

2024 Preliminary Final Report



Grow a better tomorrow

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Appendix 4E

Nufarm Limited ABN 37 091 323 312

Preliminary final report for the year ended 30 September 2024

This statement includes the consolidated results for Nufarm Limited group for the year ended 30 September 2024 ("2024" or "FY24") compared with the year ended 30 September 2023 ("2023" or "FY23").

1. Results for announcement to the market

	2024 \$000	2023 \$000	Movement \$000	%
Trading results				
Revenue from ordinary activities	3,345,909	3,480,611	(134,702)	(3.9)%
Profit/(loss) from ordinary activities after tax attributable to members				
- Before material items	(3,717)	122,191	(125,908)	(103.0)%
- After material items	(5,598)	111,140	(116,738)	(105.0)%

2. Dividends and distributions

	Final dividend (declared) 30 September 2024	Interim dividend 31 March 2024	Final dividend (prior year) 30 September 2023	Interim dividend (prior year) 31 March 2023
Dividends to shareholders				
Amount per security	nil	4 cents	5 cents	5 cents
Franked amount per security at 30%	nil	nil	nil	nil
Amount per security of foreign source	nil	4 cents	5 cents	5 cents
Date payable	n/a	14 June 2024	15 December 2023	9 June 2023
Record date for entitlement	n/a	30 May 2024	23 November 2023	26 May 2023

	Distribution rate (annualised) (%)	Total amount (\$000)	Distribution date
Nufarm Step-up securities			
Distribution - proposed and unrecognised at reporting date	8.508%	10,648	15 Apr 2025
Distribution - proposed and unrecognised at reporting date	8.462%	10,649	15 Oct 2024
Distribution - paid	8.320%	10,643	15 Apr 2024
Distribution - paid	7.660%	9,690	16 Oct 2023
Distribution - paid	7.370%	9,227	17 Apr 2023
Distribution - paid	4.860%	6,055	17 Oct 2022

3. Other summary data

Metrics	2024	2023
Net tangible assets per ordinary share (\$)	2.65	2.84
Staff employed	3,159	3,078

4. Entities where control was gained during the period

Entities	Date
Nuseed Spain, S.L.	20 December 2023
Nuseed Nutritional Chile SpA	18 June 2024

5. Entities where control was lost during the period

Entities	Date
Nufarm Suisse Sarl	7 November 2023
Nufarm Peru SAC	28 February 2024
Nuseed Russia LLC	24 July 2024
Nufarm del Ecuador SA	17 September 2024

Appendix 4E continued

Nufarm Limited ABN 37 091 323 312

6. Details of equity accounted investees

Entity	Ownership %	
	2024	2023
Seedtech Pty Ltd	25.00%	25.00%
Leshan Nong Fu Trading Co., Ltd	35.00%	35.00%
Crop.zone GmbH	14.77%	14.77%

7. Commentary

Additional Appendix 4E disclosure requirements and further information including commentary on significant features of the operating performance, results of segments, trends in performance and other factors affecting the results for the current period are contained in the Preliminary Final Report for the year ended 30 September 2024. The consolidated financial statements contained within the Preliminary Final Report for the year ended 30 September 2024, on which this report is based, have been audited by KPMG.

Directors' Report

The directors present their report together with the financial report of Nufarm Limited ('the company') and of the group, being the company and its subsidiaries and the group's interests in associates and jointly controlled entities, for the financial year ended 30 September 2024 and the auditor's report thereon.

Directors

The directors of the company at any time during or since the end of the financial year are:

J Gillam (Chair)
G Hunt (Managing Director)
A Gartmann
D Jones
M McDonald
A Percy
L Saint
F Tripodi
G Davis (resigned 15 November 2023)
P Margin (resigned 15 November 2023)

Unless otherwise indicated, all directors held their position as a director throughout the entire period and up to the date of this report. Details of the qualifications, experience and current committee responsibilities and other directorships of the directors are set out below.

Name, qualifications and responsibilities	Tenure and experience
John Gillam BCom, MAICD, FAIM Independent non-executive chair Member of the audit and risk committee Member of the people, safety and remuneration committee Chair of the nomination committee	John Gillam joined the board on 31 July 2020 and was appointed chair on 24 September 2020. John has extensive commercial and leadership experience from a 20-year career with Wesfarmers where he held various senior leadership roles including chief executive officer of the Bunnings Group, Managing Director of CSBP and chairman of Officeworks. John is based in Australia. Other directorships and offices (current and recent): • Director and chair elect of Lendlease Group Limited (since October 2024) • Chair of BlueFit Pty Limited (since February 2018) • Director of Clontarf Foundation (since 2017) • Chair of CSR Limited (2017 to July 2024) • Former director of the Heartwell Foundation (2009 to July 2023)
Greg Hunt Managing director and CEO	Greg Hunt joined the board on 5 May 2015. Greg joined Nufarm in 2012 and was group executive commercial operations prior to being appointed acting CEO in February 2015. Greg has considerable executive and agribusiness experience. Greg had a successful career at Elders before being appointed managing director of Elders Australia Limited, a position he held between 2001-2007. After leaving Elders, Greg worked with various private equity firms focussed on the agriculture sector and has acted as a corporate advisor to Australian and international organisations in agribusiness related matters.
Alexandra Gartmann BSc (Resource & Environmental Management) Independent non-executive director Chair of the sustainability and environment committee Member of the audit and risk committee Member of the nomination committee	Alexandra Gartmann joined the board on 23 September 2022. Alexandra brings over 25 years of deep industry experience in rural, agriculture and community focused organisations and is the former CEO of the Rural Bank, a division of the Bendigo & Adelaide Bank. Her executive career includes roles such as Bendigo & Adelaide Bank Executive Marketing, Partnerships & Corporate Affairs and CEO of Rural Bank and as CEO of the Foundation for Rural & Regional Renewal and The Birchip Cropping Group. Alexandra serves on boards across agriculture, banking and the environment. Alexandra is based in Australia. Other directorships and roles (current and recent): • Chair of the Victorian Agriculture & Climate Change Council • Trustee of the Helen MacPherson Smith Trust • Chair of the Australian Farm Institute • Presiding member of the Grains Research & Development Corporation (GRDC) Selection Committee • Director and Deputy Chair of the Australian Wool Testing Authority • Director of the One Basin Cooperative Research Centre • Member of the La Trobe University Council • Former chair of the CSIRO Agriculture and Food Advisory Council



Directors' Report continued

Name, qualifications and responsibilities	Tenure and experience
Dr David Jones BA (Hons) Science, PhD Independent non-executive director Chair of the innovation committee Member of the people, safety and remuneration committee Member of the nomination committee	David Jones joined the board on 23 June 2021. David has held chair and director roles in large global agricultural business. His experience includes as Head of Business Development at Syngenta and former Chairman of Zeneca China, Arysta Life Science, and Plant Impact. David has broad leadership experience in operations, strategy, mergers and acquisitions and intellectual property in multiple jurisdictions including Asia, Latin America, Europe and the United States. David is based in Switzerland. Other directorships (current and recent): • Chairman of BigSis (since 2020) • Former Chairman of Enko Chem Inc (2021 to June 2023) • Former Chairman of Commercial Advisory Board of Enko Chem Inc (2019 to July 2021)
Marie McDonald LLB(Hons), BSc(Hons) Independent non-executive director Chair of the people, safety and remuneration committee Member of the audit and risk committee Member of the nomination committee	Marie McDonald joined the board on 22 March 2017. Marie is widely recognised as one of Australia's leading corporate and commercial lawyers having been a Senior Partner at Ashurst until 2014 where she specialised in mergers and acquisitions, corporate governance and commercial law. Marie was chair of the Corporations Committee of the Business Law Section of the Law Council of Australia from 2012 to 2013, having previously been the deputy chair, and was a member of the Australian Takeovers Panel from 2001 to 2010. Marie is currently a member of the Melbourne University Law School Foundation Board and of the AICD Law Committee. Marie is based in Australia. Other directorships (current and recent): • Director of CSL Limited (since 14 August 2013) • Director of Nanosonics Limited (since 24 October 2016) • Director of Walter and Eliza Hall Institute of Medical Research (since October 2016)
Prof. Adrian Percy BSc, MSc, PhD Independent non-executive director Member of the sustainability and environment committee Member of the innovation committee Member of the nomination committee	Adrian Percy joined the board on 1 July 2023. Adrian is currently the inaugural Executive Director of the NC Plant Sciences Initiative at North Carolina State University. He has more than 30 years of experience in the agricultural sector, with previous roles as Chief Technology Officer of UPL Ltd and Head of Research and Development for the Crop Science Division of Bayer. In the latter role, he was a member of their Executive Committee with responsibility for internal and open innovation activities in the areas of crop protection chemistry and biologicals, as well as seeds and traits. During his 25-year tenure at Bayer, he also held numerous positions in agricultural research and development. Adrian is a Venture Partner at Finistere Ventures LLC, a technology and life sciences venture capital investor. Adrian is based in the United States. Other directorships (current and recent): • Director at BioLumic (US) • Director at AgPlenus (US) • Director at FA Bio (US) • Director at Evogene (US)
Lynne Saint BCom, GradDip Ed Studies, FCPA, FAICD Independent non-executive director Chair of the audit and risk committee Member of the sustainability and environment committee Member of the nomination committee	Lynne Saint joined the board on 18 December 2020. Lynne has broad financial and commercial experience from a global career including more than 19 years with Bechtel Group where she served as chief audit executive and chief financial officer of the Mining and Metals Global Business Unit. Her expertise encompasses strong financial skills, corporate governance, enterprise risk, supply chain risk and project management. Lynne is based in Australia. Other directorships (current and recent): • Director of Iluka Resources (since 24 October 2019) • Director of Ventia Services Group Limited (since 1 July 2021)



Name, qualifications and responsibilities	Tenure and experience
Federico Tripodi BAgronomic Engineering, MBA Independent non-executive director Member of the people, safety and remuneration committee Member of the innovation committee Member of the nomination committee	Federico Tripodi joined the board on 19 June 2023. Federico has close to three-decades of involvement in the agri-food sector with his experience spanning general management, research and development, corporate strategy and the commercialization of novel plant biotechnologies targeted for consumers and farmers. Federico is the Founder and CEO of Blacktop Holdings, a boutique venture lab that offers strategic and operating partnership services to rapidly growing Ag Tech, Food and Agribusiness companies, their investors and research institutions. From 2016 to 2018, Federico served as the CEO of Calyxt Inc. (NASDAQ:CLXT), a company that develops healthier food ingredients by applying a new breeding technology. Prior to Calyxt, Federico worked at Monsanto Company for nearly two decades where his primary focus was developing health, sustainability and renewable energy crop products in the United States and Latin America. Federico is based in the United States. Other directorships (current and recent): Chairman at the Agricultural Utilization Research Institute (AURI)
Gordon Davis BForSc, MAgSc, MBA Until 15 Nov 2023: Independent non-executive director Member of the audit and risk committee Member of the people, safety and remuneration committee Member of the nomination committee	Gordon Davis joined the board on 31 May 2011 and resigned on 15 November 2023. Gordon was managing director of AWB Limited (from 2006 to 2010) and has held various senior executive positions with Orica Limited, including general manager of Orica Mining Services (Australia, Asia) and general manager of Incitec Fertilisers. He has also served in a senior capacity on various industry associations.
Peter Margin BSc(Hons), MBA Until 15 Nov 2023: Independent non-executive director Member of the audit and risk committee Member of the innovation committee Member of the nomination committee	Peter Margin joined the board on 3 October 2011 and resigned on 15 November 2023. Peter has many years of leadership experience in major Australian and international food companies including executive chairman of Asahi Holdings (Australia) Pty Ltd, chief executive/managing director of Goodman Fielder Ltd and before that chief executive/managing director of National Foods Ltd.

Company secretary

Kate Hall (LLB (Hons), BSc and LLM (IP)) was appointed company secretary on 20 April 2022. Kate has more than 20 years' Australian and international experience as a general counsel and senior executive leading legal, intellectual property, governance, risk and compliance functions.

Directors' Report continued

Directors' interests in shares and step-up securities

Relevant interests of the directors in the shares and step-up securities issued by the company and related bodies corporate are, at the date of this report, as notified by the directors to the Australian Securities Exchange in accordance with S205G(1) of the Corporations Act 2001, as follows:

	Nufarm Ltd Ordinary shares	Nufarm Finance (NZ) Ltd Step-up securities
J Gillam	260,000	–
G Hunt	1,034,675	–
A Gartmann	18,450	–
D Jones	82,000	–
M McDonald	45,179	–
A Percy	–	–
L Saint	37,979	–
F Tripodi	–	–
G Davis ¹	–	–
P Margin ¹	–	–

¹ G Davis and P Margin resigned as directors 15 November 2023

Directors' meetings

The number of directors' meetings (including meetings of board committees) and number of meetings attended by each of the directors of the company during the financial year are listed below.

	Board		Audit and Risk		People, Safety and Remuneration		Innovation		Sustainability and Environment		Nomination	
	A	B	A	B	A	B	A	B	A	B	A	B
John Gillam	10	10	4	4	6	6	–	–	–	3	1	1
Greg Hunt	10	10	–	4	–	4	–	3	–	4	–	1
Alexandra Gartmann	10	10	4	4	–	1	–	2	4	4	1	1
David Jones	10	10	–	–	6	6	4	4	–	–	1	1
Marie McDonald	10	10	4	4	6	6	–	2	–	2	1	1
Adrian Percy	10	10	–	–	–	–	4	4	4	4	1	1
Lynne Saint	10	10	4	4	–	2	–	–	4	4	1	1
Federico Tripodi	10	10	–	2	6	6	4	4	–	2	1	1
Gordon Davis ¹	1	1	1	1	1	1	–	–	–	–	–	–
Peter Margin ¹	1	1	–	1	–	–	–	–	–	–	–	–

¹ G Davis and P Margin resigned as directors 15 November 2023

Column A: indicates the number of meetings held during the period of each director's board tenure and formal membership of a committee.

Column B: indicates the number of meetings attended by each director (whether or not the director was a member of the committee).



Principal Activities and Changes

Nufarm's principal activities during the financial year were the manufacture and sale of crop protection products and its proprietary seed technologies business which are further described in the Operating and Financial Review accompanying this Directors' Report.

Nufarm employs approximately 3,159 full time equivalent employees at its various locations in Australasia, the Americas, Europe, Africa and the Middle East.

The company is listed on the Australian Securities Exchange (symbol NUF). Its head office is located at Laverton in Melbourne.

Results

The net profit/(loss) attributable to members of the group for the year ended 30 September 2024 is (\$5.6) million. The comparable figure for the year ended 30 September 2023 was \$111.1 million.

Operating and Financial Review and Future Prospects

The operating and financial review and future prospects are set out in the Operating and Financial Review on pages 11-22 and forms part of this Directors' Report.

Dividends

The following unfranked dividends have been paid, declared or recommended since the end of the preceding financial year. No final dividend has been declared in respect of the year ended 30 September 2024.

	Cents per share	Total amount \$000	Payment date
Paid interim dividend (unfranked)	4.0	15,251	14 Jun 2024
Paid final dividend (unfranked)	5.0	19,038	15 Dec 2023

Nufarm Step-up Securities distributions

The following distributions have been paid or proposed since the end of the preceding financial year.

Proposed and unrecognised at reporting date	Distribution rate (annualised)	Total amount \$000	Payment date
Distribution for the period 15 October 2024 to 14 April 2025	8.51%	10,648	15 Apr 2025
Distribution for the period 15 April 2024 to 14 October 2024	8.46%	10,649	15 Oct 2024
2024			
Distribution for the period 16 October 2023 to 14 April 2024	8.32%	10,643	15 Apr 2024
Distribution for the period 17 April 2023 to 15 October 2023	7.66%	9,690	16 Oct 2023

State of Affairs

The state of the group's affairs are set out in the Operating and Financial Review accompanying this Directors' Report.

Events subsequent to reporting date

On 15 October 2024, a distribution was paid by Nufarm Finance (NZ) on the Nufarm step-up securities. The distribution rate (annualised) was 8.46% resulting in a gross distribution of \$10.649 million.

Other than noted above, the Directors are not aware of any matter or circumstance that has arisen since the end of the financial year that, in their opinion, has significantly affected, or may significantly affect in future years, Nufarm's operations or the state of Nufarm's affairs.

Remuneration Report

The Remuneration Report set out on pages 23-41 forms part of this Directors' Report.

Directors' Report continued

Environmental performance

The group did not incur any material prosecutions or fines in the financial period relating to environmental performance. The group publishes a sustainability report annually. This report can be viewed on the group's website.

Non-audit services

During the year KPMG, the company's auditor, has performed certain other services in addition to their statutory duties. Details of the audit fee and non-audit services are set out in note 37 on page 106 to the financial report.

The board has considered the non-audit services provided during the year by the auditor and is satisfied that the provision of those non-audit services during the year by the auditor is compatible with, and did not compromise, the auditor independence requirements of the Corporations Act 2001 for the reason that all non-audit services were subject to the corporate governance procedures adopted by the company and have been reviewed by the audit and risk committee to ensure they do not impact the integrity and objectivity of the auditor.

Indemnities and insurance for directors and officers

The company has entered into insurance contracts which indemnify directors and officers of the company, and its controlled entities, against liabilities. In accordance with normal commercial practices, under the terms of the insurance contracts, the nature of the liabilities insured against and the amount of premiums paid are confidential.

An indemnity agreement has been entered into between the company and each of the directors named earlier in this report. Under the agreement, the company has agreed to indemnify the directors against any claim or for any expenses or costs, which may arise as a result of the performance of their duties as directors to the extent allowed by law. There are no monetary limits to the extent of this indemnity.

Lead auditor's independence declaration

The lead auditor's independence declaration is set out on page 42 and forms part of the Directors' Report for the financial year ended 30 September 2024.

Rounding of amounts

The company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and, in accordance with that Instrument, all financial information presented in Australian dollars has been rounded to the nearest thousand unless otherwise stated.

This Report has been made in accordance with a resolution of directors.



John Gillam
Director



Greg Hunt
Director

Melbourne, 14 November 2024

Operating and Financial Review

Group results

This Operating and Financial Review includes financial information based on financial statements prepared in accordance with International Financial Reporting Standards (IFRS) and audited by KPMG. Information is presented on a continuing operations basis unless otherwise specified. Non-IFRS measures including underlying EBIT and underlying EBITDA are used internally by management to assess the performance of our business, make decisions on the allocation of our resources and assess operational management. Non-IFRS measures have not been subject to audit or review. All amounts are in Australian dollars unless otherwise specified.

	2024	2023	Change
	\$000	\$000	%
Summary financial results			
Revenue	3,345,909	3,480,611	(4)%
Revenue excluding Corporate revenue	3,345,909	3,480,611	(4)%
Gross profit	840,369	1,026,370	(18)%
Gross profit margin - excluding corporate revenue	25.1%	29.5%	(4.4)%
Underlying gross profit	895,022	1,020,649	(12)%
Underlying gross profit margin	26.7%	29.3%	(2.6)%
Underlying gross profit margin - excluding corporate revenue	26.7%	29.3%	(2.6)%
Underlying SG&A	(741,843)	(730,031)	2%
Underlying research and development expenditure	(49,647)	(44,677)	11%
Underlying EBITDA	312,741	439,354	(29)%
Underlying EBIT	107,311	250,980	(57)%
Operating profit / (loss)	64,740	240,587	(73)%
Underlying net external interest	(98,753)	(77,415)	28%
Net external interest	(98,753)	(77,415)	28%
Foreign exchange gains / (losses)	(9,435)	(7,161)	32%
Underlying net financing costs	(108,188)	(84,576)	28%
Net financing costs	(108,188)	(84,576)	28%
Underlying net profit / (loss) after tax	(3,717)	122,191	(103)%
Net profit / (loss) after tax	(5,598)	111,140	(105)%
Statutory effective tax rate	87.6%	28.2%	59.4%
Basic earnings per share - excluding material items (cents)	(6.3)	29.2	(35.5) cents
Basic earnings per share (cents)	(6.8)	26.3	(31.1) cents
Final dividend per share declared (cents)	-	5 cents	(5) cents
Total dividends declared during the year (cents)	4 cents	10 cents	(6) cents



Operating and Financial Review continued

Earnings

Whilst FY24 was challenging for the crop protection industry, Nufarm continued to make good progress in implementing its innovation and growth strategies. Demand for Nufarm products was strong, supported by successful launches from our new product pipeline. Markets for crop protection products remained competitive resulting in declines in selling prices and consequent pressure on margin. We grew our position in canola and continued to achieve important milestones in omega-3 and biofuels as we scale those growth platforms.

Group revenue declined 4% to \$3.3 billion and operating profit declined 73% to \$65 million. The company reported a statutory net loss after tax of \$5.6 million. Basic earnings per share was a loss of 6.8 cents. Excluding the impact of material items, underlying net profit after tax was a loss of \$3.7 million and underlying basic earnings per share was a loss of 6.3 cents. Underlying gross profit margin declined 2.6ppt to 26.7% for FY24 (FY23 29.3%). Underlying EBITDA was \$313 million, a reduction of 29% on the prior year, and underlying EBIT was \$107 million, a reduction of 57% on the prior year.

Sales, marketing and distribution expenses increased 7% to \$551 million. General and administrative expenses declined 14% to \$198 million. Research and development expenses increased by 22% reflecting continuing investment in Nufarm's innovation strategy. Research and development expenses included a \$4.5m impairment associated with Nufarm's investment in Crop.zone.

Depreciation and amortisation expense increased 13% to \$212 million, including material items of \$6.8m, increasing on the prior comparative period. Net financing costs were \$108m, an increase of 28% on the prior year, reflecting higher rates and higher foreign exchange losses than the prior year. The Group has a targeted currency exposure risk mitigation program to assist in the management of foreign exchange risk.

During the year the company reported individual material items totalling (\$42.6) million before tax (\$1.9) million after tax. Capital works programs which disrupted normal operating capacity at its Laverton and Wyke manufacturing sites gave rise to idle capacity charges of \$47.2 million before tax (\$34.5 million after tax). We incurred asset rationalisation and restructuring charges of \$18.8 million before tax (\$17.1 million after tax). These charges were partly offset by a gain of \$23.4 million before tax (\$23.4 million after tax) on the disposal of non-core assets at Raymond Road and land adjoining the Laverton manufacturing site. A net recognition of deferred tax assets of \$14.6 million in respect of the tax losses during FY24, reflected improved financial performance and outlook for the Australian tax group. In addition, there was an \$11.7 million release of a tax provision which had been taken in relation to the sale of Nufarm's LATAM operations in 2020.

Cash flow

	2024	2023	Change
	\$000	\$000	%
Cash flow results			
Underlying net operating cash flow	519,637	(124,630)	large
Net operating cash flow - material items	(47,246)	(990)	large
Total net operating cash flow	472,391	(125,620)	large
Underlying net investing cash flow	(253,244)	(241,731)	5%
Net investing cash flow - material items	45,787	-	n/a
Total net investing cash flow	(207,457)	(241,731)	(14)%
Total underlying net operating and investing cash flow	266,393	(366,361)	large
Total net operating and investing cash flow	264,934	(367,351)	large

The group's total net operating and investing cash flow for FY24 was a cash inflow of \$265 million and compared with a cash outflow of \$367 million the prior year. This inflow was achieved with a year-on-year reduction in net working capital of \$411 million.

The net cash outflow from investing activities was \$207 million. Cash flow from investing activities included the benefit of \$46 million in proceeds from the sale of property, plant, and equipment. Payments for property plant and equipment were \$127 million, decreasing 2% on the prior year. Investment in property, plant and equipment included significant expenditure at Wyke, largely relating to Health, Safety and Environment, and plant integrity, as well as in Chicago Heights and Laverton. Payments for intangibles and major product development expenditure were \$126 million, an increase of 30% on the prior year, with increases in expenditure on acquired and internally developed intellectual property, representing a significant investment in the future of the group.

Balance Sheet Management

	As at 30 Sep 2024	As at 30 Sep 2023	Change
Financial position	\$000	\$000	%
Net debt	634,759	849,842	(25)%
Net working capital	952,104	1,363,113	(30)%
ANWC/sales excluding external corporate (%)	42.6%	41.9%	70 bps
ANWC/sales (%)	42.6%	41.9%	70 bps
Leverage (includes lease liabilities)	2.0	1.9	0.1x
Gearing %	22.3%	26.9%	(460)bps
ROFE - total group	4.0%	8.9%	(490) bps

Net debt decreased by 25% to \$635 million. Net leverage was 2.0 times underlying EBITDA and was at the upper threshold of the company's target 1.5 – 2.0 times range. The average net working capital to sales (ANWC/sales (%)) ratio increased by 0.7 ppt to 42.6%, which is above the target range of between 35% and 40%. The increase in the average net working capital to sales ratio mainly reflects higher average inventory and lower payables. Management continues to focus on working capital via a range of actions including customer terms, supplier negotiations and effective stock management. Leverage was higher than the prior year due mainly to a reduction in underlying EBITDA. Return on funds employed (ROFE) decreased to 4.0% which was 4.9 ppt below the prior year, mainly reflecting lower earnings during FY24.

Capital Management

Nufarm capital management principles aim to maintain a robust and durable capital structure with clear guidelines for the application of free cashflow generated from business operations. Our financing arrangements aim to ensure we have the required financial resilience to withstand adverse trading cycles without experiencing undue balance sheet stress. During FY23, Nufarm entered into a five-year A\$800 million revolving Asset Based Lending credit facility (the ABL Facility) secured against trade receivables and inventory located in Australia, the United States and Canada. The ABL facility provides Nufarm with considerable flexibility in managing seasonal movements in net working capital. During FY23, Nufarm increased a Standby Liquidity Facility (the Liquidity Facility) to \$210m to provide additional liquidity.

Dividend

The board has adopted a dividend policy to align dividend payments to free cash flow generation, subject to the balance sheet meeting our target leverage range of 1.5x – 2.0x and there being insufficient growth opportunities. In considering the application of this policy any reference to free cash flow should be assessed through an appropriate historical and forecast cycle, to take into consideration fluctuations in net working capital and planned investment. Target leverage is considered on an annualised basis. In consideration of this policy the board has determined not to pay a final dividend for FY24.



Operating and Financial Review continued

Review of operations

Nufarm's activities in crop protection are managed by major geographic segments, being APAC (including Australia, New Zealand and certain parts of Asia), Europe (including the United Kingdom, the European Union, and certain other countries in Europe, the Middle East and Africa), and North America (including United States of America, Canada and Mexico). Seed Technologies comprises Nufarm's seeds, bioenergy, omega-3 and seed treatment platforms. These platforms generate revenues through the sale of seed or oil based products, and licensing of intellectual property. Seed Technologies is managed on a worldwide basis.

Revenue - Underlying (\$000s)	2024 \$000	2023 \$000	Change \$000	Change %
<i>Crop protection</i>				
APAC	864,600	970,504	(105,904)	(11%)
North America	1,266,262	1,259,811	6,451	1%
Europe	808,131	857,214	(49,083)	(6%)
Total Crop protection	2,938,993	3,087,529	(148,536)	(5%)
Seed Technologies	406,916	393,082	13,834	4%
Corporate	-	-	-	-
Nufarm Group	3,345,909	3,480,611	(134,702)	(4%)

EBITDA - Underlying (\$000s)	2024 \$000	2023 \$000	Change \$000	Change %
<i>Crop protection</i>				
APAC	88,232	87,959	273	0%
North America	82,465	161,060	(78,595)	(49%)
Europe	123,628	165,656	(42,028)	(25%)
Total Crop protection	294,325	414,675	(120,350)	(29%)
Seed Technologies	83,034	98,097	(15,063)	(15%)
Corporate	(64,618)	(73,418)	8,800	(12%)
Nufarm Group	312,741	439,354	(126,613)	(29%)

EBIT - Underlying (\$000s)	2024 \$000	2023 \$000	Change \$000	Change %
<i>Crop protection</i>				
APAC	72,021	71,214	807	1%
North America	46,697	127,918	(81,221)	(63%)
Europe	17,938	73,583	(55,645)	(76%)
Total Crop protection	136,656	272,715	(136,059)	(50%)
Seed Technologies	37,394	52,667	(15,273)	(29%)
Corporate	(66,739)	(74,402)	7,663	(10%)
Nufarm Group	107,311	250,980	(143,669)	(57%)



Crop Protection

Crop protection delivered underlying EBITDA of \$294 million (FY23 \$415 million) and underlying EBIT of \$137 million (FY23 \$273 million).

In APAC, underlying EBITDA of \$88 million was flat year on year as strong demand for Nufarm products and growth in Asia mitigated competitive pressures on selling prices and margin. We invested in our 2,4-D manufacturing at Laverton to increase capacity and reduce cost of production, and we continued to pursue targeted growth in Asia.

We experienced significant pressure on margin in our North American segment, which delivered underlying EBITDA of \$82 million, 49% below the prior year. Despite competitive market conditions, there was strong demand for Nufarm products. Performance in turf and ornamentals (T&O) in the US and in crop protection in Canada was in line with the prior year.

Europe reported underlying EBITDA of \$124 million, 25% below the prior year, reflecting both lower selling prices and sales volumes. Strong performances in tree, nut, vine and vegetable (TNVV) crops mitigated pricing pressure on foundational products. Sales from Wyke were lower than the prior year due to channel destocking and softness in the China property market, which is an important end market for our industrial products.

We saw the benefits of investment in our product pipeline with new product introductions (**NPIS**)¹ contributing more than 15% of revenue. We successfully launched Oxbow™ herbicide in Canada, the first to market in a series of Duplosan™-powered herbicides in North America. In application technology, Nufarm partnered with New Zealand company Robotics Plus to design its Quantum sprayer technology for the Prospr™ robot and are now distributing this solution across Australia and New Zealand. We also made a small investment in Norwegian based Kilter, which is developing autonomous precision application robots that uses advanced technology to identify and precisely target weeds for herbicide application and are partnering with UK based research company MoA to develop herbicides with completely new modes of actions.

Seed Technologies

Seed Technologies delivered underlying EBITDA of \$83 million (FY23 \$98 million) and underlying EBIT of \$37 million (FY23 \$53 million). The reduction in profitability was largely due to licensing revenue being lower than the prior year. Competitive pricing and higher costs as we scale our omega-3 and biofuels platforms also contributed to the decline.

We had a solid year in canola hybrid seed sales, while revenue from sorghum and sunflower seed sales were both lower year on year. We strengthened our canola position in Australia with improved product mix and are leveraging these genetics to grow our position in South America.

We achieved our target of \$50m omega-3 revenue. Our 2024 crop showed an improvement in omega-3 oil profile and in grain yield. This crop will be available for crushing into oil in FY25.

We entered a license for Yield10's omega-3 camelina in July 2024. This initiative provides an opportunity to further expand our omega-3 portfolio with additional oil profiles, and the potential to produce omega-3 in winter camelina grown as a cover crop. While still in the development phase, the technology and pipeline are expected to be highly synergistic to our existing R&D and established value chain to end use markets and key customers.

Carinata expansion in Argentina was tempered by unseasonal wet conditions, late soybean harvest and an inability to plant all contracted hectares. We expanded in Uruguay, launched in Brazil and validated performance in the EU and Australia with pre-commercial trials. The inclusion of intermediate crops in Annex IX of the European Union's Renewable Energy Directive sees carinata as one of a few scalable agricultural products to meet the criteria for SAF mandates.

¹ Products are deemed new for the first five years of sales transactions.

Operating and Financial Review continued

Outlook

We are seeing solid end use demand and stable active ingredient prices for crop protection products. As a result, we do not expect to see the same deflationary impact from falling active ingredient prices that we saw in FY24.

We are targeting growth in canola, sorghum, and sunflower seed sales, driven by supportive crop prices and multiple long term demand drivers in food, feed and energy.

There has been recent downward pressure on fish oil pricing. The outlook for plant based omega-3 products is strong over the medium to long term, driven by constrained supply of fish oil and growing demand for omega-3 products. We continue to focus on building a platform for sustainable growth.

We believe that the growth of mandates creates strong long term fundamentals for biofuels. The industry is experiencing volatility in pricing and GHG premiums ahead of markets transitioning to mandated use.

Management is focused on reducing cost and net working capital, improving return on funds employed and supporting our growth platforms.

Although we are seeing strong performance from NPIs and volumes, achieving the FY26 revenue aspirations of \$3.8 to \$3.9 billion in crop protection will be largely dependent on a return to long term average pricing in crop protection.¹

We continue to aspire to achieve \$600 to \$700 million in revenues in Seed Technologies in FY26. With an expanded omega-3 canola harvest in 2024, we expect to double omega-3 revenue in FY25, subject to market pricing.

Net working capital at the end of 1H25 is expected to be in line with 1H24, with a higher investment required to support growth in omega-3.

We are targeting \$50m of annualised savings in overhead costs and a 25 day year on year reduction in inventory by the end of FY25.

Forward looking statements reflect Nufarm's expectations at the date of this review and are based on information and assumptions known to date. They are subject to risks and uncertainties outlined in more detail on pages 18-22. Actual results may be significantly different to those expressed.

Material items

Individually material items are those items where their nature, including the expected frequency of the events giving rise to them, and/or amount is considered material to the consolidated financial report. Such items included within the group's profit for the period are detailed below.

Idle plant capacity

During the financial year, the group has undertaken capital works programs which have disrupted normal operating capacity at both its Laverton (APAC) and Wyke (Europe) manufacturing sites and resulted in idle capacity charges. In Laverton, the group has invested in its 2,4-D production capability whilst sustainably reducing the cost of production. The 2,4-D synthesis production is typically operated on a 24-hour basis. The disruption has resulted in an extended closure of 2,4-D synthesis production throughout the period.

In Wyke, the group has started preliminary works in respect of the multi-year capital investment plan to address manufacturing reliability, further improve HSE performance and increase production capacity. These preliminary works have resulted in extended shutdowns and lower production capacity than is typically achievable at the Wyke manufacturing site.

Non-core asset disposals

During September 2024, the group disposed non-core assets at Raymond Road and land adjoining the Laverton manufacturing site which were previously treated as assets held for sale. The sale generated proceeds of \$45.8 million which was in excess of the carrying amount of assets and associated costs to sell, resulting in a one-off gain on disposal of \$23.4 million recognised for the year. The gains on disposal have been offset by utilising previously unrecognised capital losses resulting in no tax payable.

Asset rationalisation and restructuring

As part of a broader asset base and cost structure review, the group has incurred asset write-down costs, accelerated amortisation for business exits, recognised restructuring provisions and incurred an FCTR (foreign currency translation reserve) loss on liquidation of dormant companies. In Europe, the group has made the decision to impair its assets in our equity accounted investee Crop.zone, whilst accelerating amortisation in specific European manufacturing assets that have been identified for future exit. In addition, a global cost review program is currently underway which has resulted in the recognition of initial redundancy provisions with respect to planned staff exits in FY25.

Deferred tax asset recognition

Australian Accounting Standards require that the group recognises a deferred tax asset arising from unutilised tax losses and tax credits to the extent that it is probable that future taxable profit will be available against which the tax losses and tax credits can be utilised, and that it recognises a deferred tax liability for all expected potential tax liabilities. The net recognition of the deferred tax assets of \$14.6 million in respect of the tax losses during the year ended 30 September 2024, reflected improved financial performance and outlook for the Australian tax group.

Release of provision for LATAM tax liabilities

When Nufarm sold its LATAM operations in 2020, it retained ongoing responsibility for certain pre-disposal tax matters, some of which have now been finalised. Consequently, a reassessment has been performed of the appropriate amount of provision to retain for the remaining open matters, and \$11.7 million of the tax provision was released for the year ended 30 September 2024.

¹ Based on our pricing achieved from FY20 to FY24 indexed using a long term industry inflation rate.



IFRS and Non-IFRS financial information

Nufarm results are reported under International Financial Reporting Standards (IFRS) including underlying EBIT and underlying EBITDA which are used to measure segment performance. This release also includes certain non-IFRS measures including underlying net profit after tax and Gross profit margin. These measures are used internally by management to assess the performance of our business, make decisions on the allocation of our resources and assess operational management. Non-IFRS measures have not been subject to audit or review.

The following notes explain the terms used throughout the operating and financial review:

- 1 Underlying EBIT is earnings before net finance costs, taxation and material items. Underlying EBITDA is underlying EBIT before depreciation, amortisation and material items. We believe that underlying EBIT and underlying EBITDA provide useful information, but should not be considered as an indication of, or an alternative to, profit / (loss) for the period as an indicator of operating performance or as an alternative to cash flow as a measure of liquidity.
- 2 Underlying EBITDA is used to reflect the underlying performance of Nufarm's operations. Underlying EBITDA is reconciled to operating profit below on a continuing basis.

	2024 \$000	2023 \$000	Change %
Operating profit reconciliation			
Underlying EBITDA	312,741	439,354	(29)%
add Depreciation and amortisation excluding material items	(205,430)	(188,374)	9%
Underlying EBIT	107,311	250,980	(57)%
Material items impacting operating profit	(42,571)	(10,393)	310%
Operating profit	64,740	240,587	(73)%

3 Non-IFRS measures are defined as follows:

Term	Definition
Gross profit margin	Gross profit as a percentage of revenue
Underlying gross profit	Gross profit less material items
Underlying gross profit margin	Underlying gross profit as a percentage of revenue
Underlying SG&A	Sales, marketing and distribution expenses plus general and administrative expenses less material items
Underlying EBIT	Earnings before net financing costs, taxation and material items
Underlying EBITDA	Underlying EBIT before depreciation, amortisation and material items
Underlying net external interest	Financial income, plus interest expense – external, plus interest expense - amortisation of debt establishment transaction costs, plus lease liability – interest expense, less material items.
Underlying net financing costs	Net financing costs less material items
Underlying net profit after tax	Profit/(loss) for the period attributable to the equity holders of Nufarm Limited less material items
Underlying income tax benefit/(expense)	Income tax benefit/(expense) excluding material items
Underlying effective tax rate	Underlying income tax benefit/(expense) divided by underlying net profit after tax
Net debt	Current loans and borrowings, plus non-current loans and borrowings, plus cash and cash equivalents
Net working capital	Current trade and other receivables, plus inventories less current trade and other payables
Average net working capital	Net working capital measured at each month end as an average
ANWC/sales (%)	Average net working capital as a percentage of rolling 12 months revenue
ANWC/sales excluding external corporate (%)	Average net working capital as a percentage of rolling 12 months revenue excluding non-operating corporate revenue
Leverage	Net debt / rolling 12 months underlying EBITDA
Interest coverage ratio	Rolling 12 months underlying EBITDA / rolling 12 months net external interest
Gearing %	Net debt / (net debt plus equity)
Return on funds employed (ROFE)	12 months rolling underlying EBIT divided by the average of opening and closing funds employed (total equity plus net debt)
Underlying net operating cash flow	Net cash from operating activities excluding material items cash flows
Underlying net investing cash flow	Net cash from investing activities excluding material items cash flows

Key risks

A summary of the material risks that could impact the achievement of Nufarm’s business objectives is included below. The group’s processes for managing risk are set out in the group’s Corporate Governance statement which is available in the corporate governance section of our website, www.nufarm.com/CorporateGovernance.

Nufarm’s approach to risk and governance focuses on effective identification and management of risk to assist us in executing our business strategies. An overview of our approach to risk management and internal control is included in section 6 of the Corporate Governance Statement which will be included in the full annual report.

The risks below are set out in no particular order. There are interdependencies between them and so an increased exposure for one risk may elevate the exposure of other risks. Nufarm may be impacted by other more general risks that Australian businesses with global operations may face as well as emerging risks that are not listed below.

Strategic Risks

Strategic context	What this means for Nufarm (risk/uncertainty)	How we are managing this
Strategic growth (medium to long term)		
Regulation and market access The crop protection industry is highly regulated with government controls and standards imposed on all aspects of the industry’s operations. Crop protection products are subject to regulatory review and approval in all markets in which they are sold, with the requirements of regulatory authorities varying from country to country. Europe, in particular, is highly regulated and there is increasing political influence on the regulatory system. This is increasing the uncertainty in predicting regulatory outcomes. In relation to seed, omega-3 trait presence in canola is also highly regulated in many markets across the globe (e.g. China). Industry resistance to omega-3 co-existence will continue until full de-regulation. Legal and community focus on the impact of crop protection products continues to increase, particularly in the US which may give rise to increased litigation risk in both environmental and personal bodily injury class actions. Nufarm continues to be a contributor in the biofuel/sustainable aviation fuel sector. These products and solutions are subject to licensing and production conditions.	Demand for new/ different products and solutions and supporting manufacturing capability Regulatory policies can have an impact on the availability and usage of crop protection and seed technology products and solutions and, in some cases, can result in the restriction or removal of certain products and solutions from the market, which may have a material adverse effect on the financial performance of Nufarm. Social/ activist pressure to strengthen regulatory requirements as they relate our business may increase. Over time, our synthetic crop protection products may become less commercially viable in certain markets. This may bring the opportunity to increase our biological and other sustainable solutions presence in those markets. For example, solutions that improve crop resilience and yield will be in demand. This may require re-alignment and/or expansion of our manufacturing and processing footprint which will require capital investment to ensure we have the manufacturing and processing capability to produce new products and solutions that are pivotal to our growth. The biofuel industry is experiencing volatility in pricing and greenhouse gas premiums ahead of markets transitioning to mandated use. If the manufacturing footprint is not aligned to portfolio, there is a risk that Nufarm’s assets will be under-utilised and/or not ready to manufacture new product lines, thereby impacting our financial performance.	Continually evolving our products and solutions and customer strategy All development of products and solutions is aligned to Nufarm’s strategic focus on key geographies and crops. This is supported by centralised systems and processes to approve and monitor development activities and provide ongoing support and technical advice to the marketing and commercial functions. Nufarm conducts regular assessments of advancements in application technology and development of products and solutions. This is a key input to the development pipeline and participation in potential partnerships with third parties with access to alternative technologies. Nufarm monitors regulatory developments across its key regions of operations closely and completes detailed regulatory risk scenario analysis biannually. Nufarm considers this analysis in the maintenance and ongoing development of our portfolio. Nufarm participates in several industry bodies and task forces which provide input and analysis to regulatory bodies on the use of our key products and solutions. We are undertaking a significant consultation process with the industry to build and maintain support for omega-3 coexistence. Nufarm has an overarching stewardship process which governs all life cycle stages from initial development to post launch oversight. Seed technologies have engaged external advisors to assist us in developing the model for greenhouse gas premiums and potential market transitions. Alignment of manufacturing capability to our strategic plan Assessment of the viability of our manufacturing footprint is continuously reviewed and assessed to ensure production capability is aligned to the demands of our customers. Capital plans are developed to support replacement of ageing plant and preventative maintenance programs have been established to minimise production downtime.



Strategic context

What this means for Nufarm
(risk/uncertainty)

How we are managing this

Strategic growth (medium to long term)

Global economic & geo-political uncertainty

The global economic environment continues to be inflationary.

The crises in Ukraine and the middle-east have not materially impacted our financial position to date, however, uncertainties remain given these crises are ongoing, such as volatility of energy prices and further supply chain impacts, and potential interruptions to our regional operations.

Our business could be impacted by country specific changes associated with tariffs and protectionist policies.

Capability to execute strategy

Inability to operationalise our strategy could result in loss of market share and variability in our earnings.

Capital – Nufarm's manufacturing footprint may require further capital investment to ensure we have the manufacturing capability to produce new products and solutions.

Supply chain – Our growth depends on getting our products between Nufarm global locations and to customers efficiently and effectively. Freight and logistics availability and supply generally may become increasingly harder and costlier, which may negatively impact our financial performance. Supply chain partners may cease to exist or financial pressure may drive others to take shortcuts that impact their quality of service or integrity.

Workforce capability – Executing our strategy will mean strengthening existing functions and introducing new processes/ functions. If we cannot retain or attract existing and new skills, there is a risk that these processes and functions will not operate at the standard that will be required to execute our strategy.

Commodity price – The input commodities associated with the production of our finished goods are subject to market volatility. This volatility can impact our profitability and earnings.

Continually monitoring our operational capability

The Finance team reviews Nufarm's capital management principles against our longer-term objectives and also Nufarm's capital structure.

The manufacturing capital expenditure plan is reviewed annually as part of the budgeting process.

Nufarm continually reviews our products and solutions and deletes, re-engineer or develop new offerings that align to our customer needs and provide maximum economic return.

The procurement team monitors the diversification of supply to reduce key dependencies. They also monitor and review input commodity costs and exposures.

Suppliers operating in high-risk jurisdictions are subject to independent third-party risk assessments.

The people plan and people and performance strategic priorities are set annually and monitored throughout the year.

Succession planning processes ensure that key roles/ competencies are identified and managed.

Innovation

Nufarm holds or has the right to use intellectual property covering its products and solutions, which intellectual property may be lost or infringed.

Nufarm introduces innovative crop protection and seed technology products and solutions where there may be a risk of infringement of third-party intellectual property rights.

Legal obligations, patent protection and market transition

If Nufarm does not take adequate steps to protect or enforce its intellectual property rights it will lose the value of these rights.

Nufarm risks potential liability if it infringes third party intellectual property rights, and may need to withdraw products or solutions or negotiate a licensing deal.

Discipline in selection of products and solutions

The Innovation Committee assists the board in the oversight of the company strategy, policy and procedures with regard to the development and adoption of innovation solutions and technologies in crop protection and seed technologies and management of intellectual property.

Nufarm conducts evaluations of our current and proposed products and solutions, which include engaging with advisors throughout the pipeline to assess to manage IP related risks.

PMO 365 maintains new project information, tracks the approval progress, and provides reporting on all new projects.

Nufarm aims to share responsibility with development partners where feasible.

Operating and Financial Review continued

Climate Related Risks

Nufarm has conducted a risks and opportunities assessment against two scenarios with a short (2030) and long (2050) term horizon:

- 1 Low emissions (high transitional impact – global average temperature below 2°C warming to pre industrial levels), and
- 2 High emissions (high physical impact – global average temperature above 3°C warming to pre industrial levels).

The identified potential risks associated with these scenarios were:

- Changes in product demand – driven by changes in the market, and in policy and regulation,
- Operational changes – fossil fuels and carbon footprint reduction/compliance with policy and regulation and operational costs / cost of goods sold increases with suppliers passing on transition costs,
- Change in product demand – driven by climate unsuitability and acute environmental events, and
- Impacts on our operations (including our supply chain) driven by changes in climate and weather events.

In addressing these risks into the future, Nufarm is committed to investing in our portfolio to deliver improving yields for growers, and new plant based solutions for use in aquaculture and bioenergy markets. Nufarm maintains a 'partner for growth' philosophy and this is applied across our distribution channel partners, and when establishing and maintaining our key supply partnerships and alliances. Our business continuity and insurance programs consider physical risk exposures relating to our manufacturing and non-manufacturing operations, and the longer term suitability of our manufacturing footprint and supply chain arrangements is assessed through our strategic risk management process.

Refer to the FY24 Sustainability Report which will be released in December 2024 for our Taskforce on Climate-related Financial Disclosures (TCFD), and further detail on our climate-related risks and progress.

Operational Risks

What this means for Nufarm (risk/ uncertainty)

Operational continuity (what we do)	How we are managing this
Weather volatility – seasonality The timing of weather seasons in the geographies in which Nufarm operates is uncertain and varies from year to year. Consequently, there is a risk that unusually early or late seasons may have a negative impact on demand for Nufarm products and solutions in a particular year and therefore its financial performance. Additionally, seasonality may result in credit risk where the cash flow of our customers, and their ability to pay on time is impacted.	Nufarm's operations are global, providing geographic diversification to climatic and seasonality risks and our portfolio is diverse, supporting a wide range of agricultural applications. At an operating level, Nufarm's business planning processes incorporate forecasting and supply planning based on typical weather conditions. These processes have been designed to allow for agility in the supply chain to respond to business interruptions, geo-political/economic and weather-related impacts. There are detailed policies and procedures which govern our credit management processes. Additional controls related to working capital to support responding to seasonality are discussed in the financial risks section of this report.
Weather volatility – physical damage An increase in extreme weather events as a result of changing climatic conditions could also result in operational disruptions, such as physical damage to our manufacturing facilities or disruption to our supply chain for key raw material inputs or delivery of finished goods to our customers. Significant disruption to our manufacturing facilities could materially impact production and our financial performance.	Our operational plants are located in regions that have lower susceptibility to extreme weather events. Nufarm maintains a business continuity framework and business continuity plans for our production operations. Nufarm maintains a comprehensive insurance program which is supported by continuity strategies across our global manufacturing footprint and key suppliers. Arrangements have been established with key toll manufacturers to support our internal manufacturing capability.
Third party supply interruptions Nufarm relies on supply of various active ingredients, intermediates and other inputs from a number of third-party suppliers, including suppliers based in China. The reliability of supply and the cost of these inputs can be impacted by a range of factors including, but not limited to, manufacturing closures or temporary disruptions, compliance with more stringent environmental and/or safety standards, and other changes in government policy or regulation. Significant interruptions can impact our ability to fulfil orders which may ultimately increase our costs.	Nufarm's procurement and integrated business planning processes include the ongoing assessment of supply availability as an input to manufacturing and safety stock levels. Where possible, we have entered into specific supply arrangements to assist with availability and pricing of key active ingredients. Alternate supply arrangements have been established, where permitted under regulatory requirements.



What this means for Nufarm (risk/ uncertainty)

Operational sustainability & compliance (how we do it)

Cyber-attack/unauthorised access

Nufarm's operations are supported by several key IT systems and applications. Complete or partial failure of the IT systems, applications or data centre infrastructure due to unauthorised access, cyberattacks or natural disasters could have a significant impact on Nufarm's ability to maintain operations and service customers. This could adversely impact Nufarm's financial position and/or reputation.

How we are managing this

Nufarm has continued to invest in IT systems, infrastructure and capability to support the efficient operation of the business.

Disaster recovery strategies exist for key IT systems, applications and data centres.

Cyber threats are assessed on an ongoing basis to the best of our knowledge based on the continually evolving nature of these threats. Security controls are updated to mitigate these risks, supported by specialist security software and security vendors.

There is a Nufarm staff cyber security awareness program that educates staff on cyber safe behaviours. Targeted cyber awareness training is delivered through simulated phishing exercises.

We also engage external providers to undertake simulated periodic system penetration testing.

Loss of key personnel

The loss of key personnel or the inability to recruit and retain or motivate high calibre staff could have a material adverse effect on Nufarm. Nufarm operates globally and has facilities in multiple jurisdictions. Management of a complex business that operates globally has a higher employee risk/complexity than a business which operates in one jurisdiction. The addition of new employees and the departure of existing employees, particularly in key positions, can be disruptive and could have an adverse effect on Nufarm and may impact Nufarm's financial performance and future prospects.

Critical roles across the organisation have been identified and appropriate succession and retention strategies developed.

There is an in-house talent acquisition resource dedicated to serving Nufarm's key hiring needs.

Guidelines for remuneration and reward have been developed to ensure Nufarm can attract and retain talent.

Regular surveys are delivered to determine levels of staff engagement.

Safety incident

Operation of Nufarm's manufacturing sites across the globe require major hazard facility licences. Operating within these environments can lead to personal injury, loss of life or damage to property. Regulatory bodies undertake regular audits of Nufarm's sites to ensure that it is appropriate to renew the licences. These audits can result in suspension of operations, fines or penalties or remediation expenses.

A robust and comprehensive Health, Safety and Environment (HSE) program is in place which provides clear guidance on culture, behaviours, process, metrics and reporting.

This program includes the ongoing audit and assessment of HSE risks and practices.

A program of regular reporting at a local, regional and global level is in place. This includes safety performance reporting at every board meeting, process safety management reporting at every Audit and Risk Committee, and occupational health and safety reporting at every People Safety and Remuneration Committee.

To facilitate greater transparency and improved data analysis associated with our safety culture, we are implementing the Enablon system as a centralised and global data repository.

Well-being seminars, encouragement of leave-taking and a range of other support measures (for example, the Employee Assistance Program) are in place and continue to be advocated throughout the organisation.

Environmental damage

Nufarm operates in a regulatory environment that establishes high standards in terms of environmental compliance. Any material failure by Nufarm to adequately control hazardous substances and manufacturing operations, including the discharge of waste material, or to meet its various statutory and regulatory environmental responsibilities, could result in significant liabilities as well as ongoing costs relating to operational inefficiencies which may arise. This extends to historical environmental issues that may be present in sites that we have acquired.

Environmental risk assessments have been completed across all our key operational sites and control measures implemented.

We have a target to obtain ISO 14001 certification at our crop protection manufacturing sites (excluding Cairo) by 2025. We are currently certified at four sites. Five other sites are currently working towards obtaining certification and Gaillon in France was certified to ISO 14001 for the majority of FY24 and will recertify in early FY25.

Local management engage with local environmental authorities on key risks and compliance.

Product contamination/quality

Nufarm manufactures and supplies a range of crop protection products and seed solutions which must be manufactured, formulated and packaged to exact standards, with strict quality controls. The performance of those products would be negatively impacted if those quality standards are not met and this could, in turn, have an adverse impact on the reputation and success of Nufarm.

Quality specification guidelines and procedures are defined across the manufacturing process. This includes a detailed contamination prevention program with associated procedures and are aligned to the 'Contamination Prevention in the Manufacture of Crop Protection Products Guidelines and Best Practices' issued by CropLife International.

Manufacturing processes are subject to rigorous testing to ensure quality standards are met and an ongoing review program is in place with the aim of ensuring operations adhere to the quality standards.

We produce GM and non-GM seed. Unapproved GM products are highly regulated in many markets across the globe. Most markets have regulations determining accepted levels of unapproved trait presence, and other markets have no tolerance. Unintended trait presence and non-compliance with regulations could lead to significant liabilities owed to third parties, and impact our brand, reputation and growth.

In relation to controlling GM traits, trait testing is undertaken from breeding handover through different stages in production, before commercial product is released to be shipped to customers, and following relevant regulations in each targeted market. We are actively working to promote industry coordination and transparency of hybrid seed production zones.

Quality metrics have been developed and are reported on to the Executive Risk Committee and the Audit and Risk Committee.

Operating and Financial Review continued

What this means for Nufarm (risk/ uncertainty)

Operational sustainability & compliance (how we do it)

Compliance breach

Nufarm's global footprint requires compliance with government legislation and regulations across all the countries within which we are established to maintain our licenses to operate. New legislation or changes to requirements could have an adverse impact on our operations, financial position or relationship with key customers and suppliers. This includes requirements relating to occupational health and safety, environment, sustainability and governance including climate change, product registration, antitrust, sanctions and anti-bribery, data privacy, taxation and review of contractual obligations with key suppliers and customers. Geopolitical risks such as changes to tariffs and sovereign risk impacting the political stability of certain countries we operate in could impact the price and volume of agricultural products and solutions sold in these regions.

How we are managing this

Policies and procedures have been developed supporting legislative and regulatory compliance. Nufarm's Code of Conduct provides overarching guidance on behaviours and is supported by procedures relating to key compliance obligations.

Nufarm also maintains a dedicated internal legal team across its key regional operations, which is supported externally as required, to provide input on key legislative and regulatory compliance.

Nufarm's internal tax department has developed specific guidance on the group's tax strategy and policies to ensure compliance and alignment with tax authorities on the treatment of transactions.

Nufarm has a global speakup/ whistleblower program that encourages employees to report any unethical, illegal or fraudulent behaviour and allows for anonymous online and phone reporting.

Financial exposures (how we fund what we do)

Debt financing

Nufarm has several bilateral financing facilities to fund its working capital requirements. Continued access to these facilities is dependent upon the successful renewal of these facilities as and when they fall due. Nufarm's ability to refinance its debt obligations, and the terms on which any such refinancing can be obtained, is uncertain. If Nufarm is unable to refinance its debt obligations, or to do so on reasonable terms, it may have an adverse effect on the financial position and performance of Nufarm.

How we are managing this

A clearly defined funding strategy is in place which includes a diversified funding structure with a range of debt maturity profiles.

Board and executive oversight is in place to monitor the reporting of financial undertakings as required under Group debt facilities together with the ongoing compliance with certain financial covenants where applicable.

Further details on strategies to manage liquidity, credit and market risk is included in Note of the consolidated financial statements.

Trade financing

The liquidity of the group is influenced by the terms suppliers extend in respect of purchases of goods and services. The determination of terms provided by suppliers is influenced by a variety of factors including supplier's liquidity. Suppliers may engage financial institutions to facilitate the receipt of payments for goods and services from the group, which are often referred to as supplier financing arrangements. In the event suppliers or financial institutions cease such arrangements the liquidity of the group's suppliers may be affected. If suppliers subsequently seek to reduce terms on the group's purchases of goods and services in the future, the group's liquidity will be affected.

Foreign exchange exposure

Global companies such as Nufarm purchase inputs and determine selling prices in a range of foreign currencies and are therefore exposed to fluctuations in exchange rates. Further, a substantial portion of Nufarm's revenues, costs, assets and liabilities are denominated in currencies other than Australian dollars. As a result, exchange rate movements affecting these currencies may impact the financial performance and future prospects of the business of Nufarm.

Nufarm has implemented a range of financial risk management policies and procedures to assist with the management of foreign exchange exposures. The group treasury function manages financial risks in accordance with these policies. Where possible, currency and interest rate risk is managed through hedging strategies (refer note of the consolidated financial statements).

Working Capital Management

Effective management of working capital is a key operational priority across the group and is directly correlated with the group's liquidity. Movements in working capital are linked to factors such as changing customer demand as a result of seasonality, climatic conditions, changes in customer credit profiles and supply constraints; and changing supply dynamics as a result of supply chain disruptions, supplier manufacturing capacity, climatic conditions, changes in supplier credit profiles and customer demand. If Nufarm is unable to appropriately manage these factors across the group, it may have an adverse effect on the financial position and performance of Nufarm.

Policies and procedures have been developed to support the management of customer credit, inventory and procurement.

Nufarm's procurement and integrated business planning processes provide a focus on working capital management both regionally and globally. This is supported by an investment in systems and data analytics to provide timely data on key working capital drivers.

Performance metrics supporting working capital management have been defined at a global and regional level and included in individual objectives and performance related remuneration for senior management.

Remuneration Report

Introduction from the chair of the People, Safety and Remuneration Committee

Dear fellow shareholders,

As chair of Nufarm's People, Safety and Remuneration Committee (PSRC), I am pleased to present the remuneration report for the financial year ended 30 September 2024 (FY24).

Financial year 2024 was clearly a challenging one for our industry. The impact of distributor destocking was felt across the sector, leading to lower than expected pricing.

However, Nufarm had an outstanding result in reducing net working capital and net debt. We finished the period with net working capital 30% below the previous period and net debt 25% below the previous period. At the same time, the Nufarm team continued to make good progress in implementing our innovation and growth strategies.

The impact of the external environment can be seen in the outcome of Executive Incentive Plan (EIP). The financial metrics were assessed at zero for the executive KMP and, thus, no cash payment will be made. Reflecting the focus on financial management and operating efficiency, as well as the strategic growth agenda, the non-financial metrics (reflecting measurable commercial drivers) were assessed as substantially met and modest awards of performance rights will be made to executive KMP. The performance rights will be tested in three years against principally financial metrics. Further details appear below.

PSRC activities

Our revised remuneration structure received strong support at the FY23 AGM and we continued our engagement throughout the year with key investors and proxy advisers.

During FY24, the committee oversaw a number of programs across the company, including the following;

- The company's strong focus on occupational health and safety was maintained, with a global Serious Injury Frequency Rate (SIFR)¹ for FY24 of 2.01 (2023:2.92).
- The Executive Incentive Plan (EIP) was further refined to move ROFE from an Annual Award measure to a performance rights vesting measure (see further below).
- An ongoing commitment to Inclusion and Diversity across the company. Women now represent 33% at the Senior leadership level (2023:35%), in line with our overall 40-40-20 objective by 2030. Pleasingly, 38% of all executive and senior management appointments in FY24 were women (2023:24%).
- Nufarm Voice, our employee engagement survey is conducted three times per year and shows overall employee engagement at 79% in FY24 (2023:77%). Nufarm's result is above the benchmark of Global Top 25% of companies currently at 77% taken from the VIVA Glint database.

Executive remuneration outcomes for the 2024 year

As mentioned above, the company's financial performance has been reflected in the Executive Incentive Plan (EIP) outcomes for executive Key Management Personnel (KMP). Each of the FY24 EIP award measures was assessed, and all financial metrics were below threshold. However, the non-financial metrics were substantially achieved.

Taking into account assessment of financial and non-financial elements, the EIP award outcome for FY24 was 18.75% of potential target for the CEO and 22.5% for other executive KMP. As the profit gate to the EIP was not met, there will not be any cash bonus payment. However, an equity grant of performance rights will be made and details of this (including the performance hurdles to be assessed in FY27) are provided in section 4 of the Remuneration Report. The grant of performance rights to the CEO will be subject to shareholder approval at the next AGM.

There was no LTI grant in 2021 to executive KMP due to the introduction of the EIP, hence there is no LTI vesting at the end of FY24.

Further details of remuneration outcomes are set out in section 4 of the Remuneration Report.

Changes to executive remuneration for FY25

For FY25, one change will be made to the EIP. ROFE is an important metric for measuring the company's performance and, for the three year Performance Rights to be granted from October 2025, it will become a vesting measure, replacing the strategic objectives applicable in FY24. ROFE will therefore be removed from the annual award measures from FY25.

The board considers that inclusion of ROFE as a performance rights vesting measure provides a more relevant point of comparison to other companies, better measures the success of Nufarm over the longer term and ensures strong alignment between participants and shareholders.

Some simplification has also taken place, so that the cash/equity mix in the annual award and the weightings for the performance rights measures are now the same for all executive KMP. Further detail is provided in section 3 of the Remuneration Report.

Director fees

There were no changes to board member base fees, which have remained constant since 1 August 2018.

In summary

The board believes the remuneration outcomes appropriately reflect financial results for FY24.

I wish to thank my fellow PSRC members and invite you to review Nufarm's full remuneration report and thank you, our shareholders, for your ongoing support of Nufarm, its purpose and vision.

Marie McDonald

Chair – People, Safety and Remuneration Committee

¹ The Serious Injury Frequency Rate (SIFR) is the metric used in reporting Serious Injuries (all medically treated injuries including lost time injuries). It is measured as the number of Serious Injuries per million hours worked.



Remuneration Report continued

Remuneration report (audited)

The audited remuneration report is designed to provide shareholders with an understanding of Nufarm's remuneration policies, and the link between our remuneration strategy and performance. This report details Nufarm's remuneration framework and outcomes for Key Management Personnel (KMP) for the financial year ended 30 September 2024 (FY24). The report has been prepared in accordance with section 300A of the *Corporations Act 2001* (Cth) (Corporations Act).

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1 KMP in FY24

KMP are those individuals with authority and responsibility for planning, directing, and controlling the activities of the Group directly or indirectly, being non-executive directors (NEDs); executive directors (the CEO); and other executives considered to be KMP. The CEO and other executive KMP are referred to collectively as 'executive KMP' throughout this report.

For FY24, Nufarm's KMP were:

	Name	Position	Term
NEDs	John Gillam	Chair, independent non-executive director	Full year
	Alexandra Gartmann	Independent non-executive director	Full year
	David Jones	Independent non-executive director	Full year
	Marie McDonald	Independent non-executive director	Full year
	Adrian Percy	Independent non-executive director	Full year
	Lynne Saint	Independent non-executive director	Full year
	Federico Tripodi	Independent non-executive director	Full year
	Gordon Davis	Independent non-executive director	Part year Resigned 15 Nov 2023
	Peter Margin	Independent non-executive director	Part year Resigned 15 Nov 2023
Executive KMP	Greg Hunt	Managing director, and CEO (CEO)	Full year
	Paul Townsend	Chief Financial Officer (CFO)	Full year
	Dave Allen	Group executive supply chain operations (GESCO)	Full year

2 Our Remuneration Philosophy

Link between business strategy and remuneration

Ambition: Nufarm's ambition is to be an agricultural innovator developing integrated solutions for our customers. Using technology and innovation, we are developing solutions across each of our business segments and platforms.

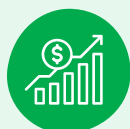
Business strategy: We remain focused on core crops and key geographies where we believe we can drive better returns and serve our customers. We have ten core crops and seeds, across key regions of North America, Europe, APAC and South America.

The agricultural industry is evolving, and Nufarm is well positioned to support our customers and the industry through change, with innovation and technology as the cornerstones of our future. We have growth platforms in hybrid seeds, bioenergy, nutritionals, crop protection, biologicals and disruptive technologies.

Our platforms and solutions help to:

- improve farm productivity and strengthen agriculture's resilience.
- protect crops and soils to reduce food loss and enable practices such as no-till farming.
- remove carbon from the air and reduce pressure on oceans for marine sources of omega-3 oil.
- provide farm inputs that safeguard the supply of affordable food, fibre and fuel.

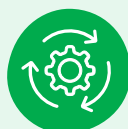
Remuneration strategy: To attract, retain and motivate global talent that delivers our business strategy and contributes to sustainable, long-term growth in:



Driving a pay for performance culture where financial rewards are directly linked to short- and long-term company performance



Rewarding and retaining participants, and attracting global talent



Addressing the cyclical nature of the sector



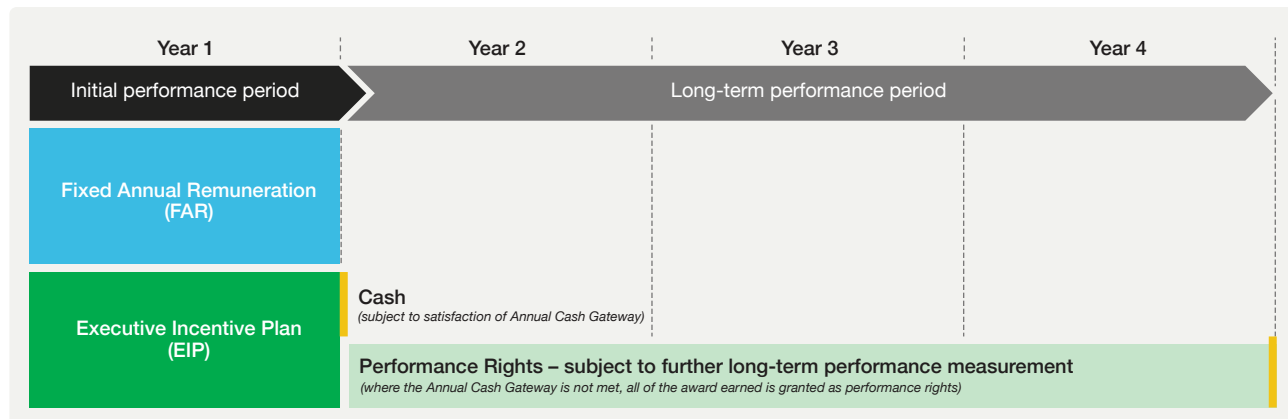
Distributing awards as a mixture of cash and performance rights



Including annual financial and non-financial targets

Remuneration Report continued

3 Executive KMP remuneration framework FY24 and FY25

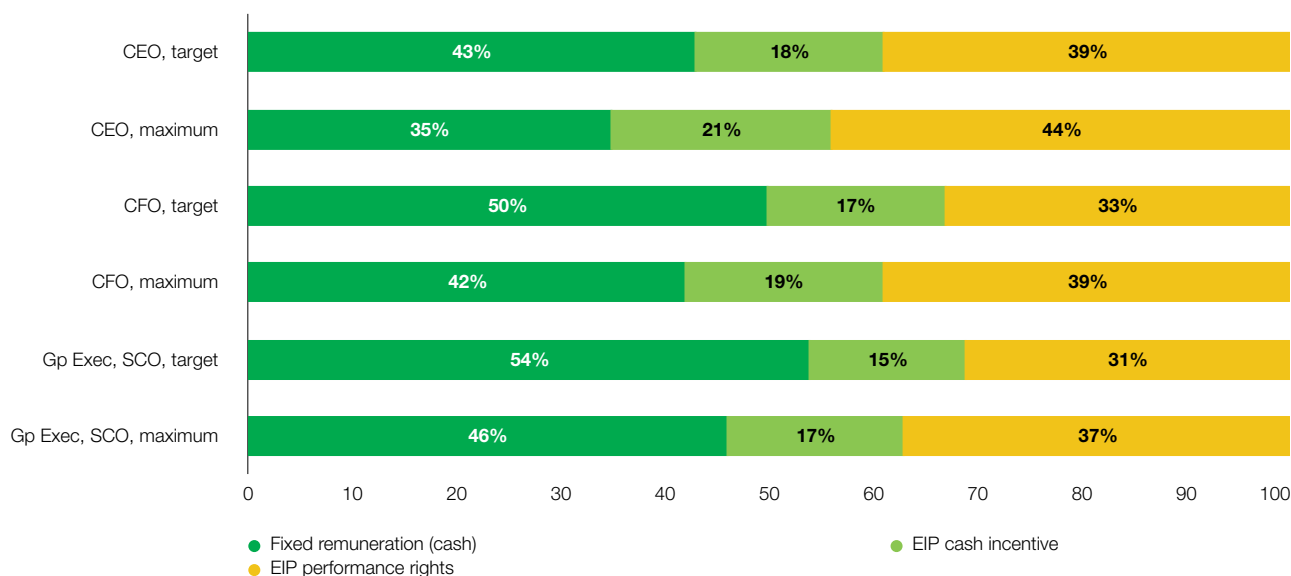


	FAR	EIP
Purpose	Attract, motivate, and retain highly skilled employees.	Reward achievement if financial and personal/team strategic objectives are met and align to long-term shareholder value creation.
Type	Base salary plus superannuation/pension.	If Annual Cash Award Gateway (as defined in section 3.4) is...
		FY24 ...met: - Cash: 32% of award for CEO (33.3% other executive KMP) - Performance rights: 68% of award for CEO (66.7% for other executive KMP) FY25 ...met: - Cash: 32% of award for all executive KMP - Performance rights: 68% of award for all executive KMP FY24 & FY25 ...not met: - Performance rights: 100% of award
Payment method	Cash, paid monthly plus contributions to superannuation/pension plans, as applicable.	Award quantum is determined based on an assessment of performance over Year 1 against a combination of financial and non-financial performance measures. Cash component (if any): Paid in cash annually following release of audited financial statements. Performance rights component: Granted following release of audited financial statements, other than for CEO where the grant is subject to shareholder approval at next AGM. Vesting is subject to meeting performance conditions at Year 4. Vested performance rights are converted to shares.
Link to remuneration principles	Cash remuneration levels are set with reference to market benchmarking as well as internal relativity, performance, and experience.	EIP remuneration levels are set with reference to market benchmarking, and seek to ensure that the balance between fixed and at risk pay reflects both short- and long-term Nufarm objectives. Outcomes are based on short-term/long-term financial and non-financial performance measures.



3.1 Executive KMP FY24 pay mix at target and maximum

The graphic below shows the FY24 remuneration mix for executive KMP. The variable 'at risk' components of EIP (including potential performance rights) are expressed at target and maximum. The minimum that can be earned under the EIP (if performance is considered unacceptable) is zero. Each component is determined as a percentage of the total remuneration package.



3.2 Setting competitive remuneration levels

FAR and total remuneration levels are reviewed annually for changes in role scope, promotion, internal relativities, and significant market changes. Remuneration benchmarking conducted by independent remuneration consultant, Guerdon Associates, in FY23 was utilised for the FY24 review.

The 2024 benchmark group was a subset of peers within the ASX200 companies with similar characteristics to the Nufarm business (referencing companies total assets, net assets, revenue, EBITDA, market capitalisation, and operational scope). The comparators included companies involved in agriculture and other cyclical industries, with significant capex requirements and complexity, and with international manufacturing/processing operations. Nufarm aims to target the median of this group as its preferred market position for both fixed and total remuneration.

3.3 Fixed Annual Remuneration

Nufarm offers market competitive pay rates to attract and retain our experienced and skilled management team. Remuneration levels are set based on role size, complexity, scope, and leadership accountability, and with reference to our remuneration benchmarking comparator group. Nufarm remains committed to the principle of pay equity.

The independent market remuneration review undertaken during FY23 showed that both CEO and CFO were at approximately the median for fixed remuneration and below median for total remuneration (at both target and maximum). For the GESC, who is based in the UK, valid UK market data for positions matched to the GESC position with similar working capital and logistics scope was not available. Therefore the company determined a remuneration level utilising internal relativities and survey data for positions in larger and smaller companies.

For FY24, the board had regard to above information and incumbent performance, and considered it appropriate to grant the CEO 4%, CFO 5.0%, and GESC 4% FAR/Base increases (respectively), effective from 1 October 2023.

For FY25, the board considered that an increase to executive KMP FAR/base salary of 3.5%, would be appropriate. This was less than the increase applied to the company's general workforce.

Details of the executive KMP increases for FY24 and FY25 are outlined below:

Executive KMP	Currency	FY24 FAR (\$)	FY25 FAR (\$)	Increase (%)	Target EIP (%) ¹
CEO	AUD	1,484,333	1,536,285	3.5%	134.0%
CFO	AUD	834,729	863,945	3.5%	100.0%
GESC	GBP	416,000	430,560	3.5%	85.0%

¹ Percentage of fixed remuneration for incentive opportunities.

Remuneration Report continued

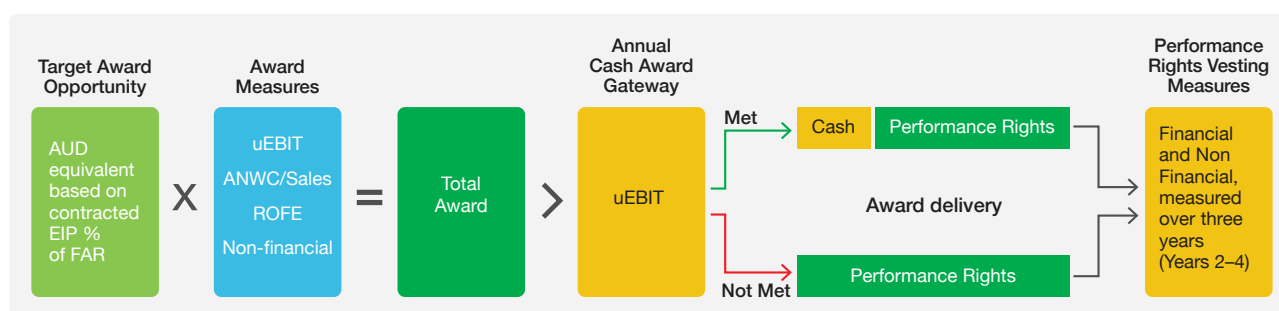
3.4 Executive incentive plan (EIP) description

The EIP is a single variable reward plan that provides participants the opportunity to earn shareholder aligned awards, across both the short- and long-term.

We note the following key features for FY24:

- (i) **Award Measures** requiring testing annually against metrics made up of 75% financial and 25% non-financial at target to determine the amount of total award that will be made;
- (ii) **An Annual Cash Award Gateway** that determines if any cash payments will be made, or if incentive awards will be entirely granted as performance rights. If the gateway has been met, for the CEO the award is delivered in a combination of 32% cash and 68% performance rights (for other executive KMP 33.3%/66.7%); and
- (iii) **Performance Rights Vesting Measures** requiring testing three years after any awards are granted, against financial and non-financial objectives, with financial metrics making up approximately 90% of the total weighting.

The following diagram shows how these features apply in determining the EIP award value:



For FY25, some changes were made to the EIP. ROFE is an important metric for measuring the company's performance. It was previously included as one of the financial metrics for the annual award measure. However, commencing in FY25 ROFE will replace the strategic objectives for the equity (3-year Performance Rights) to be granted from October 2025. Accordingly, ROFE will be removed from the annual award measure, and there will be a consequential re-weighting of the annual scorecard measures, as set out in the table below. As a result, there will be three annual award measures (uEBIT, ANWC/Sales, non-financial measures), and three performance rights vesting measures (Relative Total Shareholder Return (rTSR), Average group underlying return on funds employed (ROFE), Environment, Social and Governance (ESG)).

The board considers that inclusion of ROFE as a performance rights vesting measure provides a more relevant point of comparison to other companies, better measures the success of Nufarm over the longer term, and ensures strong alignment between participants and shareholders.

In addition, some simplification has taken place, so that the cash/equity mix in the annual award, and the weightings for the performance rights measures, are now the same for all executive KMP.

The following table outlines the key terms of the FY24 and FY25 EIP:

What is the EIP's aim?	The plan rewards achievement against a combination of financial and non-financial performance measures that are aligned to the creation of shareholder value over both the short- and longer-term. In Year 1, primary emphasis is placed on financial measures. There are also non-financial measures at Year 1 which focus our executive KMP on executing the most critical objectives aligned to the company's strategy. These measures determine the amount of cash and performance rights which may be awarded at the end of Year 1. Performance rights are subsequently tested at the end of Year four against a market measure and other measures supporting our long-term objectives. The majority of these measures are tied to clear financial objectives.		
How is the EIP opportunity established?	The EIP target is set annually as a percentage of FAR (CEO, CFO) or base salary (GESC). This is pro-rated for any relevant changes determined during the year.		
		FY24	FY25¹
Who participates in the EIP and what is the "at risk" amount as a % of FAR?	CEO	134% of FAR at target / 184.25% of FAR at maximum	134% of FAR at target/ 180.9% at maximum
	CFO	100% of FAR at target / 137.5% of FAR at maximum	100% of FAR at target / 135% of FAR at maximum
	GESC	85% of base salary at target / 116.87% of base salary at maximum	85% of base salary at target / 114.75% of base salary at maximum

¹ For FY25, the reduction in maximum opportunity is due to the re-weighting of the non-financial measures in the annual scorecard from 25% to 30%. As no stretch opportunity applies to non-financial measures, the maximum opportunity is accordingly reduced.



What measures are used in the plan?	The EIP consists of: (i) Award Measures: these measures are set at the beginning of each financial year and assessed at the end of the financial year. Each has an equal weighting at target. For FY24 the Award Measures include financial measures and one non-financial measure. These measures determine the size of the Total Award. (ii) Annual Cash Award Gateway: test one financial measure, uEBIT, over Year 1. This measure determines whether the award is delivered in the form of cash and performance rights. Where the gateway is not met any award is delivered in performance rights only. (iii) Performance Rights Vesting Measures: tests a number of financial and non-financial long-term measures at the completion of the performance period (Year 4). These measures determine whether performance rights will vest.					
What are the Annual Award Measures?	Elements – Award Measures	Weighting		Measured by		
		FY24	FY25			
	Profit	25%	40%	Group underlying EBIT (uEBIT)		
	Return on Investments	25%	0%	Average group underlying return on funds employed (ROFE)		
	Cash flow	25%	30%	Average net working capital divided by sales (ANWC/Sales)		
Non-financial	25%	30%	Defined non-financial strategic or operational goals as determined by the board for executive KMP. For FY24 these included: - Safety and Environment, phased implementation of a global reporting system - Improved supply chain capability and outcomes - Strategic growth initiatives for the Crop Protection and Seed Technologies businesses - Non-core asset rationalisation - Asset improvement programs - Capex and operating efficiency - Sustainability - Succession planning/implementation, organisational design			
Is there a minimum threshold for EIP payment?	All Award Measures have a minimum threshold that must be achieved in order to be considered for an award to be made.					
How are the Award Measures measured?	Each of the financial Award Measures is comprised of three performance levels: minimum, target, and maximum. These measures, together with the non-financial measures, are set, reviewed, and approved by the board annually for each executive KMP.					
	Performance levels					
	Minimum	The minimum performance outcome that must be achieved before any EIP award will be made in relation to the measure.				
	Target	An outcome delivering significant benefit to the company achieved by great performance.				
	Maximum	A stretch goal that could only be achieved by outstanding performance.				
	Performance level setting		uEBIT	ROFE (FY24 only)	Cash flow	Non-financial
	Minimum		85% of budget*	85% of budget*	105% of budgeted* ANWC/Sales	Determined by the board based on individual performance
	Target		100%	100%	100%	
	Maximum		120%	120%	95%	
	*Annual budgets are reviewed and approved by the board to ensure they demonstrate growth potential and achievement of strategic milestones.					
	Once performance levels are assessed, EIP Awards are calculated based on payout slopes with a minimum award of 25% to a maximum of 150% for each financial measure. For non-financial measures the maximum payment is 100%. In FY24 all measures are equally weighted at 25% of the total award. As noted above, the weightings will change in FY25 due to ROFE changing from an annual award measure to a performance rights vesting measure.					
	Payout slopes		uEBIT, ROFE & Cash flow		Non-financial	
Minimum			25% of EIP target payment		0% to 100% of EIP target payment	
Target			100%			
Maximum			150%			

Remuneration Report continued

Are payments in cash or equity?	The Annual Cash Award Gateway determines whether any awards are eligible to be paid in cash: • If the Annual Cash Award Gateway is met: a portion of the total EIP Award is awarded as cash at the end of Year 1, following the release of the audited financial statements. The remaining is awarded as performance rights, subject to continued performance and vesting conditions. • If the Annual Cash Award Gateway is not met: the total EIP Award is awarded as performance rights, subject to continued performance and vesting conditions.					
How are the number of performance rights determined?	The number of performance rights to be granted will be determined using the value of the relevant portion of the Total Award divided by the 5-day VWAP following the release of the preliminary final report in November 2024.					
What are the performance rights vesting measures?	At the end of the vesting period, the following performance measures will apply:					
	Weighting					
	Grant FY24		Grant FY25			
	Measure	CEO	CFO	GESC	All KMP	Target
	ROFE				50%	50% of the award is payable at target. ROFE will be measured based on the ROFE target in the final year of the 3 year budget for the performance period. As the target is commercially sensitive and it will be disclosed retrospectively.
	Relative TSR (rTSR)	43%	30%	30%	40%	Percentile rank Less than the 50th percentile 50th percentile Between the 50th and the 75th percentile 75th percentile or above
	Measured against the ASX 200					0%
	This peer group was selected as we believe investors have a choice to allocate capital across all the sectors and companies within it.					50%
						Straight line vesting between 50%-100%
						100%
	ESG Outcomes	11%	10%	10%	10%	Grant FY24... On track to meet the targets applicable at 2026 or beyond as published in our 2023 sustainability report, including 30% reduction in emissions from our manufacturing sites by 2030. Grant FY25... On track to meet the targets applicable at 2027 or beyond as published in our 2024 sustainability report, including 30% reduction in emissions from our manufacturing sites by 2030.
	Revenue and margin growth in our Crop Protection segment	23%	20%	30%	-	In line with publicly disclosed FY26 aspirations, revenue of \$3.8-\$3.9b by FY26 and overall margin improvement since announcement of FY22-26 aspirations. Note: Crop Protection margin growth targets are commercially sensitive and will be disclosed retrospectively at the time of testing. In making the assessment, the board will also have regard to the performance of the Crop Protection segment relative to the overall growth/contraction of the global crop protection market.
	Revenue, margin growth in our Seed Technologies segment	23%	20%	-	-	In line with publicly disclosed FY26 aspirations, revenue of \$600 to \$700 million by FY26, EBITDA margin of 20% to 25% by FY26.
	Average NWC/sales	-	10%	10%	-	ANWC/sales 35-40% on a three-year average.
	Leverage outcomes		10%		-	Statutory leverage 1.5-2 times on a three-year average.
	Strategic investments and delivery of planned outcomes across our global crop protection manufacturing platforms.	-	-	20%	-	Delivery of strategic investments (CapEx) that support the growth in volume and margin from our global crop protection manufacturing assets in line with budget FY24-26.



What are the performance rights vesting measures? (continued)	rTSR will be measured over the three-years following Year 1 (i.e., Years 2 -4). rTSR performance is calculated by an independent external provider and is subject to board confirmation and discretion. Strategic performance measures for the FY24 award will be assessed by the board at the end of Year 4. Vesting cannot exceed 100%. The board will provide shareholders with a clear rationale as to the final determination of vesting outcomes following its assessment of performance at the end of the performance period. ROFE for the FY25 award will be assessed on the final year of the 3 year performance period ie ROFE in FY27. The target will be disclosed retrospectively at the end of the performance period.
What are the dividend and voting rights?	Rights do not carry any dividend or voting rights. Shares allocated on vesting of Rights carry the same dividend and voting rights as other shares issued by the company.
When do the performance rights vest?	At the end of the Year 4, the performance rights are tested against the objectives described above. Withholding a large portion of the award as rights with service and performance measures ensures the participants maintain a focus on both short- and long-term company performance as well as alignment with shareholder experience. Awards that do not vest will lapse.
What happens if the performance rights vesting measures are not met?	There is no retesting if the performance condition is not met at the end of the performance period. Any proportion of the performance rights that have not met the performance required to vest at the end of the three-year performance period will lapse and consequently be forfeited as a result.
Is there a "claw back" provision in the plan?	The Nufarm board has absolute discretion regarding the amount and timing of any EIP awards. The EIP is governed by the overarching Nufarm Executive Incentive Plan rules. Within the remuneration framework, under specific circumstances, the board has discretion to lapse or enforce forfeiture (or potentially cash repayment where an award has been issued as cash or converted into cash) of any rights, options or shares issued under the terms of the relevant plans.
What happens if the executive KMP leaves Nufarm?	Unless the board determines otherwise: (a) If employment is terminated for cause (as defined below) or the executive KMP resigns (or gives notice of resignation) prior to the date on which the EIP award is delivered, the employee will not be entitled to an EIP award. An employee will be "terminated for cause", where employment with the Group is terminated because the employee: – acted fraudulently or dishonestly; – engaged in serious or wilful misconduct; – is seriously negligent in the performance of their duties; – committed a serious breach of their employment contract; – committed an act, whether at work or otherwise, which could reasonably be regarded to have brought the company or a group company into disrepute; or – is convicted of an offence punishable by imprisonment. (b) If employment ceases for any other reason prior to the date on which the EIP award is delivered, it will be pro-rated (based on the portion of the performance period that has elapsed up until the date of termination). (c) If employment ceases for any reason other than "terminated for cause" all unvested performance rights will remain intact and continue to vest under the plan rules.

Remuneration Report continued

4 FY24 company performance and remuneration outcomes

Nufarm's financial performance, share price and dividends over the past five years are summarised below:

		Continuing group				
Performance measures		FY24	FY23	FY22	FY21	Sept 20 ^{1,2}
Earnings						
Underlying EBITDA ³	\$m	312.7	439.2	446.8	361.1	(43.4)
Underlying EBIT ³	\$m	107.3	251.0	236.7	153.1	(78.8)
Underlying NPAT ³	\$m	(3.7)	122.1	133.2	61.1	(85.9)
ANWC/Sales ⁴	%	42.6	41.9	28.3	34.3	44.7
ROFE achieved ⁵	%	4.0	8.9	9.5	5.9	n/a
Shareholder value						
TSR ⁶	%	(3.5)	27.0	24.8	(45.3)	(4.2)
Dividends declared	Cents	4.0	10.0	10.0	4.0	-
Closing share price	\$	3.97	4.75	5.00	4.80	3.85

1 'Sept 20' is presented for the 2 months ended 30 September 2020.

2 Performance metrics for Sept 20 have not been restated for the change in accounting policy with respect to the IFRIC agenda decision on cloud computing arrangement costs as disclosed in the FY21 Annual Report.

3 Underlying EBIT is earnings before net finance costs and taxation excluding material items. Underlying EBITDA is earnings before net finance costs, taxation, depreciation and amortisation excluding material items. Underlying NPAT is Net profit/(loss) after tax excluding material items. Underlying NPAT, Underlying EBIT and Underlying EBITDA are used internally by management to assess performance of the business and make decisions on the allocation of our resources.

4 ANWC/Sales is the average net working capital over the period divided by the sales over the period, and is used throughout the business as a key performance indicator with respect of capital management.

5 ROFE is underlying EBIT divided by the average of opening and closing funds employed (total equity plus net debt).

6 Total shareholder return (TSR) is measured over a three year return period in comparison to the comparator group.

4.1 FY24 EIP Annual Measures outcomes

The Annual Measures performance period for the FY24 EIP concluded on 30 September 2024.

The hurdles for the FY24 EIP were as follows:

FY24 targets						
	Weighting	Metric	Threshold	Target	Maximum	Applies to
Financial elements						All Executive KMP
Profit	25%	Underlying EBIT ¹	213.0	250.6	300.7	All Executive KMP
Return on investment	25%	ROFE ²	7.1%	8.3%	10.0%	All Executive KMP
Cash flow	25%	ANWC/Sales	38.5%	36.6%	34.9%	All Executive KMP
Non-financial elements	25%	Refer executive incentive plan description				Varies by Executive KMP

1 Measure used as the Annual Cash Award Gateway

2 Calculated on an underlying basis which excludes the impact of material items.

The below tables shows the outcomes against actual targets for executive KMP:

Executive KMP	Annual cash award gateway		Group uEBIT		
	Group uEBIT	Weight	Target ¹	Actual ¹	Award outcome
G Hunt	Unsuccessful	25%	250.6	107.3	0%
P Townsend	Unsuccessful	25%	250.6	107.3	0%
D Allen	Unsuccessful	25%	250.6	107.3	0%

1 Figures presented are \$ millions.

Executive KMP	Group ROFE				Group ANWC / sales %				Non-financial	
	Weight	Target	Actual	Award outcome	Weight	Target	Actual	Award outcome	Weight	Award Outcome
G Hunt	25%	8.3%	4.0%	0%	25%	36.6%	42.6%	0%	25%	75%
P Townsend	25%	8.3%	4.0%	0%	25%	36.6%	42.6%	0%	25%	90%
D Allen	25%	8.3%	4.0%	0%	25%	36.6%	42.6%	0%	25%	90%



FY24 Executive incentive plan potential

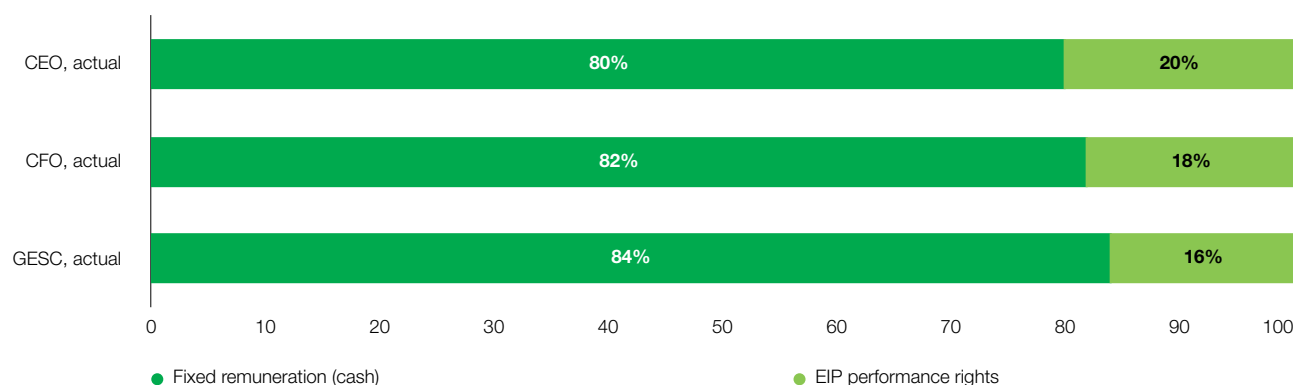
Executive KMP	At target \$	At maximum \$	Total award \$	EIP Award as a % of target potential	EIP as % of FAR	To be paid in cash in December 2024	To be converted into rights with vesting date 30 September 2027 \$ ¹	Estimated fair value of rights using a 30 September 2024 grant date valuation \$
G Hunt	1,989,006	2,734,884	372,939	18.75%	25%	-	372,939	289,116
P Townsend	834,729	1,147,752	187,814	22.50%	23%	-	187,814	155,501
D Allen	678,695	933,205	152,706	22.50%	19%	-	152,706	127,657
Executive KMP average	1,167,477	1,605,280	237,820	20.37%	22%	-	237,820	190,758

¹ The amounts to be converted into rights are converted by dividing this amount by the 5-Day VWAP of the Nufarm share price following the announcement of the audited financial statements.

The board approved the outcomes in accordance with the EIP rules and determined there was no reason to exercise any discretion (up or down) with regard to the EIP Annual Measures outcome for FY24. All grants will be issued in FY25 following release of audited financial statements, other than for CEO where the grant is subject to shareholder approval at next AGM.

4.2 Executive KMP pay mix FY24, actual

The graphic below shows the actual remuneration mix for executive KMP for FY24.



4.3 FY23 EIP Performance Rights Allocation

EIP performance rights are allocated based on the five-day VWAP following the release of the preliminary final report.

Because the FY23 Remuneration Report was released before the allocation value could be determined, the number of rights awarded were not able to be reported at the time. Accordingly, the FY23 EIP equity outcomes against targets for executive KMP are shown here:

FY23 Executive incentive plan rights conversion

Executive KMP	EIP to be converted into rights	5-Day VWAP post FY23 results	Equivalent number of rights using 5-Day VWAP post FY23 results	EIP rights granted	Restricted rights grant ¹	Total rights granted	Grant date fair value EIP \$ ²	Grant date fair value restricted rights grant \$ ³	Fair value of rights granted during FY24 \$
G Hunt	846,703	4.6241	183,106	183,106	-	183,106	4.25	-	779,079
P Townsend	345,069	4.6241	74,624	74,624	25,951	100,575	3.95	5.69	442,501
D Allen	278,454	4.6241	60,217	60,217	21,625	81,842	3.95	5.69	360,964

¹ A one-off restricted rights grant was provided to Paul Townsend and Dave Allen reflecting the changes that were made to the long-term performance measures of the EIP as disclosed within the FY23 Remuneration report. These vest on the same date as the FY23 EIP, with the condition that they remain employed for the duration of the vesting period. These restricted rights do not carry any dividend or voting rights.

² The EIP was granted on the 1 February 2024 for G Hunt and 8 December 2023 for both P Townsend and D Allen.

³ The grant date of the restricted rights grant is the 1 March 2024 for both P Townsend and D Allen.

Details of the terms of the FY23 EIP for the CFO and GESC are set out in the FY23 remuneration report and for the CEO were set out in the notice of meeting for the FY23 AGM. The details of performance rights granted with respect to the FY24 EIP award will be disclosed in the FY25 remuneration report. The FY22 & FY23 EIP annual measures and conditions are consistent with the FY24 EIP.

Remuneration Report continued

4.4 Actual total remuneration earned by executives in FY24 (unaudited)

The table below details actual pay and benefits for executive KMP who were employed during the reporting period. This table aims to assist shareholders in understanding the cash and other benefits received by executive KMP from the various components of their remuneration during FY24.

As a general principle, Australian Accounting Standards require the value of share-based payments to be calculated at the time of grant and accrued over the performance period and restriction period. The Corporations Act and Australian Accounting Standards also require that pay and benefits be disclosed for the period that a person is an executive KMP. This may not reflect what executive KMP received or became entitled to during FY24 (especially if they became executive KMP part way through the year).

The figures in this table have not been prepared in accordance with Australian Accounting Standards. They provide additional voluntary disclosures to the statutory remuneration tables in section 8 (which provides a breakdown of executive KMP remuneration in accordance with statutory requirements and Australian Accounting Standards). The treatment of the remuneration elements in this disclosure is as follows:

- Fixed remuneration earned between 1 October 2023 and 30 September 2024, including superannuation.
- EIP cash illustrates the cash award earned via the FY23 EIP and paid following the release of the audited results for the year ended 30 September 2023.
- No cash was awarded under the FY24 EIP.

	Fixed remuneration					At risk remuneration (realised)			Total ¹	
	Period	Salary and fees	Other benefits ²	Super-annuation	Total	EIP cash	STI rights vested ³	LTI rights vested ³	Total remuneration	LTI rights forfeited ⁴
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Non-executive directors										
Sub total non-executive directors remuneration (realised)	FY24	1,591	-	75	1,666	-	-	-	1,666	-
	FY23	1,602	-	85	1,687	-	-	-	1,687	-
Executive KMP										
G Hunt Managing director and CEO	FY24	1,456	-	28	1,484	-	-	-	1,484	-
	FY23	1,400	-	28	1,428	398	693	945	3,464	(167)
P Townsend Chief financial officer	FY24	802	-	28	830	-	-	-	830	-
	FY23	767	-	28	795	173	263	299	1,530	(53)
D Allen Group executive supply chain	FY24	844	16	-	860	-	-	-	860	-
	FY23	778	15	-	793	139	-	-	932	-
Sub total executive KMP (realised)	FY24	3,102	16	56	3,174	-	-	-	3,174	-
	FY23	2,945	15	56	3,016	710	956	1,244	5,926	(220)
Total non-executive directors and executive KMP (realised)	FY24	4,693	16	131	4,840	-	-	-	4,840	-
	FY23	4,547	15	141	4,703	710	956	1,244	7,613	(220)

1 Total represents total remuneration paid in the financial period.

2 Other benefits includes allowances, health insurance and other costs for overseas based executives.

3 STI/LTI rights vested or forfeited are valued at the Nufarm share price prevailing upon the vesting or forfeiture date (\$3.97 at 30 September 2024, \$4.75 at 30 September 2023).

4 STI/LTI rights vested or forfeited are valued at the Nufarm share price prevailing upon the vesting or forfeiture date (\$4.75 at 30 September 2023, \$5.00 at 30 September 2022).



5 Remuneration governance

The PSRC is responsible for reviewing and making recommendations to the Nufarm board on remuneration policies and practices of the board, the CEO and other executive KMP. The PSRC is comprised of four independent NEDs and is tasked with ensuring that remuneration policies and packages retain and motivate high calibre executives and have a clear relationship between company performance and executive remuneration. The PSRC charter can be found at www.nufarm.com.

The board has progressively increased the remit of the PSRC to include a wider talent and succession agenda including a review of Nufarm's diversity and inclusion strategy and, more recently, responsibility for occupational health and safety.

The services of independent remuneration consultants are engaged as considered necessary. During FY24, the PSR committee worked with EY in relation to market practice insights and re-design of certain employee incentive programs. No remuneration recommendations were requested or provided.

5.1 PSRC's focus during FY24

In FY24, the PSRC undertook a range of activities relating to broader people and remuneration issues including:

- Endorsing the design of the FY24 EIP.
- Undertaking the annual review of executive KMP remuneration and making recommendations to the board regarding remuneration levels, performance outcomes, and incentive awards.
- Endorsing the design of the Senior Leadership Long Term Incentive Plan.
- Monitoring and reviewing of the Global Gender Pay Parity review.
- Approving performance objectives and Key Performance Indicators (KPIs) for the CEO, executive KMP and key executives.
- Regularly engaging with Proxy advisers.
- Approving the diversity and inclusion strategic priorities and targets.
- Approving the FY24 parameters for Fixed Pay remuneration.
- Monitoring the organisational culture and employee engagement metrics including pay equity and workforce representation.
- Monitoring the implementation of the Inclusion and Diversity Policy and assessing progress in achieving the measurable objectives
- Reviewing talent development programs and succession planning.
- Overseeing and monitoring the identification, assessment, management, prioritisation and reporting of OHS risks that are material to the operations and achievement of Nufarm's strategy.

5.2 Board's approach to remuneration governance

The board measures financial performance under the applicable EIP using audited numbers. Within the remuneration framework, under specific circumstances, the board has discretion to lapse or enforce forfeiture (or potentially cash repayment where an award has been issued as cash or converted into cash) of any rights, options, or shares issued under the terms of the relevant plans. The board considered all information in light of company performance, changes during the year to the scope and scale of executive roles, individual performance and the motivation and retention of key individuals, in making remuneration decisions.

5.3 Minimum shareholding policy and share trading

The policy requires that NEDs accumulate and then hold a minimum holding of Nufarm securities equivalent to one hundred per cent of their total pre-tax annual base fee including superannuation. In line with the Minimum Shareholding Requirement (MSR) policy and applicable transitional arrangements, all NEDs comply with the policy or are on track to comply.

The minimum shareholding policy also applies to all executive KMP and other senior executives. The executive KMP and other senior executives are expected to build and hold a shareholding equal to, for the CEO one hundred per cent of FAR, and for other executives, fifty per cent of FAR or base salary. Other than for meeting tax obligations, executives are expected not sell any Nufarm equity until the threshold has been met. The policy applies to the CEO from FY24 and to other executives from FY25.

NEDs and executive KMP, like all officers, must comply with Nufarm's Security Trading Policy. Further, in accordance with the policy, they are not permitted to enter into margin lending, short-term or speculative dealing or hedging of Nufarm securities, including any performance rights.

6 Executive KMP contractual agreements and cessation of employment

The company has employment contracts with the executive KMP which formalise the terms and conditions of employment and are for an indefinite term. The contracts of the CEO and other executive KMP have been structured to be compliant with the termination benefits cap under the Corporations Act. The contracts also provide for payment of applicable statutory entitlements including when executive KMP leave employment under different circumstances, as specified here.

The company may terminate the contract of the CEO and other executive KMP by giving suitable notice, and they may terminate their contract by giving notice as specified below. The company may terminate an employment contract immediately for serious misconduct.

Remuneration Report continued

The table below includes details relating to executive KMP contractual terms, as well as treatment of on-foot incentive awards in the event of termination (which are governed under the rules of the relevant award):

CEO and other executive KMP	
Employment agreement	Individual contract
Resignation by the executive	6-month notice period. The board may choose to allow the executive KMP to work out their notice period or place the executive KMP on leave or make a payment in lieu of notice at the board's discretion. If an executive KMP resigns (or gives notice of resignation) prior to the date on which the EIP award is delivered, they are not entitled to an EIP award for the current performance year. All unvested performance rights will remain intact and continue to vest under the plan rules.
Termination by the Group without cause	If employment is terminated by the company without cause they will be entitled to receive a total payment of an amount equivalent to twelve (12) months' Fixed Annual Remuneration, inclusive of payment in lieu of any notice period not served (the 'Severance Payment'). If employment ceases prior to the date on which the EIP award is delivered, it will be pro-rated (based on the portion of the performance period that has elapsed up until the date of termination). All unvested performance rights will remain intact and continue to vest under the plan rules.
Termination by the Group with cause	No notice or severance is payable. All unvested incentive awards are forfeited, including any grant for the current year (which will not be granted).
Cessation of employment for other reasons	If employment ceases prior to the date on which the EIP award is delivered, it will be pro-rated (based on the portion of the performance period that has elapsed up until the date of termination). All unvested performance rights will remain intact and continue to vest under the plan rules.
Board discretion	The Nufarm board have an absolute discretion regarding the amount and timing of any EIP payment made or not made to any executive KMP or other participant.

7 Non-executive director remuneration

To maintain independence and impartiality when making decisions affecting the future direction of the company, NED fees are fixed, and NEDs do not receive any performance-related incentives. The chair receives a fee for chairing the board and does not receive any other fees for participation on committees. Other NEDs receive a base fee and additional fees for each additional committee chair position and membership. Non-executive directors are not entitled to any retirement benefits other than statutory superannuation contributions.

Fees for NEDs are set at a level to attract and retain directors with the necessary skills and experience to allow the board to have a proper understanding of, and competence to deal with, current and emerging issues for Nufarm's business. The board seeks to attract directors with different skills, experience, expertise, and diversity. Additionally, when setting NED fees, the board takes into account factors such as external market data on fees and the size and complexity of Nufarm's operations.

The board's policy is to position NED fees at the market median with comparably sized listed entities. The board determines the fees payable to NEDs within the aggregate amount approved from time to time by shareholders. At the company's 2017 AGM, shareholders approved an aggregate of \$2,000,000 per year (including superannuation costs). The total fees for FY24 remained within the approved cap.

7.1 NED remuneration

The chair's fee and NED base fees have remained unchanged since 1 August 2018. No change is proposed for FY25.

7.2 Committee fee

There were no changes to committee fees for FY24 and none is proposed for FY25.

Fees applicable for FY24 (\$) per annum	Chair	Member
Board	392,567	160,597
Audit and Risk committee	37,500	18,750
People, Safety, and remuneration committee	33,000	16,500
Innovation committee	27,000	13,500
Sustainability and Environment committee	27,000	13,500
Nomination committee	-	-



8 Statutory remuneration tables

8.1 NEDs

	Period	Short term				Other long term benefits ²	Post-employment	Termination benefits	Share based payments (SBP)	Total
		Salary and fees	Cash bonus (vested)	Other benefits ¹	Total short term		Super-annuation		Equity settled expenses	Total remuneration
		\$000	\$000	\$000	\$000		\$000		\$000	\$000
Non-executive directors										
J Gillam Chair	FY24	364	-	-	364	-	28	-	-	392
	FY23	365	-	-	365	-	28	-	-	393
A Gartmann Director	FY24	187	-	-	187	-	21	-	-	208
	FY23	155	-	-	155	-	17	-	-	172
D Jones Director	FY24	205	-	-	205	-	-	-	-	205
	FY23	192	-	-	192	-	-	-	-	192
M McDonald Director	FY24	206	-	-	206	-	9	-	-	215
	FY23	187	-	-	187	-	20	-	-	207
A Percy Director ³	FY24	188	-	-	188	-	-	-	-	188
	FY23	47	-	-	47	-	-	-	-	47
L Saint Director	FY24	198	-	-	198	-	16	-	-	214
	FY23	184	-	-	184	-	20	-	-	204
F Tripodi Director ⁴	FY24	191	-	-	191	-	-	-	-	191
	FY23	55	-	-	55	-	-	-	-	55
Former non-executive directors										
G Davis Director ⁵	FY24	27	-	-	27	-	-	-	-	27
	FY23	210	-	-	210	-	-	-	-	210
P Margin Director ⁶	FY24	25	-	-	25	-	-	-	-	25
	FY23	207	-	-	207	-	-	-	-	207
Sub total non-executive directors remuneration	FY24	1,591	-	-	1,591	-	74	-	-	1,665
	FY23	1,602	-	-	1,602	-	85	-	-	1,687

1 Other benefits includes movements in annual leave accrual. For overseas based executives other benefits include allowances health insurance and other costs. A negative balance may appear where the leave accrual has decreased from the prior year.

2 Other long term includes movement in long service leave provisions. A negative balance may appear where the leave accrual has decreased from the prior year.

3 A Percy commenced as a director on 1 July 2023.

4 F Tripodi commenced as a director on 19 June 2023.

5 G Davis ceased being a director on 15 November 2023.

6 P Margin ceased being a director on 15 November 2023.

Remuneration Report continued

8.2 Executive KMP

Period	Short term			Total short term	Other long term benefits ²	Post-employment		Termination benefits	Share based payments (SBP)	Total
	Salary and fees	Cash bonus (vested)	Other benefits ¹			Super-annuation			Equity settled expenses ³	Total Remuneration
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Executive KMP										
G Hunt Managing director and CEO ⁴	FY24	1,456	-	58	1,514	53	28	-	701	2,296
	FY23	1,400	398	58	1,856	53	28	-	730	2,667
P Townsend Chief financial officer	FY24	802	-	8	810	23	28	-	370	1,231
	FY23	767	173	6	946	20	28	-	425	1,419
D Allen Group executive supply chain	FY24	844	-	16	860	-	-	-	165	1,025
	FY23	778	139	15	932	-	-	-	83	1,015
Sub total executive KMP remuneration	FY24	3,102	-	82	3,184	76	56	-	1,236	4,552
	FY23	2,945	710	79	3,734	73	56	-	1,238	5,101
Total non-executive directors and executive KMP remuneration	FY24	4,693	-	82	4,775	76	130	-	1,236	6,217
	FY23	4,547	710	79	5,336	73	141	-	1,238	6,788

1 Other benefits includes movements in annual leave accrual. For overseas based executives other benefits include allowances health insurance and other costs. A negative balance may appear where the leave accrual has decreased from the prior year.

2 Other long term includes movement in long service leave provisions. A negative balance may appear where the leave accrual has decreased from the prior year.

3 Assuming shareholder approval, G Hunt equity settled expenses in respect of the FY24 EIP are estimated based on 30 September 2024 fair value.

4 Equity-settled expenses for G Hunt includes a fair value true-up on FY22 and FY23 EIP awards as they were now formally approved and granted at the AGM on 1 Feb 2024.

	Period	Percentage of remuneration performance based	SBP expense as a proportion of total remuneration
		%	%
Executive KMP			
G Hunt Managing director and CEO	FY24	31%	31%
	FY23	42%	27%
P Townsend Chief financial officer	FY24	30%	30%
	FY23	42%	30%
D Allen Group executive supply chain	FY24	16%	16%
	FY23	22%	8%



9 Equity instruments held by directors and disclosed executives

The following tables show the number of:

- options/performance rights over ordinary shares in the company,
- right to deferred shares granted under previous years STI schemes, and
- shares in the company

that were held during the financial year by disclosed executives and non-executive directors of the group, including their close family members and entities related to them. Equity instruments in relation to the FY24 EIP will be granted following the release of the FY24 audited financial statements.

All equity transactions with key management personnel other than those arising from the exercise of remuneration options have been entered into under terms and conditions no more favourable than those the entity would have adopted if dealing at arm's length.

9.1 Executive KMP rights over ordinary shares in Nufarm Limited

Scheme		Number of rights held at 30 September 2023	Number of rights granted as remuneration	Number of rights exercised	Number of rights forfeited or lapsed	Number of rights changed due to other reasons	Number of rights held at 30 September 2024	Number of rights vested during FY24	Number of rights vested at 30 September 2024 ¹	Value at date of forfeiture \$
Executive KMP										
G Hunt Managing director and CEO ²	EIP rights	-	467,897	-	-	-	467,897	-	-	-
	LTI rights	198,856	-	(198,856)	-	-	-	-	-	-
	STI rights deferred	145,890	-	(145,890)	-	-	-	-	-	-
P Townsend Chief financial officer	EIP rights	118,904	100,575	-	-	-	219,479	-	-	-
	LTI rights	63,037	-	(63,037)	-	-	-	-	-	-
	STI rights deferred	55,465	-	(55,465)	-	-	-	-	-	-
D Allen Group executive supply chain	EIP rights	-	81,842	-	-	-	81,842	-	-	-
Total executive KMP	EIP rights	118,904	650,314	-	-	-	769,218	-	-	-
	LTI rights	261,893	-	(261,893)	-	-	-	-	-	-
	STI rights deferred	201,355	-	(201,355)	-	-	-	-	-	-
Non-KMP officers										
K Hall Company secretary	EIP rights	28,167	35,723	(9,389)	-	-	54,501	9,389	9,389	-
Total executive KMP and non-KMP officers		610,319	686,037	(472,637)	-	-	823,719	9,389	9,389	-

¹ All rights that are vested are exercisable.

² Rights granted to G Hunt during the year related to 2022 and 2023 EIP which were approved by shareholders at the AGM on the 1 February 2024

Remuneration Report continued

9.2 Equity remuneration analysis

Details and the vesting profile of performance rights awarded as remuneration to each KMP is detailed below. The maximum value of performance rights yet to vest is determined based on the amount of the grant date fair value that is yet to be expensed. The minimum value of share rights yet to vest is nil since the shares will be forfeited if the vesting conditions are not met.

	Scheme	Number of rights	Value (\$)	Grant Date	Vesting Date	Maximum value yet to vest (\$)
G Hunt Managing director and CEO	FY24 EIP ¹	93,939	289,116	TBC ²	TBC ²	216,837
	FY23 EIP	183,106	779,079	1 Feb 2024	30 Sep 2026	389,540
	FY22 EIP	284,791	1,159,099	1 Feb 2024	30 Sep 2025	289,775
P Townsend Chief financial officer	FY24 EIP ¹	47,308	155,501	TBC ²	30 Sep 2027	116,626
	FY23 EIP RRG	25,951	147,661	1 Mar 2024	30 Sep 2026	73,831
	FY23 EIP	74,624	294,839	8 Dec 2023	30 Sep 2026	147,420
	FY22 EIP	118,904	675,375	24 Nov 2022	30 Sep 2025	168,844
D Allen Group executive supply chain	FY24 EIP ¹	38,465	127,657	TBC ²	30 Sep 2027	95,743
	FY23 EIP RRG	21,625	123,046	1 Mar 2024	30 Sep 2026	61,523
	FY23 EIP	60,217	237,917	8 Dec 2023	30 Sep 2026	118,959

1 FY24 EIP has been based upon the estimated number of rights using a 30 September share price and grant date. Refer to section 4.1

2 FY24 EIP rights for G Hunt won't be granted until approval at the FY24 AGM, whilst grants for other KMP will be following release of the groups' FY24 results.

9.3 Non-executive director rights over ordinary shares in Nufarm Limited

Nufarm's NED rights (NED rights) plan commenced in 2021. Under the terms of this plan, NEDs may allocate a fixed portion of their remuneration to be used to purchase NED rights. In accordance with Nufarm's Security Trading Policy, the rights will vest every 6 months on the second business day following the date in which Nufarm publicly releases its half-yearly and annual financial statements. All vested rights are converted into ordinary shares via on market purchase and are subject to restrictions in accordance with the plan rules. As a fee sacrifice arrangement, there are no performance obligations attached to the NED rights nor restricted shares. Changes in price of the NED rights and restricted shares are not considered to be remuneration.

The first six-monthly tranche of FY24 NED rights issued under the plan vested into shares in May 2024. Rights issued under the second tranche are scheduled to vest in November 2024. These rights, as well as those that subsequently convert to restricted shares, combine to form part of the NED's Minimum Shareholding Requirement (MSR). Shares are restricted for a minimum of 3 years. The movement during the reporting period in the number of rights for each NED, including their related parties, is set out in the table below:

	Balance as at 30 September 2023	Rights acquired	Vested and converted to shares ¹	Forfeited	Net change other	Balance as at 30 September 2024
Non-executive directors						
J Gillam	-	-	-	-	-	-
A Gartmann	-	-	-	-	-	-
D Jones	-	-	-	-	-	-
P Margin	2,699	-	(2,699)	-	-	-
M McDonald	-	-	-	-	-	-
A Percy ²	-	-	-	-	-	-
L Saint	6,106	7,693	(9,952)	-	-	3,847
F Tripodi ³	-	-	-	-	-	-
Total	8,805	7,693	(12,651)	-	-	3,847

1 This represents the NED rights that have vested and subsequently been converted to ordinary shares.

2 A Percy commenced as a director on 1 July 2023.

3 F Tripodi commenced as a director on 19 June 2023



Shares in Nufarm Limited held by non-executive directors and executive KMP

	Balance as at 30 September 2023	Granted as remuneration	On exercise of rights	Net change other	Balance as at 30 September 2024
Non-executive directors					
J Gillam	185,000	-	-	75,000	260,000
A Gartmann	8,450	-	-	10,000	18,450
D Jones	82,000	-	-	-	82,000
M McDonald	34,827	-	-	10,352	45,179
A Percy ¹	-	-	-	-	-
L Saint	28,027	-	9,952	-	37,979
F Tripodi ²	-	-	-	-	-
Former Directors					
G Davis ³	71,609	-	-	(71,609)	-
P Margin ³	38,762	-	-	(38,762)	-
Executive KMP					
G Hunt	676,733	-	344,746	13,196	1,034,675
P Townsend	20,500	-	118,502	-	139,002
D Allen	10,237	-	-	2,232	12,469
Total	1,156,145	-	473,200	409	1,629,754

1 A Percy commenced as a director on 1 July 2023.

2 F Tripodi commenced as a director on 19 June 2023.

3 Net change other for G Davis and P Margin reflects ceasing to be a director on 15 November 2023. Respective shares held on the dates they ceased to be a director are 71,609 and 38,762 respectively

Shares issued as a result of the exercise of options

There were nil (2023: nil) shares issued as a result of the exercise of options during the year.

Unissued shares under option

There are nil (2023: nil) unissued shares under option.

10 Other statutory disclosures

Loans to key management personnel

There were no loans between executive KMP (or their related parties) and the company or any of its subsidiaries at 30 September 2024 (2023: Nil).

Other key management personnel transactions with the company or its controlled entities

Apart from the details disclosed in this note, no director has entered into a material contract with the company or entities in the group since the end of the previous financial year and there were no material contracts involving director's interest existing at year-end.

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. A number of these entities transacted with the company or its subsidiaries in the reporting period. The terms and conditions of the transactions with management personnel and their related parties were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to unrelated entities on an arms-length basis.

From time to time, key management personnel of the company or its controlled entities, or their related entities, may purchase goods from the group. These purchases are on the same terms and conditions as those entered into by other group employees or customers and are trivial or domestic in nature.

This report has been made in accordance with a resolution of directors.

John Gillam
Director

Greg Hunt
Director

Melbourne, 14 November 2024

Auditor's Independence Declaration



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

To the Directors of Nufarm Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of Nufarm Limited for the financial year ended 30 September 2024 there have been:

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

A handwritten signature in black ink that reads 'KPMG'.

KPMG

A handwritten signature in black ink, appearing to be 'Vicky Carlson'.

Vicky Carlson

Partner

Melbourne

14 November 2024

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Consolidated financial statements for the year ended 30 September 2024

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Consolidated statement of profit or loss and other comprehensive income

For the year ended 30 September

	Note	2024 \$000	2023 \$000
Revenue	7	3,345,909	3,480,611
Cost of sales		(2,505,540)	(2,454,241)
Gross profit		840,369	1,026,370
Other income	7	27,210	5,039
Sales, marketing and distribution expenses		(550,779)	(515,590)
General and administrative expenses		(197,578)	(230,555)
Research and development expenses		(54,482)	(44,677)
Operating profits/(losses)		64,740	240,587
Share of net profits/(losses) of equity accounted investees	18	(1,809)	(1,184)
Financial income	10	6,499	5,383
Financial expenses excluding foreign exchange gains/(losses)	10	(105,252)	(82,798)
Net foreign exchange gains/(losses)	10	(9,435)	(7,161)
Net financial expenses	10	(114,687)	(89,959)
Net financing costs	10	(108,188)	(84,576)
Profit/(loss) before income tax		(45,257)	154,827
Income tax benefit/(expense)	11	39,659	(43,687)
Profit/(loss) for the period		(5,598)	111,140
Attributable to:			
Equity holders of the group		(5,598)	111,140

The consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the attached notes.



	Note	2024 \$000	2023 \$000
Profit/(loss) for the period		(5,598)	111,140
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Currency translation on foreign subsidiaries closed, transferred to profit/(loss)		590	16,969
Foreign exchange translation differences for foreign operations		(42,708)	70,403
Effective portion of changes in fair value of hedge instruments		(27)	(283)
<i>Items that will not be reclassified to profit or loss:</i>			
Gains/(losses) due to changes in fair value of other investments		(1,644)	83
Actuarial gains/(losses) on defined benefit plans		1,924	5,564
Other comprehensive profit/(loss) for the period, net of income tax		(41,865)	92,736
Total comprehensive profit/(loss) for the period		(47,463)	203,876
Attributable to:			
Equity holders of the group		(47,463)	203,876
Earnings per share			
Basic earnings/(loss) per share	28	(6.8)	26.3
Diluted earnings/(loss) per share	28	(6.8)	26.0

The amounts recognised directly in equity are disclosed net of tax.

The consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the attached notes.

Consolidated balance sheet

As at 30 September

	Note	2024 \$'000	2023 \$'000
Current assets			
Cash and cash equivalents	13	463,563	410,957
Trade and other receivables	15	667,691	670,785
Inventories	16	1,166,007	1,464,011
Current tax assets	17	15,426	17,881
Assets held for sale	12	-	10,818
Total current assets		2,312,687	2,574,452
Non-current assets			
Trade and other receivables	15	16,230	6,436
Investments in equity accounted investees	18	2,412	5,527
Other investments	19	61,254	62,804
Deferred tax assets	17	206,625	176,267
Property, plant and equipment	20	629,221	569,332
Intangible assets	21	1,198,985	1,230,249
Total non-current assets		2,114,727	2,050,615
TOTAL ASSETS		4,427,414	4,625,067
Current liabilities			
Trade and other payables	22	881,594	771,683
Loans and borrowings	23	82,011	47,763
Employee benefits	24	32,447	32,730
Current tax payable	17	16,571	15,753
Provisions	26	11,044	5,059
Total current liabilities		1,023,667	872,988
Non-current liabilities			
Payables	22	22,211	30,333
Loans and borrowings	23	1,016,311	1,213,036
Deferred tax liabilities	17	112,870	149,687
Employee benefits	24	41,184	49,133
Total non-current liabilities		1,192,576	1,442,189
TOTAL LIABILITIES		2,216,243	2,315,177
NET ASSETS		2,211,171	2,309,890
Equity			
Share capital		1,847,855	1,840,609
Reserves		85,434	133,012
Retained earnings		30,950	89,337
Equity attributable to equity holders of the group		1,964,239	2,062,958
Other securities		246,932	246,932
TOTAL EQUITY		2,211,171	2,309,890

The consolidated balance sheet is to be read in conjunction with the attached notes.

Consolidated statement of cash flows

For the year ended 30 September

	Note	2024 \$000	2023 \$000
Cash flows from operating activities			
Profit/(loss) for the period – after tax		(5,598)	111,140
Adjustments for:			
Tax expense/(benefit)		(39,659)	43,687
Net finance expense	10	108,188	84,576
Depreciation & amortisation	8	212,188	188,374
Inventory write down	8	1,208	9,419
Share of (profits)/losses of associates net of tax	18	1,809	1,184
Impairment of assets	8	4,515	-
(Gain)/loss on disposal of non-core assets	6	(23,431)	-
Currency translation on foreign subsidiaries closed, transferred to profit/(loss)		590	16,969
Other		1,412	348
Movements in working capital and other items:			
(Increase)/decrease in receivables		(3,678)	(123,191)
(Increase)/decrease in inventories		296,794	130,614
Increase/(decrease) in payables		71,198	(485,188)
Exchange rate change on foreign controlled entities working capital items		(45,851)	5,953
Cash generated from operations		579,685	(16,115)
Interest received		6,499	5,383
Dividends received		-	-
Interest paid		(97,463)	(73,984)
Taxes paid		(16,330)	(40,904)
Net operating cash flows	6	472,391	(125,620)
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		46,320	541
Payments for property, plant and equipment		(127,192)	(129,628)
Payments for other investments, associates or joint ventures		(816)	(7,739)
Purchase of a business, net of cash acquired		-	(7,790)
Payments for acquired intangibles and major product development expenditure		(125,769)	(97,115)
Net investing cash flows	6	(207,457)	(241,731)
Cash flows from financing activities			
Debt establishment transaction costs	23	(1,200)	(20,842)
Proceeds from borrowings	23	410,727	877,760
Repayment of borrowings	23	(534,750)	(590,124)
Lease liability payments	23	(22,265)	(24,363)
Distribution to other securities holders	27	(20,333)	(15,282)
Dividends paid	27	(32,944)	(41,169)
Net financing cash flows	6	(200,765)	185,980
Net increase/(decrease) in cash and cash equivalents		64,169	(181,371)
Cash at the beginning of the period		410,957	585,702
Exchange rate fluctuations on foreign cash balances		(11,563)	6,626
Cash and cash equivalents at period end date	13	463,563	410,957

The consolidated statement of cash flows is to be read in conjunction with the attached notes.



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Consolidated statement of changes in equity

For the year ended 30 September

	Attributable to equity holders of the group					Total \$000	Other securities \$000	Total equity \$000
	Share capital \$000	Translation reserve \$000	Capital profit reserve \$000	Other reserve \$000	Retained earnings \$000			
Consolidated								
Balance at 1 October 2022	1,837,228	(6,335)	33,627	15,459	25,810	1,905,789	246,932	2,152,721
Profit/(loss) for the period from continuing operations	-	-	-	-	111,140	111,140	-	111,140
Other comprehensive income						-		-
Currency translation on foreign subsidiaries closed, transferred to profit/(loss)	-	16,969	-	-	-	16,969	-	16,969
Foreign exchange translation differences	-	70,403	-	-	-	70,403	-	70,403
Gains/(losses) on hedge instruments taken to equity	-	-	-	(283)	-	(283)	-	(283)
Gains/(losses) due to changes in fair value of other investments	-	-	-	83	-	83	-	83
Actuarial gains/(losses) on defined benefit plans	-	-	-	-	5,564	5,564	-	5,564
Total comprehensive income/(loss) for the period	-	87,372	-	(200)	116,704	203,876	-	203,876
Transactions with owners, recorded directly in equity								
Employee share award entitlements and share issuances	2,706	-	-	3,089	-	5,795	-	5,795
Dividends paid to shareholders	-	-	-	-	(41,844)	(41,844)	-	(41,844)
Dividend reinvestment plan	675	-	-	-	-	675	-	675
Distributions to other security holders	-	-	-	-	(11,333)	(11,333)	-	(11,333)
Balance at 30 September 2023	1,840,609	81,037	33,627	18,348	89,337	2,062,958	246,932	2,309,890
Balance at 1 October 2023	1,840,609	81,037	33,627	18,348	89,337	2,062,958	246,932	2,309,890
Profit/(loss) for the period from continuing operations	-	-	-	-	(5,598)	(5,598)	-	(5,598)
Other comprehensive income								
Currency translation on foreign subsidiaries closed, transferred to profit/(loss)	-	590	-	-	-	590	-	590
Foreign exchange translation differences	-	(42,708)	-	-	-	(42,708)	-	(42,708)
Gains/(losses) on hedge instruments taken to equity	-	-	-	(27)	-	(27)	-	(27)
Gains/(losses) due to changes in fair value of other investments	-	-	-	(1,644)	-	(1,644)	-	(1,644)
Actuarial gains/(losses) on defined benefit plans	-	-	-	-	1,924	1,924	-	1,924
Total comprehensive income/(loss) for the period	-	(42,118)	-	(1,671)	(3,674)	(47,463)	-	(47,463)
Transactions with owners, recorded directly in equity								
Employee share award entitlements and share issuances	5,810	-	-	(3,789)	-	2,021	-	2,021
Dividends paid to shareholders	-	-	-	-	(34,380)	(34,380)	-	(34,380)
Dividend reinvestment plan	1,436	-	-	-	-	1,436	-	1,436
Distributions to other security holders	-	-	-	-	(20,333)	(20,333)	-	(20,333)
Balance at 30 September 2024	1,847,855	38,919	33,627	12,888	30,950	1,964,239	246,932	2,211,171

The amounts recognised directly in equity are disclosed net of tax.

The consolidated statement of changes in equity is to be read in conjunction with the attached notes.

Notes to the consolidated financial statements

For the year ended 30 September

1 Reporting entity

Nufarm Limited (the 'company') is a company limited by shares and domiciled in Australia that is listed on the Australian Securities Exchange. The address of the company's registered office is 103-105 Pipe Road, Laverton North, Victoria, 3026. The consolidated financial statements of the company as at and for the year ended 2024 comprise the company and its subsidiaries (together referred to as the 'group' and individually as 'group entities') and the group's interest in associates and jointly controlled entities.

The group is a for-profit entity and is primarily involved in the manufacture and sale of crop protection products used by farmers to protect crops from damage caused by weeds, pests and disease, and seed treatment products. Operating profits/ (losses) may fluctuate throughout the year due to seasonality inherent within the crop protection and seed technology markets, and the geography of operations.

2 Basis of preparation

(a) Statement of compliance

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

Changes to significant accounting policies are described in note 3.

The consolidated financial statements were authorised for issue by the board on 14 November 2024.

(b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for derivative financial instruments which are measured at fair value, and defined benefit fund obligations that are measured as the present value of the defined benefit obligation at the reporting date less the fair value of the pension plan's assets. The methods used to measure fair values are discussed further in note 4.

(c) Functional and presentation currency

These consolidated financial statements are presented in Australian dollars, which is the company's functional and presentation currency. The company is of a kind referred to in ASIC Corporations (Rounding in Financial/ Director's Reports) Instrument 2016/191 and, in accordance with that Instrument, all financial information presented in Australian dollars has been rounded to the nearest thousand dollars unless otherwise stated.

(d) Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant impact on the amount recognised in the financial statements are described below.

(i) Impairment testing

The group determines whether goodwill and intangibles with indefinite useful lives are impaired on an annual basis or at each reporting date if required, using the higher of a value in use (VIU) or a fair value less cost to dispose (FVLCD) methodology to estimate the recoverable amount of cash generating units.

VIU is determined as the present value of the estimated future cash flows expected to arise from the continued use of the asset in its present form and its eventual disposal.

VIU is determined by applying assumptions specific to the group's continued use and cannot consider future development. The determination of recoverable value often requires the estimation and discounting of future cash flows which is based on information available at balance date such as expected revenues from products, the return on assets, future costs, growth rates, applicable discount rates and useful lives.

FVLCD is an estimate of the amount that a market participant would pay for an asset or Cash Generating Unit (CGU), less the cost to dispose. Fair value is generally determined using independent market assumptions to calculate the present value of the estimated future cash flows expected to arise from the continued use of the asset, and its eventual sale where a market participant may take a consistent view. Cash flows are discounted using an appropriate discount rate to arrive at a net present value of the asset which is compared against the asset's carrying value.

These estimates are subject to risk and uncertainty that may be beyond the control of the group, hence there is a possibility that changes in circumstances will materially alter projections, which may impact the recoverable amount of assets at each reporting date.

Other non-current assets are also assessed for impairment indicators. Refer to note 21 for key assumptions made in determining the recoverable amounts of the CGUs.



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For the year ended 30 September

2 Basis of preparation continued

(ii) Income taxes

Deferred tax:

Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the assets can be utilised. Judgement is required by the group to determine the likely timing and the level of future taxable income. The group assesses the recoverability of recognised and unrecognised deferred taxes including losses in Australia and overseas incorporating assumptions including expected revenues from products, the return on assets, future costs, growth rates and useful lives.

Deferred tax liabilities arising from temporary differences in investments, caused principally by retained earnings held in foreign tax jurisdictions, are recognised unless repatriation of retained earnings can be controlled and are not expected to occur in the foreseeable future.

(iii) Defined benefit plans

A liability in respect of defined benefit pension plans is recognised in the balance sheet, and is measured as the present value of the defined benefit obligation at the reporting date less the fair value of the pension plan's assets. The present value of the defined benefit obligation is based on expected future payments which arise from membership of the fund at the reporting date, calculated annually by independent actuaries and requires the exercise of judgement in relation to assumptions for expected future salary levels, long term price inflation and bond rates, experience of employee departures and periods of service. Refer to note 24 for details of the key assumptions used in determining the accounting for these plans.

(iv) Working capital

In the course of normal trading activities, the group uses judgement in establishing the carrying value of various elements of working capital, which is principally inventories and trade receivables. Judgement is required to estimate the provision for obsolete or slow moving inventories and bad and doubtful receivables. In estimating the provision for obsolete or slow moving inventories, the group considers the net realisable value of inventory using estimated market price less cost to sell.

In estimating the provision for bad and doubtful receivables, the group measures the expected credit losses (ECLs) using key assumptions to determine a probability weighted basis including the geographical location's specific circumstances.

Actual expenses in future periods may be different from the provisions established and any such differences would impact future earnings of the group.

(v) Capitalised development costs

Development activities involve a plan or design for the production of new or substantially improved products and processes, or for extended use of existing products and processes. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the group has sufficient resources to complete development and to use or sell the asset. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

The criteria above are derived from estimates and judgements including supply and demand forecasts, growth rates, discount rates, and regulatory considerations that are used in valuation modelling. Estimates and assumptions may change as new information becomes available, including changes to estimates related to the useful life of the intangible assets which are accounted for prospectively and may affect amortisation rates and intangible asset carrying values. If, after having commenced the development activity, a judgement is made that the intangible asset is impaired, the appropriate amount will be recognised in profit or loss.

(vi) Intellectual property

Intellectual property consists of product registrations, product access rights, copyright, patents, trademarks, task force expenditure, product distribution rights and product licences acquired from third parties. The group assesses intellectual property to have a finite life. Changes to estimates related to the useful life of intellectual property are accounted for prospectively and may affect amortisation rates and intangible asset carrying values.

(vii) Revenue from contracts with customers

Estimates are used by the group in determining the transaction price, including variable consideration, for long-term licensing contracts with customers, along with the stand-alone selling price for distinct performance obligations within specific contracts, used in the allocation of the transaction price to performance obligations within individual contracts. Using the expected value method or the most likely value method, the variable consideration is estimated over the life of the contracts, whereby the group considers third party projections on grain commodity prices, biofuel pricing, emissions pricing, available acreage, and other market inputs. The group applies judgement in applying constraints to the transaction price considering how the variable consideration is linked to factors within the control of the group, and factors related to market forces.

The group estimates, using the expected cost plus margin approach and the residual approach, how the transaction price is allocated to distinct performance obligations within specific contracts. The expected cost plus margin approach includes estimates on the cost drivers to deliver services to customers over the life of the contract. The group applies judgement, based on existing market conditions and service delivery costs, in estimating the long term cost to deliver the relevant service performance obligations.

(e) Reclassification

Where applicable comparatives are adjusted to present them on the same basis as current period figures.

3 Material accounting policy information

Except as described below, the group's accounting policies have been applied consistently to all periods presented in these consolidated financial statements, and have been applied consistently by group entities.

(a) Impact of new accounting standards and interpretation and changes in accounting policies

(i) New and amended accounting standards and interpretations adopted by the group

In the current year, the group has adopted new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for the current financial reporting period. Their adoption however, has not had a material impact on the disclosures or amounts reported in these financial statements:

- **AASB 2021-2** - Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates
- **AASB 2021-5** - Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- **AASB 2022-7** - Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards
- **AASB 2023-2** - Amendments to Australian Accounting Standards – International Tax Reform – Pillar Two Model Rules
- **AASB 17** - Insurance Contracts

The group has applied the following Standard prior to its mandatory effective date (annual reporting periods beginning on or after 1 January 2024), and the early adoption has not had a material impact on the disclosures or amounts reported in these financial statements:

- **AASB 2020-1, 2022-6** - Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current

(ii) New and revised accounting standards and interpretations on issue but not yet effective

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning on or after 1 October 2024 and have not been applied in preparing these consolidated financial statements. Those which may be relevant to the group are set out below:

- **AASB 2022-5** - Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback – Amendments to IFRS 16
- **AASB 2023-1** - Amendments to Australian Accounting Standards – Supplier Finance Arrangements
- **AASB 18** - Presentation and Disclosure in Financial Statements

The AASB has adopted the International Sustainability Standards Board (ISSB) inaugural sustainability reporting disclosures:

- **AASB S1** - General Requirements for Disclosure of Sustainability-related Financial Information
- **AASB S2** - Climate-related Disclosures

The group has not early adopted these standards.

(b) Basis of consolidation

(i) Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the group. The group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. In assessing control, the group takes into consideration potential voting rights that currently are exercisable.

The group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the group incurs in connection with a business combination are expensed as incurred.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

(ii) Investments in equity accounted investees

The group's interests in equity-accounted investees comprise interests in associates and joint ventures. Associates are those entities in which the group has significant influence, but not control or joint control, over the financial and operating policies. 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.

Investments in associates and joint ventures are accounted for using the equity method and are initially recognised at cost, which includes transaction costs. The group's investment includes goodwill identified on acquisition, net of any accumulated impairment losses. Subsequent to initial recognition, the consolidated financial statements include the group's share of the income and expenses and equity movements of the investees after adjustments to align the accounting policies of the investees with those of the group, until the date on which significant influence or joint control ceases. On loss of significant influence the investment is no longer equity-accounted and is revalued to fair value.

Notes to the consolidated financial statements continued

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3 Material accounting policy information continued

Where the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in note 3(i).

(c) Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are re-translated to the functional currency at the foreign exchange rate at that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are re-translated to the functional currency at the exchange rate at the date that the fair value was determined. Foreign currency differences arising on re-translation are recognised in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Foreign currency gains and losses are included in net financing costs.

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Australian dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Australian dollars at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income and accumulated in a translation reserve except to the extent that the translation difference is allocated to NCI. When a foreign operation is disposed of, in part or in full, the relevant amount in the translation reserve is transferred to profit or loss as part of the profit or loss on disposal.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and are presented within equity in the translation reserve.

(d) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Non-derivative financial assets

Financial assets are classified, at initial recognition, as either measured at amortised cost, fair value through other comprehensive income (FVOCI), or fair value through profit or loss (FVTPL).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the group's business model for managing them. With the exception of trade receivables, the group initially measures a financial asset at its fair value plus transaction costs on trade date at which the group becomes a party to the contractual provisions of the instrument. Trade receivables that do not contain a significant financing component are measured at the transaction price determined under AASB 15 Revenue from Contracts with Customers. Refer to note 3(m).

The group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risk and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the group is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the group has the legal right to offset the amounts and intends to settle on a net basis or to realise the asset and settle the liability simultaneously.

Financial assets at amortised cost

This category is the most relevant to the group. Financial assets are measured at amortised cost if both of the following conditions are met and is not designated as FVTPL:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The group's financial assets at amortised cost includes trade receivables.

Financial assets at fair value through OCI (FVOCI) – equity instruments

Upon initial recognition, the group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under AASB 132 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, gains are recorded in OCI. The key financial asset held by the group at FVOCI relates to our investment in Enko Chem, please refer to note 19 other investments.

(ii) Non-derivative financial liabilities

At initial recognition, financial liabilities are classified at FVTPL, loans and borrowings, or payables, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The group initially recognises debt securities and subordinated liabilities on the date they are originated. All other financial liabilities (including liabilities designated at fair value through profit or loss) are recognised initially on the trade date at which the group 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 assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the group has the legal right to offset the amounts and intends to settle on a net basis or to realise the asset and settle the liability simultaneously.

Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest rate method. This includes trade payables that represent liabilities for goods and services provided to the group prior to the end of the period which are unpaid.

The group has the following non-derivative financial liabilities: loans and borrowings, bank overdrafts and trade and other payables.

(iii) Other securities

Nufarm step-up securities

The Nufarm step-up securities (NSS) are classified as non-controlling equity instruments as they are issued by a subsidiary. Distributions thereon are recognised as distributions within equity, with the tax benefit on the distribution recognised in profit or loss. Further details can be found in note 27.

(e) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised net in profit or loss.

(ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(iii) Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, less its residual value. Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

Land is not depreciated.

The estimated useful lives for the current and comparative periods are as follows:

• buildings	15-50 years
• leasehold improvements	5 years
• plant and equipment	10-15 years
• motor vehicles	5 years
• computer equipment	3 years

Depreciation methods, useful lives and residual values are reassessed at each reporting date.

(f) Intangible assets

(i) Goodwill

Goodwill that arises upon the acquisition of business combinations is included in intangible assets. Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses. In respect of equity-accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment, and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the equity-accounted investee.

(ii) Intellectual property

Intellectual property consists of product registrations, product access rights, copyright, patents, trademarks, task force expenditure, product distribution rights and product licences acquired from third parties. Intellectual property is assessed to have a finite life. Finite life intellectual property is amortised over its useful life but not longer than 30 years. Intellectual property intangibles acquired by the group are measured at cost less accumulated amortisation and impairment losses. Expenditure on internally generated goodwill and brands is expensed when incurred.

Notes to the consolidated financial statements continued

For the year ended 30 September

3 Material accounting policy information continued

(iii) Computer software

Computer software the group controls, is measured initially at acquisition cost or costs incurred to develop the asset. Cost includes expenditure that is directly attributable to the acquisition or development of the software. Software assets acquired in a business combination are recognised at fair value at the date of acquisition. Following initial recognition, computer software with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. They are amortised on a straight-line basis over their estimated useful lives.

(iv) Research and development

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in profit or loss when incurred.

Development activities involve a plan or design for the production of new or substantially improved products and processes, or for extended use of existing products and processes. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the group has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the cost of materials, direct labour and overhead costs that are directly attributable to preparing the asset for its intended use and capitalised borrowing costs. Development expenditure that does not meet the above criteria is recognised in profit or loss as incurred.

Capitalised development expenditure is measured at cost less accumulated amortisation and accumulated impairment losses.

(v) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss when incurred.

(vi) Amortisation of intangible assets

Amortisation is calculated over the cost of the asset, less its residual value. With the exception of goodwill, intangibles with a finite life are amortised on a straight-line basis in profit and loss over the estimated useful lives of the intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful life for intangible assets with a finite life, for the current and comparative periods, are as follows:

- | | |
|---------------------------------|---|
| • capitalised development costs | 5 to 30 years |
| • intellectual property | over the useful life and not more than 30 years |
| • computer software | 3 to 7 years |

Amortisation methods, useful lives and residual values are reassessed at each reporting date.

(g) Leases

The group's material judgements with respect to leases held across the group are:

Incremental borrowing rate

The group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased. Adjustments made relate to the standalone borrowing capacity of entities within the group, in addition to financing rates applicable in the geographical regions in which it operates.

Determining the lease term

The lease term is the non-cancellable period of a lease, together with both:

- periods covered by an option to extend the lease, if the lessee is reasonably certain to exercise that option; and
- periods covered by an option to terminate the lease, if the lessee is reasonably certain not to exercise that option.

The lease term is revised if there is a change in the non-cancellable period of a lease.

Short term/low value leases

Leases with a short term (duration of a year or less at the time of commencement) and leases which are low value are expensed on a straight-line basis over the lease term.

(h) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out principle and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The group considers AI (active ingredient) pricing and historical market trends in its determination of estimated selling price expected for the sale of inventories.

(i) Impairment

(i) Non-derivative financial assets

The group recognises an allowance for expected credit losses (ECLs) for all financial assets at amortised cost and debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.



For trade receivables, the group applies a simplified approach in calculating ECLs. Therefore, the group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The group considers a financial asset to be in default when contractual payments are 90 days past due. However, in certain cases, the group may also consider a financial asset to be in default when internal or external information indicates that the group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows

Objective evidence of impairment includes default or delinquency by a debtor, indications that a debtor will enter bankruptcy, and, in the case of an investment in an equity security, a significant or prolonged decline in its fair value.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is charged to the statement of profit or loss and other comprehensive income.

(ii) Non-financial assets

The carrying amounts of the group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, the recoverable amount is estimated at each reporting date.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are 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. For the purpose of 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 groups of assets (the 'cash-generating unit'). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units that are expected to benefit from the synergies of the combination.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of other assets in the unit on a pro-rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. 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.

Goodwill that forms part of the carrying amount of an investment in an associate or joint venture is not recognised separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in an associate or joint venture is tested for impairment as a single asset when there is objective evidence that the investment in an associate or joint venture may be impaired.

Refer to use of estimates and judgements note 2 and intangibles note 21 for further information.

(i) Assets held for sale

Assets, or disposal groups comprising assets and liabilities, that are expected to be recovered primarily through sale rather than continuing use are classified as held for sale. Immediately before classification as held for sale, the assets, or components of a disposal group, are remeasured in accordance with the group's accounting policies. Thereafter generally the assets, or disposal group, are measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro-rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets and employee benefit assets, which continue to be measured in accordance with the group's accounting policies.

Impairment losses on initial classification as held for sale and subsequent gains or losses on remeasurement are recognised in profit or loss. Gains are not recognised in excess of any cumulative impairment loss.

Intangible assets and property, plant and equipment once classified as held for sale or distribution are not amortised or depreciated. In addition, equity accounting of equity accounted investees ceases once classified as held for sale or distribution.

Refer to note 12 for assets held for sale details around assets that were disposed during the period that were classified as assets held for sale.

Notes to the consolidated financial statements continued

For the year ended 30 September

3 Material accounting policy information continued

(k) Employee benefits

(i) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(ii) Defined benefit plans

The group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprises actuarial gains and losses, the return on plan asset (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income (OCI). The group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(iii) Termination benefits

Termination benefits are recognised as an expense when the group is demonstrably committed, without a realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the group has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted and the number of acceptances can be estimated reliably. If benefits are payable more than twelve months after the reporting period, then they are discounted to their present value.

Refer to note 26 for details around restructuring provisions that were recognised during the year.

(l) Provisions

A provision for restructuring is recognised when the group has approved a detailed and formal restructuring plan, and the restructuring either has commenced or has been announced publicly. Future operating losses are not provided for.

Refer to note 26 for details around restructuring provisions that were recognised during the year.

(m) Revenue from contracts with customers

Revenue is recognised when the group satisfies a performance obligation by transferring control of the promised good or service to a customer at an amount that reflects the consideration to which the group expects to be entitled in exchange for the goods or services. Further information about each source of revenue from contracts with customers and the criteria for recognition follows.

(i) Revenue from the sale of goods

Revenue from the sale of goods is recognised when performance obligations are satisfied, and control of the asset is transferred to the customer, generally on delivery of the goods. The group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the group considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

If the transaction price in a contract for the sale of goods includes a variable amount, the group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and is constrained until it is highly probable that a significant revenue reversal will not occur when the uncertainty in respect of the variable consideration is resolved. Some contracts for the sale of goods provide customers with a right of return and volume rebates. The rights of return and volume rebates give rise to variable consideration.

Rebates and sales incentives

The group provides rebates and sales incentives to certain customers once thresholds specified in the contract are met or exceeded. Rebates are offset against amounts payable by the customer. To estimate the variable consideration for the expected future rebates, the group applies the requirements on constraining estimates of variable consideration and recognises a refund liability for the expected future rebates.

(ii) Revenue from services, licenses and royalties

The group earns revenue from the provision of services to customers, with revenue recognised over time as the services are performed and the performance obligations satisfied. Revenue from licenses of intellectual property are either recognised at a point in time or over time. Where a license represents a license to use the intellectual property as it exists at the point in time in which the license is granted, then the revenue is recognised at a point in time (subject to any constraints applied against variable consideration). Where a license represents a license to access the intellectual property, then the revenue is recognised over time. Typically, the group earns revenues from licenses at a point in time.

Where a contract contains a sales or usage-based element, such as a royalty linked to the amount of grain harvested from a particular seed sale, or generation of oil with respect to specific varieties of seed by a customer through the use of a license of intellectual property relevant to the end product, this sales or usage based element is recognised over time as the performance obligations are satisfied.

If the consideration in a contract includes a variable amount of consideration to which it will be entitled in exchange for the services, licensing or royalties, then the variable consideration is estimated at contract inception and is constrained until it is highly probable that a significant revenue reversal will not occur when the uncertainty in respect of the variable consideration is resolved. The group uses both the expected value method and the most likely value method when estimating the total variable consideration based on the terms of the contracts with customers. In certain circumstances, the group is required to allocate the variable consideration to performance obligations, and this is done so based on their relative stand-alone selling price, considering discounts and variable amounts. In situations in which a stand-alone selling price is not directly observable, the group uses the expected cost plus margin approach, and the residual approach, to estimate the stand-alone selling price over the life of the contract with customers.

(iii) Other income

Other income is derived from net income realised from activities that are outside of the ordinary business of the group.

(iv) Significant financing components

The group may receive short-term advances from its customers. Using the practical expedient in AASB 15, the group does not adjust the promised amount of consideration for the effects of a significant financing component as it is expected, at contract inception, that the period between the transfer of the good and when the customer pays for that good will be one year or less.

Further, in respect of contracts with customers that cover multiple periods, the group assesses whether there is a significant financing component in the contracts, including whether the customer has paid in advance and the timing of the transfer is at its discretion, or whether a substantial amount of the consideration is variable and the amount or timing of the consideration varies on a future event not substantially within the control of the customer of the group, or whether the difference between the promised consideration and the cash selling price arose for reasons other than financing.

(n) Finance income and finance costs

The group's finance income and finance costs include the following: 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, the fair value remeasurement of deferred consideration related to business combinations, the net gain or loss on hedging instruments that are recognised in profit or loss.

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

(o) Income tax

Income tax expense comprises current and deferred tax. Current and deferred taxes are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous periods. 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 the following temporary differences: 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, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that they will probably not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, 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 utilised. 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.

Additional income taxes that arise from the distribution of cash dividends are recognised at the same time as the liability to pay the related dividend is recognised. The group does not distribute non-cash assets as dividends to its shareholders.

(i) Tax consolidation

The company and its wholly-owned Australian resident entities are part of a tax-consolidated group. As a consequence, all members of the tax-consolidated group are taxed as a single entity. The head entity within the tax-consolidated group is Nufarm Limited (the 'head entity').

Current tax expense/benefit, deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the tax-consolidated group are recognised in the separate financial statements of the members of the tax-consolidated group using the 'separate taxpayer within group' approach by reference to the carrying amounts of assets and liabilities in the separate financial statements of each entity and the tax values applying under tax consolidation.

Notes to the consolidated financial statements continued

For the year ended 30 September

3 Material accounting policy information continued

Any current tax liabilities (or assets) and deferred tax assets arising from unused tax losses of the subsidiaries are assumed by the head entity in the tax-consolidated group and are recognised by the company as amounts payable/(receivable) to/(from) other entities in the tax-consolidated group in conjunction with any tax funding arrangement (refer to following item). Any difference between these amounts is recognised by the company as an equity contribution amounts or distribution.

The company recognises deferred tax assets arising from unused tax losses of the tax-consolidated group to the extent that it is probable that future taxable profits of the tax-consolidated group will be available against which the asset can be utilised.

Any subsequent period adjustments to deferred tax assets arising from unused tax losses as a result of revised assessments of the probability of recoverability is recognised by the head entity only.

(ii) Nature of tax funding arrangements and tax sharing agreements

The head entity of the Australian tax-consolidated group, in conjunction with other members of the tax-consolidated group, has entered into a tax funding arrangement which sets out the funding obligations of members of the tax-consolidated group in respect of tax amounts. The tax funding arrangements require payments to/from the head entity equal to the current tax liability/(asset) assumed by the head entity and any tax-loss deferred tax asset assumed by the head entity, resulting in the head entity recognising an inter-entity receivable/(payable) equal in amount to the tax liability/(asset) assumed. The inter-entity receivables/(payables) are at call.

Contributions to fund the current tax liabilities are payable as per the tax funding arrangement and reflect the timing of the head entity's obligation to make payments for tax liabilities to the relevant tax authorities.

The head entity of the Australian tax-consolidated group, in conjunction with other members of the tax-consolidated group, has also entered a tax sharing agreement. The tax sharing agreement provides for the determination of the allocation of the income tax liabilities between the entities should the head entity default on its tax payment obligations. No amounts have been recognised in the consolidated financial statements in respect of this agreement as payment of any amounts under the tax sharing agreement is considered remote.

(p) Earnings per share

The group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the group by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all potential dilutive ordinary shares, which comprise convertible notes and share rights granted to employees.

(q) Segment reporting

Determination and presentation of operating segments

An operating segment is a component of the group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the group's other components. All operating segments' results are reviewed regularly by the group's Chief Executive Officer (CEO) to make decisions about resources to be allocated to the segment and to assess its performance.

Segment results that are reported to the CEO include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly loans and borrowings and related expenses, corporate assets and head office expenses, and income tax assets and liabilities.

Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment (excluding right-of-use assets) and intangible assets other than goodwill.

4 Determination of fair values

Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(i) Intangible assets

The fair value of patents and trademarks acquired in a business combination is based on the discounted estimated royalty payments that have been avoided as a result of the patent or trademark being owned. The fair value of other intangible assets is based on the discounted cash flows expected to be derived from the use and eventual sale of the assets.

(ii) Share-based payment transactions

The fair value of the rights to ordinary shares issued under the respective Nufarm incentive plans have been measured using the Monte Carlo Simulation or the Binomial Tree. Measurement inputs include the share price on the measurement date, the exercise price of the instrument, expected volatility, expected term of the instruments, dividends, and the risk-free rate (based on government bonds).



5 Operating segments

Segment information is presented in respect of the group's key operating segments. The operating segments are based on the group's management and internal reporting structure which operates predominantly along two business lines, being crop protection and seed technologies.

The crop protection business deals in the manufacture and sale of crop protection products used by farmers to protect crops from damage caused by weeds, pests and disease. It is managed by major geographic segments, being APAC (including Australia, New Zealand and certain parts of Asia); Europe (including the United Kingdom, the European Union, and certain other countries in Europe, the Middle East and Africa) and North America (including United States of America, Canada and Mexico).

The seed technologies business comprises the base seeds, bioenergy, nutritionals and seed treatment platforms. These

platforms generate revenues through the sale of seed or oil based products, and licensing of intellectual property. The seed technologies business is managed on a worldwide basis.

Information regarding the results of each operating segment is included below. Performance is measured based on underlying EBITDA and underlying EBIT, as defined below, as included in the internal management reports that are reviewed by the group's CEO. These metrics are used to measure performance as management believes that such information is the most relevant in evaluating the results of each segment. Segment revenue is based on the geographic location of customers. Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. The non-operating corporate segment comprises mainly corporate expenses, and unallocated interest-bearing loans, borrowings and corporate assets.

2024 Operating Segments	Crop Protection				Seed Technologies Global	Non Operating Corporate	Group Total
	APAC \$000	Europe \$000	North America \$000	Total \$000	\$000	\$000	\$000
Revenue							
Total segment revenue	864,600	808,131	1,266,262	2,938,993	406,916	-	3,345,909
Results							
Underlying EBITDA ¹	88,232	123,628	82,465	294,325	83,034	(64,618)	312,741
Depreciation & amortisation excluding material items	(16,211)	(105,690)	(35,768)	(157,669)	(45,640)	(2,121)	(205,430)
Underlying EBIT¹	72,021	17,938	46,697	136,656	37,394	(66,739)	107,311
Material items included in operating profit (refer note 6)							(42,571)
Net financing costs							(108,188)
Share of net profits/(losses) of equity accounted investees							(1,809)
Profit/(loss) before tax							(45,257)

1 Underlying EBIT is earnings before net finance costs, taxation and material items. Underlying EBITDA is Underlying EBIT before depreciation, amortisation and material items.

2023 Operating Segments	Crop Protection				Seed Technologies Global	Non Operating Corporate	Group Total
	APAC \$000	Europe \$000	North America \$000	Total \$000	\$000	\$000	\$000
Revenue							
Total segment revenue	970,504	857,214	1,259,811	3,087,529	393,082	-	3,480,611
Results							
Underlying EBITDA ¹	87,959	165,656	161,060	414,675	98,097	(73,418)	439,354
Depreciation & amortisation excluding material items	(16,745)	(92,073)	(33,142)	(141,960)	(45,430)	(984)	(188,374)
Underlying EBIT¹	71,214	73,583	127,918	272,715	52,667	(74,402)	250,980
Material items included in operating profit (refer note 6)							(10,393)
Net financing costs							(84,576)
Share of net profits/(losses) of equity accounted investees							(1,184)
Profit/(loss) before tax							154,827

1 Underlying EBIT is earnings before net finance costs, taxation and material items. Underlying EBITDA is Underlying EBIT before depreciation, amortisation and material items.

Notes to the consolidated financial statements continued

For the year ended 30 September

5 Operating segments continued

2024	Crop Protection			Total	Seed Technologies Global	Non Operating Corporate	Group
	APAC	Europe	North America				Total
Operating Segments	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Assets							
Segment assets	606,926	1,296,015	1,127,313	3,030,254	837,218	496,276	4,363,748
Assets held for sale	-	-	-	-	-	-	-
Equity accounted & other investments	1,435	26	-	1,461	1,327	60,878	63,666
Total assets	608,361	1,296,041	1,127,313	3,031,715	838,545	557,154	4,427,414
Liabilities							
Segment liabilities	385,435	224,544	257,985	867,964	111,275	1,237,004	2,216,243
Total liabilities	385,435	224,544	257,985	867,964	111,275	1,237,004	2,216,243
Other segment information							
Capital expenditure (cash basis) ¹	26,076	106,357	46,848	179,281	73,694	802	253,777

¹ Capital expenditure includes cash investments in property, plant and equipment, intangibles and other investments but excludes right of use lease assets

2023	Crop Protection			Total	Seed Technologies Global	Non Operating Corporate	Group
	APAC	Europe	North America				Total
Operating Segments	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Assets							
Segment assets	710,361	1,356,419	1,304,654	3,371,434	719,057	455,427	4,545,918
Assets held for sale	10,818	-	-	10,818	-	-	10,818
Equity accounted & other investments	1,870	2,921	-	4,791	1,136	62,404	68,331
Total assets	723,049	1,359,340	1,304,654	3,387,043	720,193	517,831	4,625,067
Liabilities							
Segment liabilities	327,567	280,364	231,915	839,846	128,204	1,347,127	2,315,177
Total liabilities	327,567	280,364	231,915	839,846	128,204	1,347,127	2,315,177
Other segment information							
Capital expenditure (cash basis) ¹	28,688	95,120	45,587	169,395	65,106	7,771	242,272

¹ Capital expenditure includes cash investments in property, plant and equipment, intangibles and other investments but excludes right of use lease assets



Geographical information - revenue by location of customer	Revenue	
	2024	2023
	\$000	\$000
United States of America	1,076,387	1,047,598
Australia	657,767	770,257
Rest of world ¹	1,611,755	1,662,756
Total	3,345,909	3,480,611

1 Other than the United States of America and Australia, sales to other countries are individually less than 10% of the group's total revenues.

Geographical information - non-current assets by location of asset	Non-current assets	
	2024	2023
	\$000	\$000
United Kingdom	515,391	433,084
United States of America	460,760	468,925
Germany	344,411	385,942
Australia	358,908	351,563
Rest of world ¹	228,632	234,834
Unallocated ²	206,625	176,267
Total	2,114,727	2,050,615

1 Other than the United Kingdom, the United States of America, Germany and Australia, non-current assets held in other countries are individually less than 10% of the group's total non-current assets.

2 Unallocated non-current assets predominantly include deferred tax assets.

Notes to the consolidated financial statements continued

For the year ended 30 September

6 Individually material income and expense items

Individually material items are those items where their nature, including the expected frequency of the events giving rise to them, and/or amount is considered material to the financial statements. Such items included within the group's profit for the period are detailed below.

	2024	2024	2023	2023
	\$000	\$000	\$000	\$000
	pre-tax	after-tax	pre-tax	after-tax
<i>Material items by category:</i>				
Idle plant capacity	(47,246)	(34,482)	-	-
Non-core asset disposals	23,431	23,431	-	-
Asset rationalisation and restructuring	(18,756)	(17,130)	(12,705)	(12,705)
Deferred tax asset recognition	-	14,600	-	-
Release of provision for LATAM tax liabilities	-	11,700	-	-
Transactions related to Russia and Ukraine	-	-	2,312	1,654
Total profit/(loss)	(42,571)	(1,881)	(10,393)	(11,051)

30 September 2024 Material items

Idle plant capacity

During the financial year, the group has undertaken capital works programs which have disrupted normal operating capacity at both its Laverton (APAC) and Wyke (Europe) manufacturing sites and resulted in idle capacity charges.

In Laverton, the group has invested in its 2,4-D production capability whilst sustainably reducing the cost of production. The 2,4-D synthesis production is typically operated on a 24-hour basis. The disruption has resulted in an extended closure of 2,4-D synthesis production throughout the period.

In Wyke, the group has started preliminary works in respect of the multi-year capital investment plan to address manufacturing reliability, further improve HSE performance and increase production capacity. These preliminary works have resulted in extended shutdowns and lower production capacity than is typically achievable at the Wyke manufacturing site.

Non-core asset disposals

During September 2024, the group disposed non-core assets at Raymond Road and land adjoining the Laverton manufacturing site which were previously treated as assets held for sale. The sale generated proceeds of \$45.8 million which was in excess of the carrying amount of assets and associated costs to sell, resulting in a one-off gain on disposal of \$23.4 million recognised for the year. The gains on disposal have been offset by utilising previously unrecognised capital losses resulting in no tax payable.

Asset rationalisation and restructuring

As part of a broader asset base and cost structure review, the group has incurred asset write-down costs, accelerated amortisation for business exits, recognised restructuring provisions and incurred an FCTR (foreign currency translation reserve) loss on liquidation of dormant companies. In Europe, the group has made the decision to impair its assets in our equity accounted investee Crop.zone, whilst accelerating amortisation in specific European manufacturing assets that have been identified for future exit. In addition, a global cost review program is currently underway which has resulted in the recognition of initial redundancy provisions with respect to planned staff exits in FY25.

Deferred tax asset recognition

Australian Accounting Standards require that the group recognises a deferred tax asset arising from unutilised tax losses and tax credits to the extent that it is probable that future taxable profit will be available against which the tax losses and tax credits can be utilised, and that it recognises a deferred tax liability for all expected potential tax liabilities. The net recognition of the deferred tax assets of \$14.6 million in respect of the tax losses during the year ended 30 September 2024, reflected improved financial performance and outlook for the Australian tax group.

Release of provision for LATAM tax liabilities

When Nufarm sold its LATAM operations in 2020, it retained ongoing responsibility for certain pre-disposal tax matters, some of which have now been finalised. Consequently, a reassessment has been performed of the appropriate amount of provision to retain for the remaining open matters, and \$11.7 million of the tax provision was released for the year ended 30 September 2024.

30 September 2023 Material items

Transactions related to Russia and Ukraine

During the year ended 30 September 2023, the group has continued to assess the recoverability of assets, primarily trade receivables and inventories, in respect of the group's operations in Russia and Ukraine. The group has determined to cease operations in its Russian legal entity. The group continues to operate in Ukraine to support growers through sales of seed and crop protection products. The amounts recognised as material items during the year ended 30 September 2023 include reversals of previously recognised expenses pertaining to receivables and inventories, and the recognition in profit/(loss) of foreign currency translation reserve balances previously recognised in other comprehensive income. At 30 September 2023, the total remaining assets in Ukraine make up less than half a percent of total group assets.

Asset rationalisation and restructuring

During the year ended 30 September 2023, the group has ceased operating specific legal entities and begun liquidation proceedings. As a result, a non-cash material item has been incurred with respect to the recognition in profit/(loss) of foreign currency translation reserve balances previously recognised in other comprehensive income.



Material items are classified by function as follows:

2024 \$000	Cost of sales	Selling, marketing and distribution expense	General & administrative expense	Research and development expenses	Net financing costs	Other income	Total Pre-tax
Idle plant costs	(47,246)	-	-	-	-	-	(47,246)
Non-core asset sales	-	-	-	-	-	23,431	23,431
Asset rationalisation and restructuring	(7,407)	-	(6,514)	(4,835)	-	-	(18,756)
Total material items	(54,653)	-	(6,514)	(4,835)	-	23,431	(42,571)
Total material items included in operating profit/(loss)	(54,653)	-	(6,514)	(4,835)	-	23,431	(42,571)

2023 \$000	Cost of sales	Selling, marketing and distribution expense	General & administrative expense	Net financing costs	Net financing costs	Other income	Total Pre-tax
Transactions related to Russia and Ukraine	5,721	-	(3,409)	-	-	-	2,312
Asset rationalisation and restructuring	-	-	(12,705)	-	-	-	(12,705)
Total material items	5,721	-	(16,114)	-	-	-	(10,393)
Total material items included in operating profit/(loss)	5,721	-	(16,114)	-	-	-	(10,393)

Material items impacting cash flows are as follows:

2024	Underlying \$000	Material items \$000	Total group \$000
Cash flows from operating activities			
Net operating cash flows	519,637	(47,246)	472,391
Cash flows from investing activities			
Net investing cash flows	(253,244)	45,787	(207,457)
Cash flows from financing activities			
Net financing cash flows	(200,765)	-	(200,765)
Net operating, investing and financing cash flows	65,628	(1,459)	64,169
2023	Underlying \$000	Material items \$000	Total group \$000
Cash flows from operating activities			
Net operating cash flows	(124,630)	(990)	(125,620)
Cash flows from investing activities			
Net investing cash flows	(241,731)	-	(241,731)
Cash flows from financing activities			
Net financing cash flows	185,980	-	185,980
Net operating, investing and financing cash flows	(180,381)	(990)	(181,371)

Notes to the consolidated financial statements continued

For the year ended 30 September

7 Revenue from contracts with customers and other income

The following sources of revenue from contracts with customers were recognised in the period result:

	2024	2023
	\$000	\$000
Sources of revenue from contracts with customers		
Revenue from the sale of goods	3,299,443	3,425,334
Revenue from services, licenses and royalties	46,466	55,277
Total revenue	3,345,909	3,480,611

The following sources of other income, derived outside of the ordinary course of business, were recognised in the period result:

	2024	2023
	\$000	\$000
Other income		
Rental income	33	36
Sundry income	3,746	5,003
Gains on disposal of non-core assets	23,431	-
Total other income	27,210	5,039

8 Other expenses

The following expenses were included in the period result:

	Underlying	Material items	Total group
	\$000	\$000	\$000
2024			
Depreciation and amortisation	205,430	6,758	212,188
Impairment of assets (notes 6 and 18)	-	4,515	4,515
Inventory write down	1,208	-	1,208
2023			
Depreciation and amortisation	188,374	-	188,374
Impairment of assets	-	-	-
Inventory write down	15,140	(5,721)	9,419

9 Personnel expenses

	2024	2023
	\$000	\$000
Wages and salaries	360,442	353,547
Other associated personnel expenses	62,019	57,968
Contributions to defined contribution superannuation funds	18,376	16,579
Expense/(gain) related to defined benefit superannuation funds	2,887	3,439
Share-based payment expenses	6,278	5,850
Short-term employee benefits	6,889	7,260
Other long-term employee benefits	2,058	2,206
Personnel expenses	458,949	446,849



10 Finance income and expense

	2024 \$000	2023 \$000
Financial income	6,499	5,383
Interest expense – external	(89,854)	(67,680)
Interest expense – debt establishment transaction costs	(6,990)	(6,590)
Lease liability – interest expense	(8,408)	(8,528)
Net foreign exchange gains/(losses)	(9,435)	(7,161)
Financial expenses	(114,687)	(89,959)
Net financing costs	(108,188)	(84,576)

11 Income tax expense

	2024 \$000	2023 \$000
Recognised in the income statement		
Current tax expense/(benefit)		
Current period	35,579	51,046
Tax free income and non-recognition of tax assets on material items	(3,359)	2,880
Changes in estimates related to prior years	(5,295)	(726)
Current tax expense/(benefit)	26,925	53,200
Deferred tax expense/(benefit)		
Origination and reversal of temporary differences and tax losses	(40,150)	(1,537)
Effect of changes in tax rates	(134)	(2,246)
(Recognition)/non-recognition of tax assets on underlying and material items	(26,300)	(5,730)
Deferred tax expense/(benefit)	(66,584)	(9,513)
Total income tax expense/(benefit) in income statement	(39,659)	43,687
	2024 \$000	2023 \$000
Numerical reconciliation between tax expense and pre-tax net profit		
Profit/(Loss) before tax	(45,257)	154,827
Income tax using the Australian corporate tax rate of 30%	(13,577)	46,448
<i>Increase/(decrease) in income tax expense due to:</i>		
Non-deductible Amortisation/Depreciation	4,356	3,813
Non-deductible expenses	3,714	4,416
Other taxable income	574	1,111
Effect of changes in tax rates	(134)	(2,246)
(Recognition)/non-recognition of tax assets on underlying items	5,045	(5,730)
Tax free income and recognition/non-recognition of tax assets on material items	(29,659)	2,880
Effect of tax rate in foreign jurisdictions	3,906	(5,688)
Tax exempt income	(277)	-
Tax incentives	(2,211)	(591)
Tax credit on transactions not recognised in the income statement	(6,101)	-
	(34,364)	44,413
Changes in estimates related to prior years	(5,295)	(726)
Income tax expense/(benefit)	(39,659)	43,687

Notes to the consolidated financial statements continued

For the year ended 30 September

11 Income tax expense continued

	2024	2023
	\$000	\$000
Income tax recognised directly in equity		
Nufarm step-up securities distribution	-	(3,949)
Income tax recognised directly in equity	-	(3,949)
Income tax recognised in other comprehensive income		
Relating to actuarial (gains)/losses on defined benefit plans	(92)	(1,728)
Income tax recognised in other comprehensive income	(92)	(1,728)

International Tax Reform – Pillar Two Model Rules

The Organisation for Economic Co-operation and Development (OECD)/G20 Inclusive Framework on Base Erosion and Profit Shifting previously published the Pillar Two model rules designed to address the tax challenges arising from the digitalisation of the global economy, including the implementation of a global minimum tax. The group has a presence in jurisdictions that have enacted or substantively enacted legislation in relation to the OECD/G20 BEPS Pillar Two model rules.

The enacted or substantively enacted rules apply to income years commencing on or after 1 January 2024 and, on this basis, there is no current tax impact for the income year ended 30 September 2024. The group has also applied the temporary exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes at 30 September 2024, pursuant to the amendments to AASB 112 issued on 27 June 2023.

The group continues to monitor and evaluate the domestic implementation of the Pillar Two rules in the jurisdictions in which it operates. The group's potential exposure to Pillar Two taxes, based on legislation that is enacted or substantively enacted, is not expected to be material.

12 Assets held for sale

The former Raymond Road manufacturing site in Laverton Australia was approved for sale during the year ended 30 September 2022, upon which the group entered into an asset sale agreement. Since this period, the site had been subject to agreed remediation activities to prepare the site for final sale.

The group classified further land adjoining the Laverton manufacturing site as held for sale during the half year ended 31 March 2024. The land had been deemed excess to requirements and the group had proceeded to engage in a sale and due diligence process with a suitable buyer.

Sales of both of these sites were finalised in September 2024. The net gain on the disposal of the assets held for sale was recognised as a material item for the year ended 30 September 2024 (refer to note 6 for further information).

	2024	2023
	\$000	\$000
Land and buildings	-	10,818
Total assets held for sale	-	10,818

13 Cash and cash equivalents

	2024	2023
	\$000	\$000
Bank balances	462,345	408,856
Call deposits	1,218	2,101
	463,563	410,957
Bank overdraft	-	-
Total cash and cash equivalents	463,563	410,957



14 Business combinations and acquisition of non-controlling interests

Acquisitions in 2024

There have been no business combinations for the year ended 30 September 2024.

Acquisitions in 2023

On 8 November 2022, the group announced that it had entered into an agreement to purchase Sonic Boomsprays (Sonic), a Western Australian owned and operated sprayer manufacturer. The acquisition of Sonic follows the expansion of Croplands' Adelaide manufacturing site and will mean the company has additional capacity and operating efficiencies to meet the needs of growers across Australia.

The acquisition included a cash consideration of \$4.8 million paid on the acquisition date. Since acquisition date, Sonic had contributed \$1.356 million to the group's operating profit for the year ended 30 September 2023. Revenue and profit from the acquisition that would have been earned if the acquisition had occurred at the commencement of the financial year has not been provided on the basis that the amounts would not be significant.

Acquiree's net assets at acquisition date	Preliminary acquisition fair value \$000
Net identifiable assets and liabilities	3,205
Goodwill on acquisition	1,595
Cash consideration paid	4,800
Total consideration	4,800

Total goodwill of \$1.595 million from the business combination is attributable to synergies expected to be achieved from integrating Sonic into the group's existing Croplands' business.

Acquisition of non-controlling interest

There were no acquisitions of non-controlling interest in the current or prior period.

15 Trade and other receivables

	2024 \$000	2023 \$000
Current		
Trade receivables	550,362	530,417
Provision for impairment losses	(19,937)	(25,232)
	530,425	505,185
Prepayments	22,701	34,640
Derivative financial instruments	13,461	12,073
Other receivables	101,104	118,887
Current receivables	667,691	670,785
Non-current		
Other receivables	16,230	4,390
Other receivables - associates	-	2,046
Non-current receivables	16,230	6,436
Total trade and other receivables	683,921	677,221

Notes to the consolidated financial statements continued

For the year ended 30 September

16 Inventories

	2024 \$000	2023 \$000
Raw materials	342,545	420,706
Work in progress	92,047	34,728
Finished goods	763,963	1,048,613
	1,198,555	1,504,047
Provision for obsolescence and valuation adjustments of inventories	(32,548)	(40,036)
Total inventories	1,166,007	1,464,011

For the year ended 30 September 2024, the value of inventory was written down by \$1.208 million (30 September 2023: \$9.419 million), refer to note 8 for additional information.

17 Tax assets and liabilities

Current tax assets and liabilities

The current tax asset for the group of \$15.426 million (2023: \$17.881 million) represents the amount of income taxes recoverable in respect of the current and prior periods and that arose from the payment of tax in excess of the amounts due to the relevant tax authority. The current tax liability for the group of \$16.571 million (2023: \$15.753 million) represents the amount of income taxes payable in respect of current and prior financial periods.

Deferred tax assets and liabilities

Recognised deferred tax assets and liabilities

	Assets		Liabilities		Net	
	2024 \$000	2023 \$000	2024 \$000	2023 \$000	2024 \$000	2023 \$000
Consolidated						
Property, plant and equipment	15,674	16,106	(30,498)	(22,328)	(14,824)	(6,222)
Right-of-use assets and lease liabilities	30,351	30,557	(20,805)	(21,524)	9,546	9,033
Intangible assets	14,072	13,263	(92,943)	(101,804)	(78,871)	(88,541)
Employee benefits	14,864	16,422	(2)	(585)	14,862	15,837
Provisions	22,116	27,461	(9,178)	(22,982)	12,938	4,479
Current payables/receivables	11,805	3,026	(5,183)	(9,048)	6,622	(6,022)
Non-current payables/receivables	11,730	23,521	(10,665)	(12,574)	1,065	10,947
Other items	17,878	20,680	(14,287)	(14,195)	3,591	6,485
Tax value of losses carried forward	138,828	80,587	(2)	(3)	138,826	80,584
Tax assets/(liabilities)	277,318	231,623	(183,563)	(205,043)	93,755	26,580
Set off of tax	(70,693)	(55,356)	70,693	55,356	-	-
Net tax assets/(liabilities)	206,625	176,267	(112,870)	(149,687)	93,755	26,580

**Movement in temporary differences during the period**

	Balance 2023 \$000	Recognised in income \$000	Recognised in equity \$000	Currency adjustment \$000	Balance 2024 \$000
Consolidated					
Property, plant and equipment	(6,222)	(8,627)	-	25	(14,824)
Right-of-use assets and lease liabilities	9,033	498	-	15	9,546
Intangible assets	(88,541)	8,416	-	1,254	(78,871)
Employee benefits	15,837	(1,248)	(92)	365	14,862
Provisions	4,479	8,740	-	(281)	12,938
Current payables/receivables	(6,022)	12,963	-	(319)	6,622
Non-current payables/receivables	10,947	(9,739)	-	(143)	1,065
Other items	6,485	(3,651)	-	757	3,591
Tax value of losses carried forward	80,584	59,232	-	(990)	138,826
	26,580	66,584	(92)	683	93,755

	Balance 2022 \$000	Recognised in income \$000	Recognised in equity \$000	Currency adjustment \$000	Balance 2023 \$000
Consolidated					
Property, plant and equipment	(2,847)	(3,165)	-	(210)	(6,222)
Right-of-use assets and lease liabilities	8,043	993	-	(3)	9,033
Intangible assets	(91,110)	5,192	-	(2,623)	(88,541)
Employee benefits	19,282	(5,640)	1,728	467	15,837
Provisions	5,429	(1,236)	-	286	4,479
Current payables/receivables	(3,159)	(2,705)	-	(158)	(6,022)
Non-current payables/receivables	2,888	8,027	-	32	10,947
Other items	3,064	4,204	-	(783)	6,485
Tax value of losses carried forward	77,070	3,843	-	(329)	80,584
	18,660	9,513	1,728	(3,321)	26,580

The increase in recognised deferred tax assets in respect of tax losses during the year ended 30 September 2024 is predominantly due to Nufarm recognising prior and current year tax losses that have arisen in Australia, UK and US, including losses that have arisen from one-off material items such as idle plant shutdowns (see note 6). The carrying value of deferred tax assets relating to tax losses and tax credits is largely dependent on the generation of sufficient future taxable income. The directors are confident that these assets are probable of recovery based on future years' budgets. The carrying value of this asset will continue to be assessed at each reporting date.

Deferred tax assets and liabilities**Unrecognised deferred tax liability**

At 30 September 2024, a deferred tax liability of \$42.484 million (2023: \$42.547 million) relating to investments in subsidiaries has not been recognised because the group controls the repatriation of retained earnings and it is satisfied that it will not be incurred in the foreseeable future. This amount represents the theoretical withholding tax payable if all overseas retained earnings were paid as dividends.

Unrecognised deferred tax assets

At 30 September 2024, there are unrecognised deferred tax assets in respect of tax losses and timing differences of \$146.921 million (2023: \$216.876 million), virtually all of which can be carried forward indefinitely.

Notes to the consolidated financial statements continued

For the year ended 30 September

18 Investments accounted for using the equity method

The group accounts for investments in associates and joint ventures using the equity method. The group had the following individually immaterial associates and joint ventures during the period:

	Nature of relationship	Country	Balance date of associate	Ownership and voting interest	
				2024	2023
Seedtech Pty Ltd	Associate ¹	Australia	31 December	25.00%	25.00%
Leshan Nong Fu Trading Co., Ltd	Joint Venture ²	China	31 December	35.00%	35.00%
Crop.zone GmbH	Associate ³	Germany	31 December	14.77%	14.77%

1 Seedtech is a company that offers services to the seed industry such as cleaning, packaging, distribution and storage of seeds.

2 Leshan Nong Fu Trading is a joint venture in which the group has joint control and a 35 percent ownership interest. The joint venture is focused on sales and marketing of formulated crop protection products in the Chinese domestic market. It is structured as a separate vehicle. In accordance with the agreement under which Leshan Nong Fu Trading was established, the investors in the joint venture have agreed to make capital contributions in proportion to their ownership interests to make up any losses up to a maximum amount of RMB 100 million (\$21.645 million). This commitment has not been recognised in these consolidated financial statements.

3 Crop.zone is an Agtech start-up which provides electrophysical solutions to replace chemical herbicides in select market segments. The group's ownership interest has remained unchanged at 14.77 per cent as at 30 September 2024. The investment in Crop.zone is equity-accounted as Nufarm has additional powers under its shareholders agreement such that it is able to exert significant influence over the operations of Crop.zone.

	Carrying amount		Share of profit/(loss)	
	2024	2023	2024	2023
	\$000	\$000	\$000	\$000
Seedtech Pty Ltd	977	762	215	(45)
Leshan Nong Fu Trading Co., Ltd	1,435	1,870	(391)	(250)
Crop.zone GmbH	-	2,895	(1,633)	(889)
	2,412	5,527	(1,809)	(1,184)

During the year ended 30 September 2024, the group has fully written down its Crop.zone associated balances (including its equity-accounted investment) as part of the asset rationalisation and restructuring initiatives undertaken for the European business. This has resulted in an impairment of \$4.5 million. Refer to notes 6 and 36 for further information.

19 Other investments

	2024	2023
Non-current investments	\$000	\$000
Other investments	61,254	62,804
Total non-current investments	61,254	62,804

The group's primary investment relates to Enko Chem, a crop protection innovation company specialising in the discovery and development of novel products for growers that meet demands of growers, consumers and regulators globally. The group intends to hold this investment for the long term for strategic purposes and has designated the investment at FVOCI.



20 Property, plant and equipment

	Land and buildings \$000	Plant and machinery \$000	Capital work in progress \$000	Total \$000
Cost				
Balance at 1 October 2023	386,524	801,012	158,729	1,346,265
Additions	38,051	29,869	96,311	164,231
Additions through business combinations	-	-	-	-
Disposals and write-offs	(4,853)	(47,481)	(1,239)	(53,573)
Transfer to assets held for sale	(7,964)	-	(1,540)	(9,504)
Other transfers	1,605	69,272	(70,877)	-
Foreign exchange adjustment	(11,751)	(12,501)	(4,685)	(28,937)
Balance at 30 September 2024	401,612	840,171	176,699	1,418,482
Accumulated depreciation and impairment losses				
Balance at 1 October 2023	(195,982)	(580,951)	-	(776,933)
Depreciation charge for the period	(25,100)	(51,306)	-	(76,406)
Disposals and write-offs	3,121	46,191	-	49,312
Other transfers	12	(12)	-	-
Foreign exchange adjustment	6,208	8,558	-	14,766
Balance at 30 September 2024	(211,741)	(577,520)	-	(789,261)
Net property, plant and equipment at 30 September 2024	189,871	262,651	176,699	629,221
	Land and buildings \$000	Plant and machinery \$000	Capital work in progress \$000	Total \$000
Cost				
Balance at 1 October 2022	342,501	732,001	95,804	1,170,306
Additions	13,790	31,069	97,292	142,151
Additions through business combinations	-	494	-	494
Disposals and write-offs	(1,724)	(9,417)	-	(11,141)
Other transfers	20,572	18,324	(38,896)	-
Foreign exchange adjustment	11,385	28,541	4,529	44,455
Balance at 30 September 2023	386,524	801,012	158,729	1,346,265
Accumulated depreciation and impairment losses				
Balance at 1 October 2022	(164,420)	(530,555)	-	(694,975)
Depreciation charge for the period	(21,647)	(43,820)	-	(65,467)
Disposals and write-offs	448	9,250	-	9,698
Other transfers	(4,669)	4,669	-	-
Foreign exchange adjustment	(5,694)	(20,495)	-	(26,189)
Balance at 30 September 2023	(195,982)	(580,951)	-	(776,933)
Net property, plant and equipment at 30 September 2023	190,542	220,061	158,729	569,332

Notes to the consolidated financial statements continued

For the year ended 30 September

21 Intangible assets

	Goodwill \$000	Intellectual Property \$000	Computer software \$000	Capitalised development costs \$000	Total \$000
Cost					
Balance at 1 October 2023	400,449	1,155,239	95,584	838,657	2,489,929
Additions	-	16,654	8,171	100,944	125,769
Additions through business combinations	-	-	-	-	-
Disposals and write-offs	-	-	(1,201)	(11,001)	(12,202)
Other transfers	-	(2,367)	-	2,367	-
Foreign exchange adjustment	(8,947)	(34,040)	1,782	3,630	(37,575)
Balance at 30 September 2024	391,502	1,135,486	104,336	934,597	2,565,921
Accumulated amortisation and impairment losses					
Balance at 1 October 2023	(176,721)	(624,964)	(73,595)	(384,400)	(1,259,680)
Amortisation charge for the period	-	(64,595)	(10,748)	(60,439)	(135,782)
Disposals and write-offs	-	-	817	9,017	9,834
Other transfers	-	(2,287)	-	2,287	-
Foreign exchange adjustment	1,761	18,595	1,136	(2,800)	18,692
Balance at 30 September 2024	(174,960)	(673,251)	(82,390)	(436,335)	(1,366,936)
Intangibles carrying amount at 30 September 2024	216,542	462,235	21,946	498,262	1,198,985

	Goodwill \$000	Intellectual Property \$000	Computer software \$000	Capitalised development costs \$000	Total \$000
Cost					
Balance at 1 October 2022	380,791	1,092,366	87,933	705,977	2,267,067
Additions	-	3,247	2,418	91,450	97,115
Additions through business combinations	1,595	1,212	-	-	2,807
Disposals and write-offs	-	(5,081)	-	(663)	(5,744)
Other transfers	-	2,393	(107)	(2,286)	-
Foreign exchange adjustment	18,063	61,102	5,340	44,179	128,684
Balance at 30 September 2023	400,449	1,155,239	95,584	838,657	2,489,929
Accumulated amortisation and impairment losses					
Balance at 1 October 2022	(165,076)	(549,129)	(60,008)	(300,077)	(1,074,290)
Amortisation charge for the period	-	(60,041)	(10,035)	(52,831)	(122,907)
Disposals and write-offs	-	5,081	5	153	5,239
Other transfers	-	9,534	116	(9,650)	-
Foreign exchange adjustment	(11,645)	(30,409)	(3,673)	(21,995)	(67,722)
Balance at 30 September 2023	(176,721)	(624,964)	(73,595)	(384,400)	(1,259,680)
Intangibles carrying amount at 30 September 2023	223,728	530,275	21,989	454,257	1,230,249

Cash-generating units containing goodwill

For the purpose of 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 groups of assets (the 'cash-generating unit'/'CGU').

The group has determined that operating unit by country or region (i.e. Europe) is the appropriate method for determining the cash-generating units (CGU) of the business. This level of CGU aligns with the cash inflows of the business and the management structure of the group. The goodwill and intellectual property are CGU specific, as the acquisitions generating goodwill and the product registrations that are the major intangibles are country or region specific in nature. The exception to this is Seeds Technologies which is managed on a worldwide basis. There is no allocation of goodwill between CGUs.

The major CGUs and their intangible assets are as follows: North America \$166 million (2023: \$186 million), Seed Technologies \$483 million (2023: \$461 million), Europe \$506 million (2023: \$548 million) and APAC \$40 million (2023: \$31 million).

Impairment testing for cash-generating units containing goodwill

For the impairment testing of these assets, the carrying amount of the asset is compared to its recoverable amount at a CGU level. The group typically uses a value in use methodology when assessing the recoverable amount of the assets, but may also use a fair value less cost of disposal methodology, in which case the higher of the two valuation methods is used when assessing recoverable amount.

Valuation method – Value in use

Value in use (VIU) is an estimate of the recoverable amount based on the present value of the future cash flows expected to be derived from a CGU. In assessing VIU, the estimated future cash flows are derived from the three year plan for each cash-generating unit with a growth factor applied to extrapolate a cash flow beyond year three. A perpetuity factor is then applied to the normalised cash flow beyond year five in order to include a terminal value in the VIU calculation. The terminal growth rate assumed for each CGU is generally a long term inflation estimate. The cash flow is then discounted to a present value using a discount rate which is the company's weighted average cost of capital, adjusted for country risk and asset-specific risk associated with each CGU.

Valuation method – Fair value less cost of disposal

Fair value less cost of disposal (FVLCD) is an estimate of the price that a market participant would pay for the asset or CGU, less the costs of disposal. The fair value is determined using discounted cash flows and is benchmarked using relevant methodologies including the sum of the parts method, comparable market transactions, and company trading multiples. The cash flows are derived from Board approved management expectations of future outcomes, taking into account past experience, and adjusted for anticipated revenue growth. Cash flows are discounted using an appropriate post-tax market discount rate to arrive at a net present value of the asset which is compared against the asset's carrying value. The fair value measurement was categorised as a Level 3 fair value based on inputs in the valuation technique used (see note 29).

Valuation assumptions

Management develops a three-year bottom up budget plan for each of the CGUs, with a further two years added based upon industry market growth to develop a five year cashflow impairment testing model.

The pricing, margin and volume assumptions underpinning the cashflow projections generally reflect past experience for existing and enhanced portfolio products, while new products utilise external sources of information reflecting current market pricing in expected end use markets. Budgets include reference to geographical and market-specific economic drivers which influence the business such as inflation, currency, interest rates and manufacturing capacity. The valuation modelling is most sensitive to terminal growth and discount rates.

Notes to the consolidated financial statements continued

For the year ended 30 September

21 Intangible assets continued

The valuation method, range of terminal growth rates and nominal post-tax discount rates applied for impairment testing purposes is as follows:

2024	Valuation method	Terminal growth rate	Discount rate	Total goodwill \$'000
North America CGU	VIU	2.4%	9.8%	55,124
Europe CGU	FVLCD	2.4%	11.9%	67,913
APAC CGU	VIU	2.4%	10.3%	15,629
Seed Technology CGU	VIU	3.0%	12.9%	76,281

2023	Valuation method	Terminal growth rate	Discount rate	Total goodwill \$'000
North America CGU	VIU	2.0%	10.3%	58,921
Europe CGU	VIU	2.3%	11.2%	68,146
APAC CGU	VIU	2.5%	10.6%	15,139
Seed Technology CGU	VIU	3.3%	12.9%	79,928

With the exception of the Europe CGU below, the directors have determined that given the excess of recoverable amount over asset carrying value, there are no reasonably possible changes in assumptions which could occur to cause the carrying amount of the CGUs to exceed their recoverable amount.

Europe cash generating unit

At 30 September 2024, the group utilised a FVLCD methodology which was prepared by an external advisor to estimate the recoverable amount of the Europe CGU. The group concluded that the fair value less costs to sell of the European CGU was higher than its carrying amount and is therefore recoverable for the year ended 30 September 2024.

The key judgements and estimates underlying the FVLCD calculations are as follows:

- the modelling considered various cash flow scenarios and applied sensitivities against budgeted assumptions, discount rates and terminal growth rates.
- references were also made to market-based approaches such as EV/EBITDA of comparable listed companies and transactions.
- pricing assumptions were determined using reference to current and historical market pricing trends with respect to active ingredient inputs.
- growth in post-tax cash flows before working capital changes and capital expenditure for the region of 16.6% per annum between FY24 and FY29 with growth more heavily weighted to early year cash flows.
- a weighted average terminal growth rate in line with local country economic forecasts of 2.4%.
- a weighted average post-tax discount rate of 11.9%, which included a CGU-specific alpha risk premium of 5.0%.

We have also illustrated the below sensitivities against the discount rate and terminal growth rate:

- a +/- 50 basis points change in post-tax discount rate has a circa (5.5%) / 6.1% impact on value
- a +/- 50 basis points change in long term growth rate has a circa 3.8% / (3.4%) impact on value

Given the limited headroom identified through the modelling, management estimated the value of the Europe CGU considering different cash flow scenarios, and applying sensitivities against discount rates and terminal growth rates. While management has determined that no impairment exists for the year ended 30 September 2024, any future adverse movement in a key assumption including projected European CGU cash flows, terminal growth rates, and discount rates, in the absence of other factors, can lead to impairment.



22 Trade and other payables

	2024 \$000	2023 \$000
Current payables – unsecured		
Trade creditors and accruals – unsecured	767,319	673,358
Derivative financial instruments	8,462	6,812
Cash advances from customers (contract liabilities)	105,813	91,513
Current payables	881,594	771,683
Non-current payables – unsecured		
Creditors, accruals and cash advances from customers (contract liabilities)	14,170	23,421
Business combination – consideration payable	8,041	6,912
Non-current payables	22,211	30,333

Revenue recognised of \$76.6 million (2023: \$96.1 million) represents performance obligations which have been met during the current financial year in relation to contract liabilities held at the beginning of the year.

23 Interest-bearing loans and borrowings

	2024 \$000	2023 \$000
Current liabilities		
Bank loans – secured	18,447	18,658
Bank loans – unsecured	51,178	16,690
Deferred debt establishment costs	(6,133)	(6,313)
Lease liabilities	18,519	18,728
Loans and borrowings – current	82,011	47,763
Non-current liabilities		
Bank loans – secured	350,701	513,043
Bank loans – unsecured	37,097	44,480
Senior unsecured notes	505,415	540,040
Deferred debt establishment costs	(14,523)	(20,275)
Lease liabilities	128,451	125,947
Other loans – unsecured	9,170	9,801
Loans and borrowings – non-current	1,016,311	1,213,036
Net cash and cash equivalents	(463,563)	(410,957)
Net debt	634,759	849,842

Financing facilities

Refer to the section entitled 'Liquidity Risk' in note 29 for detail regarding the group's financing facilities.

	Accessible \$000	Utilised \$000
2024		
Bank loan facilities and senior unsecured notes	1,317,657	962,838
Other facilities	9,170	9,170
Total financing facilities	1,326,827	972,008
2023		
Bank loan facilities and senior unsecured notes	1,366,855	1,132,911
Other facilities	9,801	9,801
Total financing facilities	1,376,656	1,142,712

Notes to the consolidated financial statements continued

For the year ended 30 September

23 Interest-bearing loans and borrowings continued

	Loans and borrowings – current	Loans and borrowings – non-current	Debt related derivatives (included in assets / liabilities) ¹	Total debt related financial instruments
Reconciliation of liabilities arising from financing activities	\$000	\$000	\$000	\$000
Balance at 1 Oct 2023	47,763	1,213,036	(5,559)	1,255,240
Cash changes				
Proceeds from borrowings (net of costs)	61,319	360,920	(11,512)	410,727
Repayment of borrowings	(11,884)	(522,866)	-	(534,750)
Debt establishment transaction costs	-	(1,200)	-	(1,200)
Lease liability payments	(22,265)	-	-	(22,265)
Total cash flows	27,170	(163,146)	(11,512)	(147,488)
Non-cash changes				
Leases entered into during the period net of leases ceased	-	24,881	-	24,881
Foreign exchange movements	(15,199)	(43,315)	10,538	(47,976)
Transfer	15,145	(15,145)	-	-
Amortisation of debt establishment transaction costs	6,990	-	-	6,990
Other	142	-	-	142
Total non-cash changes	7,078	(33,579)	10,538	(15,963)
Balance at 30 September 2024	82,011	1,016,311	(6,533)	1,091,789

¹ Total derivatives balance at 30 September 2024 is a net asset of \$4.999 million (2023: \$5.261 million net asset). The difference in carrying value to the table above relates to forward exchange contracts which are excluded from the balances above as they are not connected to the group's financing activities.

	Loans and borrowings – current	Loans and borrowings – non-current	Debt related derivatives (included in assets / liabilities)	Total debt related financial instruments
Reconciliation of liabilities arising from financing activities	\$000	\$000	\$000	\$000
Balance at 1 Oct 2022	269,169	662,701	(7,256)	924,614
Cash changes				
Proceeds from borrowings (net of costs)	64,121	848,106	(34,467)	877,760
Repayment of borrowings	(244,827)	(345,297)	-	(590,124)
Debt establishment transaction costs	(1,154)	(19,688)	-	(20,842)
Lease liability payments	(24,363)	-	-	(24,363)
Total cash flows	(206,223)	483,121	(34,467)	242,431
Non-cash changes				
Leases entered into during the period net of leases ceased	-	20,731	-	20,731
Foreign exchange movements	7,204	17,506	36,164	60,874
Transfer	(28,977)	28,977	-	-
Amortisation of debt establishment transaction costs	6,590	-	-	6,590
Accelerated amortisation of debt establishment transaction costs	-	-	-	-
Total non-cash changes	(15,183)	67,214	36,164	88,195
Balance at 30 September 2023	47,763	1,213,036	(5,559)	1,255,240

Financing arrangements	2024	2023
Without refinancing, expiry of available debt facilities (excluding lease liabilities)	\$000	\$000
Period ending 30 September 2025 / 30 September 2024	96,502	73,213
Period ending 30 September 2026 / 30 September 2025	267,433	159,994
Period ending 30 September 2027 or later / 30 September 2026 or later	962,892	1,143,449



Average interest rates	2024 %	2023 %
Nufarm step-up securities	8.46	7.66
Long-term secured bank loan – asset backed loan	6.83	6.63
Long-term secured bank loan – standby liquidity facility	6.09	5.73
Other bank loans	11.43	6.71
Lease liabilities	5.77	5.95
Senior unsecured notes	5.00	5.00

Average interest rates are calculated using the weighted average of the interest rates for the drawn balances under each facility as at 30 September 2024. Undrawn facility fees are paid on undrawn portions of the Asset backed loan, the Standby liquidity facility, and other bank loans.

24 Employee benefits

	2024 \$000	2023 \$000
Current		
Liability for short-term employee benefits	16,408	17,065
Liability for current portion of other long-term employee benefits	16,039	15,665
Current employee benefits	32,447	32,730
Non-current		
Defined benefit fund obligations		
Present value of unfunded obligations	7,595	8,322
Present value of funded obligations	131,238	120,087
Fair value of fund assets – funded	(102,513)	(84,588)
Recognised liability for defined benefit fund obligations	36,320	43,821
Liability for non-current portion of other long-term employee benefits	4,864	5,312
Non-current employee benefits	41,184	49,133
Total employee benefits	73,631	81,863

During the year ended 30 September 2024, the group made contributions to defined benefit pension funds in the United Kingdom, France, Indonesia and Germany that provide defined benefit amounts for employees upon retirement. Under these plans, employees are entitled to retirement benefits determined, at least in part, by reference to a formula based on years of membership and salary levels. The defined benefit fund exposes the group to a number of risks, the most significant of which are interest rate and inflation risks.

Notes to the consolidated financial statements continued

For the year ended 30 September

24 Employee benefits continued

	2024	2023
	\$000	\$000
Changes in the present value of the defined benefit obligation are as follows:		
Opening defined benefit obligation	129,018	130,557
Service cost	804	755
Interest cost	7,189	7,141
Actuarial losses/(gains):		
Effect of changes in demographic assumptions	(383)	(8,295)
Effect of changes in financial assumptions	7,253	(5,872)
Past service cost	-	-
Losses/(gains) on curtailment	-	-
Plan amendments	163	20
Contributions	-	-
Benefits paid	(7,788)	(6,394)
Exchange adjustment	2,577	11,106
Closing defined benefit obligation	138,833	129,018
Changes in the fair value of fund assets are as follows:		
Opening fair value of fund assets	84,738	77,780
Interest income	4,943	4,437
Actuarial gains/(losses) – return on plan assets excluding interest income	8,849	(7,234)
Surplus taken to retained earnings	-	-
Assets distributed on settlement	-	-
Contributions by employer	8,488	8,048
Distributions	(6,769)	(5,686)
Exchange adjustment	2,264	7,393
Closing fair value of fund assets	102,513	84,738

The actual return on plan assets is the sum of the expected return and the actuarial gain/(loss).

	2024	2023
	\$000	\$000
Expense/(gain) recognised in profit or loss		
Current service costs	804	755
Interest on obligation	7,189	7,141
Interest income	(4,943)	(4,437)
Losses/(gains) on curtailment	-	-
Plan amendments	(163)	(20)
Past service cost/(gain)	-	-
Expense recognised in profit or loss	2,887	3,439
<i>The expense is recognised in the following line items in profit or loss:</i>		
Cost of sales	1,664	1,902
Sales, marketing and distribution expenses	822	955
General and administrative expenses	373	520
Research and development expenses	28	62
Expense recognised in profit or loss	2,887	3,439



	2024 \$000	2023 \$000
Actuarial gains/(losses) recognised in other comprehensive income (net of tax)		
Cumulative amount at period opening date	(54,540)	(60,104)
Recognised during the period	1,924	5,564
Cumulative amount at period closing date	(52,616)	(54,540)

	2024 %	2023 %
<i>The major categories of fund assets as a percentage of total fund assets are as follows:</i>		
Equities	77.0%	76.4%
Bonds	6.0%	13.6%
Property	0.1%	0.3%
Cash	16.6%	8.4%
Other	0.3%	1.3%
<i>Principal actuarial assumptions at the reporting date (expressed as weighted averages):</i>		
Discount rate at period end	5.5%	5.4%
Future salary increases	3.2%	3.2%
Future pension increases	2.6%	2.5%
<i>Weighted average duration of defined benefit obligation (in years)</i>	13.44	12.17

A sensitivity analysis of the defined benefit obligation to changes in the principal actuarial assumptions was performed, with the amount of increase/(decrease) to the defined benefit obligation shown below. The analysis is performed on the same basis for 30 September 2023.

Sensitivity analysis	Change	2024		2023	
		Increase in assumption \$000	Decrease in assumption \$000	Increase in assumption \$000	Decrease in assumption \$000
<i>Change in present value of defined benefit obligation</i>					
Discount rate	0.50%	(8,634)	9,398	(6,852)	7,499
Future salary increases	0.25%	2,950	(3,293)	2,375	(2,417)

The group expects to pay \$8.566 million in contributions to defined benefit plans during the year ending 30 September 2025 (2024: \$8.488 million). Where funded, the group makes cash contributions into the defined benefit fund. In the case of unfunded plans, the group is responsible for benefit payments as they fall due. Plan funding requirements are generally determined by local regulation and/or best practice and differ between countries.

Notes to the consolidated financial statements continued

For the year ended 30 September

25 Share-based payments

Nufarm Executive Share Plan (2000)

The Nufarm Executive Share Plan (2000) offered shares to executives. In August 2011 the group decided to cease the use of this plan and no awards have been granted since this time. All awards have vested and converted into unrestricted shares as at 30 September 2024 and an independent trustee continues to hold the shares on behalf of participants. At 30 September 2024, there were 2 participants (2023: 2 participants) in the scheme and 690 shares (2023: 2,554) were allocated and held by the trustee on behalf of the participants. The cost of issuing the shares were expensed in the period of issue.

Executive Incentive Plan (EIP)

The Executive Incentive Plan (EIP) commenced in 2022 and replaced the Short Term Incentive (STI) and Long Term Incentive (LTIP) plans for key management personnel and certain selected senior managers.

The total EIP award opportunity is based on a fixed percentage of the fixed annual remuneration (or equivalent) relevant to an individual, and is calculated at the end of the initial performance year. The calculation incorporates certain financial and non-financial performance measures relevant to an individual, including:

- a profit measure (typically underlying EBIT¹ or underlying EBITDA¹)
- a cash flow measure (typically average net working capital as a percentage of revenue)
- a return measure (typically return of funds employed, or return on assets)
- non-financial measures incorporating strategic and business improvement objectives

Subject to the achievement of an annual cash award gateway, the total EIP award opportunity is:

- Where the annual cash award gateway is met: allocated to an individual as a combination of cash paid (typically 33.33%) and deferred performance rights (typically 66.67%) in Nufarm ordinary shares for nil consideration.
- Where the annual cash award gateway is not met: allocated to an individual as deferred performance rights (100%) in Nufarm ordinary shares for nil consideration.

The number of rights granted is based on the volume weighted average price of Nufarm Limited shares in the five days subsequent to the results announcement.

Depending on the role of the individual, the performance and vesting period for the deferred performance rights vary between two, three and four years. For key management personnel, the vesting of the deferred performance rights is conditional upon satisfaction of certain non-market measures and a relative total shareholder return measure (market measure) at the end of the vesting period.

Nufarm Key Leadership Incentive Plan (KLIP)

On 1 August 2018, the KLIP commenced and is available to certain selected group employees. Awards are granted to individuals in the form of rights, which provide eligibility to the employees to acquire ordinary shares in the group for nil consideration, subject to the employees remaining employed within the group for a defined length of time under the respective plans. The rights generally will have a vesting period of four years. At 30 September 2024, there were 100 participants (30 September 2023: 90 participants) in the scheme and 1,490,500 rights (30 September 2023: 1,227,500) were allocated.

Global Share Plan (2001)

The Global Share Plan commenced in 2001 and was available to all permanent employees. The plan was suspended effective 31 December 2020. Previously, participants contributed a proportion of their salary to purchase shares. The group contributed an amount equal to 10 per cent of the number of ordinary shares acquired with a participant's contribution in the form of additional ordinary shares. Amounts over 10 per cent of the participant's salary could be contributed but were not able to be matched. For each year the shares are held, up to a maximum of five years, the group contributes a further 10 per cent of the value of the shares acquired with the participant's contribution. An independent trustee holds the shares on behalf of the participants. At 30 September 2024, there were 251 participants (30 September 2023: 288 participants) in the scheme and 1,112,073 shares (30 September 2023: 1,213,694) were allocated and held by the trustee on behalf of the participants.

Nushare Share Plan

The Nushare Share Plan commenced in 2022 and offers shares to all permanent employees who have not given, or been given, notice of termination. Over an initial six-month period, employees contribute a percentage or set-amount of after-tax salary each month, up to 10 per cent of their annual salary, and an independent trustee acquires shares monthly at market value. At the end of the initial six-month period, for every three shares acquired through the plan, employees are granted one share right. The rights have a subsequent vesting period of 12 months, with conditions requiring employees to hold the acquired shares and continue employment with Nufarm over the subsequent month period. Upon satisfaction of the conditions, the rights will automatically convert into unrestricted Nufarm ordinary shares. An independent trustee holds both the acquired shares and the rights on behalf of all employees. At 30 September 2024, there were 586 participants (30 September 2023: 496 participants) in the scheme and 174,795 rights (30 September 2023: 127,279) were allocated and held by the trustee on behalf of the participants.

The power of appointment and removal of the trustees for the share purchase schemes is vested in the group.

	2024	2023
Employee expenses	\$000	\$000
Total expense arising from share-based payment transactions	6,278	5,850

¹ Underlying EBIT is earnings before net finance costs, taxation and material items. Underlying EBITDA is Underlying EBIT before depreciation, amortisation and material items.



Measurement of fair values

The number of performance rights to be granted as awards under the EIP corresponds to predetermined performance levels (i.e.: Minimum, Target or Maximum) at the beginning of the financial year in respect of the relevant financial and non-financial performance measures. Eligible employees will receive a variable number of rights 'to the value of' these predetermined amounts. The number of rights is determined based on the value of the award to be deferred into performance rights, divided by the volume weighted average price (VWAP) for the five day period subsequent to the period end results announcement.

The EIP performance rights vesting conditions vary depending on the role of the individual, but they are all subject to employment vesting conditions, and may include both non-market vesting conditions and market vesting conditions (specifically relative total shareholder return metrics). The KLIP performance rights are subject to employment vesting conditions only.

To estimate the fair value of the different performance plans, the group utilises a range of valuation techniques including Monte-Carlo simulation methodologies, Binomial Tree methodologies, and discounted dividend methodologies.

The fair value of performance rights granted through the EIP, LTIP, KLIP and STIP were measured as follows:

	Weighted average fair value at grant date	Share price at grant date	Grant date	Earliest vesting date	Weighted average expected life	Volatility	Risk free interest rate	Dividend yield
Nufarm EIP performance rights								
2023 Plan - Restricted rights grant	\$5.69	\$5.84	1 Mar 2024	30 Sep 2026	2.5 years	n/a	n/a	1.1%
2023 Plan - CEO	\$4.47	\$5.54	1 Feb 2024	30 Sep 2026	2.6 years	32%	3.7%	1.7%
2023 Plan - KMP	\$3.95	\$4.79	8 Dec 2023	30 Sep 2026	2.8 years	32%	3.9%	2.0%
2023 Plan - Non-KMP	\$4.55	\$4.79	8 Dec 2023	30 Sep 2024	2.8 years	n/a	n/a	1.7%
2022 Plan - CEO	\$4.25	\$5.54	1 Feb 2024	30 Sep 2025	1.6 years	32%	3.9%	1.7%
2022 Plan - All excl CEO	\$5.68	\$5.95	24 Nov 2022	30 Sep 2023	2.3 years	n/a	n/a	1.7%
Nufarm KLIP performance rights								
2024 Plan - 4 year	\$4.42	\$4.73	1 Oct 2023	30 Sep 2027	4 years	n/a	n/a	1.7%
2023 Plan - 4 year	\$4.71	\$5.00	1 Oct 2022	30 Sep 2026	4 years	n/a	n/a	1.7%
2022 Plan - 4 year	\$4.41	\$4.72	1 Oct 2021	30 Sep 2025	4 years	n/a	n/a	1.7%
2021 Plan - 4 year	\$3.60	\$3.87	1 Oct 2020	30 Sep 2024	4 years	32%	0%	1.8%
Nufarm STIP deferred rights								
2021 Plan - 3 year	\$4.78	\$4.78	24 Nov 2021	30 Sep 2023	3 years	n/a	n/a	n/a
2024 Reconciliation of outstanding share awards								
	Outstanding at period opening date	Forfeited during the period	Exercised rights during the period	Expired during the period	Granted during the period	Outstanding at 30 September	Exercisable at 30 September	
EIP	751,317	-	(174,380)	-	1,091,378	1,668,315	174,369	
LTI	600,877	-	(600,877)	-	-	-	-	
KLIP	1,227,500	(42,000)	(30,000)	-	335,000	1,490,500	-	
STI	484,564	-	(484,564)	-	-	-	-	
2023 Reconciliation of outstanding share awards								
	Outstanding at period opening date	Forfeited during the period	Exercised rights during the period	Expired during the period	Granted during the period	Outstanding at 30 September	Exercisable at 30 September	
EIP	-	-	-	-	751,317	751,317	174,376	
LTI	943,321	(153,576)	(188,868)	-	-	600,877	600,877	
KLIP	1,025,500	(51,000)	(233,500)	-	486,500	1,227,500	-	
STI	484,564	-	-	-	-	484,564	484,564	

The performance rights outstanding at 30 September 2024 have a \$nil exercise price (2023: \$nil) and a weighted average contractual life of 3 years (2023: 3 years). All performance rights granted to date have a \$nil exercise price.

Notes to the consolidated financial statements continued

For the year ended 30 September

26 Provisions

	2024	2023
Current	\$000	\$000
Restructuring	11,044	5,059
Other	-	-
Current provisions	11,044	5,059

	Restructuring	Other provision	Total
	\$000	\$000	\$000
Balance at 1 October 2023	5,059	-	5,059
Provisions made during the period	11,136	-	11,136
Provisions reversed during the period	(2,163)	-	(2,163)
Provisions used during the period	(2,988)	-	(2,988)
Balance at 30 September 2024	11,044	-	11,044

The provision for restructuring is mainly relating to the asset rationalisation and restructuring being undertaken by the group.

27 Capital and reserves

	Number of ordinary shares	Number of ordinary shares
Share capital	2024	2023
Balance at 1 October	380,764,253	380,168,745
Issue of shares	1,542,875	595,508
Balance at 30 September	382,307,128	380,764,253

The group does not have authorised capital or par value in respect of its issued shares. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company.

During the period the following shares were issued:

- On 2 October 2023, 658,944 shares at \$4.70 were issued under the Short Term Incentive and Executive Incentive Plan
- On 21 November 2023, 402,020 shares at \$4.60 were issued under the Long Term Incentive Plan
- On 15 December 2023, 255,381 shares at \$4.64 were issued under the Dividend Reinvestment Plan
- On 17 January 2024, 88,683 shares at \$5.25 were issued under the Global Employee Share Plan and Nushare Share Plan
- On 13 May 2024, 30,000 shares at \$5.21 were issued under the Key Leadership Incentive Plan
- On 14 June 2024, 54,986 shares at \$4.56 were issued under the Dividend Reinvestment Plan
- On 1 July 2024, 52,861 shares at \$4.63 were issued under the Key Leadership Incentive Plan

Other securities

Nufarm step-up securities

On 24 November 2006 Nufarm Finance (NZ) Limited, a wholly owned subsidiary of Nufarm Limited, issued 2,510,000 hybrid securities at \$100 each called Nufarm step-up securities (NSS), which are perpetual step-up securities. The NSS are listed on the ASX under the code 'NFNG' and on the NZDX under the code 'NFFHA'.

Distributions on the NSS are at the discretion of the directors and are floating rate, unfranked, non-cumulative and

subordinated. However, distributions of profits and capital by Nufarm Limited are curtailed if distributions to NSS holders are not made, until such time that Nufarm Finance (NZ) Limited makes up the arrears. The distribution rate is the average mid-rate for bank bills with a term of six months plus a margin of 3.9% (2023: 3.9%).

Nufarm retains the right to redeem or exchange the NSS on future distribution dates.

Translation reserve

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations where their functional currency is different from the presentation currency of the reporting entity.

Capital profit reserve

This reserve is used to accumulate realised capital profits.

Other reserves

This reserve includes the following:

- accrued employee entitlements to share awards that have been charged to the income statement and have not yet been exercised.
- accumulative effective portion of changes in the fair value of financial instruments that have been designated as either cash flow hedges or net investment hedges.
- changes in the fair value of other investments that have been designated at FVOCI.



Dividends

2024	Cents per share	Total amount \$'000	Payment date
Paid interim dividend (unfranked)	4.0	15,251	14 Jun 2024
Paid final dividend (unfranked)	5.0	19,038	15 Dec 2023
2023			
Paid interim dividend (unfranked)	5.0	18,997	9 Jun 2023
Paid final dividend (unfranked)	6.0	22,795	9 Dec 2022

The company operates a Dividend Reinvestment Plan (DRP) under which eligible holders of ordinary shares are able to reinvest all or part of their dividend payments into additional fully paid Nufarm Limited shares.

Distributions

Nufarm step-up securities	Distribution rate (annualised)	Total amount \$'000	Payment date
The following distributions were paid by Nufarm Finance (NZ) Ltd:			
Proposed and unrecognised at reporting date			
Distribution	8.51%	10,648	15 Apr 2025
Distribution	8.46%	10,649	15 Oct 2024
2024			
Distribution	8.32%	10,643	15 Apr 2024
Distribution	7.66%	9,690	16 Oct 2023
2023			
Distribution	7.37%	9,227	17 Apr 2023
Distribution	4.86%	6,055	17 Oct 2022

The distribution on the Nufarm step-up securities reported on the equity movement schedule for the year ended 30 September 2024 amounted to \$20.333 million (2023: \$11.333 million).

Franking credits

The ability to utilise the franking credits is dependent upon there being sufficient available profits to declare dividends. In accordance with the tax consolidation legislation, the company as the head entity in the tax-consolidated group has also assumed the benefit of \$nil (2023: \$nil) franking credits.

Notes to the consolidated financial statements continued

For the year ended 30 September

28 Earnings per share

	Note	2024 \$000	2023 \$000
Net profit/(loss) for the period		(5,598)	111,140
Net profit/(loss) attributable to equity holders of the group		(5,598)	111,140
Other securities distributions (net of tax)		(20,333)	(11,333)
Earnings/(loss) used in the calculations of basic and diluted earnings per share		(25,931)	99,807
Subtract/(add back) items of material income/(expense)	6	(1,881)	(11,051)
Earnings/(loss) excluding items of material income/(expense) used in the calculation of earnings per share - excluding material items		(24,050)	110,858

For the purposes of determining basic and diluted earnings per share, the after-tax distributions on other securities are deducted from net profit.

	Number of shares	
	2024	2023
Weighted average number of ordinary shares used in calculation of basic earnings per share	382,069,965	380,098,351
Plus weighted average number of dilutive rights held under employee share plans	-	3,439,239
Weighted average number of ordinary shares used in calculation of diluted earnings per share	382,069,965	383,537,590

The rights held under employee share plans that could potentially dilute basic earnings per share in the future, but were anti-dilutive for the current period had a weighted average number of 2,986,376 rights.

There have been no conversions to, calls of, or subscriptions for ordinary shares or issues of ordinary shares since the reporting date and before the completion of this financial report.

	Cents per share	
Earnings per share	2024	2023
Basic earnings/(loss) per share	(6.8)	26.3
Diluted earnings/(loss) per share	(6.8)	26.0
Basic earnings/(loss) per share – excluding material items	(6.3)	29.2
Diluted earnings/(loss) per share – excluding material items	(6.3)	28.9



29 Financial risk management and financial instruments

The group has exposure to the following financial risks:

- credit risk;
- liquidity risk; and
- market risk.

This note presents information about the group's exposure to each of the above risks, the objectives, policies and processes for measuring and managing risk, and the management of capital.

The board has responsibility to identify, assess, monitor and manage the material risks facing the group and to ensure that adequate identification, reporting and risk minimisation mechanisms are established and working effectively. To support and maintain this objective, the audit and risk committee has established detailed policies on risk oversight and management by approving a global risk management charter that specifies the responsibilities of the global head of risk and compliance and the chief financial officer (which includes responsibility for the internal audit function). This charter also provides comprehensive global authority to conduct internal audits, risk reviews and system-based analyses of the internal controls in major business systems operating within all significant group entities worldwide.

The global head of risk and compliance and the chief financial officer report to the chair of the audit and risk committee. Written reports regarding risk and compliance activities and internal audit findings are provided at each meeting of the

audit and risk committee. In doing so, the global head of risk and compliance and the chief financial officer have direct and ongoing access to the chair and members of the audit and risk committee.

Credit risk

Credit risk is the risk of financial loss to the group if a customer or counter-party to a financial instrument fails to meet its contractual obligations, and arises principally from the group's receivables from customers and other financial assets.

Exposure to credit risk

The group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the group's customer base, including the default risk of the industry and country in which the customers operate, has less of an influence on credit risk.

The group has credit policies in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers before the group's standard payment and delivery terms and conditions are offered. Purchase limits are established for each customer, which represents the maximum open amount without requiring further management approval.

The group's maximum exposure to credit risk at the reporting date was:

	2024 \$000	2023 \$000
Carrying amount		
Trade and other receivables	670,460	665,148
Cash and cash equivalents	463,563	410,957
Derivative contracts:	-	-
Assets	13,461	12,073
	1,147,484	1,088,178

The group's maximum exposure to credit risk for trade and other receivables at the reporting date by geographic region was:

	2024 \$000	2023 \$000
Carrying amount		
Australia/New Zealand	149,636	118,282
Asia	40,047	76,286
Europe	193,638	233,630
North America	231,150	203,893
South America	55,989	33,057
Trade and other receivables	670,460	665,148

The group's top five customers account for \$106.411 million of the trade receivables carrying amount at 30 September 2024 (30 September 2023: \$99.022 million). These top five customers represent 15 per cent (30 September 2023: 19 per cent) of the total trade receivables.

Notes to the consolidated financial statements continued

For the year ended 30 September

29 Financial risk management and financial instruments continued

Impairment losses

The ageing of the group's customer trade receivables at the reporting date was:

	2024	2023
	\$000	\$000
Receivables ageing		
Current	449,763	448,044
Past due – 0 to 90 days	63,783	52,559
Past due – 90 to 180 days	13,216	7,170
Past due – 180 to 360 days	7,208	6,489
Past due – more than one year	16,392	16,155
	550,362	530,417
Provision for expected credit losses	(19,937)	(25,232)
Trade receivables	530,425	505,185

Some receivables are secured by collateral from customers such as guarantees and charges on assets. In some countries credit insurance is undertaken to reduce credit risk. The past due receivables not impaired are considered recoverable. In the crop protection industry, it is normal practice to vary the terms

of sales depending on the climatic conditions experienced in each country.

The movement in the allowance for impairment in respect of trade receivables during the period was as follows.

	2024	2023
	\$000	\$000
Provision for expected credit losses		
Balance at 1 October	25,232	30,945
Provisions made / (reversed) during the period	225	7,446
Provisions used during the period	(3,210)	(13,736)
Exchange adjustment	(2,310)	577
Balance at 30 September	19,937	25,232

Expected credit loss assessment for individual customers

For trade receivables, the group applies a simplified approach in calculating ECLs. Therefore, the group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The group considers a financial asset to be in default when contractual payments are 90 days past due. However, in certain cases, the group may also consider a financial asset to be in default when internal or external information indicates that the group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows. Expected credit losses have improved during FY24, with further stability in our customers in Europe impacted by the Russia/Ukraine conflict than was the case in the prior corresponding period.

Objective evidence of impairment includes default or delinquency by a debtor, indications that a debtor will enter bankruptcy, and, in the case of an investment in an equity security, a significant or prolonged decline in its fair value.



Liquidity risk

Liquidity risk is the risk that the group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the group's reputation.

Sales and operating profit are seasonal and are weighted towards the first half of the calendar year in Australia/New Zealand, North America and Europe, reflecting the planting and growing cycle in these regions while in Latin America the sales and operating profit are weighted towards the second half of the calendar year. This seasonal operating activity results in seasonal working capital requirements.

Principally, the group sources liquidity from cash generated from operations, and where required, external bank facilities. Working capital fluctuations due to seasonality of the business are supported by the short-term funding available from the group's asset based lending facility.

Interest on borrowings is denominated in currencies that match the cash flows generated by the underlying operations of the group. This provides an economic hedge and no derivatives are used to manage the exposure.

Debt facilities

As at 30 September 2024, the key group facilities include a \$800 million revolving asset based lending credit facility maturing in November 2027 (30 September 2023: \$800 million), a US\$350 million senior unsecured notes offering maturing in January 2030 (30 September 2023: US\$350 million) and a standby liquidity facility of \$210 million maturing in November 2025 (30 September 2023: \$150 million maturing in November 2024).

On 15 November 2022, Nufarm entered into a five year \$800 million revolving asset based lending credit facility (ABL) secured against trade receivables and inventory located in Australia, the United States and Canada. Concurrently, a two year \$150 million standby liquidity facility (SLF) secured against tangible assets in Australia, the United States, Canada and New Zealand was entered into. The ABL and SLF replaced the \$500 million group trade receivables securitisation facility and the senior secured bank facility (SFA). The ABL and SLF facilities provide the group with flexibility to align drawings with changes in working capital and other cash requirements.

On 17 November 2023, the group increased the SLF to \$210 million and renegotiated a one-year term extension to November 2025.

Availability under the ABL will be limited at any time to the lesser of the global borrowing base and the ABL facility limit (\$800 million). The global borrowing base fluctuates on a monthly basis relative to the advance rates against trade receivables and inventory, ineligibility criteria and the inclusion of a provision for general reserves in Australia, the United States and Canada. As at 30 September 2024, the global borrowing base was lower than the ABL facility limit at \$448 million (2023: \$536 million).

The ABL facility is governed by terms and conditions that are customary for a secured facility of this size, and as at 30 September 2024 Nufarm was in compliance with all conditions. The total carrying amount of trade receivables and inventories pledged as collateral for the ABL as at 30 September 2024 is \$1,081 million (2023: \$1,193 million) which fluctuates with the groups working capital cycle. The total carrying amount of tangible and fixed assets pledged as security against the SLF facility as at 30 September 2024 is approximately \$494 million (2023: \$363 million).

On 27 January 2022, the group completed the refinancing of the US\$475 million senior unsecured notes due in April 2026 ("the 2026 notes"). The 2026 notes were redeemed from investors in February 2022 through the issuance of US\$350 million senior unsecured notes due in January 2030 with a fixed coupon of 5.00% ("the 2030 notes"). The 2030 notes were issued under a dual tranche structure by Nufarm Australia Ltd (US\$105 million) and Nufarm Americas Inc (US\$245 million).

The ABL and SLF facilities provide the group with flexibility to align drawings with changes in working capital and other cash requirements. The ABL and SLF facilities are governed by terms and conditions that are customary for secured facilities of their size. The guarantor group is consistent across the ABL, the 2030 notes and SLF.

The majority of debt facilities that reside outside the ABL facility, the 2030 notes and SLF are regional working capital facilities, primarily located in Europe, which at 30 September 2024 totalled \$163.457 million (30 September 2023: \$150.291 million). A parent guarantee is provided to support working capital facilities in Europe.

Trade finance

The liquidity of the group is influenced by the terms suppliers extend in respect of purchases of goods and services. The determination of terms provided by suppliers is influenced by a variety of factors including supplier's liquidity. Suppliers may engage financial institutions to facilitate the receipt of payments for goods and services from the group, which are often referred to as supplier financing arrangements. The group is aware that trade payables of \$121.613 million at 30 September 2024 (30 September 2023: \$31.816 million) are to be settled via such arrangements in future periods. In the event suppliers or financial institutions cease such arrangements, the liquidity of the group's suppliers may be affected. If suppliers subsequently seek to reduce terms on group's purchases of goods and services in the future, the group's liquidity will be affected. Details of the group's trade and other payables are disclosed in note 22.

To support the liquidity of the group and reduce the credit risk relating to specific customers, trade receivables held by the group are sold to third parties. The sales (or factoring) of receivables to third parties is primarily done on a non-recourse basis, and the group incurs a financing expense at the time of the sale. The group derecognises trade receivables where the terms of the sale allows for derecognition.

Notes to the consolidated financial statements continued

For the year ended 30 September

29 Financial risk management and financial instruments continued

The following are the contractual maturities of the group's financial liabilities:

2024	Carrying amount \$000	Contractual cash flows \$000	Less than 1 year \$000	1-2 years \$000	More than 2 years \$000
Non-derivative financial liabilities					
Trade and other payables	887,303	887,303	873,132	7,218	6,953
Business combination – consideration payable	8,041	24,351	28	212	24,111
Bank loans – secured	369,148	424,034	39,954	141,496	242,584
Bank loans – unsecured	88,275	102,509	63,543	38,187	779
Senior unsecured notes	505,415	644,405	25,271	25,271	593,863
Other loans – unsecured	9,170	9,170	-	-	9,170
Lease liabilities – secured	146,970	304,411	23,813	20,079	260,519
Derivative financial liabilities					
Derivatives used for hedging:					
Outflow	-	-	-	-	-
Inflow	-	-	-	-	-
Other derivative contracts:					
Outflow	8,462	536,920	536,920	-	-
Inflow	-	(526,217)	(526,217)	-	-
Derivative financial assets					
Derivatives used for hedging:					
Outflow	-	86,643	86,643	-	-
Inflow	(5,765)	(92,890)	(92,890)	-	-
Other derivative contracts:					
Outflow	-	532,880	532,880	-	-
Inflow	(7,696)	(541,346)	(541,346)	-	-
	2,009,323	2,392,173	1,021,731	232,463	1,137,979



2023	Carrying amount \$000	Contractual cash flows \$000	Less than 1 year \$000	1-2 years \$000	More than 2 years \$000
Non-derivative financial liabilities					
Trade and other payables	788,292	788,292	764,871	17,074	6,347
Business combination – consideration payable	6,912	30,204	-	314	29,890
Bank loans - secured	531,701	655,326	52,849	113,328	489,149
Bank loans - unsecured	61,170	70,514	21,758	5,863	42,893
Senior unsecured notes	540,040	715,553	27,002	27,002	661,549
Other loans - unsecured	9,801	9,801	-	-	9,801
Lease liabilities - secured	144,675	300,278	25,118	20,622	254,538
Derivative financial liabilities					
Derivatives used for hedging:					
Outflow	1,271	92,578	92,578	-	-
Inflow	-	(91,596)	(91,596)	-	-
Other derivative contracts:					
Outflow	5,541	396,366	396,366	-	-
Inflow	-	(389,992)	(389,992)	-	-
Derivative financial assets					
Derivatives used for hedging:					
Outflow	-	-	-	-	-
Inflow	-	-	-	-	-
Other derivative contracts:					
Outflow	-	784,425	784,425	-	-
Inflow	(12,073)	(796,642)	(796,642)	-	-
	2,077,330	2,565,107	886,737	184,203	1,494,167

Notes to the consolidated financial statements continued

For the year ended 30 September

29 Financial risk management and financial instruments continued

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The group uses financial instruments to manage specifically identified foreign currency risks. This includes risks relating to the translation of earnings that are denominated in a currency other than the group reporting currency (Australian Dollars), and transactional foreign currency risks where receivables, payables and borrowings are denominated in a currency other than the functional currency of the individual group entity. The functional currency is determined via reference to the currency of the operating, investing and financing cashflows for each individual group entity. The currencies giving rise to the identified risks include the US Dollar, the Euro, the British Pound, the Australian Dollar, New Zealand Dollar, Polish Zloty, Ukrainian Hryvnia, Romanian Leu, Hungarian Forint, Mexican Peso, Turkish Lira, Argentine Peso, Brazilian Real and the Czech Koruna.

Financial instruments used by the group to manage currency risks include derivative instruments such as foreign exchange

contracts, cross currency interest rate swaps and options, and non-derivative instruments such as foreign currency debt instruments. The group designates select financial instruments for hedge accounting where it is deemed appropriate to do so.

The group uses financial instruments to manage foreign currency translation risk arising from the group's net investments in foreign currency subsidiary entities. These financial instruments are designated as net investment hedges for hedge accounting purposes. No ineffectiveness was recognised from net investment hedges during the reporting periods.

The net fair value of derivative financial instruments in the group, not designated as being in a hedge relationship, used as economic hedges of forecast transactions at 30 September 2024 was a \$4.999 million asset (2023: \$5.261 million asset) comprising assets of \$13.461 million (2023: \$12.073 million) and liabilities of \$8.462 million (2023: \$6.812 million).

Exposure to transactional currency risk

The group's exposure to major transactional foreign currency risks at balance date are as follows. The exposures are calculated based on locally reported net foreign currency exposures, and are presented net of open derivative financial instruments. The analysis is performed on the same basis as the previous financial period.

	Net financial assets/(liabilities) - by currency of denomination			
	AUD \$000	USD \$000	EUR \$000	GBP \$000
2024				
Functional currency of group operation				
Australian dollars	-	2,050	(2,105)	2,212
US dollars	(228)	-	(4,592)	-
Euro	(255)	(19,138)	-	3,271
British pound	(248)	4,520	598	-
	(731)	(12,568)	(6,099)	5,483
	Net financial assets/(liabilities) - by currency of denomination			
	AUD \$000	USD \$000	EUR \$000	GBP \$000
2023				
Functional currency of group operation				
Australian dollars	-	803	688	(2,035)
US dollars	(7)	-	(682)	(18)
Euro	1,136	(4,961)	-	1,468
British pound	(245)	(98)	1,219	-
	884	(4,256)	1,225	(585)

**Sensitivity analysis**

Based on the aforementioned group's net financial assets/ (liabilities) at 30 September 2024, a one per cent strengthening or weakening of the following currencies at 30 September

2024 would have increased/(decreased) profit or loss by the amounts shown below. This analysis assumes all other variables, including interest rates, remain constant. The analysis is performed on the same basis for 30 September 2023.

	Strengthening	Weakening	Strengthening	Weakening
	Profit or (loss) after tax	Profit or (loss) after tax	Profit or (loss) after tax	Profit or (loss) after tax
	2024	2024	2023	2023
	\$000	\$000	\$000	\$000
Currency movement				
1% change in the Australian dollar exchange rate	(20)	20	10	(10)
1% change in the US dollar exchange rate	(54)	54	(25)	25
1% change in the Euro exchange rate	70	(69)	25	(25)
1% change in the GBP exchange rate	4	(4)	(10)	10

The group's financial asset and liability profile may not remain constant, and therefore these sensitivities should be used with care.

The following significant exchange rates applied during the period:

	Average Rate ¹		Reporting Date ²	
AUD	2024	2023	2024	2023
US Dollar	0.662	0.664	0.693	0.648
Euro	0.609	0.621	0.618	0.611
GBP	0.520	0.540	0.516	0.530

1 This represents the average of the monthly rates used to translate foreign subsidiary earnings into the reporting currency (AUD). It is not weighted by earnings.

2 This represents the closing rate at 30 September 2024.

Notes to the consolidated financial statements continued

For the year ended 30 September

29 Financial risk management and financial instruments continued

Interest rate risk

The group's exposure to the risk of changes in market interest rates primarily relates to the group's debt obligations that have floating interest rates. This risk is mitigated by maintaining a level of fixed and floating rate borrowings, as well as the ability to use derivative financial instruments when deemed appropriate to do so.

The majority of the group's debt is raised under central borrowing programs. The asset based loan facility and the standby liquidity facility are considered floating rate facilities. The notes were refinanced in January 2022 through the

issuance of US\$350 million senior unsecured notes due in January 2030 with a fixed coupon component of 5.00%.

Interest rate risk on Nufarm step-up securities

The distribution rate is the average mid-rate for bank bills with a term of six months plus a margin of 3.9% (2023: 3.9%).

Profile

At the reporting date the interest rate profile of the group's interest-bearing financial instruments were:

	Carrying amount	
	2024	2023
	\$000	\$000
Variable rate instruments		
Financial assets	1,218	2,101
Financial liabilities	(613,563)	(747,347)
	(612,345)	(745,246)
Fixed rate instruments		
Financial assets	-	-
Financial liabilities	(505,415)	(540,040)
	(505,415)	(540,040)

Sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased/(decreased) profit or (loss) by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

The sensitivity is calculated on the debt at 30 September 2024. Due to the seasonality of the crop protection business, debt levels can vary during the period. The analysis is performed on the same basis for 30 September 2023.

	Profit or (loss)	
	100bp increase	100b decrease
	\$000	\$000
2024		
Variable rate instruments	(6,123)	6,123
Total sensitivity	(6,123)	6,123
2023		
Variable rate instruments	(7,452)	7,452
Total sensitivity	(7,452)	7,452



Fair values

All financial assets and financial liabilities, other than derivatives, are initially recognised at the fair value of consideration paid or received, net of transaction costs as appropriate, and subsequently carried at fair value or amortised cost, as indicated in the tables below. Derivatives are initially recognised at fair value on the date the contract is entered into and are subsequently remeasured at their fair value.

The financial assets and liabilities are presented by class in the tables below at their carrying values, which generally

approximate to the fair values. In the case of the centrally managed fixed rate debt not swapped to floating rate totalling \$505.415 million (2023: \$540.040 million), the fair value at 30 September 2024 is \$468.141 million (2023: \$474.938 million). The centrally managed fixed rate debt relates to our senior unsecured notes whose fair value can be determined from observable quoted market prices and therefore is classified as Level 1 in the fair value hierarchy.

		Carried at fair value through profit or loss	Derivatives used for hedging	Financial assets / liabilities at amortised cost	Financial assets / liabilities at FVOCI	Total
2024	Note	\$000	\$000	\$000	\$000	\$000
Cash and cash equivalents	13	-	-	463,563	-	463,563
Trade and other receivables excluding derivatives	15	-	-	670,460	-	670,460
Other investments	19	-	-	-	60,878	60,878
Forward exchange contracts:						
Assets	15	7,696	5,765	-	-	13,461
Liabilities	22	(8,462)	-	-	-	(8,462)
Trade and other payables excluding derivatives	22	(8,041)	-	(887,302)	-	(895,343)
Secured bank loans	23	-	-	(369,148)	-	(369,148)
Unsecured bank loans	23	-	-	(88,275)	-	(88,275)
Senior unsecured notes	23	-	-	(505,415)	-	(505,415)
Other loans	23	-	-	(9,170)	-	(9,170)
Lease liabilities	23	-	-	(146,970)	-	(146,970)
		(8,807)	5,765	(872,257)	60,878	(814,421)
2023	Note	Carried at fair value through profit or loss	Derivatives used for hedging	Financial assets / liabilities at amortised cost	Financial assets / liabilities at FVOCI	Total
		\$000	\$000	\$000	\$000	\$000
Cash and cash equivalents	13	-	-	410,957	-	410,957
Trade and other receivables excluding derivatives	15	-	-	665,148	-	665,148
Other investments	19	-	-	-	62,403	62,403
Forward exchange contracts:						
Assets	15	12,073	-	-	-	12,073
Liabilities	22	(5,541)	(1,271)	-	-	(6,812)
Trade and other payables excluding derivatives	22	(6,912)	-	(788,292)	-	(795,204)
Secured bank loans	23	-	-	(531,701)	-	(531,701)
Unsecured bank loans	23	-	-	(61,170)	-	(61,170)
Senior unsecured notes	23	-	-	(540,040)	-	(540,040)
Other loans	23	-	-	(9,801)	-	(9,801)
Lease liabilities	23	-	-	(144,675)	-	(144,675)
		(380)	(1,271)	(999,574)	62,403	(938,822)

Notes to the consolidated financial statements continued

For the year ended 30 September

29 Financial risk management and financial instruments continued

Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: Based on quoted prices (unadjusted) in active markets for identical financial assets and liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either

directly (i.e., as prices) or indirectly (i.e., derived from prices); and

- Level 3: Based on inputs not observable in the market using appropriate valuation models, including discounted cash flow modelling and comparable company transactions.

	Level 1	Level 2	Level 3	Total
	\$000	\$000	\$000	\$000
2024				
Derivative financial assets	-	13,461	-	13,461
Other investments	-	-	60,878	60,878
	-	13,461	60,878	74,339
Derivative financial liabilities	-	(8,462)	-	(8,462)
Business combination – consideration payable	-	-	(8,041)	(8,041)
	-	(8,462)	(8,041)	(16,503)
	Level 1	Level 2	Level 3	Total
	\$000	\$000	\$000	\$000
2023				
Derivative financial assets	-	12,073	-	12,073
Other investments	-	-	62,403	62,403
	-	12,073	62,403	74,476
Derivative financial liabilities	-	(6,812)	-	(6,812)
Business combination – consideration payable	-	-	(6,912)	(6,912)
	-	(6,812)	(6,912)	(13,724)

There have been no transfers between levels in either the year ended 30 September 2024 and the year ended 30 September 2023.

Valuation techniques used to derive fair values

The group has used the following valuation techniques and assumptions in the determination of the fair values noted above.

- Derivative financial assets and liabilities include forward exchange contracts which are valued using market data including spot foreign exchange rates and forward rates at balance sheet date to determine fair value.
- Other investments include the group's strategic investments which primarily consist of unlisted private investments. The fair value of these investments are determined using comparable company analysis and recent capital seeding rounds.

- Contingent consideration is payable with respect to the group's acquisition of the energy cane business from GranBio Investimentos SA in the year ended 30 September 2022. The fair value of the contingent consideration payable is determined using valuation techniques such as discounted cashflow models. Assumptions are based upon agreed royalty rates payable on forecasted revenues to be earned by the group until 30 June 2034, together with estimated discount rate and growth rate assumptions.



Capital management

The board's capital management policy aims to maintain a robust and durable capital structure and provide clear guidelines for the application of cash flow generated from business operations. The policy includes a cascading approach to capital allocation decisions that is consistent with maintaining targeted credit metrics and a sound financial structure.

This cascading approach to capital allocation and the application of free cash flow "through the cycle" encompasses both capital investment decisions and distributions paid to shareholders. While the board maintain discretion, it is intended that the group applies free cash flow from business operations in the following manner:

- 1 Application of free cash flow to investment growth projects and/or small bolt-on acquisitions where the projected returns satisfy internal underlying return on funds employed (ROFE) measures that exceed the group's weighted average cost of capital.
- 2 Consideration of the payment of a dividend from part of free cash flow, subject to compliance with the core target

leverage (statutory) range of 1.5x – 2.0x, under the group's dividend policy.

- 3 Consideration of any excess capital to be returned to shareholders in circumstances where the group is below its targeted leverage metrics and insufficient growth opportunities exist to utilise excess free cash flow. These capital return measures may include special dividends and share buy-backs.

The board is focused on the efficient use of capital and believes ROFE, leverage and cash flow are appropriate performance measures to be considered in the application of the board's capital management policy. In particular, ROFE provides a measure that remains effective regardless of the mix of equity and debt, which may change from time to time. ROFE is included in management remuneration structures through budget targets that incorporate capital management and growth strategies. The ROFE for the year ended 30 September 2024 was 4.0 per cent. (2023: 8.9 per cent).

30 Leases

Leases are generally entered to access the use of longer term manufacturing facilities, warehouse and office properties; and shorter term assets such as motor vehicles, mobile plant and office equipment. Rentals are fixed for the duration of these leases. These rentals have regular reviews based on market rentals at the time of review.

The group also leases IT equipment which have short term contracts and/or are low value items. The group has elected not to recognise right-of-use assets and lease liabilities for these leases.

Right-of-use assets

Right-of-use assets included in property, plant and equipment (see note 20) are as follows:

	Land and buildings \$000	Plant and machinery \$000	Total \$000
Balance at 1 October 2023	91,321	11,237	102,558
Additions to right-of-use assets	20,083	8,121	28,204
Depreciation charge for the period	(17,407)	(6,678)	(24,085)
Disposals and write-offs	(1,680)	(770)	(2,450)
Foreign exchange adjustment	(1,271)	(456)	(1,727)
Balance at 30 September 2024	91,046	11,454	102,500

	Land and buildings \$000	Plant and machinery \$000	Total \$000
Balance at 1 October 2022	86,786	18,148	104,934
Additions to right-of-use assets	9,734	11,692	21,426
Depreciation charge for the period	(15,981)	(9,538)	(25,519)
Disposals and write-offs	(1,018)	(267)	(1,285)
Transfers between categories	8,302	(8,302)	-
Foreign exchange adjustment	3,498	(496)	3,002
Balance at 30 September 2023	91,321	11,237	102,558

Notes to the consolidated financial statements continued

For the year ended 30 September

30 Leases continued

	2024 \$000	2023 \$000
Amounts recognised in profit/(loss)		
Depreciation on right of use assets	(24,085)	(25,519)
Lease liability interest expenses	(8,408)	(8,528)
Expenses relating to short-term leases	(1,507)	(1,133)
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	(152)	(47)
Amounts recognised in statement of cash flows		
Operating cash flows		
Lease liability interest payments	(8,408)	(8,528)
Short-term and low-value lease payments	(1,659)	(1,087)
Financing cash flows		
Lease liability principal payments	(22,265)	(24,363)

31 Capital commitments

The group had contractual obligations to purchase plant and equipment for \$29.834 million at 30 September 2024 (2023: \$11.151 million).

The group has agreed to make capital contributions in proportion to its interest in the Leshan Nong Fu Trading Co., Ltd joint venture to make up any losses if required, up to a maximum of RMB 35 million. The outstanding commitment is RMB 28 million (\$5.761 million). For further information refer to Note 18.

32 Contingencies

In the ordinary course of business, obligations may arise in the future due to lawsuits and claims including those pertaining to product liability, safety and health, environmental and tax matters which may be instituted or asserted against the group. While the amounts claimed may be substantial, a future liability cannot be determined due to significant uncertainties that existed at balance date.

Nonetheless, it is possible that results of the group's operations or liquidity in a particular period could be materially affected by such claims in the future.

33 Group entities

	Notes	Place of incorporation	Percentage of shares held	
			2024	2023
Company				
Nufarm Limited – ultimate controlling entity				
Subsidiaries				
Access Genetics Pty Ltd	1	Australia	100	100
Agcare Biotech Pty Ltd	1	Australia	100	100
Agchem Receivables Corporation		USA	100	100
Agryl Holdings Limited	1	Australia	100	100
Agtrol International SE DE CV		Mexico	100	100
Ag-seed Research Pty Ltd	1	Australia	100	100
Ag-turf SA DE CV		Mexico	100	100
AH Marks Australia Pty Ltd	1	Australia	100	100
AH Marks Holdings Limited		United Kingdom	100	100
AH Marks Pensions Scottish Limited Partnership		United Kingdom	100	100
Artfern Pty Ltd	1	Australia	100	100
Nuseed Brazil SA (previously known as Atlantica Sementes SA)		Brazil	100	100
Australis Services Pty Ltd	1	Australia	100	100



	Notes	Place of incorporation	Percentage of shares held	
			2024	2023
Bestbeech Pty Ltd	1	Australia	100	100
Chemicca Limited	1	Australia	100	100
CNG Holdings BV		Netherlands	100	100
COCRF Investor 177 LLC	2	USA	-	-
Crop Care Australasia Pty Ltd	1	Australia	100	100
Crop Care Holdings Limited		New Zealand	100	100
Croplands Equipment Limited		New Zealand	100	100
Croplands Equipment Pty Ltd	1	Australia	100	100
Danestoke Pty Ltd	1	Australia	100	100
Edgehill Investments Pty Ltd	1	Australia	100	100
Fchem (Aust) Limited	1	Australia	100	100
Fernz Canada Limited		Canada	100	100
First Classic Pty Ltd	1	Australia	100	100
Frost Technology Corporation		USA	100	100
Growell Limited		United Kingdom	100	100
Grupo Corporativo Nufarm SA		Guatemala	100	100
Le Moulin des Ecluses s.a		France	100	100
Lefroy Seeds Pty Ltd	1	Australia	100	100
Manaus Holdings Sdn Bhd		Malaysia	100	100
Marman (Nufarm) Inc		USA	100	100
Marman de Mexico Sociedad Anonima De Capital Variable		Mexico	100	100
Marman Holdings LLC		USA	100	100
Masmart Pty Ltd	1	Australia	100	100
Mastra Corporation Pty Ltd	1	Australia	100	100
Mastra Corporation Sdn Bhd		Malaysia	100	100
Mastra Corporation USA Pty Ltd	1	Australia	100	100
Mastra Holdings Sdn Bhd		Malaysia	100	100
Mastra Industries Sdn Bhd		Malaysia	100	100
Medisup Securities Limited	1	Australia	100	100
Munistrategies Sub-CDE 29, LLC	2	USA	-	-
NF Agriculture Inc		USA	100	100
Nufarm ABF Trustees Limited		United Kingdom	100	100
Nufarm Agriculture (Pty) Ltd		South Africa	100	100
Nufarm Agriculture Inc		Canada	100	100
Nufarm Agriculture Zimbabwe (Pvt) Ltd		Zimbabwe	100	100
Nufarm Americas Holding Company		USA	100	100
Nufarm Americas Inc		USA	100	100
Nufarm Asia Sdn Bhd		Malaysia	100	100
Nufarm Australia Limited	1	Australia	100	100
Nufarm BV		Netherlands	100	100
Nufarm Canada Receivables Partnership		Canada	100	100
Nufarm Chemical (Shanghai) Co Ltd		China	100	100
Nufarm Crop Products UK Limited		United Kingdom	100	100
Nufarm Costa Rica Inc. SA		Costa Rica	100	100
Nufarm de Guatemala SA		Guatemala	100	100
Nufarm de Mexico Sa de CV		Mexico	100	100

Notes to the consolidated financial statements continued

For the year ended 30 September

33 Group entities continued

	Notes	Place of incorporation	Percentage of shares held	
			2024	2023
Nufarm de Panama SA		Panama	100	100
Nufarm de Venezuela SA		Venezuela	100	100
Nufarm del Ecuador SA		Ecuador	-	100
Nufarm Deutschland GmbH		Germany	100	100
Nufarm do Brazil Ltda		Brazil	100	100
Nufarm Espana SA		Spain	100	100
Nufarm Europe GmbH		Germany	100	100
Nufarm Finance BV	2	Netherlands	-	-
Nufarm Finance Inc		USA	100	100
Nufarm Finance Pty Ltd		Australia	100	100
Nufarm Finance (NZ) Limited		New Zealand	100	100
Nufarm GmbH		Austria	100	100
Nufarm GmbH & Co KG		Austria	100	100
Nufarm Grupo Mexico S DE RL DE CV		Mexico	100	100
Nufarm Holdings (NZ) Limited		New Zealand	100	100
Nufarm Holdings BV		Netherlands	100	100
Nufarm Holdings s.a.s		France	100	100
Nufarm Hong Kong Investments Ltd		Hong Kong	100	100
Nufarm Hungaria Kft		Hungary	100	100
Nufarm Inc		USA	100	100
Nufarm Insurance Pte Ltd		Singapore	100	100
Nufarm Investments Cooperatie WA		Netherlands	100	100
Nufarm Investment Pty Ltd		Australia	100	100
Nufarm Italia srl		Italy	100	100
Nufarm KK		Japan	100	100
Nufarm Korea Ltd		Korea	100	100
Nufarm Labuan Pte Ltd		Malaysia	100	100
Nufarm Limited		United Kingdom	100	100
Nufarm Malaysia Sdn Bhd		Malaysia	100	100
Nufarm Materials Limited	1	Australia	100	100
Nufarm Middle East Operations		Egypt	100	100
Nufarm Nordics AB		Sweden	100	100
Nufarm NZ Limited		New Zealand	100	100
Nufarm Pensions General Partner Ltd		United Kingdom	100	100
Nufarm Pensions Scottish Limited Partnership		United Kingdom	100	100
Nufarm Peru SAC		Peru	-	100
Nufarm Platte Pty Ltd	1	Australia	100	100
Nufarm Polska SP.Z O.O		Poland	100	100
Nufarm Portugal LDA		Portugal	100	100
Nufarm Romania SRL		Romania	100	100
Nufarm s.a.s		France	100	100
Nufarm Services (Singapore) Pte Ltd		Singapore	100	100
Nufarm Services Sdn Bhd		Malaysia	100	100
Nufarm Suisse Sarl		Switzerland	-	100
Nufarm Technologies (M) Sdn Bhd		Malaysia	100	100
Nufarm Technologies USA		New Zealand	100	100



	Notes	Place of incorporation	Percentage of shares held	
			2024	2023
Nufarm Technologies USA Pty Ltd	1	Australia	100	100
Nufarm Treasury Pty Ltd	1	Australia	100	100
Nufarm Turkey Kimyevi Maddeler İthalat ve Ticaret Limited Sirketi		Turkey	100	100
Nufarm UK Limited		United Kingdom	100	100
Nufarm Ukraine LLC		Ukraine	100	100
Nufarm Uruguay SA		Uruguay	100	100
Nufarm USA Inc		USA	100	100
Nugrain Pty Ltd	1	Australia	100	100
Nuseed Americas Inc		USA	100	100
Nuseed Canada Inc		Canada	100	100
Nuseed Europe Holding Company Ltd		United Kingdom	100	100
Nuseed Europe Ltd		United Kingdom	100	100
Nuseed Global Holdings Pty Ltd	1	Australia	100	100
Nuseed Global Innovation		United Kingdom	100	100
Nuseed Global Management USA Inc		USA	100	100
Nuseed Holding Company		USA	100	100
Nuseed International Holdings Pty Ltd	1	Australia	100	100
Nuseed Mexico SA De CV		Mexico	100	100
Nuseed Nutritional Australia Pty Ltd		Australia	100	100
Nuseed Nutritional US Inc		USA	100	100
Nuseed Nutritional Chile SpA		Chile	100	-
Nuseed Omega Holdings Pty Ltd	1	Australia	100	100
Nuseed Paraguay SA		Paraguay	100	100
Nuseed Proprietary Limited	1	Australia	100	100
Nuseed Russia LLC		Russia	-	100
Nuseed SA		Argentina	100	100
Nuseed Serbia d.o.o.		Serbia	100	100
Nuseed South America Sementes Ltda		Brazil	100	100
Nuseed Spain, S.L.		Spain	100	-
Nuseed Ukraine LLC		Ukraine	100	100
Nuseed Uruguay SA		Uruguay	100	100
Nutrihealth Grain Pty Ltd	1	Australia	100	100
Nutrihealth Pty Ltd	1	Australia	100	100
Opti-Crop Systems Pty Ltd		Australia	75	75
Pharma Pacific Pty Ltd	1	Australia	100	100
Plant Protection Products For Middle East Operations		Egypt	100	100
PT Crop Care		Indonesia	100	100
PT Nufarm Indonesia		Indonesia	100	100
Richardson Seeds Ltd		USA	100	100
Selchem Pty Ltd	1	Australia	100	100
Societe Des Ecluses De la Garenne		France	100	100
3 Rivers Sub-CDE 5 LLC	2	USA	-	-

1 These entities have entered into a deed of cross guarantee dated 21 June 2006, varied by an Assumption Deed dated 13 February 2013, 29 May 2013 and 26 July 2019 with Nufarm Limited which provides that all parties to the deed will guarantee to each creditor payment in full of any debt of each company participating in the deed on winding-up of that company. As a result of a class order issued by the Australian Securities and Investment Commission, these companies are relieved from the requirement to prepare financial statements.

2 The group does not hold any ownership interests in these entities, however, based on the terms of agreement under which these entities were established, the group controls the operations of these entities.

Notes to the consolidated financial statements continued

For the year ended 30 September

34 Company disclosures

	Company	
	2024	2023
	\$000	\$000
Result of the company		
Profit for the period	24,029	43,580
Other comprehensive income	(2,080)	98
Total comprehensive income/(loss) for the period	21,949	43,678
	2024	2023
	\$000	\$000
Financial position of the company at the period end		
Current assets	692,045	679,738
Total assets	2,209,053	2,116,094
Current liabilities	201,357	102,186
Total liabilities	207,825	108,017
Total equity of the company comprising of:		
Share capital	1,847,855	1,840,609
Translation reserve	(1,806)	(1,850)
Capital profit reserve	40,074	40,074
Other reserve	9,916	13,705
Accumulated losses	(57,512)	(57,512)
Retained earnings ¹	162,701	173,051
Total equity	2,001,228	2,008,077

¹ Retained earnings comprises the transfer of net profit for the period and are characterised as profits available for distribution as dividends in future periods. Dividends amounting to \$34.380 million (2023: \$41.844 million) were distributed from the retained earnings during the year.

Company contingencies

The company is one of the guarantors of the senior secured bank facility (SFA) and would be obliged, along with the other guarantors, to make payment on the SFA in the unlikely event of a default by one of the borrowers. The company also provides guarantees to support several of the regional working capital facilities located in Europe, and the senior unsecured notes. Refer to notes 23 and 29 for the balances related to these facilities.

Company capital commitments for acquisition of property, plant and equipment

There are no capital commitments for the company at 30 September 2024 or 30 September 2023.



35 Deed of cross guarantee

Under ASIC Corporations (Wholly owned Companies) Instrument 2016/785, the Australian wholly-owned subsidiaries referred to in note 33 are relieved from the Corporations Act 2001 requirements for preparation, audit and lodgement of financial reports and director's reports.

It is a condition of the class order that the company and each of the subsidiaries enter into a deed of cross guarantee. The company and certain Australian controlled entities have entered into a deed of cross guarantee dated 21 June 2006, varied by an Assumption Deed dated 13 February 2013, 29 May 2013 and 26 July 2019, which provides that all parties to the deed will guarantee to each creditor, payment in full of any debt of each company participating in the deed on winding-up of that company.

A consolidated statement of profit or loss and other comprehensive income, and consolidated balance sheet, comprising the company and controlled entities which are a party to the deed, after eliminating all transactions between parties to the deed of cross guarantee, at 30 September 2024 follows.

	Consolidated Deed Group	
	2024	2023
	\$000	\$000
Revenue	746,755	864,474
Cost of sales	(600,117)	(683,092)
Gross profit	146,638	181,382
Other income	88,391	63,377
Sales, marketing and distribution expenses	(106,652)	(101,118)
General and administrative expenses	(8,861)	(34,771)
Research and development expenses	(17,656)	(13,664)
Operating profits/(losses)	(44,778)	(86,176)
Share of net profits/(losses) of equity accounted investees	(176)	(296)
Financial income	1,260	1,591
Financial expenses excluding foreign exchange gains/(losses)	(12,766)	(13,250)
Net foreign exchange gains/(losses)	(279)	5,732
Net financial expenses	(13,045)	(7,518)
Net financing costs	(11,785)	(5,927)
Profit/(loss) before income tax	89,899	88,983
Income tax benefit/(expense)	21,028	(2,144)
Profit/(loss) for the period	110,927	86,839
Attributable to:		
Equity holders of the closed group	110,927	86,839

Notes to the consolidated financial statements continued

For the year ended 30 September

35 Deed of cross guarantee continued

	Consolidated Deed Group	
	2024	2023
	\$000	\$000
Profit/(loss) for the period	110,927	86,839
Other comprehensive income		
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Foreign exchange translation differences for foreign operations	29,201	6,429
Other comprehensive profit/(loss) for the period, net of income tax	29,201	6,429
Total comprehensive profit/(loss) for the period	140,128	93,268
Attributable to:		
Equity holders of the closed group	140,128	93,268

	Consolidated Deed Group	
	2024	2023
	\$000	\$000
Summary of movements in consolidated retained earnings		
Profit/(loss) before income tax expense	89,899	88,983
Income tax (expense)/benefit	21,028	(2,144)
Net profit/(loss) attributable to members of the closed group	110,927	86,839
Retained profits/(losses) at the beginning of the period	(71,176)	(116,171)
Dividends paid	(34,380)	(41,844)
Retained profits/(losses) at the end of the period	5,371	(71,176)



	Consolidated Deed Group	
	2024	2023
	\$000	\$000
Balance sheet		
Current assets		
Cash and cash equivalents	82,676	93,716
Trade and other receivables	909,950	923,158
Inventories	226,584	302,869
Current tax assets	12,575	12,621
Assets held for sale	-	10,818
Total current assets	1,231,785	1,343,182
Non-current assets		
Investments in equity accounted investees	2,412	2,632
Other investments	1,427,206	1,364,077
Deferred tax assets	93,367	81,219
Property, plant and equipment	105,816	114,949
Intangible assets	188,814	172,385
Total non-current assets	1,817,615	1,735,262
TOTAL ASSETS	3,049,400	3,078,444
Current liabilities		
Trade and other payables	686,031	753,534
Loans and borrowings	2,781	2,924
Employee benefits	23,091	22,954
Current tax payable	71	(381)
Provision	8,745	3,325
Total current liabilities	720,719	782,356
Non-current liabilities		
Loans and borrowings	278,159	340,809
Deferred tax liabilities	29,247	42,937
Employee benefits	2,166	2,439
Total non-current liabilities	309,572	386,185
TOTAL LIABILITIES	1,030,291	1,168,541
NET ASSETS	2,019,109	1,909,903
Equity		
Share capital	1,847,855	1,840,609
Other contributed equity	73,691	73,691
Reserves	92,192	66,779
Retained earnings	5,371	(71,176)
TOTAL EQUITY	2,019,109	1,909,903

Notes to the consolidated financial statements continued

For the year ended 30 September

36 Related parties

(a) Transactions with related parties in the wholly-owned group

The group entered into the following transactions during the period with subsidiaries of the group:

- loans were advanced and repayments received on short term intercompany accounts; and
- management fees were received from several wholly-owned controlled entities.

These transactions were undertaken on commercial terms and conditions.

(b) Transactions with associated parties

Crop.zone GmbH

In August 2021, Nufarm provided a bank guarantee to support Crop.zone GmbH for a value of EUR 250,000. The guarantee is still in place as at 30 September 2024. In July 2023, the group provided a convertible loan of EUR 1.250 million with a fixed term maturity of three years to Crop.zone GmbH. It was expected that the loan will be converted into additional shares in Crop.zone GmbH within this period. The payment of interest is contingent upon whether the loan is converted into additional shares in Crop.zone GmbH within this period, and will become payable where such a conversion does not occur. During the year ended 30 September 2024, Nufarm provided an additional EUR 500,000 loan to Crop.zone. The group has continued to recognise the convertible loan and the additional loan as 'Other receivables - associates' balance during the current year, however, this balance has been included in the impairment of the Crop.zone investment at 30 September 2024. Refer to notes 6 and 18 for further information.

Transactions during the year

	2024	2023
	\$000	\$000
Crop.zone GmbH:		
Lease payments made to related parties	252	639
Interest expense - leases	1	13
Sale of goods and services	37	21
Purchase of goods and services	849	893

Outstanding balances with related parties

	As at 30 Sep	
	2024	2023
	\$000	\$000
Crop.zone GmbH:		
Trade and other payables	-	-
Trade and other receivables	37	21
Other receivables - associates	-	2,046
Lease liability	215	513



(c) Key management personnel compensation

The key management personnel compensation included in personnel expenses (see note 9) are as follows:

	2024 \$000	2023 \$000
Short term employee benefits	4,776	5,338
Post employment benefits	130	139
Equity compensation benefits	1,236	1,237
Other long term benefits	75	73
	6,217	6,787

Individual directors and executives compensation disclosures

Information regarding individual directors and executives compensation is provided in the remuneration report section of the directors' report.

(d) Other key management personnel transactions with the company or its controlled entities

Apart from the details disclosed in this note, no director has entered into a material contract with the company or entities in the group since the end of the previous reporting period and there were no material contracts involving director's interest existing at the end of this period.

A number of key management persons, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. However, there has not been any material related party transactions that have occurred during the year.

From time to time, key management personnel of the company or its controlled entities, or their related entities, may purchase goods from the group. These purchases are on the same terms and conditions as those entered into by other group employees or customers and are trivial or domestic in nature.

(e) Loans to key management personnel and their related parties

There were no loans to key management personnel at 30 September 2024 (2023: nil).

Notes to the consolidated financial statements continued

For the year ended 30 September

37 Auditors' remuneration

	2024 \$000	2023 \$000
Audit services		
KPMG Australia		
Audit and review of group financial report	1,221	1,060
Overseas KPMG firms		
Audit and review of group and local financial reports	3,664	2,913
	4,885	3,973
Other auditors		
Audit and review of local financial reports	484	499
Audit services remuneration	5,369	4,472
Other services		
KPMG Australia		
Other assurance services	41	-
Other advisory services	-	3
Overseas KPMG firms		
Other assurance services	63	46
Other advisory services	-	-
Other auditors		
Other assurance services	-	-
Other advisory services	62	103
Other services remuneration	166	152

38 Subsequent events

On 15 October 2024, a distribution was paid by Nufarm Finance (NZ) on the Nufarm step-up securities. The distribution rate (annualised) was 8.46% resulting in a gross distribution of \$10.649 million.

Other than noted above, no matters or circumstances have arisen in the interval between 30 September 2024 and the date of this report that, in the opinion of the directors, have or may significantly affect the operations, results or state of affairs of the group in subsequent accounting periods.



39 Consolidated entity disclosure statement

In accordance with the requirements of Subsection 295(3A) of the Corporations Act 2001, set out below is the consolidated entity disclosure statement disclosing information in respect of Nufarm Limited and entities it controlled at 30 September 2024.

Basis of preparation

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

- Australian tax residency – an Australian resident has the meaning provided in the Income Tax Assessment Act 1997 and the determination was made in accordance with the Commissioner of Taxation's public guidance, including TR2018/5 and PCG 2018/9.
- Foreign tax residency – the consolidated entity has applied current legislation and where available, relevant revenue authority guidance in the determination of foreign tax residency.
- Partnerships and trusts in Australia – Australian tax law generally does not contain corresponding residency tests for partnerships and trusts and these entities are typically taxed on a flow-through basis.

Entity name	Notes	Body corporate, partnership, or trust	Body corporates		Tax residency	
			Place incorporated or formed	Percentage of share capital held	Australian or foreign	Foreign jurisdiction(s)
Nufarm Limited		Body corporate	Australia	-	Australian	N/A
Access Genetics Pty Ltd		Body corporate	Australia	100	Australian	N/A
Agcare Biotech Pty Ltd		Body corporate	Australia	100	Australian	N/A
Agchem Receivables Corporation		Body corporate	USA	100	Foreign	USA
Agryl Holdings Limited		Body corporate	Australia	100	Australian	N/A
Agtrol International SE DE CV		Body corporate	Mexico	100	Foreign	Mexico
Ag-seed Research Pty Ltd		Body corporate	Australia	100	Australian	N/A
Ag-turf SA DE CV		Body corporate	Mexico	100	Foreign	Mexico
AH Marks Australia Pty Ltd		Body corporate	Australia	100	Australian	N/A
AH Marks Holdings Limited		Body corporate	United Kingdom	100	Foreign	United Kingdom
AH Marks Pensions Scottish Limited Partnership		Partnership	United Kingdom	N/A	Foreign	United Kingdom
Artfern Pty Ltd		Body corporate	Australia	100	Australian	N/A
Nuseed Brazil SA (previously known as Atlantica Sementes SA)		Body corporate	Brazil	100	Foreign	Brazil
Australis Services Pty Ltd		Body corporate	Australia	100	Australian	N/A
Bestbeech Pty Ltd		Body corporate	Australia	100	Australian	N/A
Chemicca Limited		Body corporate	Australia	100	Australian	N/A
CNG Holdings BV		Body corporate	Netherlands	100	Foreign	Netherlands
COCRF Investor 177 LLC	1	Body corporate	USA	-	Foreign	USA
Crop Care Australasia Pty Ltd		Body corporate	Australia	100	Australian	N/A
Crop Care Holdings Limited		Body corporate	New Zealand	100	Foreign	New Zealand
Croplands Equipment Limited		Body corporate	New Zealand	100	Foreign	New Zealand
Croplands Equipment Pty Ltd		Body corporate	Australia	100	Australian	N/A
Danestoke Pty Ltd		Body corporate	Australia	100	Australian	N/A
Edgehill Investments Pty Ltd		Body corporate	Australia	100	Australian	N/A
Fchem (Aust) Limited		Body corporate	Australia	100	Australian	N/A
Fernz Canada Limited	2	Body corporate	Canada	100	Foreign	Canada
First Classic Pty Ltd		Body corporate	Australia	100	Australian	N/A
Frost Technology Corporation		Body corporate	USA	100	Foreign	USA
Growell Limited		Body corporate	United Kingdom	100	Foreign	United Kingdom
Grupo Corporativo Nufarm SA		Body corporate	Guatemala	100	Foreign	Guatemala
Le Moulin des Ecluses s.a		Body corporate	France	100	Foreign	France
Lefroy Seeds Pty Ltd		Body corporate	Australia	100	Australian	N/A
Manaus Holdings Sdn Bhd		Body corporate	Malaysia	100	Foreign	Malaysia

Notes to the consolidated financial statements continued

For the year ended 30 September

39 Consolidated entity disclosure statement continued

Entity name	Notes	Body corporate, partnership, or trust	Body corporates		Tax residency	
			Place incorporated or formed	Percentage of share capital held	Australian or foreign	Foreign jurisdiction(s)
Marman (Nufarm) Inc		Body corporate	USA	100	Foreign	USA
Marman de Mexico Sociedad Anonima De Capital Variable		Body corporate	Mexico	100	Foreign	Mexico
Marman Holdings LLC		Body corporate	USA	100	Foreign	USA
Masmart Pty Ltd		Body corporate	Australia	100	Australian	N/A
Mastra Corporation Pty Ltd		Body corporate	Australia	100	Australian	N/A
Mastra Corporation Sdn Bhd		Body corporate	Malaysia	100	Foreign	Malaysia
Mastra Corporation USA Pty Ltd		Body corporate	Australia	100	Australian	N/A
Mastra Holdings Sdn Bhd		Body corporate	Malaysia	100	Foreign	Malaysia
Mastra Industries Sdn Bhd		Body corporate	Malaysia	100	Foreign	Malaysia
Medisup Securities Limited	3	Body corporate	Australia	100	Australian	N/A
Munistrategies Sub-CDE 29, LLC	1	Body corporate	USA	-	Foreign	USA
NF Agriculture Inc		Body corporate	USA	100	Foreign	USA
Nufarm ABF Trustees Limited	4	Body corporate	United Kingdom	100	Foreign	United Kingdom
Nufarm Agriculture (Pty) Ltd		Body corporate	South Africa	100	Foreign	South Africa
Nufarm Agriculture Inc	2	Body corporate	Canada	100	Foreign	Canada
Nufarm Agriculture Zimbabwe (Pvt) Ltd		Body corporate	Zimbabwe	100	Foreign	Zimbabwe
Nufarm Americas Holding Company		Body corporate	USA	100	Foreign	USA
Nufarm Americas Inc	5	Body corporate	USA	100	Foreign	USA
Nufarm Asia Sdn Bhd		Body corporate	Malaysia	100	Foreign	Malaysia
Nufarm Australia Limited		Body corporate	Australia	100	Australian	N/A
Nufarm BV		Body corporate	Netherlands	100	Foreign	Netherlands
Nufarm Canada Receivables Partnership		Partnership	Canada	N/A	Foreign	Canada
Nufarm Chemical (Shanghai) Co Ltd		Body corporate	China	100	Foreign	China
Nufarm Crop Products UK Limited		Body corporate	United Kingdom	100	Foreign	United Kingdom
Nufarm Costa Rica Inc. SA		Body corporate	Costa Rica	100	Foreign	Costa Rica
Nufarm de Guatemala SA		Body corporate	Guatemala	100	Foreign	Guatemala
Nufarm de Mexico Sa de CV		Body corporate	Mexico	100	Foreign	Mexico
Nufarm de Panama SA		Body corporate	Panama	100	Foreign	Panama
Nufarm de Venezuela SA		Body corporate	Venezuela	100	Foreign	Venezuela
Nufarm del Ecuador SA	6	Body corporate	Ecuador	-	Foreign	Ecuador
Nufarm Deutschland GmbH		Body corporate	Germany	100	Foreign	Germany
Nufarm do Brazil Ltda		Body corporate	Brazil	100	Foreign	Brazil
Nufarm Espana SA		Body corporate	Spain	100	Foreign	Spain
Nufarm Europe GmbH		Body corporate	Germany	100	Foreign	Germany
Nufarm Finance BV	1	Body corporate	Netherlands	-	Foreign	Netherlands
Nufarm Finance Inc		Body corporate	USA	100	Foreign	USA
Nufarm Finance Pty Ltd		Body corporate	Australia	100	Australian	N/A
Nufarm Finance (NZ) Limited		Body corporate	New Zealand	100	Foreign	New Zealand
Nufarm GmbH	3	Body corporate	Austria	100	Foreign	Austria
Nufarm GmbH & Co KG		Partnership	Austria	N/A	Foreign	Austria
Nufarm Grupo Mexico SA de RL de CV		Body corporate	Mexico	100	Foreign	Mexico
Nufarm Holdings (NZ) Limited		Body corporate	New Zealand	100	Foreign	New Zealand
Nufarm Holdings BV		Body corporate	Netherlands	100	Foreign	Netherlands
Nufarm Holdings s.a.s		Body corporate	France	100	Foreign	France



Entity name	Notes	Body corporate, partnership, or trust	Body corporates		Tax residency	
			Place incorporated or formed	Percentage of share capital held	Australian or foreign	Foreign jurisdiction(s)
Nufarm Hong Kong Investments Ltd		Body corporate	Hong Kong	100	Foreign	Hong Kong
Nufarm Hungaria Kft		Body corporate	Hungary	100	Foreign	Hungary
Nufarm Inc		Body corporate	USA	100	Foreign	USA
Nufarm Insurance Pte Ltd		Body corporate	Singapore	100	Foreign	Singapore
Nufarm Investments Cooperatie WA		Body corporate	Netherlands	100	Foreign	Netherlands
Nufarm Investment Pty Ltd		Body corporate	Australia	100	Australian	N/A
Nufarm Italia srl		Body corporate	Italy	100	Foreign	Italy
Nufarm KK		Body corporate	Japan	100	Foreign	Japan
Nufarm Korea Ltd		Body corporate	Korea	100	Foreign	Korea
Nufarm Labuan Pte Ltd		Body corporate	Malaysia	100	Foreign	Malaysia
Nufarm Limited		Body corporate	United Kingdom	100	Foreign	United Kingdom
Nufarm Malaysia Sdn Bhd		Body corporate	Malaysia	100	Foreign	Malaysia
Nufarm Materials Limited		Body corporate	Australia	100	Australian	N/A
Nufarm Middle East Operations		Body corporate	Egypt	100	Foreign	Egypt
Nufarm Nordics AB		Body corporate	Sweden	100	Foreign	Sweden
Nufarm NZ Limited		Body corporate	New Zealand	100	Foreign	New Zealand
Nuseed Paraguay SA		Body corporate	Paraguay	100	Foreign	Paraguay
Nufarm Pensions General Partner Ltd	7	Body corporate	United Kingdom	100	Foreign	United Kingdom
Nufarm Pensions Scottish Limited Partnership		Partnership	United Kingdom	N/A	Foreign	United Kingdom
Nufarm Peru SAC	6	Body corporate	Peru	-	Foreign	Peru
Nufarm Platte Pty Ltd		Body corporate	Australia	100	Australian	N/A
Nufarm Polska SPZ O.O		Body corporate	Poland	100	Foreign	Poland
Nufarm Portugal LDA		Body corporate	Portugal	100	Foreign	Portugal
Nufarm Romania SRL		Body corporate	Romania	100	Foreign	Romania
Nufarm s.a.s		Body corporate	France	100	Foreign	France
Nufarm Services (Singapore) Pte Ltd		Body corporate	Singapore	100	Foreign	Singapore
Nufarm Services Sdn Bhd		Body corporate	Malaysia	100	Foreign	Malaysia
Nufarm Suisse Sarl	6	Body corporate	Switzerland	-	Foreign	Switzerland
Nufarm Technologies (M) Sdn Bhd		Body corporate	Malaysia	100	Foreign	Malaysia
Nufarm Technologies USA		Body corporate	New Zealand	100	Foreign	New Zealand
Nufarm Technologies USA Pty Ltd		Body corporate	Australia	100	Australian	N/A
Nufarm Treasury Pty Ltd		Body corporate	Australia	100	Australian	N/A
Nufarm Turkey Kimyevi Maddeler Ithalat ve Ticaret Limited Sirketi		Body corporate	Turkey	100	Foreign	Turkey
Nufarm UK Limited	4	Body corporate	United Kingdom	100	Foreign	United Kingdom
Nufarm Ukraine LLC		Body corporate	Ukraine	100	Foreign	Ukraine
Nufarm Uruguay SA		Body corporate	Uruguay	100	Foreign	Uruguay
Nufarm USA Inc		Body corporate	USA	100	Foreign	USA
Nugrain Pty Ltd		Body corporate	Australia	100	Australian	N/A
Nuseed Americas Inc		Body corporate	USA	100	Foreign	USA
Nuseed Canada Inc		Body corporate	Canada	100	Foreign	Canada
Nuseed Europe Holding Company Ltd		Body corporate	United Kingdom	100	Foreign	United Kingdom

Notes to the consolidated financial statements continued

For the year ended 30 September

39 Consolidated entity disclosure statement continued

Entity name	Notes	Body corporate, partnership, or trust	Body corporates		Tax residency	
			Place incorporated or formed	Percentage of share capital held	Australian or foreign	Foreign jurisdiction(s)
Nuseed Europe Ltd		Body corporate	United Kingdom	100	Foreign	United Kingdom
Nuseed Global Holdings Pty Ltd		Body corporate	Australia	100	Australian	N/A
Nuseed Global Innovation Ltd		Body corporate	United Kingdom	100	Foreign	United Kingdom
Nuseed Global Management US Inc		Body corporate	USA	100	Foreign	USA
Nuseed Holding Company	5	Body corporate	USA	100	Foreign	USA
Nuseed International Holdings Pty Ltd		Body corporate	Australia	100	Australian	N/A
Nuseed Mexico SA De CV		Body corporate	Mexico	100	Foreign	Mexico
Nuseed Nutritional Australia Pty Ltd		Body corporate	Australia	100	Australian	N/A
Nuseed Nutritional US Inc		Body corporate	USA	100	Foreign	USA
Nuseed Nutritional Chile SpA		Body corporate	Chile	100	Foreign	Chile
Nuseed Omega Holdings Pty Ltd		Body corporate	Australia	100	Australian	N/A
Nuseed Proprietary Limited		Body corporate	Australia	100	Australian	N/A
Nuseed Russia LLC	6	Body corporate	Russia	-	Foreign	Russia
Nuseed SA		Body corporate	Argentina	100	Foreign	Argentina
Nuseed Serbia d.o.o. KAC		Body corporate	Serbia	100	Foreign	Serbia
Nuseed South America Sementes Ltda		Body corporate	Brazil	100	Foreign	Brazil
Nuseed Spain, S.L.		Body corporate	Spain	100	Foreign	Spain
Nuseed Ukraine LLC		Body corporate	Ukraine	100	Foreign	Ukraine
Nuseed Uruguay SA		Body corporate	Uruguay	100	Foreign	Uruguay
Nutrihealth Grain Pty Ltd		Body corporate	Australia	100	Australian	N/A
Nutrihealth Pty Ltd		Body corporate	Australia	100	Australian	N/A
Opti-Crop Systems Pty Ltd		Body corporate	Australia	75	Australian	N/A
Pharma Pacific Pty Ltd		Body corporate	Australia	100	Australian	N/A
Plant Protection Products For Middle East Operations		Body corporate	Egypt	100	Foreign	Egypt
PT Crop Care		Body corporate	Indonesia	100	Foreign	Indonesia
PT Nufarm Indonesia		Body corporate	Indonesia	100	Foreign	Indonesia
Richardson Seeds Ltd		Partnership	USA	N/A	Foreign	USA
Selchem Pty Ltd		Body corporate	Australia	100	Australian	N/A
Societe Des Ecluses De la Garenne s.a.s		Body corporate	France	100	Foreign	France
3 Rivers Sub-CDE 5 LLC	1	Body corporate	USA	-	Foreign	USA

1 The group does not hold any ownership interests in these entities, however, based on the terms of agreement under which these entities were established, the group controls the operations of these entities.

2 This entity is a partner of Nufarm Canada Receivables Partnership.

3 This entity is a partner of Nufarm GmbH & Co KG.

4 This entity is a partner of both Nufarm Pensions Scottish Limited Partnership and AH Marks Pensions Scottish Limited Partnership.

5 This entity is a partner of Richardson Seeds Ltd

6 These entities ceased operations during the year ended 30 September 2024 resulting in disposal of the entity, liquidation of the entity or amalgamation with other group entities.

7 This entity is a relevant legal entity with significant control of Nufarm Pensions Scottish Limited Partnership and AH Marks Pensions Scottish Limited Partnership through its right to appoint or remove a majority of management.

Directors' declaration

- 1 In the opinion of the directors of Nufarm Limited (the company):
 - (a) the consolidated financial statements and notes 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 September 2024 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and
 - (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.
- 2 In the opinion of the directors, the consolidated entity disclosure statement required by Subsection 295(3A) of the Corporations Act 2001 as disclosed in note 39 is true and correct.
- 3 There are reasonable grounds to believe that the company and the group entities identified in note 33 will be able to meet any obligations or liabilities to which they are or may become subject to by virtue of the deed of cross guarantee between the company and those group entities pursuant to ASIC Corporations (Wholly owned Companies) Instrument 2016/785.
- 4 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 year ended 30 September 2024.
- 5 The directors draw attention to note 2 to the consolidated financial statements, which includes a statement of compliance with International Financial Reporting Standards.

Signed in accordance with a resolution of the directors:



John Gillam
Director

Greg Hunt
Director

Dated at Melbourne this 14th day of November 2024



Appendix 4E

Directors' Report

Operating and
Financial Review

Remuneration Report

Auditor's
Independence
Declaration

Financial Statements



Independent Auditor's Report

To the shareholders of Nufarm Limited

Report on the audit of the Financial Report

Opinion

We have audited the **Financial Report** of Nufarm Limited (the Company).

In our opinion, the accompanying Financial Report of the Company gives a true and fair view, including of the **Group's** financial position as at 30 September 2024 and of its financial performance for the year then ended, in accordance with the *Corporations Act 2001*, in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The **Financial Report** comprises:

- Consolidated balance sheet as at 30 September 2024;
- Consolidated statement of profit or loss and other comprehensive income, Consolidated statement of changes in equity, and Consolidated statement of cash flows for the year then ended;
- Consolidated entity disclosure statement and accompanying basis of preparation as at 30 September 2024;
- Notes, including material accounting policies; and
- Directors' Declaration

The **Group** consists of the Company and the entities it controlled at the year end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 fulfilled our other ethical responsibilities in accordance with these requirements.

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Key Audit Matters

The **Key Audit Matters** we identified are:

- Recoverability of property, plant and equipment and intangible assets; and
- Recoverability of deferred tax assets in relation to tax losses.

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.

Recoverability of property, plant and equipment (\$629m) and intangible assets (\$1,199m)	
Refer to Note 2(d)(i), Note 3(i)(ii), Note 20 and Note 21 to the Financial Report.	
The key audit matter	How the matter was addressed in our audit
A key audit matter for us was the Group's annual testing of the recoverable amount of its various cash generating units (CGU), which include property, plant and equipment and intangible assets (including goodwill), given the size of the balances (being 41% of total assets) and the level of judgement required by us when evaluating the evidence available. We focused on the significant forward-looking assumptions the Group applied in their value in use and fair value less costs of disposal models, including: • Forecast cash flows, growth rates and terminal growth rates – the Group has experienced competitive market conditions in the current year, as a result of fluctuations in demand and pricing caused by climatic conditions and ongoing uncertainty around inflationary expectations. These impacted the Group through a reduction in margins in the current year. These conditions increase the possibility of property, plant and equipment and intangible assets (including goodwill) being impaired, plus the risk of inaccurate forecasts or a wider range of possible outcomes for us to consider. • Discount rates – these are complicated in nature and vary according to the conditions and environment the specific CGU is subject to from time to time, and the models' approach to incorporating risks into the cash flows or discount rates. The limited headroom in the Europe CGU, and its sensitivity to any adverse movements in assumptions also increased our audit effort in this regard.	Our procedures included: • We considered the appropriateness of the value in use and fair value less costs of disposal methods applied by the Group to perform the annual impairment test against the requirements of the accounting standards. • We assessed the integrity of the models used, including the accuracy of the underlying calculation formulas. • We compared the forecast cash flows contained in the models to Board approved forecasts. • We evaluated the design and implementation of key controls over the cash flow models, including Board consideration and approval of key assumptions and business unit budgets which form the basis of the cash flow forecasts. • We assessed the accuracy of previous Group forecasts to inform our evaluation of forecasts incorporated in the models and company-specific risk premiums incorporated into the discount rates. • We considered the sensitivity of the models by varying key assumptions, such as forecast growth rates, terminal growth rates and discount rates, within a reasonably possible range. We did this to identify those assumptions that give rise to a higher risk of impairment for the CGU and to focus our further procedures.



The Group uses complex models to perform their annual assessment for impairment over property, plant and equipment and intangible assets (including goodwill). The models are largely manually developed, use adjusted historical performance and a range of internal and external sources as inputs to the assumptions. Complex modelling, using forward-looking assumptions, tends to be prone to greater risk of error. Where the Group has not met prior year forecasts in relation to a specific CGU, we factor this into our assessment of forecast assumptions. These conditions necessitated additional scrutiny by us, in particular to address the objectivity of sources used for assumptions, and their consistent application. We involved valuation specialists to supplement our senior audit team members in assessing this key audit matter.	• We challenged the Group's significant forecast cash flow assumptions in light of the expected continuation of competitive market conditions. We compared key events to the Board approved plan and strategy. We applied increased scepticism to forecasts in the areas where previous forecasts were not achieved. We used our knowledge of the Group, their past performance, business and customers, and our industry experience. • We checked the consistency of the growth rates to the Group's stated plan and strategy, past performance of the Group and our experience regarding feasibility of these in the industry in which they operate. • Working with our valuation specialists, we independently developed: ◦ a discount rate range for each CGU, using publicly available market data for comparable entities, adjusted for risk factors specific to the CGU and the industry it operates in; and ◦ a terminal growth rate using publicly available market data. • Working with our valuation specialists, we compared the implied multiples from comparable market transactions to the implied multiple from the Group's fair value less costs of disposal model. • We assessed the disclosures in the financial report using our understanding of the issue obtained from our testing and against the requirements of the accounting standards.
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Recoverability of deferred tax assets in relation to tax losses (\$139m)	
Refer to Note 2(d)(iii), Note 3(o), Note 11 and Note 17 to the Financial Report.	
The key audit matter	How the matter was addressed in our audit
Recoverability of deferred tax assets in relation to tax losses is a key audit matter due to the: Complexity in auditing the forward-looking assumptions applied to the Group's tax loss utilisation models, especially given the multiple tax jurisdictions and their bespoke tax regimes. Further details on the significant forward-looking assumptions and implications for the audit are contained in the Key Audit Matter relating to the recoverability of property, plant and equipment and intangible assets. Additional auditor attention is focused on the reconciliation of forecast cash flows to forecasts of taxable income for each tax jurisdiction.	Our procedures included: - We evaluated the design and implementation of key controls over the taxable income forecasts underpinning the tax loss utilisation models, including Board consideration and approval of key assumptions and business unit budgets which form the basis of these forecasts. - We compared the key assumptions and business unit budgets for consistency with those tested by us, as set out in the Key Audit Matter relating to the recoverability of property, plant and equipment and intangible assets, and comparing the reconciliation of these budgets to taxable income concepts, assessing the adjustments for items against what we expect. - We assessed the Group's tax loss utilisation models and key assumptions, by significant jurisdiction, by: - identifying areas of estimation uncertainty to focus further procedures; - comparing taxable income to historical trends and performance to inform our evaluation of the current taxable profit forecasts; - understanding the timing of future taxable income and considering the consistency of the timeframes of expected recovery to our knowledge of the business and its plans.



Other Information

Other Information is financial and non-financial information in Nufarm Limited's annual report which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

The Other Information we obtained prior to the date of this Auditor's Report was the Directors' Report (including the Remuneration Report, except for Section 4.4), the Operating and Financial Review, the Corporate Governance Statement and the Corporate Information. The Financial Year 2024 Overview, Chair's Message, CEO's Message, About us, Environmental, Social and Governance, information on the Board of Directors and Key Management Personnel and the Shareholder and Statutory Information are expected to be made available to us after the date of the Auditor's Report.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not and will not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we 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.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*;
- implementing necessary internal control to enable the preparation of a Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and that is free from material misstatement, whether due to fraud or error; and
- assessing the Group and Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They 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 the Financial Report.



A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our Auditor's Report.

Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of Nufarm Limited for the year ended 30 September 2024, complies with *Section 300A* of the *Corporations Act 2001*.

Directors' 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 responsibilities

We have audited Sections 1 to 10 (excluding Section 4.4) of the Remuneration Report included in the Director's Report for the year ended 30 September 2024.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with *Australian Auditing Standards*.

KPMG

Vicky Carlson

Partner

Melbourne

14 November 2024

