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Rubicon Water Limited

ACN 651 852 470

Appendix 4D and Half Year Financial Report

For the half year ended 31 December 2025

APPENDIX 4D

Under ASX Listing Rule 4.2A.3.

PRELIMINARY FINAL REPORT

Current reporting period ('HY26')	1 July 2025 to 31 December 2025
Previous corresponding period ('HY25')	1 July 2024 to 31 December 2024

This information should be read in conjunction with the Rubicon Water Limited 30 June 2025 Annual Report.

RESULTS FOR ANNOUNCEMENT TO THE MARKET

	Half-year to 31 Dec 2025 \$'000			Half-year to 31 Dec 2024 \$'000
Revenue from ordinary activities	\$29,022	down 9.4%	from	\$32,018
Earnings before interest, tax, depreciation and amortisation (Underlying EBITDA ¹)	(\$5,854)	down 245.6%	from	(\$1,694)
Earnings before interest, tax, depreciation and amortisation (EBITDA)	(\$6,181)	down 6101.0%	from	\$103
Loss after tax for the half year	(\$6,390)	up 344.4%	from	(\$1,438)
Loss after tax attributable to members of Rubicon Water Limited	(\$6,284)	up 361.4%	from	(\$1,362)

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

Revenue declined 9.4% compared to previous half-year, with the most significant decrease occurring in the ANZ segment. This decline was primarily driven by lower hardware and spare parts sales. Revenue in the Rest of World segment remained stable, as increased activity in Europe offset project delays in the US. Rubicon expects a recovery in the Asia segment in the second half of the year, supported by increased project activity.

Underlying EBITDA was down by \$4.2m to a loss of \$5.9m which is primarily as a result of revenue having decreased compared to prior reporting period.

Loss after tax increased by 344.4% to \$6.4m, driven by lower revenue and higher depreciation, partly offset by an income tax benefit recognised in HY26. Foreign exchange movements also impacted the result, with an unrealised loss of \$0.3m in HY26 compared to a \$1.7m gain in HY25, representing a \$2.1m negative year-on-year movement due to a stronger Australian dollar.

DIVIDENDS

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

NET TANGIBLE ASSETS PER SHARE

	31 Dec 2025	31 Dec 2024
Net tangible assets per ordinary security (\$)¹	0.21	0.27

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

APPENDIX 4D (CONTINUED)

DETAILS OF EQUITY ACCOUNTED INVESTMENTS

NAME	TYPE	OWNERSHIP INTEREST	
		31 Dec 2025	31 Dec 2024
Medha Rubicon Water Technologies Pvt Ltd	Joint Venture	50%	50%

INDEPENDENT REVIEW

Additional Appendix 4D disclosure requirements can be found in the accompanying Half Year Financial Report.

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

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Rubicon Water Limited

ACN 651 852 470

Half-year Financial Report

For the half-year ended 31 December 2025

This Half-year Financial Report includes the Directors' Report, the Financial Statements and Independent Auditor's Review Report for the six months ended 31 December 2025

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Directors' Report

The Directors present their report, together with the condensed consolidated interim financial statements of Rubicon Water Limited (the Company) and its controlled entities (collectively 'Rubicon' or 'the Group'), for the six months ended 31 December 2025 and the auditor's review report thereon.

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

Directors

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

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

Principal Activity

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

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

Review of Operations

Financial information in the review of operations is based on the reviewed condensed consolidated interim financial statements for the six months ended 31 December 2025.

Rubicon Water Limited reported a net loss after tax, including non-controlling interests, of \$6,390,462 for the six months ended 31 December 2025 (\$1,438,261 net loss after tax for the six months ended 31 December 2024).

First half revenue was \$29,022,225 (for the six months ended 31 December 2024: \$32,017,612).

The most significant decline was in the ANZ segment, where revenue decreased by 23% compared to the prior half-year, primarily due to lower hardware and spare parts sales. Revenue in the Rest of World segment remained stable, as increased activity in Europe offset delays in US projects. Rubicon expects a recovery in the Asia segment in the second half of the year, driven by increased activity.

The Group reported Underlying EBITDA loss of \$5,854,018 (for the six months ended 31 December 2024: loss of \$1,694,000). Net cash outflow from operations was \$2,924,154 (for the six months ended 31 December 2024: net cash inflow from operations of \$2,191,129).

Key performance measures are provided in the following table:

	31 DEC 2025	31 DEC 2024
	\$'000	\$'000
REVENUE	29,022	32,018
UNDERLYING EBITDA (LOSS)	(5,854)	(1,694)
UNREALISED FOREIGN EXCHANGE GAINS / (LOSSES)	(327)	1,797
EBITDA (LOSS) ²	(6,181)	103
EBIT (LOSS) ¹	(7,891)	(1,217)
LOSS AFTER TAX	(6,390)	(1,438)
NET OPERATING CASH INFLOW/ (OUTFLOW)	(2,924)	2,191
	31 DEC 2025	30 JUN 2025
	\$'000	\$'000
NET ASSETS	57,101	63,958
NET (DEBT)	(19,524)	(14,256)

¹ EBIT is earnings before finance costs and income tax expense.

² EBITDA is EBIT before depreciation and amortisation.

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

Auditor's independence declaration

The auditor's independence declaration is included on page 5 of the half-year report.

Rounding Off

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

Dividends

There were no dividends paid by the Company during the half-year (2024 half-year: no dividends paid).

Signed in accordance with a resolution of directors made pursuant to s.306(3) of the *Corporations Act 2001*.

On behalf of the Directors:



Tony Morganti

Chair

Dated on 26 February 2026

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

As lead auditor for the review of Rubicon Water Limited for the half-year ended 31 December 2025, I declare that, to the best of my knowledge and belief, there have been:

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

This declaration is in respect of Rubicon Water Limited and the entities it controlled during the period.



Tony Batsakis
Director

BDO Audit Pty Ltd
Melbourne, 26 February 2026

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Rubicon Water Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Rubicon Water Limited (the Company) and its subsidiaries (the Group), which comprises the condensed consolidated statement of financial position as at 31 December 2025, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, material accounting policy information and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- i. Giving a true and fair view of the Group's financial position as at 31 December 2025 and of its financial performance for the half-year ended on that date; and
- ii. Complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Responsibility of the directors for the financial report

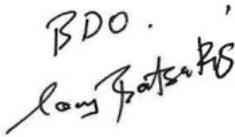
The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2025 and its financial performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

BDO Audit Pty Ltd



Tony Batsakis
Director

Melbourne, 26 February 2026

Directors' Declaration

The Directors declare that in their opinion:

- a. the condensed consolidated interim financial statements and notes that are set out on pages 9 to 23 are in accordance with the *Corporations Act 2001*, including:
 - i. Giving a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the six-month period ended on that date; and
 - ii. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* 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.

Signed in accordance with a resolution of the directors made pursuant to s.303(5) of the *Corporations Act 2001*.

On behalf of the Directors:



Tony Morganti

Chair

Dated on 26 February 2026

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Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

for the six months ended 31 December 2025

	NOTE	31 DEC 2025 \$'000	31 DEC 2024 \$'000
REVENUE	2	29,022	32,018
COST OF SALES		(18,727)	(18,506)
GROSS PROFIT		10,295	13,512
OTHER INCOME	2	1	4
OTHER GAINS AND (LOSSES)	2	(315)	1,822
DEPRECIATION AND AMORTISATION EXPENSE		(1,710)	(1,320)
EMPLOYEE BENEFITS EXPENSE		(10,751)	(10,032)
PROFESSIONAL FEES		(1,392)	(1,152)
TRAVEL COSTS		(745)	(562)
OCCUPANCY EXPENSES		(207)	(193)
ADMINISTRATIVE EXPENSES		(3,136)	(3,076)
NET FINANCE COSTS		(999)	(1,209)
SHARE OF GAINS/(LOSSES) OF A JOINT VENTURE		69	(220)
NET LOSS BEFORE TAX FOR THE HALF-YEAR		(8,890)	(2,426)
INCOME TAX BENEFIT / (EXPENSE)	4	2,500	988
NET LOSS AFTER TAX FOR THE HALF-YEAR		(6,390)	(1,438)
<i>LOSS ATTRIBUTABLE TO:</i>			
OWNERS OF RUBICON WATER LIMITED		(6,284)	(1,362)
NON-CONTROLLING INTEREST		(106)	(76)
		(6,390)	(1,438)
OTHER COMPREHENSIVE LOSS			
<i>ITEMS THAT MAY BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS:</i>			
EXCHANGE DIFFERENCES ON TRANSLATION OF OVERSEAS SUBSIDIARIES		(605)	(54)
OTHER COMPREHENSIVE LOSS FOR THE HALF-YEAR, NET OF TAX		(605)	(54)
TOTAL COMPREHENSIVE LOSS FOR THE HALF-YEAR		(6,995)	(1,492)
<i>TOTAL COMPREHENSIVE LOSS ATTRIBUTABLE TO:</i>			
OWNERS OF THE COMPANY		(6,894)	(1,476)
NON-CONTROLLING INTEREST		(101)	(16)
		(6,995)	(1,492)
		31 DEC 2025	31 DEC 2024
LOSS PER SHARE		CENTS	CENTS
BASIC (CENTS PER SHARE)	5	(2.61)	(0.63)
DILUTED (CENTS PER SHARE)	5	(2.61)	(0.63)

The condensed notes on pages 13 to 23 are an integral part of the condensed consolidated interim financial statements.

Condensed Consolidated Statement of Financial Position

as at 31 December 2025

	NOTE	31 DEC 2025 \$'000	30 JUN 2025 \$'000
CURRENT ASSETS			
CASH AND CASH EQUIVALENTS		2,764	5,510
TRADE AND OTHER RECEIVABLES		21,372	23,216
CONTRACT ASSETS		22,451	24,549
INVENTORIES		19,888	19,807
CURRENT TAX ASSETS		-	154
OTHER CURRENT ASSETS		2,747	2,411
TOTAL CURRENT ASSETS		69,222	75,647
NON-CURRENT ASSETS			
TRADE AND OTHER RECEIVABLES		1,681	1,744
INVESTMENTS – ACCOUNTED FOR USING THE EQUITY METHOD		2,043	2,135
INTANGIBLES	6	6,450	6,070
PROPERTY, PLANT AND EQUIPMENT		5,737	5,897
RIGHT OF USE ASSETS		3,430	2,982
DEFERRED TAX ASSETS		12,561	9,411
OTHER FINANCIAL ASSETS		50	50
TOTAL NON-CURRENT ASSETS		31,952	28,289
TOTAL ASSETS		101,174	103,936
CURRENT LIABILITIES			
TRADE AND OTHER PAYABLES		8,928	9,528
CURRENT TAX LIABILITY		551	-
DEFERRED INCOME		3,176	2,007
FINANCIAL LIABILITIES	7	21,982	17,536
LEASE LIABILITIES	7	881	848
PROVISIONS		4,869	4,904
TOTAL CURRENT LIABILITIES		40,387	34,823
NON-CURRENT LIABILITIES			
FINANCIAL LIABILITIES	7	306	2,230
LEASE LIABILITIES	7	2,976	2,519
PROVISIONS		404	406
TOTAL NON-CURRENT LIABILITIES		3,686	5,155
TOTAL LIABILITIES		44,073	39,978
NET ASSETS			
EQUITY			
ISSUED CAPITAL	8	184,026	184,026
RESERVES	10	(129,147)	(128,675)
RETAINED EARNINGS		2,782	9,066
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF RUBICON WATER LIMITED		57,661	64,417
NON-CONTROLLING INTEREST		(560)	(459)
TOTAL EQUITY		57,101	63,958

The condensed notes on pages 13 to 23 are an integral part of the condensed consolidated interim financial statements.

Condensed Consolidated Statement of Changes in Equity

for the six months ended 31 December 2025

	SHARE CAPITAL \$'000	RETAINED EARNINGS \$'000	FCTR \$'000	SHARE- BASED PAYMENT RESERVE \$'000	RE-ORG RESERVE \$'000	SUB- TOTAL \$'000	NCI \$'000	TOTAL EQUITY \$'000
BALANCE AT 1 JULY 2024	168,194	15,854	(258)	959	(129,615)	55,134	(279)	54,855
COMPREHENSIVE RESULT								
PROFIT/(LOSS)	-	(1,362)	-	-	-	(1,362)	(76)	(1,438)
OTHER COMPREHENSIVE INCOME, NET OF TAX	-	-	(114)	-	-	(114)	60	(54)
TOTAL COMPREHENSIVE LOSS	-	(1,362)	(114)	-	-	(1,476)	(16)	(1,492)
TRANSACTIONS WITH OWNERS OF RUBICON WATER LIMITED <i>CONTRIBUTIONS AND DISTRIBUTIONS:</i>								
ISSUE OF SHARES	15,832	-	-	-	-	15,832	-	15,832
SHARE-BASED PAYMENTS	-	-	-	272	-	272	-	272
TOTAL CONTRIBUTIONS AND DISTRIBUTIONS	15,832	-	-	272	-	16,104	-	16,104
BALANCE AT 31 DECEMBER 2024	184,026	14,492	(372)	1,231	(129,615)	69,762	(295)	69,467
BALANCE AT 1 JULY 2025	184,026	9,066	(504)	1,444	(129,615)	64,417	(459)	63,958
COMPREHENSIVE RESULT								
PROFIT/(LOSS)	-	(6,284)	-	-	-	(6,284)	(106)	(6,390)
OTHER COMPREHENSIVE INCOME, NET OF TAX	-	-	(610)	-	-	(610)	5	(605)
TOTAL COMPREHENSIVE LOSS	-	(6,284)	(610)	-	-	(6,894)	(101)	(6,995)
TRANSACTIONS WITH OWNERS OF RUBICON WATER LIMITED <i>CONTRIBUTIONS AND DISTRIBUTIONS:</i>								
ISSUE OF SHARES	-	-	-	-	-	-	-	-
SHARE-BASED PAYMENTS	-	-	-	138	-	138	-	138
TOTAL CONTRIBUTIONS AND DISTRIBUTIONS	-	-	-	138	-	138	-	138
BALANCE AT 31 DECEMBER 2025	184,026	2,782	(1,114)	1,582	(129,615)	57,661	(560)	57,101

The condensed notes on pages 13 to 23 are an integral part of the condensed consolidated interim financial statements.

Condensed Consolidated Statement of Cash Flows

for the six months ended 31 December 2025

	NOTE	31 DEC 2025 \$'000	31 DEC 2024 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
RECEIPTS FROM CUSTOMERS		38,832	36,493
PAYMENTS TO SUPPLIERS AND EMPLOYEES		(40,738)	(32,924)
NET FINANCE COSTS		(999)	(1,350)
INCOME TAX PAID		(19)	(28)
NET CASH FROM/ (USED IN) OPERATING ACTIVITIES		(2,924)	2,191
CASH FLOWS FROM INVESTING ACTIVITIES			
PROCEEDS FROM SALE OF NON-CURRENT ASSETS		64	40
PURCHASE OF NON-CURRENT ASSETS		(499)	(372)
DEVELOPMENT EXPENDITURE		(917)	(535)
NET CASH USED IN INVESTING ACTIVITIES		(1,352)	(867)
CASH FLOWS FROM FINANCING ACTIVITIES			
PROCEEDS FROM ISSUE OF SHARES		-	17,027
SHARE ISSUANCE COSTS		-	(1,195)
PROCEEDS FROM BORROWINGS		5,500	2,142
REPAYMENT OF BORROWINGS		(2,913)	(12,924)
REPAYMENT OF LEASE LIABILITIES		(561)	(323)
NET CASH FROM FINANCING ACTIVITIES		2,026	4,727
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		(2,250)	6,051
CASH (NET OF BANK OVERDRAFTS) AT BEGINNING OF PERIOD		4,022	265
EFFECTS OF EXCHANGE RATE CHANGES		(460)	(123)
CASH (NET OF BANK OVERDRAFTS) AT END OF SIX MONTHS		1,312	6,193

The condensed notes on pages 13 to 23 are an integral part of the condensed consolidated interim financial statements.

Reconciliation of Cash and Cash Equivalents

Cash at the end of the financial period as shown in the Condensed Consolidated Statement of Cash Flows is reconciled to items in the Condensed Consolidated Statement of Financial Position as follows:

	NOTE	31 DEC 2025 \$'000	31 DEC 2024 \$'000
CASH AND CASH EQUIVALENTS		2,764	6,691
BANK OVERDRAFTS (DISCLOSED IN CURRENT 'FINANCIAL LIABILITIES')	7	(1,452)	(498)
		1,312	6,193

Notes to the Condensed Consolidated Interim Financial Statements

for the six months ended 31 December 2025

Note 1 – Significant Accounting Policies

Reporting Entity

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

Statement of Compliance

The condensed consolidated interim financial statements are general purpose financial statements which have been prepared in accordance with the Corporations Act 2001 and AASB 134 Interim Financial Reporting. Compliance with AASB 134 ensures compliance with International Financial Reporting Standards IAS 34 Interim Financial Reporting. The half-year report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the Group's annual consolidated financial statements as at 30 June 2025.

The half-year financial report was authorised for issue by the Board of Directors on 26 February 2026.

Functional and Presentation Currency

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

Basis of Preparation

The condensed consolidated interim financial statements have been prepared on a historical cost basis except for certain financial instruments measured at fair value through profit or loss. Cost is based on fair values of the consideration given in exchange for an asset. All amounts are presented in Australian dollars, unless otherwise indicated.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the financial statements of Rubicon Water Limited and its controlled entities for the year ended 30 June 2025. The accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

Rounding Off of Amounts

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

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Use of Judgements and Estimates

In preparing these interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements as at and for the year ended 30 June 2025.

Going Concern

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

The Group incurred a net loss after tax of \$6,390,462 (for the six months ended 31 December 2024: net loss after tax of \$1,438,261) and net operating cash outflow of \$2,924,154 (for the six months ended 31 December 2024: net operating cash inflow of \$2,191,129) for the half-year ended 31 December 2025.

As at 31 December 2025 the Group's reported net assets were \$57,100,531 (30 June 2025: \$63,957,641) and net current assets were \$28,833,758 (30 June 2025: \$40,823,790). At the reporting date, the Group had cash and cash equivalents of \$2,764,157 (30 June 2025: \$5,509,522). In addition to the cash and cash equivalents, the Group had funding available through undrawn debt limits of \$6,338,745 (30 June 2025: \$10,369,330).

In addition, as stated in Note 7 - Financial Liabilities, at 31 December 2025 the Group has debt funding facilities entered into with HSBC of a total facility limit of \$28,280,000 (excluding the corporate credit card facility) and drawn at that date to \$21,832,130. The total facility limit is expected to reduce at the end of June 2026 by \$1,000,000. With the exception of the Term Facility, these facilities are perpetual and evergreen in nature and are at HSBC's discretion and subject to the Group satisfying the financial covenants in place and which were met at 31 December 2025. The Directors expect these debt funding facilities will remain in place during the forecast period up until February 2027.

The Directors believe there are reasonable grounds to support that the Group will continue as a going concern based on the Group's operational and cash flow forecasts. These forecasts reflect the anticipated timing of completion and receipt of cash flows from projects, which can be impacted by factors outside of the Group's control. In particular, the Group's cash flow forecasts include substantial progress anticipated in the Asia segment including the achievement of project billing milestones, and the recovery of the aged receivable balances disclosed in Note 12 Liquidity Risk. The directors are confident that the Group will be able to achieve these cash flow forecasts.

Comparative Figures

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

New and Revised Accounting Standards that are effective for the current year

The AASB has issued a number of standards and amendments to standards that are mandatory for the first time in the reporting period commenced 1 January 2025. The following new or amended standards did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future reporting period:

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

New and Revised Accounting Standards that are not yet adopted

The AASB has issued a number of new or amended accounting standards and interpretations that are not mandatory for the first time in the reporting period commenced 1 January 2025. The Group has assessed and determined that the following new or amended standards that are not yet effective are not expected to have a material impact on the Group in the current or future reporting period:

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

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

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

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

Note 2 – Revenue

	31 DEC 2025 \$'000	31 DEC 2024 \$'000
SALES REVENUE		
SALES OF GOODS AND ENGINEERING SERVICES CONTRACTS	29,022	32,018
OTHER INCOME		
OTHER	1	4
TOTAL OTHER INCOME	1	4
OTHER GAINS AND (LOSSES)		
UNREALISED FOREIGN EXCHANGE GAINS/ (LOSSES)	(327)	1,797
GAINS ON DISPOSAL OF PROPERTY, PLANT AND EQUIPMENT	12	25
TOTAL OTHER GAINS AND (LOSSES)	(315)	1,822

Revenue Recognition from Contracts with Customers

The Group derives its revenue from the transfer of goods and services over time and at a point in time in the following major revenue streams.

	REVENUE RECOGNITION	31 DEC 2025 \$'000	31 DEC 2024 \$'000
HARDWARE	Over time	20,514	22,194
SOFTWARE	Point in time	509	449
SOFTWARE MAINTENANCE AND SUPPORT	Over time	3,790	3,457
OTHER COMPONENTS AND SUPPORT	Point in time	4,209	5,918
TOTAL SALES REVENUE		29,022	32,018

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

Note 3 – Operating Segments

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

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

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

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

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

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

Basis of Reporting

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 1. Segment Underlying EBITDA represents the earnings before depreciation, amortisation, interest, taxes, unrealised foreign exchange gains/losses and certain other significant items incurred by each segment. Underlying EBITDA presented below is consistent with the measure reported to the Chief Operating Decision Maker for the purpose of resource allocation and assessment of segment performance.

Information related to Segment assets and liabilities is not provided to the Chief Operating Decision Maker and accordingly has not been disclosed.

Revenues from major products and services

The Group's revenue from its major products and services are disclosed in Note 2.

Geographic segment revenue and results

31 December 2025

	ANZ \$'000	ASIA \$'000	ROW \$'000	TOTAL \$'000
REVENUE	8,521	227	20,274	29,022
UNDERLYING EBITDA	(153)	(1,595)	(4,106)	(5,854)
UNREALISED FOREIGN EXCHANGE LOSS				(327)
EBITDA (LOSS)				(6,181)
<i>RECONCILIATION OF SEGMENT EBITDA TO GROUP NET PROFIT / (LOSS) BEFORE TAX:</i>				
DEPRECIATION AND AMORTISATION				(1,710)
NET FINANCE COSTS				(999)
NET LOSS BEFORE TAX				(8,890)

31 December 2024

	ANZ \$'000	ASIA \$'000	ROW \$'000	TOTAL \$'000
REVENUE	11,094	384	20,540	32,018
UNDERLYING EBITDA	841	(2,229)	(306)	(1,694)
UNREALISED FOREIGN EXCHANGE GAIN				1,797
EBITDA				103
<i>RECONCILIATION OF SEGMENT EBITDA TO GROUP NET PROFIT / (LOSS) BEFORE TAX:</i>				
DEPRECIATION AND AMORTISATION				(1,320)
NET FINANCE COSTS				(1,209)
NET LOSS BEFORE TAX				(2,426)

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Note 4 – Income Tax Expense

Income tax expense is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year applied to the pre-tax income of the interim reporting period.

The Group's consolidated effective tax rate for the six months ended 31 December 2025 was 28% (for the six months ended 31 December 2024: 41%).

	31 DEC 2025 \$'000	31 DEC 2024 \$'000
(A) THE COMPONENTS OF TAX EXPENSE COMPRISE:		
CURRENT INCOME TAX EXPENSE/ (BENEFIT)	545	181
ADJUSTMENT FOR PRIOR YEARS	77	-
DEFERRED INCOME TAX EXPENSE/ (BENEFIT)	(3,121)	(1,169)
ADJUSTMENT FOR PRIOR YEARS	(1)	-
INCOME TAX EXPENSE / (BENEFIT) REPORTED IN THE STATEMENT OF PROFIT OR LOSS AND OCI	(2,500)	(988)
(B) A RECONCILIATION BETWEEN TAX EXPENSE / (BENEFIT) AND THE PRODUCT OF ACCOUNTING PROFIT / (LOSS) BEFORE INCOME TAX MULTIPLIED BY THE GROUP'S APPLICABLE INCOME TAX RATE IS AS FOLLOWS:		
ACCOUNTING PROFIT / (LOSS) BEFORE TAX	(8,890)	(2,426)
AT THE COMPANY'S STATUTORY DOMESTIC INCOME TAX RATE OF 30% (2025: 30%)	(2,667)	(728)
ADD / (LESS) TAX EFFECT OF:		
- FOREIGN TAX RATE ADJUSTMENT	(120)	28
- NON – ALLOWABLE ITEMS	84	110
- UTILISATION OF LOSSES NOT PREVIOUSLY RECOGNISED	-	(755)
- CURRENT PERIOD TAX LOSSES NOT RECOGNISED	190	487
- SHARE OF JOINT VENTURE (PROFIT)/ LOSS AFTER TAX	(17)	55
- ADJUSTMENT FOR PRIOR YEARS	76	-
- OTHER	(46)	(185)
INCOME TAX EXPENSE / (BENEFIT)	(2,500)	(988)

Note 5 – Loss Per Share

	31 DEC 2025	31 DEC 2024
LOSS PER SHARE	CENTS	CENTS
BASIC (CENTS PER SHARE)	(2.61)	(0.63)
DILUTED (CENTS PER SHARE)	(2.61)	(0.63)

(a) Reconciliation of earnings used in calculating earnings per share

	31 DEC 2025 \$'000	31 DEC 2024 \$'000
PROFIT / (LOSS) USED IN THE CALCULATION OF BASIC AND DILUTED LOSS PER SHARE	(6,284)	(1,362)

(b) Weighted average number of shares used as the denominator

	31 DEC 2025	31 DEC 2024
	Number	Number
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES USED IN CALCULATING BASIC LOSS PER SHARE	240,652,888	215,998,285
WEIGHTED AVERAGE NUMBER OF DILUTIVE OPTIONS	-	-
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES USED IN CALCULATING DILUTED LOSS PER SHARE	240,652,888	215,998,285

Details of movements in ordinary shares during the half-year reporting period are set out in Note 8.

Note 6 – Intangibles

All intangible assets recognised by the Group relate to product development, comprising software and hardware concepts. The carrying amounts of both Hardware and Software at reporting date are shown below:

	31 DEC 2025	30 JUN 2025
	\$'000	\$'000
HARDWARE CONCEPTS	1,882	1,804
SOFTWARE CONCEPTS	4,568	4,266
	6,450	6,070

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Note 7 – Financial Liabilities

	31 DEC 2025 \$'000	30 JUN 2025 \$'000
CURRENT		
<i>SECURED LIABILITIES:</i>		
BANK OVERDRAFTS	1,452	1,488
BANK LOANS	20,380	15,860
CHATTEL MORTGAGE	150	188
	21,982	17,536
LEASE LIABILITIES	881	848
TOTAL CURRENT LIABILITIES	22,863	18,384
NON-CURRENT		
<i>SECURED LIABILITIES:</i>		
BANK LOANS	-	1,880
CHATTEL MORTGAGE	306	350
	306	2,230
LEASE LIABILITIES	2,976	2,519
TOTAL NON-CURRENT LIABILITIES	3,282	4,749
TOTAL FINANCIAL LIABILITIES	26,145	23,133

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

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

The facility is subject to two financial covenants:

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

At the reporting date the total facility limit was \$28,280,000 (excluding the corporate credit card facility) and as of that date, it was drawn to \$21,832,130 (2025: Facility limit of \$29,640,000 drawn to \$19,227,471). The amortising term loan component of the facilities (Facility A) of \$1,880,000 was fully drawn at the reporting date of which \$1,880,000 was classified as a current liability.

The Group held cash balances of \$2,764,157 (2025: \$5,509,522).

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

Facility	Facility limit \$m	Termination date	Purpose
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Multiple Advance Facility*	23.4	Perpetual	General corporate and working capital purposes
Multi Option Facility*	3.0	Perpetual	Overdraft and bank guarantees
Corporate Credit Card Facility*	0.4	Perpetual	Corporate credit card
Term Facility	1.9	3 years from execution	General corporate purposes
Total HSBC banking facilities	28.7		

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

Note 8 – Issued Capital

Share Capital

	31 DEC 2025 \$'000	30 JUN 2025 \$'000
240,759,939 (30 JUN 2025: 240,433,434) FULLY PAID ORDINARY SHARES	184,026	184,026

Movement in Ordinary Share Capital

	31 DEC 2025 NO.	30 JUN 2025 NO.	31 DEC 2025 \$	30 JUN 2025 \$
AT BEGINNING OF REPORTING PERIOD	240,433,434	171,631,767	184,026,072	168,194,187
ORDINARY SHARES ISSUED	-	64,000,000	-	14,805,385
SHARES ISSUED IN RELATION TO SECURITY PURCHASE PLAN	-	4,106,000	-	1,026,500
EMPLOYEE GIFT OFFER	-	114,000	-	-
CEO SHARE GRANT ¹	153,335	581,667	-	-
PERFORMANCE RIGHTS ²	173,170	-	-	-
SHARES ISSUED IN RELATION TO EMPLOYEE SHARE SCHEME ³	22,871	249,376	-	-
LESS: TREASURY SHARES ⁴	(22,871)	(249,376)	-	-
AT REPORTING DATE	240,759,939	240,433,434	184,026,072	184,026,072

¹CEO Share Grants: 153,335 fully paid ordinary shares vested on 30 August 2025 in connection with the CEO Share Grant scheme. The value of those shares is reflected in the Share-based payment reserve.

²Performance Rights: 173,170 Performance Rights vested on 30 August 2025 and the shares were issued on conversion of Performance Rights. The value of those shares is reflected in the share-based payment reserve.

³ Shares issued during the period to Rubicon Water Limited Employee Share Trust (the Trust) in connection with the Group's employee long-term incentive plan (LTIP).

⁴ Shares held by the Trust and not yet issued to employees at the end of the reporting period.

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

Note 9 – Dividends

During the half year, the Company did not make a dividend payment (2025 half-year: no dividends paid).

Note 10 – Reserves

	31 DEC 2025 \$'000	30 JUN 2025 \$'000
SHARE-BASED PAYMENT RESERVE*	1,582	1,444
FOREIGN CURRENCY TRANSLATION RESERVE	(1,114)	(504)
RE-ORGANISATION RESERVE	(129,615)	(129,615)
TOTAL RESERVES	(129,147)	(128,675)

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

CEO Share Grant

The total expense for share-based payment relating to the CEO Share Grant recognised through Profit and Loss for the half-year ending 31 December 2025 was \$20,660 (for the six months ended 31 December 2024: \$228,870). The expense was calculated taking into account the probability of vesting conditions being met. 153,335 fully paid ordinary shares vested on 30 August 2025 in connection with the CEO Share Grant scheme and is reflected in the Reserves balance.

Performance Rights

The total expense for share-based payment relating to the Performance Rights recognised through Profit and Loss for the half-year ending 31 December 2025 was \$117,024 (for the six months ended 31 December 2024: \$43,329). The share-based payment expense relating to Performance Rights is recognised to the extent that it is deemed probable that the vesting conditions will be met.

On 28 November 2025, 5,313,108 Performance Rights were issued to the executive team which entitle members of the executive team to receive ordinary shares in the Company subject to a number of vesting conditions. These Performance Rights are subject to a 3-year vesting period ending on the date of the release of the Group's FY 2028 financial results.

At the reporting date the executive team held a total of 9,069,004 Performance Rights.

Note 11 – Transactions and Outstanding Balances with Joint Venture

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

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

Transactions between the Group and MRWTPL are disclosed below.

Trading transactions

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

Sale of goods		Purchase of goods	
31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024

	\$	\$	\$	\$
JOINT VENTURE	3,200,971	71,208	26,457	-

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

	31 DEC 2025	30 JUN 2025
	\$	\$
Amounts owed by related parties for the sale of goods	8,574,797	5,328,210
Amounts owed to related parties for the purchase of goods	(45,968)	-
TOTAL, NET	8,528,829	5,328,210

Note 12 – Liquidity Risk

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

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

The Group's customers comprise governments and water authorities. Contracts with these customers are often structured to be paid in instalments. There is a risk that these payments may be delayed as a result of bureaucratic processes within government agencies delaying the release of funds, funds being paid to third-party joint venture partners and their release delayed to the Group or disagreements with customers over the completion of contract milestones that release payment. Within the accounts receivable balance as at 31 December 2025, \$6,654,750 is aged greater than one year (30 June 2025: \$5,598,797). This aged balance includes amounts that are not yet contractually due of \$4,583,749 (30 June 2025: \$4,651,883). Management have received aged amounts in the current half year owing from joint venture parties in China of \$517,536. Management have also received aged amounts in the current half year owing from its India customer of \$2,384,324. Further collection of these aged amounts is anticipated by 30 June 2026 as these projects reach completion and receipts are received from governments and water authorities and in turn from the joint venture partners.

Note 13 – Events Subsequent to Reporting Date

There have been no matters or circumstances, other than those referred to in the condensed consolidated interim financial statements or notes thereto that have arisen since the end of the six months, that have affected or may affect the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent years.

Corporate Directory

Directors

Tony Morganti

Non-executive Chair

Gordon Dickinson

Non-executive Director and Deputy Chair

Bruce Rodgerson

Executive Director and Chief Executive Officer

David Aughton

Executive Director

Lynda O'Grady

Non-executive Director

Iven Mareels

Non-executive Director

Company Secretary

Oliver Carton

Corporate Office

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Ph: 03 9832 3000

Registered Office

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Share Registry

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Stock Exchange Listing

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

Auditors

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