34 to 44 of the directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of Rubicon Water 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

Tony Batsakis

Tony Batsakis
Director
Melbourne, 25 August 2025

Consolidated Financial Statements

Consolidated Statement of Profit or Loss and Other Comprehensive Income

for the year ended 30 June 2025

	NOTE	2025 $'000	2024 $'000
REVENUE	3	**69,068**	58,397
COST OF SALES		**(40,587)**	(34,934)
GROSS PROFIT		**28,481**	23,463
OTHER INCOME	3	**15**	64
OTHER GAINS AND (LOSSES)	3	**305**	(1,447)
EMPLOYEE BENEFITS EXPENSE	5(a)	**(20,641)**	(18,610)
DEPRECIATION AND AMORTISATION EXPENSE	5(b)	**(2,964)**	(2,437)
PROFESSIONAL FEES		**(2,539)**	(2,477)
TRAVEL COSTS		**(1,228)**	(1,020)
OCCUPANCY EXPENSES	15	**(424)**	(351)
IMPAIRMENT LOSSES	5(d)	**(2,638)**	-
ADMINISTRATIVE EXPENSES		**(6,069)**	(6,068)
NET FINANCE COSTS	5(c)	**(2,248)**	(2,711)
SHARE OF GAINS/(LOSSES) OF JOINT VENTURE	12	**195**	(458)
LOSS BEFORE INCOME TAX		**(9,755)**	(12,052)
INCOME TAX BENEFIT	6	**2,767**	1,088
TOTAL LOSS FOR THE YEAR		**(6,988)**	(10,964)
LOSS ATTRIBUTABLE TO:			
OWNERS OF RUBICON WATER LIMITED		**(6,788)**	(10,710)
NON-CONTROLLING INTEREST		**(200)**	(254)
		(6,988)	(10,964)
OTHER COMPREHENSIVE RESULT			
ITEMS THAT MAY BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS:			
EXCHANGE DIFFERENCES ON TRANSLATION OF OVERSEAS SUBSIDIARIES		**(226)**	(63)
OTHER COMPREHENSIVE RESULT FOR THE YEAR, NET OF TAX		**(226)**	(63)
TOTAL COMPREHENSIVE RESULT FOR THE YEAR		**(7,214)**	(11,027)
TOTAL COMPREHENSIVE RESULT ATTRIBUTABLE TO:			
OWNERS OF THE COMPANY		**(7,034)**	(10,764)
NON-CONTROLLING INTEREST		**(180)**	(263)
		(7,214)	(11,027)

LOSS PER SHARE		**CENTS**	CENTS
BASIC (CENTS PER SHARE)	7	**(3.0)**	(6.2)
DILUTED (CENTS PER SHARE)	7	**(3.0)**	(6.2)

The notes on pages 62 to 107 are an integral part of the consolidated financial statements.

Consolidated Statement of Financial Position

as at year ended 30 June 2025

	NOTE	2025 $'000	2024 $'000
CURRENT ASSETS			
CASH AND CASH EQUIVALENTS	8	**5,510**	1,690
TRADE AND OTHER RECEIVABLES	9	**23,216**	29,919
CONTRACT ASSETS	9	**24,549**	22,311
INVENTORIES	10	**19,807**	17,838
CURRENT TAX ASSETS	6	**154**	39
OTHER CURRENT ASSETS	11	**2,411**	1,653
TOTAL CURRENT ASSETS		**75,647**	73,450
NON-CURRENT ASSETS			
TRADE AND OTHER RECEIVABLES	9	**1,744**	-
CONTRACT ASSETS	9	**-**	9,949
INVESTMENTS – ACCOUNTED FOR USING THE EQUITY METHOD	12	**2,135**	1,902
INTANGIBLES	13	**6,070**	5,114
PROPERTY, PLANT AND EQUIPMENT	14	**5,897**	5,994
RIGHT OF USE ASSETS	15	**2,982**	3,552
DEFERRED TAX ASSETS	6	**9,411**	6,387
OTHER FINANCIAL ASSETS	16	**50**	50
TOTAL NON-CURRENT ASSETS		**28,289**	32,948
TOTAL ASSETS		**103,936**	106,398
CURRENT LIABILITIES			
TRADE AND OTHER PAYABLES	17	**9,528**	7,485
DEFERRED INCOME	3	**2,007**	2,025
FINANCIAL LIABILITIES	18	**17,536**	30,831
LEASE LIABILITIES	18	**848**	822
PROVISIONS	19	**4,904**	4,538
TOTAL CURRENT LIABILITIES		**34,823**	45,701
NON-CURRENT LIABILITIES			
FINANCIAL LIABILITIES	18	**2,230**	2,467
LEASE LIABILITIES	18	**2,519**	3,007
PROVISIONS	19	**406**	368
TOTAL NON-CURRENT LIABILITIES		**5,155**	5,842
TOTAL LIABILITIES		**39,978**	51,543
NET ASSETS		**63,958**	54,855
EQUITY			
ISSUED CAPITAL	21	**184,026**	168,194
RESERVES	23	**(128,675)**	(128,914)
RETAINED EARNINGS		**9,066**	15,854
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF RUBICON WATER LIMITED		**64,417**	55,134
NON-CONTROLLING INTEREST	29	**(459)**	(279)
TOTAL EQUITY		**63,958**	54,855

The notes on pages 62 to 107 are an integral part of the consolidated financial statements.

Consolidated Statement of Changes in Equity

for the year ended 30 June 2025

	SHARE CAPITAL $'000	RETAINED EARNINGS $'000	FCTR[1] $'000	SHARE-BASED PAYMENT RESERVE $'000	RE-ORG RESERVE[3] $'000	SUB-TOTAL $'000	NCI[2] $'000	TOTAL EQUITY $'000
BALANCE AT 1 JULY 2023	**168,194**	**26,564**	**(204)**	**811**	**(129,615)**	**65,750**	**53**	**65,803**
COMPREHENSIVE RESULT								
LOSS	-	(10,710)	-	-	-	(10,710)	(254)	(10,964)
OTHER COMPREHENSIVE GAIN/(LOSS)	-	-	(54)	-	-	(54)	(9)	(63)
TOTAL COMPREHENSIVE LOSS	**-**	**(10,710)**	**(54)**	**-**	**-**	**(10,764)**	**(263)**	**(11,027)**
TRANSACTIONS WITH OWNERS OF THE COMPANY								
CONTRIBUTIONS AND DISTRIBUTIONS:								
DIVIDENDS PAID	-	-	-	-	-	-	(69)	(69)
SHARE-BASED PAYMENTS	-	-	-	148	-	148		148
TOTAL CONTRIBUTIONS AND DISTRIBUTIONS	-	-	-	148	-	148	(69)	79
BALANCE AT 30 JUNE 2024	**168,194**	**15,854**	**(258)**	**959**	**(129,615)**	**55,134**	**(279)**	**54,855**
BALANCE AT 1 JULY 2024	**168,194**	**15,854**	**(258)**	**959**	**(129,615)**	**55,134**	**(279)**	**54,855**
COMPREHENSIVE RESULT								
LOSS	-	(6,788)	-	-	-	(6,788)	(200)	(6,988)
OTHER COMPREHENSIVE GAIN/(LOSS)	-	-	(246)	-	-	(246)	20	(226)
TOTAL COMPREHENSIVE LOSS	**-**	**(6,788)**	**(246)**	**-**	**-**	**(7,034)**	**(180)**	**(7,214)**
TRANSACTIONS WITH OWNERS OF THE COMPANY								
CONTRIBUTIONS AND DISTRIBUTIONS:								
ISSUE OF SHARES	15,832	-	-	-	-	15,832		15,832
SHARE-BASED PAYMENTS	-	-	-	485	-	485		485
TOTAL CONTRIBUTIONS AND DISTRIBUTIONS	15,832	-	-	485	-	16,317		16,317
BALANCE AT 30 JUNE 2025	**184,026**	**9,066**	**(504)**	**1,444**	**(129,615)**	**64,417**	**(459)**	**63,958**

The notes on pages 62 to 107 are an integral part of the consolidated financial statements.

[1] Foreign currency translation reserve
[2] Non-controlling interest
[3] Re-organisation reserve

Consolidated Statement of Cash Flows

for the year ended 30 June 2025

	NOTE	2025 $'000	2024 $'000
CASH FLOWS FROM OPERATING ACTIVITIES			
RECEIPTS FROM CUSTOMERS		**80,361**	58,340
PAYMENTS TO SUPPLIERS AND EMPLOYEES		**(72,582)**	(62,474)
NET FINANCE COSTS		**(2,248)**	(2,711)
INCOME TAX RECEIVED/(PAID)		**(83)**	(108)
NET CASH FROM/(USED) IN OPERATING ACTIVITIES	26 (b)	**5,448**	(6,953)
CASH FLOWS FROM INVESTING ACTIVITIES			
PROCEEDS FROM SALE OF NON-CURRENT ASSETS		**22**	81
PURCHASE OF NON-CURRENT ASSETS		**(746)**	(590)
DEVELOPMENT EXPENDITURE		**(1,715)**	(1,591)
NET CASH USED IN INVESTING ACTIVITIES		**(2,439)**	(2,100)
CASH FLOWS FROM FINANCING ACTIVITIES			
PROCEEDS FROM ISSUE OF SHARES		**17,027**	-
SHARE ISSUANCE COSTS		**(1,195)**	-
DIVIDEND PAID TO A JOINT VENTURE PARTNER		**-**	(69)
PROCEEDS FROM BORROWINGS		**3,140**	2,500
REPAYMENT OF BORROWINGS		**(17,087)**	(124)
REPAYMENT OF LEASE LIABILITIES		**(847)**	(1,031)
NET CASH FROM FINANCING ACTIVITIES		**1,038**	1,276
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		**4,047**	(7,777)
CASH (NET OF BANK OVERDRAFTS) AT BEGINNING OF FINANCIAL YEAR		**265**	8,495
EFFECTS OF EXCHANGE RATE CHANGES		**(290)**	(453)
CASH (NET OF BANK OVERDRAFTS) AT END OF FINANCIAL YEAR	26 (a)	**4,022**	265

The notes on pages 62 to 107 are an integral part of the consolidated financial statements.

Notes to the Consolidated Financial Statements

Note 1 - Material Accounting Policies

Except for the changes explained here within, the Group has consistently applied the following accounting policies to all periods presented in these consolidated financial statements.

Reporting Entity

Rubicon Water Limited (the 'Company') is incorporated and domiciled in Australia and listed on the Australian Securities Exchange ('ASX'). The Company's registered office is at 1 Cato Street, Hawthorn East, Victoria, 3123. These consolidated financial statements comprise Rubicon Water Limited and its subsidiaries (collectively 'the Group' and individually 'Group companies'). The Group is a for-profit entity and is involved in the delivery of a diverse range of engineering services and products.

Basis of preparation and accounting policies

Statement of Compliance

The consolidated financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards issued by the Australian Accounting Standards Board ('AASB') and the *Corporations Act 2001*. The consolidated financial statements also comply with International Financial Reporting Standards ('IFRS') as issued by the International Accounting Standards Board.

The consolidated financial statements were authorised for issue in accordance with a resolution of the Board of Directors on 22 August 2025.

The consolidated financial statements have been prepared on a historical cost basis.

Functional and Presentation Currency

These consolidated financial statements are presented in Australian dollars, which is the Company's functional currency.

Rounding of amounts

The amounts contained in these consolidated financial statements have been rounded to the nearest thousand dollars (unless specifically stated to be otherwise) under the option available to the Company under *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*. The Company is an entity to which this legislative instrument applies.

Use of Judgements and Estimates - Assumptions and Estimation Uncertainties

The preparation of the financial statements require management to make judgements, estimates and assumptions about future events. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Information about assumptions and estimation uncertainties that may have a risk of resulting in a material adjustment in the year ended 30 June 2025 is included in the following notes:

- Note 3 – Revenue and Other Income. Revenue recognised for contracts over time requires management to estimate the total cost to complete and the current stage of completion to measure progress towards satisfaction of the performance obligations.
- Note 6 – Tax. Deferred tax assets related to tax losses are recognised where management believe it is probable that the related taxing entity will generate sufficient future taxable profits to utilise the tax losses. Determining the extent and timing of future taxable profits is subject to a level of estimation uncertainty.
- Note 9 – Trade, Other Receivables and Contract Assets. The expected credit loss allowances for trade receivables and contract assets are calculated based on key assumptions that determine the weighted average loss rates and overall loss allowance. Long-dated amounts receivable, while consistent with the operating cycle, are evaluated by the board and management for their collectability and anticipated timing of the cashflow.

Going Concern

These financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the normal course of business.

The Group incurred a net loss before tax of $6,987,645 (2024: net loss before tax of $10,964,158) and generated net operating cash inflows of $5,447,906 (2024: $6,952,710 outflow) for the year ended 30 June 2025. As at 30 June 2025, the Group's reported net assets were $63,957,641 (2024: $54,855,242) and net current assets were $40,823,790 (2024: $27,749,668). At the reporting date, the Group had cash and cash equivalents of $5,509,522 (2024: $1,690,116). In addition, to the cash and cash equivalents the Group had funding available through undrawn credit facilities of $10,369,330 at year-end (2024: $5,051,661).

During August and September 2024, the Group successfully raised $17,026,500 (before costs) of capital. These monies were used in the first instance to pay down drawn debt, so as to provide future facility headroom for working capital requirements generated from the pipeline of international projects.

The $6,000,000 directors' loan facilities expired on the 21 February 2025 and were not renewed.

On the 19 May 2025 an amendment deed was executed to the HSBC funding facilities renewed on 16 August 2023. This had the effect of reducing the Facility B component of the facilities from $26,400,000 to $25,400,000. It also introduced a Net Leverage Ratio test each for 30 June and 31 December. Where the Net Leverage Ratio exceeds 3.00:1, the facility B commitment reduces by $1,000,000. As such as at 30 June 2025, the Facility B component of the facilities was $24,400,000, given the net leverage ratio was exceeded at that date.

As at 30 June 2025, total of all facilities available under the HSBC agreement are $30,040,000, which in addition to Facility B of $24,400,000, also includes Facility A (amortising term loan) of $2,240,000, Multi Option Facility C of $3,000,000 and Corporate Credit Card Facility of $400,000. Facility A will expire on the 16 August 2026.

The Group's cash flow forecast which is based on an expected improvement in trading performance and continued improvement in working capital management including continuation of access to external funding facilities, supports that it will be able to satisfy its debts as and when they fall due and accordingly the financial statements have been prepared on a going concern basis.

Material Accounting Policies

(a) Basis of Consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has the right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Non-controlling interests

Non-controlling interests (NCI) are measured at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Interests in equity-accounted investees

The Group's interest in equity-accounted investees comprise an interest in a joint venture. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in the joint venture are accounted for using the equity method. They are initially recognised at cost, which includes transactions costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of equity accounted investees, until the date on which significant influence or joint control ceases.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Impairment

Non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units (CGUs).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

For assets, other than goodwill, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(c) Foreign Currency

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group companies at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in the profit or loss. However, foreign currency differences arising from the translation of the following items are recognised in OCI:

- investments;
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- qualifying cash flow hedges to the extent that the hedges are effective.

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into the presentation currency at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into the presentation currency at the exchange rates at the dates of the transactions. Foreign currency differences are recognised in OCI and accumulated in the translation reserve, except to the extent that the translation difference is allocated to NCI.

When a foreign operation is disposed of in its entirety or partially, such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

(d) Finance Income and Finance Costs

The Group's finance income and finance costs include:

- Interest income;
- Interest expense;
- The net gain or loss on financial assets at fair value through profit or loss;
- The foreign currency gain or loss on financial assets and financial liabilities; and
- Impairment losses recognised on financial assets (other than trade receivables).

Interest income or expense is recognised using the effective interest method.

(e) Government Grants

Grants that compensate the Group for costs incurred are recognised in profit or loss on a systematic basis in the periods in which the expenses are recognised.

(f) Goods and Services Tax (GST)

Revenues, expenses and non-financial assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST. Cash flows are presented in the Statement of Cash Flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(g) Leases

The Group as a lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as printers). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;

The lease liability is presented as a separate line in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed.
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter of, the period of the lease term and the useful life of the right-of-use asset. If a lease transfers ownership of the underlying asset, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the consolidated statement of financial position.

The Group applies AASB 136 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in Note 1(b).

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line “Occupancy expenses” in profit or loss.

(h) Share-based Payments

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. The fair value excludes the effect of non-market-based vesting conditions. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in Note 23.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group’s estimate of the number of equity instruments that will eventually vest. At each reporting date, the Group revises its estimate of the number of equity instruments expected to vest as a result of the effect of non-market-based vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to reserves.

(i) Comparative Figures

As required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(j) New and amended Accounting Standards that are effective for the current year

The Group has adopted all the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for an accounting period that begins on or after 1 July 2024. Set out below are the new and revised Standards and amendments thereof *[and Interpretations]* effective for the current year that are relevant to the Group:

- *AASB 2022-6 Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants*
- *AASB 2022-5 Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback*
- *AASB 2023-1 Amendments to Australian Accounting Standards – Supplier Finance Arrangements*

The above new or amended standards did not have a significant impact on the Group's consolidated financial statements.

(k) New and revised Accounting Standards issued but not yet effective

The AASB has issued a number of new or amended accounting standards and interpretations that are not mandatory for the first time in the reporting period commenced 1 July 2024. The Group has assessed and determined that the following new or amended standards that are not yet effective are not expected to have a material impact on the Group in the current or future reporting period:

Effective for annual reporting periods beginning on or after 1 January 2025

- *AASB 2014-10 Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*
- *AASB 2023-5 Amendments to Australian Accounting Standards – Lack of Exchangeability*

Effective for annual reporting periods beginning on or after 1 January 2026

- *AASB 2024-2 Amendments to Australian Accounting Standards – Classification and Measurement of Financial Instruments*

Effective for annual reporting periods beginning on or after 1 January 2027

- *AASB 18 – Presentation and Disclosure in the Financial Statements*

Nature of change

AASB 18 replaces AASB 101 Presentation of Financial Statements and requires income and expenses to be classified in profit or loss as one of five categories, being investing, financing, income taxes, discontinued operations and operating (which is a residual category). There are also two mandatory sub-totals:

- Operating profit or loss
- Profit or loss before financing and income taxes, which comprises operating profit or loss and all investing income and expenses.

AASB 18 also requires disclosures related to management-defined performance measures in the notes to the financial statements.

Impact on initial application

When this standard is first adopted on 1 July 2027, subtotals in the Consolidated Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2027 may differ, including restated comparatives for the year ended 30 June 2027. However, there will be no change to net profit or loss after taxation in either period.

There may also be changes in the way interest and dividend cash inflows and outflows are presented in the Consolidated Statement of Cash Flows, which may impact the subtotals for cash generated or utilised from operating activities, investing activities and financing activities.

Lastly, additional information will be disclosed in the notes to the financial statements if the entity uses management-defined performance measures in public communications outside the financial statements to communicate management's view of aspects of the entity's financial performance.

Note 2 - Controlled Entities

The ultimate parent of the Rubicon Group is Rubicon Water Limited, a company incorporated in Australia. Controlled entities are consolidated from the date of acquisition, being the date Rubicon Water Limited obtains control, and continue to be consolidated until the date control ceases. A Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity.

Set out below are the controlled entities of the Group.

	PRINCIPAL ACTIVITY	COUNTRY OF INCORPORATION	PERCENTAGE OWNED 2025	PERCENTAGE OWNED 2024
RUBICON SYSTEMS (HOLDINGS) PTY LTD (I), (II)	Holding company	Australia	100%	100%
RUBICON SYSTEMS AUSTRALIA PTY LTD (I), (II)	Manufacture and sale of specialist operational technology to the water and broader utility markets within Australia	Australia	100%	100%
RUBICON SERVICES PTY LTD (I), (II)	Dormant	Australia	100%	100%
RUBICON RESEARCH PTY LTD (I), (II)	Intellectual property holder	Australia	100%	100%
RUBICON GLOBAL PTY LTD (I), (II)	Retail of Rubicon technology to international markets	Australia	100%	100%
RUBICON SYSTEMS AMERICA INCORPORATED	Retail of Rubicon technology in North America	United States of America	100%	100%
RUBICON WATER SYSTEMS (TIANJIN) CO. LTD.	Retail of Rubicon technology in the broader Chinese market	People's Republic of China	100%	100%
RUBICON WATER SYSTEMS (BEIJING) CO. LTD.	Dormant	People's Republic of China	100%	100%
RUBICON SYSTEMS NEW ZEALAND LIMITED	Retail of Rubicon technology in New Zealand	New Zealand	100%	100%
RETICULA PTY LTD (I), (II)	Holding company	Australia	100%	100%
RETIC WATER PTY LTD (I), (II)	Dormant	Australia	100%	100%
RUBICON SHARE SCHEME PTY LTD (FORMERLY BENDIGO PIPE PTY LTD (I), (II), (III))	Trustee for Rubicon Water Limited Employee Share Trust	Australia	100%	100%
RUBICON WATER S.L.U.	Retail of Rubicon technology in Europe	Spain	100%	100%
RUBICON WATER CHILE SPA	Retail of Rubicon technology in South America	Chile	100%	100%
GANSU TSINGHUA RUBICON WATER TECHNOLOGY CO. LTD.	Retail of Rubicon technology in Gansu, China	People's Republic of China	50%	50%
NINGXIA RUBICON WATER EQUIPMENT CO. LTD.	Assembly and retail of Rubicon technology in Ningxia, China	People's Republic of China	50%	50%
RUBICON WATER INDIA PTY LTD (I), (II)	Holding company	Australia	100%	100%
RUBICON EQUIPMENT INDIA PRIVATE LIMITED	Retail of Rubicon technology in India	India	100%	100%
RUBICON WATER COSTA RICA, S.A.	Retail of Rubicon technology in Costa Rica	Costa Rica	100%	100%

(I) Part of the Australian tax consolidated group.

(II) These wholly-owned subsidiaries have entered into a deed of cross guarantee with Rubicon Water Limited pursuant to *ASIC Corporations (Wholly-owned Companies) Instrument 2016/785* and are relieved from the requirement to prepare and lodge audited financial reports. Additional information about the deed of cross guarantee including a consolidated statement of profit or loss and other comprehensive income and consolidated statement of financial position, comprising the Company and controlled entities which are a party to the deed, can be found in Note 24.

(III) On 5 September 2023, the name of the Company was changed from Bendigo Pipe Pty Ltd to Rubicon Share Scheme Pty Ltd. The purpose of the Company is to be a trustee for the Rubicon Water Limited Employee Share Trust, in connection with RWL's Long-Term Incentive Plan.

Note 3 - Revenue and Other Income

	2025 $'000	2024 $'000
SALES REVENUE		
SALES OF GOODS AND ENGINEERING SERVICES CONTRACTS	**69,068**	58,397
OTHER INCOME		
OTHER INCOME	**15**	64
TOTAL OTHER INCOME	**15**	64
OTHER GAINS AND LOSSES		
UNREALISED FOREIGN EXCHANGE GAINS / (LOSSES)	**252**	(1,470)
GAIN / (LOSS) ON DISPOSAL OF PROPERTY, PLANT AND EQUIPMENT	**53**	23
TOTAL OTHER GAINS AND LOSSES	**305**	(1,447)

Revenue Recognition from Contracts with Customers

AASB 15: *Revenue from Contracts with Customers* establishes a comprehensive framework for determining whether, how much and when revenue is recognised.

A five-step model has been applied to determine when to recognise revenue, and at what amount. The model specifies that revenue should be recognised when (or as) an entity transfers control of goods or services to a customer at the amount to which the entity expects to be entitled. Depending on whether certain criteria are met, revenue is recognised:

- Over time, in a manner that depicts the entity's performance; or
- At a point in time, when control of the goods or services is transferred to the customer.

Set out below is the disaggregation of the Group's revenue from contracts with customers as well as the remaining performance obligations relating to those contracts:

2025

	Revenue recognition	Sales revenue $'000	Remaining performance obligations $'000	Remaining contract duration
HARDWARE	Over time	51,918	4,397	Up to 2 years
SOFTWARE	Point in time	725	220	N/A
SOFTWARE MAINTENANCE AND SUPPORT	Over time	6,971	21,683	Up to 5 years
OTHER COMPONENTS AND SUPPORT	Point in time	9,454	8,836	N/A
TOTAL SALES REVENUE		**69,068**	**35,135**	

2024

	Revenue recognition	Sales revenue $'000	Remaining performance obligations $'000	Remaining contract duration
HARDWARE	Over time	43,156	24,534	Up to 2 years
SOFTWARE	Point in time	524	339	N/A
SOFTWARE MAINTENANCE AND SUPPORT	Over time	6,558	20,274	Up to 5 years
OTHER COMPONENTS AND SUPPORT	Point in time	8,159	2,898	N/A
TOTAL SALES REVENUE		**58,397**	**48,045**	

The length of contract duration varies depending on the scale and complexity of each project.

The following table shows the balance of deferred income which relates to cash received in advance of performance obligations being performed.

	2025 $'000	2024 $'000
DEFERRED INCOME	**2,007**	2,025

$1,863,897 (30 June 2024: $1,809,385) of the deferred income balance at 2024 was recognised as revenue during the current financial year.

Revenue streams

The Group engages in the sale of gravity-fed irrigation solutions. This includes the design, manufacture, installation and maintenance of irrigation automation software and hardware. Rubicon aims to address the issue of global water scarcity by maximising water availability and agricultural productivity through improved irrigation water use efficiency.

The following provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers and the related revenue recognition policies.

(a) Construction contracts

Sale of hardware

The Group is involved in the design and manufacture of bespoke gravity-fed irrigation solutions, often referred to as hardware. Revenue and associated costs are recognised over time (i.e. before the goods are delivered to the customers' premises). Progress is determined based on the input method.

Sale of software

The Group provides other solutions, including software, which it either sells independently or in combination with the hardware components. The promise to grant the software is distinct from the hardware sales, hence this solution is transferred to a customer. The point of transfer is when the customer has the right to use the Group's software solutions which are separate performance obligations.

Sale of goods

The Group engages in the sale of spare parts and components to customers in the irrigation industry and the wider water utility market. Revenue is recognised at a point in time when a customer obtains control of the goods, typically on delivery at the customer's location.

(b) Rendering of services

The Group performs maintenance and software support services to the irrigation industry. Revenue is recognised over time as the services are provided. The stage of completion for determining the amount of revenue to recognise is assessed based on the current status of work performed.

China Revenues 2024

As disclosed in 2024 Annual Report, a comprehensive strategic review resulted in the reversal of approximately $6.5 million in revenue and the release of the previously allocated inventory associated with this revenue.

Note 4 - Operating Segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Chief Operating Decision Maker in assessing performance and determining the allocation of resources.

The Chief Operation Decision Maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Executive Officer.

The Chief Operating Decision Maker determined that its operating segments comprise the geographic regions of:

- ANZ – which includes Australia and New Zealand;
- Asia – which includes China and India;
- ROW (Rest of World) – which includes USA, Latin America, Europe and any other geographies not included in ANZ or Asia.

These geographic segments are based on the Group's management reports and the way management views the business.

The principal activities of each segment are to provide specialist operational technology to the water and broader utility markets.

Basis of Reporting

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note

1. Segment Underlying EBITDA represents the earnings before depreciation, amortisation, interest, taxes, unrealised foreign exchange gains/losses and certain other significant items incurred by each segment. Underlying EBITDA presented below is consistent with the measure reported to the Chief Executive Officer for the purpose of resource allocation and assessment of segment performance.

Information related to Segment assets and liabilities is not provided to the Chief Executive Officer and accordingly has not been disclosed. Non-current assets exclude financial instruments and deferred tax assets.

Information about major customers

The largest customer generating approximately 12% (2024: 16% of total revenue reported in the Asia segment) of total revenue is reported in the ANZ segment. No other single customer contributed 10% or more to the total sales in the current year.

Revenues from major products and services

The Group's revenue from its major products and services are disclosed in Note 3.

Geographic segment revenue and results

2025

	ANZ $'000	ASIA $'000	ROW $'000	TOTAL $'000
REVENUE				
HARDWARE	8,649	1,388	41,881	51,918
SOFTWARE	-	-	725	725
SOFTWARE MAINTENANCE AND SUPPORT	6,238	-	733	6,971
OTHER COMPONENTS AND SUPPORT	5,173	427	3,854	9,454
TOTAL REVENUE	**20,060**	**1,815**	**47,193**	**69,068**
UNDERLYING EBITDA LOSS	1,007	(5,808) [1]	6	(4,795)
UNREALISED FOREIGN EXCHANGE GAINS				252
EBITDA				**(4,543)**
RECONCILIATION OF SEGMENT EBITDA TO GROUP NET PROFIT/(LOSS) BEFORE TAX:				
DEPRECIATION AND AMORTISATION				(2,964)
NET FINANCE COSTS				(2,248)
NET LOSS BEFORE TAX				**(9,755)**
SHARE OF GAINS/(LOSSES) FROM JOINT VENTURE	-	195	-	**195**
NON-CURRENT ASSETS	11,993	2,300	2,841	**17,134**

[1]includes impairment of contract assets of $2,638,428. Refer Note 5(d).

2024

	ANZ $'000	ASIA $'000	ROW $'000	TOTAL $'000
REVENUE				
HARDWARE	7,497	5,915	29,744	43,156
SOFTWARE	-		524	524
SOFTWARE MAINTENANCE AND SUPPORT	6,035		523	6,558
OTHER COMPONENTS AND SUPPORT	5,613	149	2,397	8,159
TOTAL REVENUE	**19,145**	**6,064**	**33,188**	**58,397**
UNDERLYING EBITDA LOSS	828	(4,090)	(2,172)	(5,434)
UNREALISED FOREIGN EXCHANGE (LOSSES)				(1,470)
EBITDA				**(6,904)**
RECONCILIATION OF SEGMENT EBITDA TO GROUP NET PROFIT/(LOSS) BEFORE TAX:				
DEPRECIATION AND AMORTISATION				(2,437)
NET FINANCE COSTS				(2,711)
NET LOSS BEFORE TAX				**(12,052)**
SHARE OF GAINS/(LOSSES) FROM JOINT VENTURE	-	(458)		**(458)**
NON-CURRENT ASSETS	11,655	12,095	2,811	**26,561**

Note 5 - Expenses

(a) Employee benefits expense

	2025 $'000	2024 $'000
EMPLOYEE BENEFITS EXPENSE		
WAGES AND SALARIES	**15,307**	14,118
ANNUAL AND LONG SERVICE LEAVE EXPENSE	**1,298**	1,399
TERMINATION COSTS	**119**	71
DEFINED CONTRIBUTION PLAN	**1,531**	1,289
OTHER EMPLOYEE BENEFITS	**1,901**	1,585
SHARE BASED PAYMENTS*	**485**	148
TOTAL EMPLOYEE BENEFITS EXPENSE	**20,641**	18,610

*Refer Note 23 for more details.

(b) Depreciation and amortisation expense

	2025 $'000	2024 $'000
DEPRECIATION – PROPERTY, PLANT AND EQUIPMENT	**1,205**	1,260
DEPRECIATION – RIGHT OF USE ASSETS	**1,001**	1,078
AMORTISATION EXPENSE	**758**	99
TOTAL DEPRECIATION AND AMORTISATION EXPENSE	**2,964**	2,437

(c) Net finance costs

	2025 $'000	2024 $'000
INTEREST EXPENSE ON BORROWINGS	**1,705**	2,345
OTHER FINANCE COSTS/(INCOME)	**279**	162
INTEREST EXPENSE - LEASES	**264**	204
TOTAL NET FINANCE COSTS	**2,248**	2,711

(d) Impairment losses

	2025 $'000	2024 $'000
IMPAIRMENT OF CONTRACT ASSETS*	**2,638**	-
TOTAL IMPAIRMENT LOSSES	**2,638**	-

* The comprehensive strategic review of the operations in China was concluded and the Group has impaired all remaining contract assets relating to the old joint venture in the China market based on an assessment performed of their recoverable value. The impairment charge was $2,638,428.

Note 6 - Tax

Tax Consolidation

Rubicon Water Limited and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under tax consolidation legislation. Each entity in the group recognises its own current and deferred tax assets and liabilities. Such taxes are measured using the 'stand-alone taxpayer' approach to allocation. Current tax liabilities/assets and deferred tax assets arising from unused tax losses and tax credits in the subsidiaries are immediately transferred to the head entity. The Group notified the Australian Tax Office that it had formed an income tax consolidated group to apply from 31 October 2007. Following the reorganisation of the Group during 2022 financial year, the Australian Tax Office was notified of the change of the head company to Rubicon Water Limited on 27 August 2021. The tax consolidated group has entered into a tax funding arrangement whereby each company in the Group contributes to the income tax payable by the group in proportion to their contribution to the group's taxable income. Differences between the amounts of net tax assets and liabilities derecognised and the net amounts recognised pursuant to the funding arrangement are recognised as either a contribution by, or distribution to the head entity. Income tax expense/benefit comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or OCI.

Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year, and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends. Current tax assets and liabilities are offset only if certain criteria are met.

Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- Temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if certain criteria are met.

	2025 $'000	2024 $'000
CURRENT		
INCOME TAX REFUNDABLE	**(154)**	(39)

	2025 $'000	2024 $'000
(A) THE COMPONENTS OF TAX EXPENSE COMPRISE:		
CURRENT INCOME TAX EXPENSE / (BENEFIT)		
- CURRENT INCOME TAX EXPENSE	**256**	503
- ADJUSTMENT FOR PRIOR YEARS	**-**	(282)
DEFERRED INCOME TAX EXPENSE / (BENEFIT)		
- ORIGINATION AND REVERSAL OF TEMPORARY DIFFERENCES	**(2,974)**	(1,309)
- ADJUSTMENT FOR PRIOR YEARS	**(49)**	-
INCOME TAX BENEFIT REPORTED IN THE STATEMENT OF PROFIT OR LOSS AND OCI	**(2,767)**	(1,088)
(B) A RECONCILIATION BETWEEN TAX EXPENSE/(BENEFIT) AND THE PRODUCT OF ACCOUNTING LOSS BEFORE INCOME TAX MULTIPLIED BY THE GROUP'S APPLICABLE INCOME TAX RATE IS AS FOLLOWS:		
ACCOUNTING LOSS BEFORE TAX	**(9,755)**	(12,052)
AT THE COMPANY'S STATUTORY DOMESTIC INCOME TAX RATE OF 30% (2024: 30%)	**(2,926)**	(3,616)
ADD / (LESS) TAX EFFECT OF:		
- FOREIGN TAX RATE ADJUSTMENT	**62**	479
- NON-ALLOWABLE ITEMS	**216**	127
- ADJUSTMENT FOR PRIOR YEARS	**(49)**	(282)
- CURRENT YEAR TAX LOSSES NOT RECOGNISED	**658**	1,753
- RECOGNITION OF PRIOR YEAR TAX LOSSES PREVIOUSLY DERECOGNISED	**(559)**	49
- SHARE OF JOINT VENTURE PROFIT AFTER TAX	**(49)**	97
- OTHER	**(120)**	305
INCOME TAX BENEFIT	**(2,767)**	(1,088)

2025	**Deferred Tax Opening balance $'000**	**Recognised in Profit or Loss $'000**	**Deferred Tax Closing balance $'000**
NON-CURRENT			
DEFERRED TAX ASSETS/ (LIABILITIES):			
INTANGIBLE ASSETS	(1,053)	227	(826)
INVENTORIES	1,325	516	1,841
CONTRACT ASSETS	(6,343)	(333)	(6,676)
PROPERTY, PLANT AND EQUIPMENT	(174)	(31)	(205)
PROVISIONS	1,510	(22)	1488
ACCRUALS	(146)	740	594
TRADE PAYABLES	-	-	-
IPO COSTS	444	(269)	175
OTHER	58	75	133
LEASES	7	57	64
TAX LOSSES CARRIED FORWARD	10,759	2,063	12,822
DEFERRED TAX ASSETS	**6,387**	**3,023**	**9,411**

2024	**Deferred Tax Opening balance $'000**	**Recognised in Profit or Loss $'000**	**Deferred Tax Closing balance $'000**
NON-CURRENT			
DEFERRED TAX ASSETS/ (LIABILITIES):			
INTANGIBLE ASSETS	(599)	(454)	(1,053)
INVENTORIES	1,832	(507)	1,325
CONTRACT ASSETS	(4,544)	(1,799)	(6,343)
PROPERTY, PLANT AND EQUIPMENT	(234)	60	(174)
PROVISIONS	1,485	25	1,510
ACCRUALS	522	(668)	(146)
TRADE PAYABLES	2	(2)	-
IPO COSTS	713	(269)	444
OTHER	(39)	97	58
LEASES	49	(42)	7
TAX LOSSES CARRIED FORWARD	5,890	4,869	10,759
DEFERRED TAX ASSETS	**5,077**	**1,310**	**6,387**

The Company has performed an assessment with regard to the recoverability of the deferred tax assets based on the company's future profit outlook. As a result of the assessment, no deferred tax assets relating to tax losses have been derecognised in the current year (2024: $48,734). The deferred tax asset recognised in relation to unused tax losses is $12,821,673 (2024: $10,759,304). Projections of taxable profits from various sources and tax planning were used to support the recognition of these losses, and they have been recognised on the basis that it is considered probable that the Group will generate future taxable profits against which these losses can be utilised. The future projected taxable profit is underpinned by the Group's forecasts of customer and revenue growth and the anticipated timing of the increase in demand for the Group's services. The future projected taxable profit is also supported by contracted work and anticipated projects related to tenders that the Group considers to have a reasonable chance of success. Additionally, the Group has a history of generating taxable profits, further supporting the projections. The deferred tax asset relating to the unused tax losses will be reassessed in future periods based on the level of taxable income generated by the Group.

Note 7 - Loss Per Share

LOSS PER SHARE	CENTS	CENTS
BASIC (CENTS PER SHARE)	**(3.0)**	(6.2)
DILUTED (CENTS PER SHARE)	**(3.0)**	(6.2)

Basic loss per share is calculated by dividing the following profit attributable to ordinary shareholders of Rubicon Water Limited, by the weighted average number of ordinary shares outstanding during the financial period.

Diluted loss per share is calculated by dividing the following profit attributable to ordinary shareholders of Rubicon Water Limited by the weighted average number of ordinary shares outstanding after adjustments for the effects of all dilutive potential ordinary shares.

	2025 $'000	2024 $'000
LOSS USED IN THE CALCULATION OF BASIC AND DILUTED LOSS PER SHARE	**(6,788)**	(10,710)

	NUMBER	NUMBER
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES USED IN CALCULATING BASIC LOSS PER SHARE	**227,993,889**	171,603,620
WEIGHTED AVERAGE NUMBER OF DILUTED OPTIONS AND PERFORMANCE RIGHTS	-	-
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES USED IN CALCULATING DILUTIVE LOSS PER SHARE	**227,993,889**	171,603,620

Details of movements in ordinary shares during the reporting period are set out in Note 21.

During the financial year ended 30 June 2025 the Group has issued Performance Rights which may give rise to the issue of shares for nil consideration in the future, subject to satisfying certain performance conditions (see Note 23). Vesting conditions for these contingently issuable shares have not been met at balance date. These contingently issuable shares are anti-dilutive and are therefore excluded from the weighted average number of ordinary shares for the purpose of diluted earnings per share.

Shares issued in connection with the CEO Share Grant described in Note 23 have only been included when calculating the weighted average number of ordinary shares outstanding to the extent vested.

Note 8 - Cash

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, where the Group does not have the legal right and the intention to settle on a net basis, are shown within short-term borrowings in current liabilities on the Consolidated Statement of Financial Position.

	2025	2024
	$'000	$'000
CASH AT BANK	**5,464**	1,643
DEPOSITS AT CALL	**46**	47
TOTAL CASH AND CASH EQUIVALENTS	**5,510**	1,690

Note 9 - Trade, Other Receivables and Contract Assets

	2025	2024
	$'000	$'000
TRADE RECEIVABLES		
CURRENT		
TRADE RECEIVABLES	**27,484**	31,184
PROVISION FOR IMPAIRMENT OF RECEIVABLES	**(6,115)**	(1,624)
TOTAL TRADE RECEIVABLES	**21,369**	29,560
OTHER RECEIVABLES		
CURRENT		
OTHER DEBTORS	**1,847**	359
TOTAL OTHER RECEIVABLES	**1,847**	359
TOTAL CURRENT TRADE AND OTHER RECEIVABLES	**23,216**	29,919
NON-CURRENT		
OTHER DEBTORS	**1,744**	-
TOTAL NON-CURRENT TRADE AND OTHER RECEIVABLES	**1,744**	-
CONTRACT ASSETS*		
CURRENT	**24,549**	22,311
NON-CURRENT	**-**	9,949
TOTAL	**24,549**	32,260

*Contract Assets comprise work in progress construction contract amounts recognised overtime and pursuant to contracts entered into with customers. Refer to Note 3. The provision for impairment is $2,638,428 (2024: Nil). Refer note 5(d) for details.

$25,093,453 (30 June 2024: $15,524,488) of the contract assets balance at 2024 was invoiced during the current financial year and transferred to trade receivables. In addition, contract assets additions arising from revenue earned in the current financial year are $22,148,234 (2024: $27,328,338).

Expected Credit Loss Provision for Impairment of Receivables

The Group applies the AASB 9 simplified approach when calculating its expected credit loss provisions. This allows the recognition of lifetime expected credit losses at all times. The provision is reassessed when there is a significant change in credit risk. These amounts have been included in the provision for impairment of accounts receivable.

Credit risk exposures are segmented by geographic region. Expected credit loss rate is calculated for each segment based on delinquency status and actual historical credit loss experience, where applicable. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

The following tables provide information about the days past due for trade receivables from customers:

	2025 **$'000**	2024 $'000
CURRENT	**14,247**	20,840
0 – 30 DAYS PAST DUE	**320**	2,147
31 – 60 DAYS PAST DUE	**3,381**	1,750
61 + DAYS PAST DUE	**9,536**	6,447
PROVISION FOR IMPAIRMENT OF RECEIVABLES	**(6,115)**	(1,624)
TRADE RECEIVABLES	**21,369**	29,560

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	2025 **$'000**	2024 $'000
BALANCE AT 1 JULY	**1,624**	332
NET REMEASUREMENT OF LOSS ALLOWANCE	**4,491**	1,292
BALANCE AT 30 JUNE	**6,115**	1,624

In 2025, impairment losses of $4,490,825 were recognised and partially offset by recoveries of $3,487,610.

Note 10 - Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of finished goods includes direct materials, direct labour and an appropriate portion of variable and fixed overheads included in bringing them to their existing location and condition. Costs are assigned on the basis of weighted average costs.

	2025 **$'000**	2024 $'000
CURRENT		
AT LOWER OF COST OR NET REALISABLE VALUE:*		
- RAW MATERIALS	**10,406**	12,180
- FINISHED GOODS	**9,142**	5,500
AT COST:		
- WORK IN PROGRESS	**259**	158
TOTAL INVENTORIES	**19,807**	17,838

*The Group has completed a comprehensive review of the carrying amount of inventory. As a result of the review, inventory was impaired by $330,984 (2024: $119,693).

Note 11 - Other Current Assets

	2025 $'000	2024 $'000
CURRENT		
PREPAYMENTS	**945**	1,042
OTHER	**1,466**	611
TOTAL OTHER CURRENT ASSETS	**2,411**	1,653

Note 12 - Investments - accounted for using the equity method

The Group has a 50% interest in Medha Rubicon Water Technologies Pvt Ltd (MRWTPL). MRWTPL is a joint venture between Medha Servo Drives Private Limited, a company domiciled in India and Rubicon Equipment India Private Limited, a wholly-owned subsidiary of Rubicon Group. The company assembles and supplies Rubicon products for the Indian market and for export. The Group's interest in MRWTPL is accounted for using the equity method in the consolidated financial statements. The accounting policies of the joint venture, which have been applied in determining the financial information shown below, are the same as those applied by the Group.

Summarised statement of financial position of MRWTPL:

	2025 $'000	2024 $'000
CURRENT ASSETS	**11,594**	8,689
NON-CURRENT ASSETS	**1,381**	1,698
CURRENT LIABILITIES	**(7,798)**	(5,553)
NON-CURRENT LIABILITIES	**(907)**	(1,031)
EQUITY	**4,270**	3,803
GROUP'S SHARE IN EQUITY - 50%	**2,135**	1,902
GROUP'S CARRYING AMOUNT OF THE INVESTMENT	**2,135**	1,902

Summarised statement of profit or loss and other comprehensive income of MRWTPL:

	2025 $'000	2024 $'000
REVENUE	**7,035**	2,646
EXPENSES	**(6,531)**	(3,730)
GAIN/(LOSS) BEFORE TAX	**503**	(1,084)
TAX EXPENSE	**(87)**	184
GAIN/ (LOSS) FOR THE YEAR	**416**	(900)
EXCHANGE DIFFERENCES ON TRANSLATION OF FOREIGN OPERATIONS	**(27)**	(16)
TOTAL COMPREHENSIVE GAIN/(LOSS) FOR THE YEAR	**389**	(916)
GROUP'S SHARE OF TOTAL COMPREHENSIVE GAIN/(LOSS) FOR THE YEAR*	**195**	(458)

*After elimination of up-stream and down-stream transactions

Note 13 - Intangibles

All intangible assets recognised by the Group relate to product development, comprising software and hardware concepts. Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives which is disclosed below. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Expenditure on research activities is recognised in profit or loss as incurred. Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in profit or loss as incurred.

All intangible assets recognised by the Group as at 30 June 2025 have finite useful lives.

Development Costs

	2025			2024		
	HARDWARE CONCEPTS $'000	SOFTWARE $'000	TOTAL $'000	HARDWARE CONCEPTS $'000	SOFTWARE $'000	TOTAL $'000
COST						
OPENING BALANCE	**1,769**	**3,678**	**5,447**	1,382	2,474	3,856
ADDITIONS FROM INTERNAL DEVELOPMENT	**586**	**1,128**	**1,714**	387	1,204	1,591
BALANCE AT 30 JUNE	**2,355**	**4,806**	**7,161**	1,769	3678	5,447
AMORTISATION						
OPENING BALANCE	**(333)**	**-**	**(333)**	(234)	-	(234)
AMORTISATION CHARGE	**(218)**	**(540)**	**(758)**	(99)	-	(99)
BALANCE AT 30 JUNE	**(551)**	**(540)**	**(1,091)**	(333)	-	(333)
CARRYING AMOUNT						
OPENING BALANCE	**1,436**	**3,678**	**5,114**	1,148	2,474	3,622
BALANCE AT 30 JUNE	**1,804**	**4,266**	**6,070**	1,436	3,678	5,114

The amortisation period for product development costs is five years.

Recoverability of Development Costs

In accordance with *AASB 136 Impairment of Assets*, management performed an impairment assessment of the software development costs which have been capitalised and recognised as intangible assets on the Group's Consolidated Statement of Financial Position. A 5-year Discounted Cash Flow (DCF) model using a pre-tax discount of 6.8% has been used to test whether the net present value of the forecast cashflows generated by software exceeds capitalised carrying amount at the reporting date and taking into account future development and maintenance cost of the software. The recoverable amount of the software development costs was estimated to be higher than its carrying amount and no impairment was required.

Note 14 - Property, Plant, and Equipment

Recognition and Measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Subsequent Expenditure

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Depreciation

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line or diminishing returns method over their estimated useful lives, and is generally recognised in profit or loss. Leasehold improvement assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Land is not depreciated.

The useful lives used for each class of depreciable assets are:

Class of Property, Plant and Equipment	Useful Life (years)
Buildings	25
Plant & Equipment	4-20
Motor Vehicles	3-5
Leasehold improvements	3-10

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period.

	2025 $'000	2024 $'000
LAND AND BUILDINGS		
- AT COST	**3,956**	3,956
- ACCUMULATED DEPRECIATION	**(1,550)**	(1,453)
TOTAL LAND AND BUILDINGS	**2,406**	2,503
PLANT AND EQUIPMENT		
PLANT AND EQUIPMENT:		
- AT COST	**16,373**	16,513
- ACCUMULATED DEPRECIATION	**(15,171)**	(15,175)
TOTAL PLANT AND EQUIPMENT	**1,202**	1,338
MOTOR VEHICLES:		
- AT COST	**4,925**	4,738
- ACCUMULATED DEPRECIATION	**(3,510)**	(3,484)
TOTAL MOTOR VEHICLES	**1,415**	1,254
LEASEHOLD IMPROVEMENTS:		
- AT COST	**1,820**	1,794
- ACCUMULATED DEPRECIATION	**(946)**	(895)
TOTAL LEASEHOLD IMPROVEMENTS	**874**	899
TOTAL PROPERTY, PLANT AND EQUIPMENT	**5,897**	5,994

Movements in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	LAND AND BUILDINGS $'000	PLANT AND EQUIPMENT $'000	MOTOR VEHICLES $'000	LEASEHOLD IMPROVEMENTS $'000	TOTAL $'000
BALANCE AT 1 JULY 2023	2,600	1,918	1,182	963	6,663
ADDITIONS	-	201	506	-	707
DISPOSALS	-	(57)	-	-	(57)
NET FOREIGN EXCHANGE MOVEMENT	-	(9)	(48)	(2)	(59)
DEPRECIATION EXPENSE	(97)	(715)	(386)	(62)	(1,260)
BALANCE AT 30 JUNE 2024	**2,503**	**1,338**	**1,254**	**899**	**5,994**
ADDITIONS	-	459	618	23	1,100
DISPOSALS	-	(1)	(21)	-	(22)
NET FOREIGN EXCHANGE MOVEMENT	-	23	5	2	30
DEPRECIATION EXPENSE	(97)	(617)	(441)	(50)	(1,205)
BALANCE AT 30 JUNE 2025	**2,406**	**1,202**	**1,415**	**874**	**5,897**

Note 15 - Leases

The majority of leases relate to the rental of premises in Australia, USA, New Zealand, Spain, Chile and China. The carrying value of right-of-use assets is presented below:

	2025 $'000	2024 $'000
COST		
OPENING BALANCE	**8,784**	5,295
ADDITIONS	**385**	3,859
FOREIGN EXCHANGE TRANSLATION	**46**	(55)
DERECOGNITION OF RIGHT-OF-USE ASSETS	**-**	(315)
CLOSING BALANCE	**9,215**	8,784
ACCUMULATED DEPRECIATION		
OPENING BALANCE	**(5,232)**	(4,154)
DEPRECIATION FOR THE PERIOD	**(1,001)**	(1,078)
CLOSING BALANCE	**(6,233)**	(5,232)
NET BOOK VALUE		
OPENING BALANCE	**3,552**	1,141
CLOSING BALANCE	**2,982**	3,552

Amounts recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income relating to leases:

	2025 $'000	2024 $'000
DEPRECIATION EXPENSE ON RIGHT-OF-USE ASSETS	**1,001**	1,078
INTEREST EXPENSE ON LEASE LIABILITIES	**264**	204
OCCUPANCY EXPENSES		
EXPENSES RELATING TO SHORT TERM OR LOW VALUE LEASES EXEMPT UNDER AASB16	**329**	288
OTHER OCCUPANCY EXPENSES	**95**	63
TOTAL OCCUPANCY EXPENSES	**424**	351

Note 16 - Other Financial Assets

	2025 $'000	2024 $'000
NON-CURRENT		
LOANS TO MANAGEMENT PERSONNEL	**50**	50
TOTAL OTHER FINANCIAL ASSETS	**50**	50

Loans were extended to a number of management personnel during the 2018 financial year which are not for a fixed term and are full recourse. An interest free period applied to loans for an initial three-year period and was subsequently extended for a further three years in 2021 and then again in 2024. Any remaining loans after the end of the 2026 financial year will attract a nominal interest rate.

Note 17 - Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Group during the reporting period which remains unpaid. The balance is recognised as a current liability if expected to be settled within 12 months.

	2025 $'000	2024 $'000
CURRENT		
UNSECURED LIABILITIES:		
TRADE PAYABLES	**6,550**	4,038
SUNDRY PAYABLES AND ACCRUED EXPENSES	**2,978**	3,447
TOTAL TRADE AND OTHER PAYABLES	**9,528**	7,485

Note 18 - Financial Liabilities

Non-Derivative Financial Liabilities – Measurement

Non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

Non-Derivative Financial Liabilities – Recognition and Derecognition

The Group initially recognises loans and receivables and debt securities issued on the date when they are originated. All other financial liabilities are initially recognised on the trade date, when the entity becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired.

Financial liabilities are offset, and the net amount presented in the Statement of Financial Position when, and only when, the Group has a legally enforceable right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

	2025 **$'000**	2024 $'000
CURRENT		
SECURED LIABILITIES:		
BANK OVERDRAFTS	**1,488**	1,425
DIRECTORS' LOANS	**-**	2,500
BANK LOANS	**15,860**	26,760
CHATTEL MORTGAGE	**188**	146
	17,536	30,831
LEASE LIABILITIES	**848**	822
TOTAL CURRENT LIABILITIES	**18,384**	31,653
NON-CURRENT		
SECURED LIABILITIES:		
BANK LOANS	**1,880**	2,240
CHATTEL MORTGAGE	**350**	227
	2,230	2,467
LEASE LIABILITIES	**2,519**	3,007
TOTAL NON-CURRENT LIABILITIES	**4,749**	5,474

(a) Collateral Provided

Bank facility

On the 19 May 2025 an amendment deed was executed to the HSBC funding facilities renewed on 16 August 2023. This had the effect of reducing the Facility B component of the facilities from $26,400,000 to $25,400,000. It also introduced a Net Leverage Ratio test each 30 June and 31 December. Where the Net Leverage Ratio exceeds 3.00:1, the Facility B commitment reduces by $1,000,000. As such as at 30th June 2025, the Facility B component of the facilities was reduced to $24,400,000 and the test was not met at that date.

All facilities except for the Term Facility remain perpetual and evergreen in nature, and are at HSBC's discretion and subject to Rubicon satisfying the financial covenants in place. The Term Facility expires on 16 August 2026.

The facility is subject to two financial covenants:

- Loan to Value Ratio
- Borrower Base Assets / Drawn Facilities (ratio)*

At the reporting date the total facility limit was $29,640,000 (excluding the corporate credit card facility) and as of that date, it was drawn to $19,227,471 (2024: $30,424,798). The amortising term loan component of the facilities (Facility A) of $2,240,000 was fully drawn at the reporting date of which $1,880,000 was classified as a non-current liability. All other drawn facility balances remain classified as current liabilities.

The Group held cash balances of $5,509,522 (2024: $1,690,116).

The Net Leverage Ratio, is calculated as Net Debt divided by EBITDA (rolling 12-month period) and must not exceed 3.00:1 at two test dates (30 June and 31 December).

Details of the facility components are shown below:

Facility	Facility limit $m	Termination date	Purpose
Multiple Advance Facility*	24.4	Perpetual	General corporate and working capital purposes
Multi Option Facility*	3.0	Perpetual	Overdraft and bank guarantees
Corporate Credit Card Facility*	0.4	Perpetual	Corporate credit card
Term Facility	2.2	3 years from execution	General corporate purposes
Total new banking facilities	**30.0**		

*Borrower Base Assets include cash, inventory (net of provision) and invoiced receivables (less than 60 days overdue).

During the year, the Company successfully raised $17,026,500 in new capital (before share issue costs). Of the total capital raised, $10,900,000 was used to pay down the existing bank debt, and $2,500,000 was used to repay the remaining balance of the directors' working capital facility. The directors' working capital facility of $6,000,000 expired on 21 February 2025.

Chattel Mortgage

Chattel Mortgages are secured over the underlying asset.

Defaults and breaches

There were no default or breaches during the year ending 30 June 2025 on any borrowing facilities.

Lease liabilities

Lease liabilities are secured by underlying leased assets.

(b) Debt Facilities and Credit Standby Arrangements

A summary of the Group's loan facilities is provided in the table below:

	2025 **$'000**	2024 $'000
CREDIT FACILITIES	**30,040**	38,400
FACILITY UTILISED:		
BANK LOANS AND OVERDRAFTS	**(19,228)**	(30,425)
DIRECTORS' LOANS	-	(2,500)
OTHER (BANK GUARANTEES AND BUSINESS CREDIT CARDS)	**(443)**	(423)
UNUSED CREDIT FACILITIES	**10,369**	5,052

Note 19 - Provisions

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money, and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

Employee Benefits

A provision has been recognised for employee entitlements including long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data.

Other Provisions

Other provisions relate to provisions for warranty required to be incurred under contractual obligations.

	2025 **$'000**	2024 $'000
CURRENT		
EMPLOYEE BENEFITS	**4,715**	4,341
OTHER	**189**	197
TOTAL CURRENT PROVISIONS	**4,904**	4,538
NON-CURRENT		
EMPLOYEE BENEFITS	**406**	368
TOTAL NON-CURRENT PROVISIONS	**406**	368

Note 20 - Contingent Liabilities

Bank guarantees of $42,670 have been provided by banks for various contracts undertaken (2024: $23,519). There are no other contingent liabilities.

Note 21 - Issued Capital

Share Capital

	2025 **$'000**	2024 $'000
240,433,434 (2024: 171,631,767) FULLY PAID ORDINARY SHARES	**184,026**	168,194

Ordinary shares

Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from share capital. Income tax relating to transaction costs of an equity transaction are accounted for in accordance with AASB 112: *Income Taxes*.

	2025 **NO.**	2024 NO.	**2025** **$**	2024 $
AT BEGINNING OF REPORTING PERIOD	**171,631,767**	171,478,430	**168,194,187**	168,194,187
ORDINARY SHARES ISSUED[1]	64,000,000	-	14,805,385	-
SHARES ISSUED IN RELATION TO SECURITY PURCHASE PLAN[2]	4,106,000	-	1,026,500	-
CEO SHARE GRANT[3]	581,667	153,337	-	-
EMPLOYEE GIFT OFFER	114,000	-	-	-
SHARES ISSUED IN RELATION TO EMPLOYEE SHARE SCHEME[4]	249,376	855,661	-	-
LESS: TREASURY SHARES[5]	(249,376)	(855,661)	-	-
AT REPORTING DATE	**240,433,434**	171,631,767	**184,026,072**	168,194,187

[1] During the year, 64,000,000 shares at a price of $0.25 per share were issued which raised $16,000,000 (before share issue costs) via two tranches:

- Tranche 1 placement raised $6,472,091 via issue of 25,888,364 shares. These shares were issued at $0.25 per share on 13 August 2024.
- Tranche 2 placement raised $9,527,909 via issue of 38,111,636 shares. These shares were issued at $0.25 per share on 16 September 2024.

[2] During the period, the Group raised $1,026,500 via issue of 4,106,000 shares by way of a security purchase plan. These shares were issued at $0.25 per share on 30 September 2024.

[3] CEO Share Grants: 296,667 fully paid ordinary shares vested on 30 August 2024 and 285,000 fully paid ordinary shares vested on 1 October 2024 in connection with the CEO Share Grant scheme. The value of those shares is reflected in the Share-based payment reserve.

[4] Shares issued during the period to Rubicon Water Limited Employee Share Trust (the Trust) in connection with the Group's employee Long-Term Incentive Plan (LTIP).

[5] Shares held by the Trust and not yet issued to employees at the end of the reporting period.

Ordinary shares are eligible to participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares on issue.

Note 22 - Dividends

Dividends

During the financial year, the Group did not make a dividend payment (2024: No dividends paid).

Franking Credits

Amount of franking credits available to shareholders of Rubicon Water Limited for subsequent financial years are:

	2025 **$'000**	2024 $'000
FRANKING ACCOUNT BALANCE AS AT THE END OF THE FINANCIAL YEAR AT 30% TAX RATE (2024: 30%)	**10,462**	10,462

Note 23 - Reserves

	2025 **$'000**	2024 $'000
SHARE-BASED PAYMENTS RESERVE	**1,444**	959
FOREIGN CURRENCY TRANSLATION RESERVE	**(504)**	(258)
RE-ORGANISATION RESERVE	**(129,615)**	(129,615)
TOTAL RESERVES	**(128,675)**	(128,914)

Share-Based Payments Reserve

	2025 **$'000**	2024 $'000
SHARE-BASED PAYMENTS RESERVE	**1,444**	959

This reserve is used to recognise share-based payments made in accordance with AASB 2 'Share-Based Payments' to employees under the CEO Share Grant and the Performance Rights granted to the executive team.

CEO Share Grants

In 2021, the Group made a grant of shares to certain key employees, excluding the CEO and his direct reports, under the CEO Share Grant. The CEO Share Grant participants received a total of 580,000 shares in Rubicon Water Limited. The shares are subject to a requirement to remain employed until a specified vesting date and are subject to further disposal restrictions after vesting. The length of tenure and any disposal restrictions are at the Board of Rubicon Water Limited's discretion and are between 12 and 36 months. This portion of the reserve is calculated proportionally over the vesting period.

The CEO Share Grant participants were granted a total of 20,000 shares (2022 CEO Offer) and 380,000 shares (2023 CEO Offer) in 2023 and 2024 respectively. There was a Special CEO Offer in 2024, under which 315,000 shares were granted to the participants. In 2025, the CEO Share Grant participants were granted a total of 60,000 shares (2024 CEO Offer).

The total expense for share-based payment relating to the CEO Share Grant recognised through Profit and Loss for the year ended 30 June 2025 was $287,340 (2024: $47,732). The expense was calculated considering the probability of vesting conditions being met.

Fair value of CEO Share Grants

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The shares from the 2021 CEO Share Grant vested in three tranches, at 31 August 2022, 31 August 2023 and 31 August 2024. Only non-market vesting conditions applied to the shares (service condition). The fair value of the shares at grant date was determined to be $1.00.

The fair value of the shares at grant date for the 2022 CEO Offer was determined to be $1.05. For the 2023 CEO Offer, the fair value of the shares at grant date was $0.50. For the Special CEO offer, the fair values were determined to be $0.55, $0.50 and $0.33, reflecting the different grant dates. For the latest 2024 CEO Offer, the fair value of the shares at grant date was $0.24.

581,667 (2024: 153,337) shares vested during the financial year and are included in total shares outstanding at the reporting date.

The following table provides the key details and movements of all CEO Share Grants applicable to the financial year ended 30 June 2025:

CEO Share Grants	Total Granted	Grant Date	Fair Value at Grant date[1]	1 July 2024	Granted	Vested	Expired/ Forfeited	30 June 2025
2021 CEO Offer	580,000	1/9/2021	$1.00	133,337	-	(126,670)	(6,667)	-
2022 CEO Offer	20,000	21/10/2022	$1.05	20,000	-	(13,333)	-	6,667
2023 CEO Offer	380,000	24/1/2024	$0.50	380,000	-	(126,664)	-	253,336
Special CEO Offer	30,000	6/2/2024	$0.55	30,000	-	(30,000)	-	-
	15,000	24/1/2024	$0.50	15,000	-	(15,000)	-	-
	270,000	10/5/2024	$0.33	270,000	-	(270,000)	-	-
2024 CEO Offer	60,000	19/9/2024	$0.24	-	60,000	-	-	60,000
Total	**1,355,000**			**848,337**	**60,000**	**(581,667)**	**(6,667)**	**320,003**

[1] Fair values of the CEO Share Grants are determined based on the market price of Rubicon share price on the grant dates.

Employee Share Scheme

Rubicon Water Limited Employee Share Trust (the Trust) was established to hold shares in the Company for the purposes of the Long-Term Incentive Plan (LTIP) as approved by the Board as part of the IPO.

Performance Rights

The Group has granted Performance Rights to its executive team, which entitles members to receive ordinary shares in the Company, subject to several vesting conditions. The Performance Rights are subject to a 3-year vesting period.

The initial award was a single tranche of Performance Rights granted to the relevant Participants under the Performance Rights Grant in August 2021 (2021 Performance Rights) of 622,603, with a vesting period to the release of the Company's FY24 financial results. A subsequent award of 657,271 Performance Rights was granted to the relevant Participants in December 2022 (2022 Performance Rights). In December 2023, 1,149,460 performance rights (2023 Performance Rights) and in December 2024, a further 2,606,436 performance rights (2024 Performance Rights) were granted to the relevant Participants. During the reporting period, of the 2021 Performance Rights, 170,661 converted to ordinary shares (as a resulting of the service condition being met) while 451,942 expired or were forfeited (as the EPS and TSR vesting conditions were not met). The executive team held a total of 4,250,667 performance rights at the reporting date (2024: 2,429,334). 162,500 of the 2022 Performance Rights belong to Participants that ceased employment with the Company during the preceding financial years and consequently will not vest.

If a relevant class of Performance Rights is not converted into shares by the relevant expiry date, then all Performance Securities of that class lapse. Subsequent grants of Performance Rights will be subject to the vesting period determined by the Board.

If the appropriate performance milestone is met each Performance Right will be converted to one share in Rubicon Water Limited.

The initial Performance Rights granted on Completion will vest in three tranches:

Tranche 1 – representing 40% of the Performance Rights granted

Where the Company achieves <10.0% EPS CAGR over the relevant testing period, none of the Performance Rights will vest.

Where the Company achieves between 10.0% and 15.0% EPS CAGR over the relevant testing period, the Rights will vest pro rata on a straight-line basis (i.e. 50% of Performance Rights will vest for achieving a 12.5% EPS CAGR and 100% of Performance Rights will vest for achieving a 15.0% or more EPS CAGR).

Where the Company achieves >15.0% EPS CAGR over the relevant testing period, all of the Performance Rights will vest.

Tranche 2 – representing 25% of the Performance Rights granted

Where the Company achieves a TSR in the bottom third or fourth quartile when compared to the S&P/ASX Small Ordinaries Index (XSO) for the relevant testing period, none of the Performance Rights will vest.

Where the Company achieves a TSR in the second quartile when compared to the constituents of the S&P/ASX Small Ordinaries Index (XSO) for the relevant testing period, the Performance Rights will vest pro rata on a straight-line basis (i.e. 50% of Rights will vest if TSR is in the middle of the second quartile and 100% of Performance Rights will vest if TSR is at the top of the second quartile).

Where the Company achieves a TSR in the top quartile when compared to the constituents of the S&P/ASX Small Ordinaries Index (XSO) for the relevant testing period, all of the Performance Rights will vest.

Tranche 3 – 35% of the Performance Rights granted

Participants' remaining Performance Rights will vest if they remain employed by the Rubicon group at the end of the vesting period.

The total expense for share-based payment relating to the Performance Rights recognised through Profit and Loss for the year ended 30 June 2025 was $197,160 (2024: $100,536).

The share-based payment expense relating to Performance Rights is recognised to the extent that it is deemed probable that the vesting conditions will be met. The vesting condition for Tranche 1 and 2 of the 2021 and 2022 Performance Rights have not been met and therefore have been adjusted accordingly in the current year expense.

Grant Date Fair value of Performance Rights

The Group received an independent valuation to determine the grant date fair value of the Performance Rights.

The grant date fair value of the tranche 1 and tranche 3 of 2021 Performance Rights, which have no market-based performance hurdles, has been determined to be $1.00 per instrument based on Rubicon's initial IPO price. The grant date fair value of the tranche 1 and tranche 3 of 2022 Performance Rights was $0.87 based on Rubicon's share price at the Grant date. The grant date fair value of the tranche 1 and tranche 3 of 2023 Performance Rights was $0.60 based on Rubicon's share price at the Grant date. The grant date fair value of the tranche 1 and tranche 3 of 2024 Performance Rights was $0.29 based on Rubicon's share price at the Grant date.

It has been assumed that no dividends will be paid over the vesting period for 2021, 2022, 2023 and 2024 Performance Rights.

The grant date fair value of the tranche 2 of 2021 Performance Rights, which are subject to a TSR (market-based) performance hurdle, has been determined to be $0.62. The grant date fair value of the tranche 2 of 2022 Performance Rights was $0.48. The grant date fair value of the tranche 2 of 2023 Performance Rights was $0.38. The grant date fair value of the tranche 2 of 2024 Performance Rights was $0.18.

Fair values of the 2021, 2022, 2023 and 2024 Performance Rights have been determined using Monte Carlo Simulation Option Pricing Model (SCSOPM) with the below assumptions selected:

Key inputs into the model	2024 Performance Rights	2023 Performance Rights	2022 Performance Rights	2021 Performance Rights
Grant date share price – Tranche 1 & 3	$0.29	$0.60	$0.87	$1.00
Grant date share price – Tranche 2	$0.18	$0.38	$0.48	$0.62
Grant date	11 December 2024	1 December 2023	1 December 2022	11 August 2021
Expected volatility	52.50%	40%	45%	40%
Dividend yield	Nil	Nil	Nil	Nil
Exercise price	Nil	Nil	Nil	Nil
Expiry date	31 August 2027	31 August 2026	31 August 2025	31 August 2024
Risk-free interest rate	3.74%	4.08%	3.09%	0.61%

The following table provides the key details and movements of all performance rights applicable to the financial year ended 30 June 2025.

Year Issued	Tranche	Grant Date	Vesting Date	Fair Value at Grant date[1]	1 July 2024	Issued	Exercised	Expired/ Forfeited[3]	30 June 2025[2]
2021	1	11/8/2021	31/8/2024	$1.00	249,041	-	-	(249,041)	-
2021	2	11/8/2021	31/8/2024	$0.62	155,651	-	-	(155,651)	-
2021	3	11/8/2021	31/8/2024	$1.00	217,911	-	(170,661)	(47,250)	-
					622,603	**-**	**(170,661)**	**(451,942)**	**-**
2022	1	1/12/2022	31/8/2025	$0.87	262,908	-	-	(65,000)	197,908
2022	2	1/12/2022	31/8/2025	$0.48	164,318	-	-	(40,625)	123,693
2022	3	1/12/2022	31/8/2025	$0.87	230,045	-	-	(56,875)	173,170
					657,271	**-**	**-**	**(162,500)**	**494,771**
2023	1	1/12/2023	31/8/2026	$0.60	459,784	-	-	-	459,784
2023	2	1/12/2023	31/8/2026	$0.38	287,365	-	-	-	287,365
2023	3	1/12/2023	31/8/2026	$0.60	402,311	-	-	-	402,311
					1,149,460	**-**	**-**	**-**	**1,149,460**
2024	1	11/12/2024	31/8/2027	$0.29	-	1,042,574	-	-	1,042,574
2024	2	11/12/2024	31/8/2027	$0.18	-	651,609	-	-	651,609
2024	3	11/12/2024	31/8/2027	$0.29	-	912,253	-	-	912,253
						2,606,436			**2,606,436**
Total					**2,429,334**	**2,606,436**	**(170,661)**	**(614,442)**	**4,250,667**

[1] Fair values of the Performance Rights are determined using the Black-Scholes option pricing model for Performance Rights subject to non-market conditions, and the Monte Carlo simulation model for those subject to market conditions.

[2] Exercise price is nil.

[3] Performance Rights have an expiry period of 3 years.

Foreign Currency Translation Reserve

	2025 $'000	2024 $'000
BALANCE AT BEGINNING OF REPORTING PERIOD	**(258)**	(204)
CHARGE TO OTHER COMPREHENSIVE INCOME	**(246)**	(54)
BALANCE AT END OF FINANCIAL YEAR	**(504)**	(258)

The foreign currency translation reserve records exchange differences arising on translation of overseas subsidiaries.

Re-Organisation Reserve

On 27 August 2021 Rubicon Water Limited became the ultimate parent entity of the Group by way of a Deed of Implementation between the Rubicon Water Limited and Rubicon Systems (Holdings) Pty Ltd. The substance of the reorganisation has been evaluated and deemed not to be a Business Combination required to be accounted for under AASB 3 Business Combinations. Accordingly, these consolidated financial statements reflect that the arrangement is in substance a continuation of the existing Rubicon Group. Any difference in share capital of the Company at the date of the reorganisation, calculated on the basis outlined in Note 21, compared to the existing share capital of Rubicon Systems (Holdings) Pty Ltd at the date of completion of the reorganisation has been recognised as an adjustment within the Re-organisation Reserve.

Note 24 - Deed of Cross Guarantee

Pursuant to *ASIC Corporations (Wholly-owned Companies) Instrument 2016/785* the wholly-owned subsidiaries listed below are relieved from the *Corporations Act 2001* requirements for preparation, audit and lodgement of financial reports, and Directors' reports.

It is a condition of the Instrument that the Company and each of the subsidiaries enter into a Deed of Cross Guarantee. The effect of the Deed is that each company which is party to the deed guarantees to each creditor payment in full of any debt in the event of winding up of any of the subsidiaries under certain provisions of the *Corporations Act 2001*. If a winding up occurs under other provisions of the Act, the Company will only be liable in the event that after six months any creditor has not been paid in full. The subsidiaries have also given similar guarantees in the event that the Company is wound up.

The subsidiaries subject to the Deed are:

- RUBICON WATER LIMITED
- RUBICON SYSTEMS (HOLDINGS) PTY LTD
- RUBICON SYSTEMS AUSTRALIA PTY LTD
- RUBICON SERVICES PTY LTD
- RUBICON RESEARCH PTY LTD
- RUBICON GLOBAL PTY LTD
- RETIC WATER PTY LTD
- RUBICON SHARE SCHEME PTY LTD (FORMERLY BENDIGO PIPE PTY LTD)
- RETICULA PTY LTD
- RUBICON WATER INDIA PTY LTD

A consolidated statement of profit and loss and comprehensive income and consolidated statement of financial position, comprising the Company and those controlled entities which are a party to the Deed, after eliminating all transactions between parties to the Deed of Cross Guarantee, for the year ended 30 June 2025 are set out as follows:

Statement of profit or loss and other comprehensive income and retained earnings

	2025 $'000	2024 $'000
REVENUE	**43,047**	37,474
COST OF SALES	**(28,275)**	(23,507)
GROSS PROFIT	**14,772**	13,967
OTHER GAINS AND LOSSES	**6**	137
DEPRECIATION	**(1,777)**	(1,183)
EMPLOYEE BENEFITS EXPENSE	**(12,036)**	(12,592)
PROFESSIONAL FEES	**(2,942)**	(1,770)
TRAVEL COSTS	**(351)**	(319)
OCCUPANCY EXPENSES	**(74)**	(79)
ADMINISTRATIVE EXPENSES	**(3,487)**	(3,095)
FINANCE COSTS	**(2,080)**	(2,578)
LOSS BEFORE INCOME TAX	**(7,969)**	(7,512)
INCOME TAX EXPENSE	**2,227**	2,235
LOSS FOR THE YEAR	**(5,742)**	(5,277)
OTHER COMPREHENSIVE INCOME/ (LOSS)		
ITEMS THAT MAY BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS:		
EXCHANGE DIFFERENCES ON TRANSLATION OF OVERSEAS SUBSIDIARIES		
OTHER COMPREHENSIVE LOSS FOR THE YEAR, NET OF TAX	**-**	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	**(5,742)**	(5,277)
RETAINED EARNINGS AT BEGINNING OF YEAR	**33,997**	39,274
DIVIDENDS RECOGNISED DURING THE YEAR	**-**	-
RETAINED EARNINGS AT END OF YEAR	**28,255**	33,997
TOTAL COMPREHENSIVE INCOME / (LOSS) ATTRIBUTABLE TO:		
OWNERS OF THE COMPANY	**(5,742)**	(5,277)
NON-CONTROLLING INTEREST	**-**	-
	(5,742)	(5,277)

Statement of financial position

	2025 $'000	2024 $'000
CURRENT ASSETS		
CASH AND CASH EQUIVALENTS	-	10
TRADE AND OTHER RECEIVABLES	76,275	89,537
INVENTORIES	7,091	5,016
OTHER CURRENT ASSETS	1,080	1,027
TOTAL CURRENT ASSETS	84,446	95,590
NON-CURRENT ASSETS		
INVESTMENTS	11,986	11,754
INTANGIBLES	6,070	5,114
PROPERTY, PLANT AND EQUIPMENT	4,256	4,595
RIGHT OF USE ASSETS	1,506	1,873
DEFERRED TAX ASSETS	7,352	5,124
OTHER FINANCIAL ASSETS	50	50
TOTAL NON-CURRENT ASSETS	31,220	28,510
TOTAL ASSETS	115,666	124,100
CURRENT LIABILITIES		
TRADE AND OTHER PAYABLES	5,960	11,249
FINANCIAL LIABILITIES	17,332	30,685
LEASE LIABILITIES	305	284
PROVISIONS	4,030	3,796
TOTAL CURRENT LIABILITIES	27,627	46,014
NON-CURRENT LIABILITIES		
PROVISIONS	406	368
LEASE LIABILITIES	1,410	1,710
FINANCIAL LIABILITIES	1,880	2,240
TOTAL NON-CURRENT LIABILITIES	3,696	4,318
TOTAL LIABILITIES	31,323	50,332
NET ASSETS	84,343	73,768
EQUITY		
ISSUED CAPITAL	184,259	168,427
SHARE-BASED PAYMENT RESERVE	1,444	959
RE-ORGANISATION RESERVE	(129,615)	(129,615)
RETAINED EARNINGS	28,255	33,997
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	84,343	73,768
NON-CONTROLLING INTEREST	-	-
TOTAL EQUITY	84,343	73,768

Note 25 - Parent Entity Disclosure

(c) Financial Position of Parent Entity at year end

	2025 $'000	2024 $'000
ASSETS		
CURRENT ASSETS	**1**	-
NON-CURRENT ASSETS	**63,565**	45,195
TOTAL ASSETS	**63,566**	45,195
LIABILITIES		
CURRENT LIABILITIES	**-**	106
NON-CURRENT LIABILITIES	**-**	-
TOTAL LIABILITIES	**-**	106
NET ASSETS	**63,566**	45,089
EQUITY		
ISSUED CAPITAL	**184,259**	168,427
SHARE-BASED PAYMENT RESERVE	**1,444**	959
RE-ORGANISATION RESERVE	**(128,119)**	(128,119)
RETAINED EARNINGS	**5,982**	3,822
TOTAL EQUITY	**63,566**	45,089

(b) Results of Parent Entity

	2025 $'000	2024 $'000
PROFIT FOR THE YEAR	**2,160**	2,129
OTHER COMPREHENSIVE INCOME	**-**	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**2,160**	2,129

On 9 July 2021 Rubicon Water Limited was incorporated. On 27 August 2021 Rubicon Water Limited became the ultimate parent entity of the Group by way of a Deed of Implementation between Rubicon Water Limited and Rubicon Systems (Holdings) Pty Ltd.

(c) Parent Entity Guarantees in respect of the debts of its subsidiaries

The parent entity acts as guarantor for debt facilities. Details of these facilities can be found in Note 18(b): *Financial Liabilities*. All Australian wholly-owned subsidiaries have entered into a deed of cross guarantee with Rubicon Water Limited pursuant to *ASIC Corporations (Wholly-owned Companies) Instrument 2016/785*.

(d) Parent entity Contingent Liabilities

At 30 June 2025, the parent entity has no significant contingent liabilities (2024: Nil).

(e) Parent Entity Capital Commitments for acquisition of property, plant and equipment

At 30 June 2025, the parent entity had not entered into any contractual commitments for the acquisition of property, plant and equipment and other intangible assets (2024: Nil).

Note 26 - Cash Flow Information

(a) Reconciliation of Cash at End of Financial Year

	NOTE	2025 $'000	2024 $'000
CASH AND CASH EQUIVALENTS	8	**5,510**	1690
BANK OVERDRAFTS	18	**(1,488)**	(1,425)
CASH (NET OF BANK OVERDRAFTS) AT END OF FINANCIAL YEAR		**4,022**	265

(b) Reconciliation of Cash Flow from Operating Activities with Loss after Income Tax

	2025 $'000	2024 $'000
LOSS AFTER INCOME TAX	**(6,988)**	(10,964)
ADJUSTMENTS FOR NON-CASH ITEMS:		
- DEPRECIATION	**2,206**	2,338
- AMORTISATION	**758**	99
- SHARE-BASED PAYMENTS	**485**	148
- UNREALISED FOREIGN EXCHANGE (GAIN)/ LOSS	**(252)**	1,470
- IMPAIRMENT OF INVENTORY	**331**	120
- IMPAIRMENT OF CONTRACT ASSETS	**2,638**	-
- IMPAIRMENT OF ACCOUNTS RECEIVABLE	**4,491**	1,292
- NET FINANCE COSTS	**2,248**	2,711
- SHARE OF LOSS OF EQUITY ACCOUNTED INVESTEE'S, NET OF TAX	**(195)**	458
- GAIN ON SALE OF PROPERTY, PLANT AND EQUIPMENT	**(53)**	(23)
CHANGES IN:		
- (INCREASE) / DECREASE IN TRADE RECEIVABLES AND CONTRACT ASSETS	**5,175**	(6,076)
- (INCREASE) / DECREASE IN OTHER ASSETS	**(757)**	183
- (INCREASE) / DECREASE IN INVENTORIES	**(1,969)**	5,790
- (INCREASE) / DECREASE IN DEFERRED TAX	**(2,767)**	(1,088)
- INCREASE / (DECREASE) IN TRADE PAYABLES AND ACCRUALS	**2,042**	101
- INCREASE / (DECREASE) IN OTHER LIABILITIES	**(18)**	51
- INCREASE / (DECREASE) IN PROVISIONS	**404**	(744)
CASH FROM / (USED IN) OPERATING ACTIVITIES	**7,779**	(4,134)
- NET INTEREST PAID	**(2,248)**	(2,711)
- INCOME TAXES PAID/ (RECEIVED)	**(83)**	(108)
CASH FLOW FROM / (USED IN) OPERATIONS	**5,448**	(6,953)

(c) Reconciliation of liabilities arising from financing activities

The change in the Group's liabilities (excluding overdrafts) arising from financing activities can be classified as follows:

2025

	LOANS AND BORROWINGS $'000	LEASE LIABILITIES $'000	TOTAL $'000
BALANCE AT 1 JULY 2024	**31,873**	**3,829**	**35,702**
CHANGES FROM FINANCING CASH FLOWS:			
CASH OUTFLOW	(17,087)	(846)	(17,933)
CASH INFLOW	3,140	-	3,140
	(13,947)	**(846)**	**(14,793)**
NON-CASH CHANGES:			
ACQUISITIONS	354	384	738
VARIATIONS	-	-	-
FOREIGN EXCHANGE MOVEMENT	(2)	-	(2)
BALANCE AT 30 JUNE 2025	**18,278**	**3,367**	**21,645**

2024

	LOANS AND BORROWINGS $'000	LEASE LIABILITIES $'000	TOTAL $'000
BALANCE AT 1 JULY 2023	**29,375**	**1,316**	**30,691**
CHANGES FROM FINANCING CASH FLOWS:			
CASH OUTFLOW	(124)	(1,031)	(1,155)
CASH INFLOW	2,500	-	2,500
	2,376	**(1,031)**	**1,345**
NON-CASH CHANGES:			
ACQUISITIONS	117	3,859	3,976
VARIATIONS	-	(315)	(315)
FOREIGN EXCHANGE MOVEMENT	5	-	5
BALANCE AT 30 JUNE 2024	**31,873**	**3,829**	**35,702**

Note 27 - Financial Risk Management

The Group's financial instruments consist mainly of accounts receivables and payables, loans from external parties and leases.

	NOTE	2025 $'000	2024 $'000
FINANCIAL ASSETS			
CASH AND CASH EQUIVALENTS	8	**5,510**	1,690
TRADE AND OTHER RECEIVABLES	9	**24,960**	29,919
		30,470	31,609
FINANCIAL LIABILITIES			
TRADE AND OTHER PAYABLES	17	**9,528**	7,485
BORROWINGS	18	**19,766**	33,298
LEASE LIABILITIES	18	**3,367**	3,829
		32,661	44,612

Treasury Risk Management

Management, consisting of senior executives of the Group, discusses and monitors financial risk exposure and evaluates treasury management strategies in the context of current economic conditions and forecasts. Management's overall risk management strategy seeks to assist the Group in meeting its financial targets, while minimising potential adverse effects on financial performance. Management operates under the supervision of members of the Board of Directors. Risk management transactions are approved by senior management personnel.

Financial Risk Exposures and Management

The main risks the Group is exposed to through its financial instruments are interest rate risk, currency risk, liquidity risk and credit risk. The Company's Audit and Risk Committee has overall responsibility for the establishment and oversight of the Group's risk management framework, and is responsible for developing and monitoring the Group's risk management policies. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Audit and Risk Committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

(a) Interest Rate Risk

Exposure to interest rate risk arises on financial liabilities recognised at reporting date whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. Currently the Group's operations are financed using floating rate debt. The Group is not currently entered into any interest rate swaps to fix its floating rate debt. The variable interest rate borrowings expose the Group to interest rate risk which will impact future cash flows and interest charges and is indicated by the following floating interest rate financial liabilities:

	NOTE	2025 $'000	2024 $'000
FLOATING RATE INSTRUMENTS			
BANK OVERDRAFTS	18	**1,488**	1,425
BANK LOANS	18	**17,740**	29,000
DIRECTOR'S LOANS	18	**-**	2,500
		19,228	32,925

(b) Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting its obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group manages this risk through the following mechanisms:

- Preparing forecast cash flow analysis in relation to its operational, investing and financing activities;
- Monitoring undrawn credit facilities;
- Obtaining funding from a variety of sources;
- Managing credit risk related to financial assets; and
- Monitoring the maturity profile of financial liabilities.

The Group's customers comprise governments and water authorities. Contracts with these customers are often structured to be paid in instalments. There is a risk that these payments may be delayed as a result of bureaucratic processes within the government agencies delaying the release of funds, funds being paid to third-party joint venture partners and their release delayed to Rubicon or disagreements with customers over the completion of contract milestones that release payment. Within the accounts receivable balance as at 30 June 2025, $5,598,797 is aged greater than one year (2024: $16,029,109). This aged balance includes amounts that are not yet contractually due of $4,651,883 (2024: $12,169,719). Management have successfully received aged amounts in the current year owing from joint venture parties in China of $1,192,500 (2024: $2,586,573). Management have also successfully received aged amounts in the current year owing from its India customer of $8,805,108 (2024: $4,450,241). This has been due to management's continued focus to close delivery of projects and receive funds due. Further collection of these aged amounts is anticipated by 30 June 2026 as these projects reach completion and receipts are received from governments and water authorities and in turn from the joint venture partners.

The following table reflects discounted contractual maturity analysis for financial liabilities. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates. The following table includes both principal and estimated interest cash flows.

Financial Liability Maturity Analysis

	WITHIN 1 YEAR		1 TO 3 YEARS		3 PLUS YEARS		TOTAL CONTRACTUAL CASH FLOWS[3]	
	2025 $'000	2024 $'000	**2025 $'000**	2024 $'000	**2025 $'000**	2024 $'000	**2025 $'000**	2024 $'000
FINANCIAL LIABILITIES DUE FOR PAYMENT:								
BANK OVERDRAFTS[1]	**1,488**	1,425	**-**	-	**-**	-	**1,488**	1,425
BANK LOANS[1]	**15,860**	26,760	**1,880**	2,240	**-**	-	**17,740**	29,000
DIRECTORS' LOANS[1]	**-**	2,500	**-**	-	**-**	-	**-**	2,500
TRADE AND OTHER PAYABLES	**9,528**	7,485	**-**	-	**-**	-	**9,528**	7,485
CHATTEL MORTGAGE[1]	**188**	146	**204**	227	**146**	-	**538**	373
LEASE LIABILITIES[2]	**848**	822	**1,837**	2,000	**682**	1,007	**3,367**	3,829
	27,912	39,138	**3,921**	4,467	**828**	1,007	**32,661**	44,612

[1] Variable interest rate payments
[2] Fixed interest rate payments
[3] Excluding interest payments

Other than changes in chattel mortgages, all other changes in the Group's liabilities arising from financing activities are disclosed in the Consolidated Statement of Cash Flows.

(c) Currency Risk

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the AUD functional currency of the Group. The majority of financial liabilities and assets of the Group are denominated in the functional currency of the operational location. These are Australian Dollar, American Dollar, Chinese Renminbi, Chilean Peso, New Zealand Dollar, Euro, Indian Rupee and Costa Rican Colon.

(d) Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investments in debt securities.

Credit risk is managed through the maintenance of procedures (such procedures include monitoring of exposures, payment cycles and monitoring of the financial stability of significant customers and counter parties) ensuring to the extent possible, that customers and counter-parties to transactions are of sound credit worthiness. Such monitoring is used in assessing receivables for impairment. Credit terms differ between each key business and are generally based meeting project milestones for payments to be due.

Where the Group is unable to ascertain a satisfactory credit risk profile in relation to a customer or counter-party, then risk may be further managed through title retention clauses over goods or obtaining security by way of personal or commercial guarantees over assets of sufficient value which can be claimed against in the event of any default. The Group has established procedures to ensure *Personal Property Securities Act 2009* (Cth) registration is performed for all relevant assets.

Of the trade receivables balance, at the end of the year, 20% of the trade receivables balance (2024: 24%) is due from a single customer, which is also a related party and joint venture, outlined in Note 28. Due to continued contractual payments being received throughout the financial year from the Group's three largest customers the Group's overall credit risk exposure to any single customer has reduced. Apart from these customers, the Group does not have significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The Group defines counterparties as having similar characteristics if they are related entities. Concentration of credit risk to any other counterparty other than those mentioned above did not exceed 15 per cent of gross monetary assets at any time during the year. The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

The maximum exposure to credit risk by class of recognised financial assets at balance date, excluding the value of any collateral or security held, is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the Consolidated Statement of Financial Position.

On a geographical basis the Group has significant credit risk exposures both in Australia and overseas. Details with respect of the credit risk of Trade and Other Receivables can be found in Note 9. Trade and other receivables that are neither past due or impaired are considered to be of high credit quality. Aggregates of such amounts are detailed in Note 9. Balances held with banks are with AA rated financial institutions, details of these holdings can be found in Note 8: *Cash and Cash Equivalents*.

Net Fair Values

Fair Value Estimation

The fair values of financial assets and financial liabilities are the same as the carrying values as presented in the Statement of Financial Position. Fair values are those amounts 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. Fair values derived may be based on information that is estimated or subject to judgment, where changes in assumptions may have a material impact on the amounts estimated.

Sensitivity analysis

(a) Interest Rate Risk and Currency Risk

The following tables illustrate sensitivities to the Group's exposures to changes in interest rates and foreign currency exchange rates. The tables indicate the impact on how profit and equity values reported at balance date would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

(b) Interest Rate Sensitivity Analysis

The effect on earnings and equity as a result of changes in interest rate, with all other variables remaining constant would be as follows:

	100 BASIS POINTS INCREASE		100 BASIS POINTS DECREASE	
	2025 $'000	2024 $'000	**2025** $'000	2024 $'000
IMPACT ON:				
CHANGE IN EARNINGS	**(214)**	(290)	**214**	290
CHANGE IN EQUITY	**(214)**	(290)	**214**	290

(c) Currency Risk Sensitivity Analysis

As at 30 June 2025 a movement in the AUD would impact the earnings and equity as detailed in the table below by currency:

Change in Earnings FY2025

	CLP $'000	CNY $'000	EUR $'000	NZD $'000	USD $'000	INR $'000	CRC $'000	TOTAL
IMPACT ON:								
IMPROVEMENT IN AUD TO FC BY 5%	(34)	104	(11)	(4)	(59)	(29)	1	**(32)**
DECLINE IN AUD TO FC BY 5%	34	(104)	11	4	59	29	(1)	**32**

Change in Equity FY2025

	CLP $'000	CNY $'000	EUR $'000	NZD $'000	USD $'000	INR $'000	CRC $'000	TOTAL
IMPACT ON:								
IMPROVEMENT IN AUD TO FC BY 5%	(34)	104	(11)	(4)	(59)	(29)	1	**(32)**
DECLINE IN AUD TO FC BY 5%	34	(104)	11	4	59	29	(1)	**32**

The Group does not currently hedge against foreign exchange movements in net assets of its overseas subsidiaries.

Capital Management

Management monitors the capital of the Group in an effort to maintain an appropriate debt to equity ratio, provide the shareholders with adequate returns and ensure that the Group can fund its operations. The Group's debt and capital includes ordinary shares and financial liabilities. The gearing ratios as at 30 June 2025 and 2024 are as follows:

	2025 $'000	2024 $'000
TOTAL BORROWINGS	**19,766**	33,298
CASH AND CASH EQUIVALENTS	**(5,510)**	(1,690)
NET DEBT / (CASH)	**14,256**	31,608
TOTAL EQUITY	**63,958**	54,855
GEARING RATIO	**22%**	58%

Note 28 - Related Party Transactions

Balances and transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

Medha Rubicon Water Technologies Pvt Ltd (MRWTPL) is a joint venture and a related party of the Group. The Group's investment in MRWTPL is not consolidated and is accounted for using the equity method as outlined in notes 1 and 12. Sales of goods to MRWTPL were made at the Group's usual list prices.

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No provisions have been made for doubtful debts in respect of the amounts owed by MRWTPL.

Transactions between the Group and MRWTPL are disclosed below.

Trading transactions

During the year, Group companies entered into the following transactions with the joint venture who is not a member of the Group:

	Sale of goods		Purchase of goods	
	2025 $	2024 $	**2025**	2024 $
JOINT VENTURE	**4,644,164**	55,625	**34,897**	425,979

The following amounts relating to trading transactions were outstanding at the reporting date:

	2025 $	2024 $
Amounts owed by related parties for the sale of goods	**5,328,210**	4,807,844
Amounts owed to related parties for the purchase of goods	**-**	-
TOTAL	**5,328,210**	4,807,844

Transactions with Key Management Personnel

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of the past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

Key Management Personnel Compensation

Details of the nature and amount of compensation of directors and executives of Rubicon Water Limited, and other Key Management Personnel of the Group, are:

	2025 $	2024 $
SHORT-TERM EMPLOYEE BENEFITS*	**1,420,340**	1,530,391
POST-EMPLOYMENT BENEFITS	**134,788**	126,262
OTHER LONG-TERM BENEFITS	**30,577**	64,228
SHARE-BASED PAYMENTS	**118,165**	47,938
TOTAL DIRECTORS' AND EXECUTIVE OFFICERS' REMUNERATION	**1,703,870**	1,768,819

*Jason York ceased to be a KMP on 30 June 2023 but remained employed until 31 August 2023. His 2024 compensation includes termination benefits of $22,500.

Compensation of the Group's Key Management Personnel includes salaries, incentives and post-employment benefits.

Other transactions with Key Management Personnel

(d) Loans to Key Management Personnel

There were no loans to Key Management Personnel in financial year 2025.

(e) Loans from Key Management Personnel

The Group did not extend the $6,000,000 of unconditional working capital facilities, which comprised of a $5,500,000 facility from Gordon Dickinson, and a $500,000 facility from Perrysands Pty Ltd, an entity related to the CEO Bruce Rodgerson. The facility was repaid during the 2025 financial year. Total interest on the facilities from Gordon Dickinson and Bruce Rodgerson was $98,398 and $25,486 for the financial year 2025 (2024: $84,193 and $21,807 respectively).

(f) Other transactions with Key Management Personnel

All transactions between the Group and any Director or executive Key Management Personnel and their related parties are conducted on the basis of normal commercial trading terms and conditions as agreed upon between the parties as per normal arms-length business transactions. There were no other transactions with Key Management Personnel during the financial year 2025.

Note 29 - Non-Controlling Interest

	2025 $'000	2024 $'000
BALANCE AT THE BEGINNING OF THE REPORTING PERIOD	**(279)**	53
SHARE OF LOSS FOR THE YEAR	**(200)**	(254)
SHARE OF OTHER COMPREHENSIVE (LOSS) / INCOME FOR THE YEAR	**20**	(9)
DIVIDENDS PAID	**-**	(69)
BALANCE AT THE END OF THE REPORTING PERIOD	**(459)**	(279)

Losses applicable to non-controlling interests have resulted in a deficit attributable to the non-controlling interests as there is no obligation to absorb losses attributable to the non-controlling interests.

Note 30 - Auditor's Remuneration

	2025 $	2024 $
BDO AND RELATED NETWORK FIRMS		
AUDIT OR REVIEW OF FINANCIAL REPORTS		
- GROUP – AUDIT	**195,000**	228,500
- GROUP – HALF YEAR REVIEW	**79,000**	89,250
- OFFSHORE SUBSIDIARIES	**30,000**	35,000
	304,000	352,750

No other assurance services were provided by the auditors during the financial year.

Auditing fees for the parent entity are borne by another entity in the Consolidated Entity. The auditor of Rubicon Water Limited is BDO (2024: Deloitte).

Note 31 - Defined Contribution Plans

For defined contribution schemes the pension charge is calculated on the basis of contributions payable. The Group contributed $1,531,000 during the financial year (2024: $1,289,000) to defined contribution plans. These contributions are expensed as incurred.

Note 32 - Events Subsequent to Reporting Date

There has not arisen, in the interval between the end of the financial year and the date of this report, any item, transaction or event which would have a material effect on the financial statements of the Group subsequent to the financial year ended 30 June 2025.

Consolidated Entity Disclosure Statement
as at 30 June 2025

		BODY CORPORATES		TAX RESIDENCY	
NAME OF ENTITY	TYPE OF ENTITY	COUNTRY OF INCORPORATION	% OF SHARE CAPITAL HELD	AUSTRALIAN RESIDENT	FOREIGN TAX JURISDICTION[1]
RUBICON WATER LIMITED	Body Corporate	Australia	N/A	Yes	N/A
RUBICON SYSTEMS (HOLDINGS) PTY LTD (I)	Body Corporate	Australia	100%	Yes	N/A
RUBICON SYSTEMS AUSTRALIA PTY LTD (I)	Body Corporate	Australia	100%	Yes	N/A
RUBICON SERVICES PTY LTD (I)	Body Corporate	Australia	100%	Yes	N/A
RUBICON RESEARCH PTY LTD (I)	Body Corporate	Australia	100%	Yes	N/A
RUBICON GLOBAL PTY LTD (I)	Body Corporate	Australia	100%	Yes	N/A
RUBICON SYSTEMS AMERICA INCORPORATED	Body Corporate	United States of America	100%	No	United States of America
RUBICON WATER SYSTEMS (TIANJIN) CO. LTD.	Body Corporate	People's Republic of China	100%	No	People's Republic of China
RUBICON WATER SYSTEMS (BEIJING) CO. LTD.	Body Corporate	People's Republic of China	100%	No	People's Republic of China
RUBICON SYSTEMS NEW ZEALAND LIMITED	Body Corporate	New Zealand	100%	No	New Zealand
RETICULA PTY LTD (I)	Body Corporate	Australia	100%	Yes	N/A
RETIC WATER PTY LTD (I)	Body Corporate	Australia	100%	Yes	N/A
RUBICON SHARE SCHEME PTY LTD (FORMERLY BENDIGO PIPE PTY LTD (I), (II))	Body Corporate	Australia	100%	Yes	N/A
RUBICON WATER LIMITED EMPLOYEE SHARE TRUST	Trust	Australia	-	Yes	N/A
RUBICON WATER S.L.U.	Body Corporate	Spain	100%	No	Spain
RUBICON WATER CHILE SPA	Body Corporate	Chile	100%	No	Chile
GANSU TSINGHUA RUBICON WATER TECHNOLOGY CO. LTD.	Body Corporate	People's Republic of China	50%	No	People's Republic of China
NINGXIA RUBICON WATER EQUIPMENT CO. LTD.	Body Corporate	People's Republic of China	50%	No	People's Republic of China
RUBICON WATER INDIA PTY LTD (I)	Body Corporate	Australia	100%	Yes	N/A
RUBICON EQUIPMENT INDIA PRIVATE LIMITED	Body Corporate	India	100%	No	India
RUBICON WATER COSTA RICA, S.A.	Body Corporate	Costa Rica	100%	No	Costa Rica

[1] Foreign tax jurisdiction(s) in which the entity is a resident for tax purposes (according to the law of the foreign jurisdiction)

(I) Part of the Australian tax consolidated group.

(II) Trustee of a trust which is consolidated in the consolidated financial statements.

Basis of Preparation

The Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with the *Corporations Act 2001*. It includes certain information for each entity that was part of the consolidated entity at the end of the financial year.

Section 295 (3A) of the *Corporation Acts 2001* defines tax residency as having the meaning in the *Income Tax Assessment Act 1997*. The determination of tax residency involves judgement as there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on 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.

Shareholder Information

The following additional information is required by the Australian Stock Exchange Ltd in respect of listed public companies only. The following information is current as at 25 July 2025.

1. Shareholding

a) Distribution of shareholders

Range	No. of Shareholders	No. Ordinary Shares	% Of Issued Capital
1 – 1,000	244	161,817	0.07
1,001 – 5,000	239	744,548	0.31
5,001 – 10,000	101	847,968	0.35
10,001 – 100,000	224	7,667,034	3.19
100,001 and over	101	231,273,731	96.08
Total	**909**	**240,695,098**	**100.00**

b) The number of shareholdings held in less than marketable parcels is 353 holders holding 357,710 shares.

c) Shareholders holding in excess of 5% of issued capital were listed in the holding company's register as follows:

Shareholder	Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
MUTUAL TRUST PTY LTD	60,396,504	25.09
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	32,073,903	13.33
PERRYSANDS PTY LTD <RODGERSON FAMILY A/C>	19,559,770	8.13
NORTHERN CONNECTION HOLDINGS PTY LTD <OAKES-MANNERS FAMILY A/C>	19,137,363	7.95
D & A AUGHTON PTY LTD <D & A AUGHTON FAMILY A/C>	18,792,978	7.81
BROMYARD INVESTMENTS PTY LTD <WALLIS SUPER FUND A/C>	18,162,498	7.55
G D CIAVARELLA PTY LTD <CIAVARELLA FAMILY A/C>	17,144,292	7.12

d) Voting rights

The voting rights attached to each class of equity security are as follows:

Ordinary shares

Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

There are no other classes of equity securities.

Shareholder Information

e) 20 Largest Shareholders – Ordinary Shares

Shareholder	Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
MUTUAL TRUST PTY LTD	60,396,504	25.09
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	32,073,903	13.33
PERRYSANDS PTY LTD <RODGERSON FAMILY A/C>	19,559,770	8.13
NORTHERN CONNECTION HOLDINGS PTY LTD <OAKES-MANNERS FAMILY A/C>	19,137,363	7.95
D & A AUGHTON PTY LTD <D & A AUGHTON FAMILY A/C>	18,792,978	7.81
BROMYARD INVESTMENTS PTY LTD <WALLIS SUPER FUND A/C>	18,162,498	7.55
G D CIAVARELLA PTY LTD <CIAVARELLA FAMILY A/C>	17,144,292	7.12
COSMOS SUPER COMPANY PTY LTD <COSMOS SUPER FUND A/C>	6,884,773	2.86
MR RICHARD MURRAY EWEN SARGOOD	3,200,003	1.33
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	3,042,000	1.26
SARGOOD SUPER PTY LTD <SARGOOD SUPER FUND A/C>	2,425,000	1.01
PERRYSANDS PTY LTD	2,100,000	0.87
ACRES HOLDINGS PTY LTD <NOEL EDWARD KAGI FAMILY A/C>	1,700,000	0.71
MR JOHN EDGAR FERGUSON SIMPSON	1,053,390	0.44
MR ROBERT BRYANT	1,000,000	0.42
JACBEAR PTY LTD <A & J BENDALL SUPER FUND A/C>	800,000	0.33
MRGL PTY LTD <MR GLOSS UNIT A/C>	751,421	0.31
SOLICIT PTY LTD <PEARSON FAMILY A/C>	715,280	0.30
LION NOMINEES PTY LTD <JB PARNCUTT FAMILY S/F A/C>	650,000	0.27
MR MATTHEW DAVID COLLINS	601,708	0.25
Total Top 20 holders of ordinary fully paid shares	**210,190,883**	**87.34**
Total remaining holders balance	**30,504,215**	**12.66**

2. Performance rights (unquoted)

The Company has 4,250,667 unquoted performance rights on issue. As at 25 July 2025, there were 9 holders of performance rights. There are no voting rights attached to the performance rights.

3. Consistency with business objectives – ASX Listing Rule 4.10.19

The Company confirms that it has used the cash and assets in a form readily convertible to cash at the time of admission in a way consistent with its business objectives.

Corporate Directory

Directors

Tony Morganti
Non-executive Chair

Gordon Dickinson
Non-executive Director and Deputy Chair

Bruce Rodgerson
Executive Director and Chief Executive Officer

David Aughton
Executive Director

Lynda O'Grady
Non-executive Director

Iven Mareels
Non-executive Director

Company Secretary

Oliver Carton

Corporate Office

1 Cato Street
Hawthorn East
Melbourne VIC, 3123
Australia
Ph: 03 9832 3000

Registered Office

1 Cato Street
Hawthorn East
Melbourne VIC, 3123
Australia
Ph: 03 9832 3000

Share Registry

Computershare Investors Services Pty Limited
452 Johnston Street
Abbotsford VIC 3067
www.computershare.com

Stock Exchange Listing

Rubicon Water Limited is listed on the Australian Securities Exchange (ASX Code: RWL)

Auditors

BDO Audit Pty Ltd
727 Collins Street
Melbourne VIC, 3008
Australia

Solicitors

Rob Walker Legal Pty Ltd
111 Nelson Road
South Melbourne, Victoria
3205 Australia

Website Address

www.rubiconwater.com

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Rubicon Water Limited Annual Report 2025
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