2026 Annual Report

Murrumbidgee Irrigation

Murrumbidgee Irrigation Limited (MI) delivering water to grow with our customers, community and partners.

Murrumbidgee Irrigation Limited 2026 Annual Report

ABN 39 084 943 037

This report is available electronically on the Company website: mirrigation.com.au/company/annual-reports

2026 Annual General Meeting

The 28th Annual General Meeting of shareholders will be held on Thursday 29 October 2026. It will be held at the Griffith Regional Theatre, with registrations from 4.30pm and the AGM to run from 5pm to 6.30pm.

Acknowledgment of Country

Murrumbidgee Irrigation acknowledges the Wiradjuri people as the Traditional Owners and Custodians of the land and waterways on which we operate, and pay our respect to their Elders past, present and emerging.

Contents

At a glance 2025/26

584,182 ML

Customer deliveries

73,581 ML

Conveyance (including storages)

12.6 %

Conveyance as % of deliveries

100,938 ha

Total area of irrigated crops

30,711 ML

Supplementary flows from river

1,329,075

Total delivery entitlements in issue

General information

	Measure	2025/26	2024/25	2023/24
Company water licences	*ML*	**1,046,068**	1,052,041	1,062,976
Total delivery entitlements in issue	*Number*	**1,329,075**	1,330,048	1,324,264
Total area of irrigated crops	*ha*	**100,938**	128,723	138,443
Employees (equivalent full-time, including externally funded)	*Number*	**161.8**	159.65	157
Lost Time Injury Frequency Rate (LTIFR)	*I/MH*	**7**	3.6	0

Financial

Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) from normal operations	*$'000*	**9,067**	17,352	9,861
Government and other revenue[1]	*$'000*	**25,931**	34,795	53,893
Net assets	*$'000*	**756,238**	742,705	709,356
Asset renewal capital expenditure	*$'000*	**4,876**	4,192	4,071

Water summary

Carryover from previous year[2]	*ML*	**74,983**	211,944	0
Govt. announced allocation (all licences)	*ML*	**597,437**	665,770	1,072,557
Temporary transfers into MIA	*ML*	**156,181**	211,520	194,385
Supplementary flows from river	*ML*	**30,711**	0	33,291
Total water delivered (all licences; including surplus flows)	*ML*	**654,103**	839,903	797,951
Conveyance (including storages)	*ML*	**73,581**	91,573	56,728
Conveyance as % of deliveries	*%*	**12.6**	11.8	7.5
Temporary transfers out of MIA	*ML*	**146,403**	174,348	197,279
Carryover into following year	*ML*	**58,806**	74,983	230,803
Spill to Government resource set	*ML*	**0**	0	74,200

Water allocations

Special purpose high security (towns, S&D)	*% of entitlement*	**100**	100	100
High security	*% of entitlement*	**100**	95	100
General security	*% of entitlement*	**32**	41	100
Additional water[3]	*ML*	**40,569**	36,723	49,791

Note 1: Other revenue includes items such as customer contributions and profit on sale of assets.
Note 2: Carryover spilled from accounts due to 100% general security allocation (in accordance with carryover rules).
Note 3: For eligible customers who hold more than 250 Delivery Entitlements (DEs) and issued as a proportion of DEs.

2025/26 highlights

Turning vision into reality: UCP construction begins

July 2025 marked an important milestone for MI with construction officially commencing on the Urban Channel Pipeline (UCP) Project.

Supported by $62.2 million in Australian Government funding and delivered in partnership with the NSW Government through the Resilient Rivers Water Infrastructure Program, the project represents one of the most significant infrastructure investments in MI's history.

The UCP Project is replacing ageing, inefficient urban channels around Griffith and Leeton with modern pipeline infrastructure, delivering benefits for customers, communities and the environment. The project is planned to recover more than 2,675 megalitres (ML) of water, contributing to broader Murray-Darling Basin outcomes while improving the efficiency and reliability of MI's network.

While construction commenced during the year, significant planning, design, approvals, customer engagement and stakeholder consultation were completed beforehand to support project delivery.

The start of construction signalled a new chapter in MI's infrastructure journey and reinforced the organisation's commitment to investing in assets that will provide lasting benefits for future generations.

Shaping tomorrow: refreshing MI's Strategy

In 2025/26, MI embarked on a comprehensive Strategy Refresh to help shape the organisation's future direction in an increasingly complex operating environment.

Rather than developing the strategy behind closed doors, MI adopted a simple principle: listen first.

The process brought together insights from customers, employees, community members, industry stakeholders, government agencies and regulators through a combination of surveys, workshops and targeted interviews. This extensive engagement helped identify emerging challenges, opportunities and evolving expectations, providing valuable input to shape MI's future direction and strategic priorities.

The feedback reinforced the importance of reliable water delivery, innovation, strong customer service, community connection and adaptability in the face of changing environmental, social and economic conditions. It also provided valuable perspectives on where MI can continue to improve and deliver greater value for shareholders, customers and the broader community.

Thanks to everyone who contributed their time, ideas and insights throughout the process. The willingness of employees, customers, stakeholders and community representatives to share their perspectives has helped ensure the strategy reflects the priorities and aspirations of those MI serves.

The refreshed Strategy and Corporate Plan will be launched in mid-2026, providing a clear roadmap for the years ahead and reinforcing MI's commitment to remaining resilient, customer-focused and future-ready.

Community Grants Program

Cuppa for Community

Building for the future: strengthening the organisation

As MI continues to evolve, so too must the way it is organised to support customers, employees and strategic priorities.

Following significant growth, major infrastructure investments and increasing expectations around service delivery, MI implemented an internal restructure during 2025/26 to position the organisation for the future. While organisational change is never easy, the focus was simple: ensuring the right people, skills and resources were aligned to deliver the greatest value for customers and communities.

The restructure sought to strengthen accountability, improve collaboration across teams and better position the organisation to respond to emerging challenges and opportunities. It also reflected the growing importance of technology, data, customer engagement and long-term infrastructure planning in the modern irrigation sector.

Importantly, the changes were not just about structure; they were about creating an environment where employees can work more effectively together and continue building a resilient organisation that will deliver lasting value for future generations of irrigators and regional communities.

The result is a stronger foundation for MI's next phase – one that supports innovation, continuous improvement and the delivery of reliable services across the region.

Strengthening community connections

At MI, supporting communities extends beyond delivering water.

During 2025/26, the organisation took an important step in strengthening its community focus through the establishment of the Community Advisory Committee (CAC). Created to provide a transparent and consistent approach to community investment, the employee led committee guides decisions relating to grants, sponsorships, donations and community partnerships.

One of the CAC's first milestones was the launch of MI's inaugural Community Grants Program. The annual program has been designed to support organisations making a positive difference across the region through initiatives focused on education, health and wellbeing, sustainability, inclusion, community connection, arts and culture. The overwhelming response highlighted both the strength of the local community sector and the appetite for meaningful partnerships.

The year also saw the launch of MI's first-ever Cuppa for Community fundraiser. What began as a workplace morning tea evolved into a powerful demonstration of community spirit, with employees, partners and sponsors coming together to raise $10,000 for Griffith and Leeton Can Assist.

Together, these initiatives reflect a growing commitment to ensuring MI's contribution to the region extends well beyond water delivery and helps create stronger, more connected communities.

A story of water, Country and connection

In December 2025, MI unveiled a significant new artwork that captures the deep connection between water, people and Country across the region.

The project began with a desire to commission a piece that reflected the importance of water to the communities of the Murrumbidgee Irrigation Area while also recognising and celebrating the cultural heritage of Wiradjuri Country. Following a collaborative commissioning process, Wiradjuri artist Shelby-Rae Lyons was engaged to create the artwork.

The resulting piece, Winding Through Country, blends traditional Aboriginal knowledge systems with modern irrigation infrastructure. Through flowing waterways, meeting places and interconnected pathways, the artwork tells a story of water, culture, community and connection that spans generations.

At its heart is the Murrumbidgee River, represented as both a spiritual and physical lifeline, while irrigation channels weave alongside ancient pathways, reflecting the relationship between past and present.

The artwork has become a powerful symbol for MI, celebrating the region's shared history while strengthening understanding and connection with First Nations culture. It serves as a lasting reminder that water connects communities, landscapes and stories across generations.


Cudgel Creek platypus


Cudgel Creek

Helping platypus thrive in Cudgel Creek

A collaborative watering initiative delivered in March 2026 highlighted the important role irrigation infrastructure can play in supporting both environmental and cultural outcomes across the region.

MI worked closely with the NSW Department of Climate Change, Energy, the Environment and Water (DCCEEW) and the Leeton Local Aboriginal Land Council to deliver a targeted environmental and cultural water flow into Cudgel Creek. The flow helped improve creek health, support local platypus habitat and reconnect water with a site of cultural significance.

The initiative was sparked by local resident Mick McNamara, who had spent years monitoring platypus activity in the creek. Concerned about declining water levels and their potential impact on one of Australia's most iconic native species, he raised the issue with government agencies, helping to initiate discussions around a coordinated response.

Working collaboratively, MI assisted in delivering the approved flow while balancing environmental, cultural and operational considerations. The project demonstrated how government agencies, Traditional Owners, local communities and irrigation operators can work together to achieve shared outcomes.

Beyond supporting platypus habitat, the flow reinforced the importance of water as both an environmental and cultural asset, highlighting the value of partnerships that deliver benefits for Country, community and the environment.


Water Delivery employee Vince Vitucci

Four decades of dedication

In 2025, MI celebrated an extraordinary milestone as Water Delivery employee Vince Vitucci reached 40 years of service.

His career tells the story not only of one individual, but also of the evolution of irrigation across the region.

Vince began his career in 1985 as a trainee channel attendant with the Water Conservation and Irrigation Commission. In those early days, water orders were collected from boxes, gates were adjusted by hand, and water levels were measured manually using dipsticks.

Over four decades, Vince has worked through significant technological and organisational change. He has served under 10 Chief Executive Officers and witnessed the organisation's transformation from a government authority into the shareholder-owned company it is today.

Before retiring in June 2026, Vince spent his final years at MI as an Automation and Control Operator, successfully blending decades of hands-on experience with modern technology to support water delivery across the network. His dedication, adaptability and passion for the irrigation industry made a lasting contribution to both the organisation and the customers it serves.

Vince's milestone is a reminder that while infrastructure and technology evolve, it is the dedication of people like him that remains at the heart of MI's success.

Chair's message

I would like to thank our shareholders for your ongoing engagement and commitment to MI.

While we may not always share the same perspective on every issue, we are united by a common interest in the long-term success and sustainability of the organisation and the communities we serve.

Constructive discussion and differing views are an important part of any member-owned organisation, helping to challenge assumptions and inform better decision-making.

On behalf of the Board, I thank you for your continued involvement, your advocacy for your businesses and communities, and the trust you place in us to govern the organisation in the best interests of all shareholders.

This year has marked a significant leadership transition for MI. In September 2025, Philip Holliday stepped into the role of Chief Executive Officer, following the tenure of Brett Jones.

Philip has made an immediate and positive impact. He is approachable, collaborative and deeply committed to building a relationship grounded in transparency and accountability, with our shareholders, customers and employees. Already, Philip has introduced new initiatives aimed at strengthening communication and connection across our organisation, ensuring we further enhance our openness, transparency and responsiveness to the people we serve.

As a business, our focus remains on delivering the services our customers rely on while planning for the challenges and opportunities ahead. To do this well, we need to understand the issues that matter most to our shareholders, customers and communities, and ensure that those perspectives inform the decisions we make.

Using feedback and insights from shareholders and our broader community, the Board and Executive Team came together earlier this year for a detailed strategy session, supported by external consultants who had worked closely with us over several months. This process has strengthened our understanding of emerging trends, innovation opportunities and stakeholder expectations. It has given us a stronger foundation from which to make informed decisions about the future of the organisation and the priorities that will guide us moving forward.

This work forms part of a comprehensive refresh of our strategy and Corporate Plan – an important step in ensuring MI is well positioned for the future. Through engagement with our people and stakeholders, we are shaping a clear direction that supports growth, resilience and continuous improvement, while remaining firmly grounded in the needs of our customers and communities.

I would like to thank everyone who contributed their insights throughout this process. Your perspectives on the challenges and opportunities ahead, and on MI's role in our region, are invaluable as we continue to strengthen and evolve.

Water drives everything we do. It is the lifeblood of our region and the foundation of one of Australia's most important food and fibre producing areas. As such, we continue to advocate strongly for balanced, sustainable and evidence-based water policy that achieves environmental outcomes while recognising the importance of water for productive use and the economic and social wellbeing of communities.

Over the past decade, MI has worked closely with governments to modernise irrigation infrastructure and improve efficiency. These efforts have delivered a substantial reduction in conveyance water losses, while maintaining reliable supply for irrigators. We firmly believe that targeted, evidence-based decision-making – focused on efficiency and environmental outcomes, achieves better long-term results than reducing productive water from regional communities.

During the year, the Murray-Darling Basin Authority released the 2026 Basin Plan Review Discussion Paper, highlighting both progress and the challenges ahead. In response, MI not only submitted an individual response, but also collaborated with Murray Irrigation and Coleambally Irrigation to deliver a joint submission. This collective approach reflects our shared commitment to ensuring policy decisions consider the long-term sustainability of our communities and industries.

We have also continued our advocacy through the National Irrigators' Council, as we remain concerned about policies that may further reduce the availability of water for productive use and the impacts this could have.

The introduction of new technology across our network has enhanced automation and improved the way we manage our assets, supporting more efficient operations and helping deliver long-term benefits.

Our commitment to reconciliation and respect for Country was also reflected this year through the commissioning, and launch, of a significant artwork by Wiradjuri artist Shelby-Rae Lyons. Her piece captures the deep connection between water, land, culture and community across Wiradjuri Country. It serves as a powerful reminder that while we operate modern infrastructure, we do so on land with a rich and enduring history – one that we must continue to acknowledge, respect and learn from.

I am pleased with what has been achieved over the past year while at the same time, recognising there is always more to do and new opportunities to pursue, operating in line with our core values of clarity, connection, vulnerability and improvement.

Looking ahead, our future success will depend on the decisions we make today. The Board continues to explore opportunities for growth and innovation, carefully assessing each to ensure it aligns with our strategic direction and delivers lasting value.

Finally, I thank my fellow Directors for their ongoing support, collaboration and the diverse perspectives they bring to our decision-making. Together, we remain focused on delivering value for our shareholders and ensuring MI continues to play a vital role in supporting our region.

Tracey Valenzisi
Chair

> "As a business, our focus remains on delivering the services our customers rely on while planning for the challenges and opportunities ahead."
>
> Tracey Valenzisi

CEO report

This year has been one of both reflection and momentum for MI.

Since joining the organisation, I have taken the time to listen – to our employees, customers, directors, community members and stakeholders, to better understand what is working well, where challenges exist, and where our greatest opportunities lie.

What has stood out most clearly is the strength of connection across our people, our customers and our communities. That connection defines who we are and shapes the future we are building together.

Across every interaction, one thing has been consistent, our people care deeply about what they do. Their pride, commitment and knowledge are the foundation of MI's success. Equally, our customers continue to demonstrate innovation and resilience, embracing new technologies and approaches to maximise water efficiency and productivity.

Importantly we have successfully delivered 584,182 megalitres (ML) of water, continued to minimise conveyance losses, restructured our business to maximise accountability and services and announced below CPI price increases as we drive greater operational efficiency. We are trialling new ways of working, introducing new technologies into our operations and working closely with businesses and voluntary organisations across the region to support our customers and community.

Safety remains a core priority in everything we do. We are pleased to report strong safety performance this year, underpinned by the ongoing commitment of our people to look out for one another, our customers and the community.

This year, we have continued to invest in our future through major infrastructure and system improvements. Our focus on automation has delivered greater control, efficiency and responsiveness across our network. Importantly, this is not the end of our journey, but the beginning of a new phase – one prioritising extracting greater value from our assets and continuing to improve service delivery for our customers.

Building on this momentum, we saw construction commence on the Urban Channel Pipeline (UCP) Project, a $62.2 million investment funded by the Australian Government and delivered in partnership with the NSW Government. This project is replacing ageing urban channels in Griffith and Leeton, delivering significant benefits including improved water use efficiency, enhanced safety outcomes and reduced maintenance requirements. Once complete, the project will recover more than 2,675 ML of water, contributing to broader Basin Plan outcomes while further strengthening water security for our region.

We were also successful in being awarded a further $110 million investment from the Australian Government under the Resilient Rivers Water Infrastructure Program, for the Channel Lining and Piping (CLP) Project, which will be delivered over the next three years in partnership with the NSW Government. The project will modernise key parts of MI's network by sealing ageing channels, replacing sections with enclosed pipes, and upgrading delivery and release points. These improvements will add to our work of reducing water losses from seepage and evaporation, strengthening system control, and supporting more reliable and efficient water delivery to customers.

Further supporting our customers, we welcomed joining the Energy and Water Ombudsman NSW (EWON) scheme, which provides customers with access to independent assistance in resolving water-related issues should the need arise. While our aim is always to work closely with customers to avoid disagreement, having the support of EWON further strengthens options for customers.

Beyond infrastructure and operations, our focus on community and culture is central to our purpose. This year, we launched our inaugural Community Grants Program, supporting grassroots initiatives that strengthen education, wellbeing, environmental sustainability and community connection. We also hosted our first 'Cuppa for Community' event, raising $10,000 for local Can Assist branches, an initiative that brought people together in support of those doing it tough.

We also recognise the importance of diversity and capability within our workforce and across our region. MI continues to benefit from a skilled and diverse team, including employees from across the globe who bring new perspectives and expertise to our operations. These contributions strengthen not only our organisation, but the wider community, as many choose to make the Murrumbidgee Irrigation Area their home.

It has been a busy year; much has been done and there is much more to do and guiding us through the future will be our comprehensive refreshed strategy and Corporate Plan. Throughout this process of revision, we have and we continue to engage with our people and stakeholders to help shape a clear, evidence-based direction for MI – one that supports growth, resilience and continued value for our customers.

Finally, I would like to acknowledge the dedication of our people and the trust placed in us by our customers and communities. Whether it is long-serving employees like Vince Vitucci, celebrating 40 years of service, or the next generation stepping into the industry, it is this shared commitment that continues to drive MI forward.

I would also like to thank our Chair, the Board and Executive team for their ongoing support.

Together, we are building on a strong foundation – continuing to deliver for today while preparing for the future. I am confident that MI is well positioned to meet the challenges ahead and to continue playing a vital role in supporting our region.

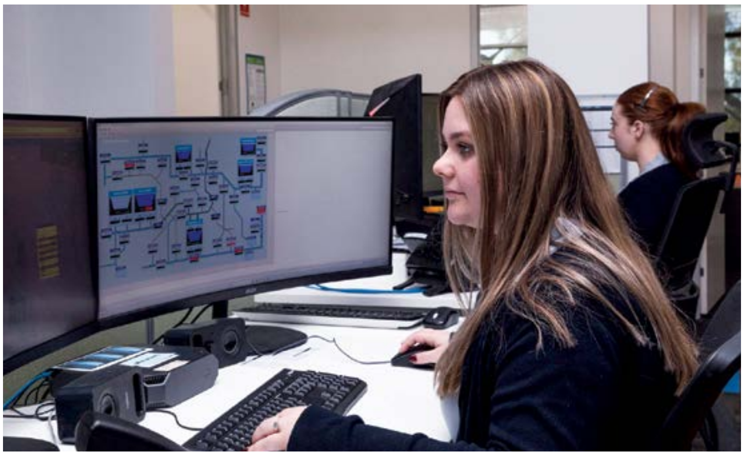
Philip Holliday
CEO

"Our customers continue to demonstrate innovation and resilience, embracing new technologies and approaches to maximise water efficiency and productivity."

Philip Holliday

How we delivered in 2025/26

Customer Services



At MI, customers remain at the centre of everything we do.

Throughout 2025/26, the Customer Services team focused on delivering reliable, responsive and customer-focused services, ensuring customers received the support, information and water delivery outcomes they need to operate with confidence.

Understanding customer expectations continues to be a key priority. During the year, MI continued to strengthen its Customer Experience (CX) program, using customer feedback to identify opportunities for improvement and measure progress over time. The Annual CX Survey evolved this year, transitioning to an email-based format that allows customers to complete the survey at a time that suits them. Guided by the principles of collaboration, clarity, responsiveness and ease, the survey provides valuable insights that help shape service improvements across the business.

Providing water when customers need it remains one of the most important measures of success for the organisation. Close coordination between customer-facing teams and operational staff helped ensure reliable water ordering and delivery throughout the year. Ongoing improvements in automation, planning and communication have enhanced responsiveness and service reliability, helping customers make informed decisions and manage their farming operations with greater certainty.

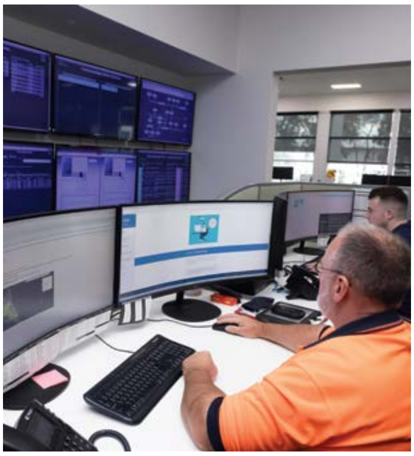
Previous customer feedback has highlighted satisfaction with MI's water ordering systems, water delivery services and the helpfulness of employees, reinforcing the importance of maintaining these standards. During 2025/26, customer satisfaction remained strong, with 58% of customers actively satisfied and a further 23% reporting a neutral experience. These results reflect MI's ongoing commitment to reliable service delivery and building positive relationships with customers across the network.

Customer feedback also reinforced the importance of responsiveness and collaboration in shaping the customer experience. Being available when customers need assistance, following up on enquiries and working together to solve problems were identified as the strongest drivers of satisfaction. Over the year, MI responded to more than 21,700 customer calls, with water order changes remaining the most common reason for contact. The organisation also continued to strengthen its approach to complaint management, acknowledging 97% of complaints within five business days and resolving 86% within 30 business days, demonstrating a commitment to timely, effective and customer-focused service.

A significant focus during 2025/26 was customer engagement associated with the Urban Channel Pipeline (UCP) Project. As MI's largest infrastructure project, the UCP has required extensive consultation with customers and landholders to ensure they remain informed and supported throughout planning and construction. The Customer Services team worked closely with affected customers to explain project impacts, discuss outlet connection options and address individual concerns, helping to build understanding and confidence as works progress. In total, MI recorded 690 customer engagement interactions during the year, with UCP-related engagement accounting for around half of all customer interactions, highlighting the scale of the project and the importance of proactive stakeholder engagement. The team also continued to provide frontline support across a broad range of services, including water ordering assistance and general customer support. Through strong relationships, local knowledge and a commitment to continuous improvement, the Customer Services team plays an essential role in helping customers navigate both day-to-day operations and future opportunities.

As customer expectations continue to evolve, MI remains committed to making it easier to do business with us. By listening, responding and continuously improving, the Customer Services team continues to strengthen customer relationships and support the long-term success of irrigation communities across the Murrumbidgee Irrigation Area.

Operations



The Operations team plays a vital role in managing one of Australia's largest irrigation networks, ensuring the safe, reliable and efficient delivery of water while balancing the needs of customers, communities and the environment.

Through the combined expertise of Network Operations, Operational Technology, Information Technology and Information Systems, the team continued to strengthen service delivery, enhance decision-making and support the ongoing transformation of the business.

Throughout 2025/26, Network Operations maintained a strong focus on optimising network performance, managing water orders and responding to changing operational conditions across the season. Close collaboration with customers and internal stakeholders ensured 584,182 ML of productive water was delivered where and when it was needed.

In addition to irrigation water delivery, MI continued to play an important role in supporting environmental and cultural watering outcomes across the region. Working in partnership with the Commonwealth Environmental Water Holder (CEWH), Traditional Owners, environmental agencies and Local Land Services, MI utilised its extensive delivery network and operational expertise to help achieve shared environmental and cultural objectives. During the year, 3,246 ML of environmental water was delivered to wetlands and waterways throughout the Murrumbidgee Irrigation Area, supporting ecosystem health, biodiversity and critical wildlife habitats. In addition, 1,960 ML of cultural water was delivered to sites of significance, supporting Traditional Owners' connection to Country and recognising the cultural importance of waterways.

These outcomes highlight the broader value of MI's infrastructure and operational capability, demonstrating how the network not only serves its core purpose of delivering for our customers. We also support environmental stewardship, cultural outcomes and community benefits.

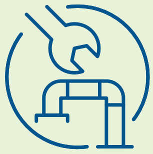
With major automation infrastructure projects now complete, the Operational Technology team shifted its focus to maximising the benefits of an increasingly connected network. Advanced monitoring, telemetry and control systems continue to provide greater visibility across the irrigation system, enabling operators to make informed decisions in real time and respond more effectively to changing customer and network requirements. The ongoing integration of automation technology is improving system performance, strengthening water delivery reliability and driving operational efficiencies across our network.

During the year, targeted SCADA enhancement trials focused on improving real-time visibility of network flows and refining automated control responses, helping to improve the timeliness and accuracy of water deliveries while optimising flow rates across the irrigation network.

Supporting these efforts, the Information Technology and Information Systems teams continued to enhance the digital platforms, infrastructure and systems that underpin daily operations. Priorities during the year included improving system reliability, strengthening cyber security, supporting business continuity and expanding data-driven decision-making capabilities. Investments in digital technology have improved access to information, strengthened operational planning and provided greater visibility of business performance across the organisation.

By combining operational expertise with technology, data and innovation, the Operations team is helping build a smarter, more resilient irrigation network. Their work ensures MI remains well positioned to meet the evolving needs of customers while supporting sustainable water management for future generations.

Assets & Maintenance



The Assets & Maintenance team is responsible for ensuring the long-term reliability, performance and sustainability of MI's extensive irrigation infrastructure network.

Throughout 2025/26, the team focused on maintaining critical assets, progressing major infrastructure projects and strengthening the planning and prioritisation processes that support future service delivery.

A significant body of work was completed with the development of a strategic asset management plan, complemented with individually detailed asset plans for key asset types, all guiding future capital and investment planning and resourcing.

Maintaining a large and complex network requires a strong commitment to innovation and continuous improvement. During the year, maintenance practices continued to evolve using improved data, technology and asset management approaches. One such example is the increasing use of drone technology which has also enhanced the team's ability to inspect, monitor and plan works across the network. During 2025/26, MI significantly upgraded the capability of its drone fleet, strengthening the way asset inspections, surveying and maintenance planning are undertaken across the network. The enhanced technology provides highly accurate, real-time data on channel conditions, infrastructure performance and asset health, allowing teams to make more informed decisions and respond more efficiently to maintenance requirements. Alongside improving safety by reducing the need for manual inspections, the expanded use of drone technology is helping to target maintenance investment where it is needed most, minimise disruption to customers and support more reliable water delivery outcomes across the network.

A major focus during 2025/26 was the continued delivery of the Urban Channel Pipeline (UCP) Project, supported by the Australian Government through the Resilient Rivers Water Infrastructure Program and delivered in partnership with the NSW Government. Replacing ageing open channels with modern pipeline infrastructure across Griffith and Leeton, the project is improving water delivery efficiency and reliability for customers. Throughout the year, construction activities progressed alongside extensive planning and customer engagement, delivering long-term benefits and ensuring the project has remained on time and within budget.

Another significant milestone was the confirmation of $110 million in Australian Government funding for the Channel Lining and Piping (CLP) Project, which is being delivered under the same program and partnership arrangements. The project will modernise key sections of MI's network through channel lining, pipelining and upgrades to delivery infrastructure, helping reduce seepage and evaporation losses, improve system control and support more reliable water delivery outcomes for customers. The project is also expected to generate significant environmental benefits through water savings and contribute to the long-term sustainability of the Murrumbidgee Irrigation Area. Construction is scheduled to commence in 2026 and continue through to 2028.

The team also progressed a range of capital investment initiatives under the Capital Expenditure Program, ensuring infrastructure renewals and upgrades continue to align with the needs of customers and the broader business.

By balancing careful planning, maintenance, renewal and strategic investment, the Assets & Maintenance team continues to ensure MI's infrastructure remains reliable, efficient and capable of meeting future demands. Their work provides the foundation for improved water delivery outcomes while supporting the long-term prosperity of customers, communities and the environment.

Sustainability & Governance

The Sustainability & Governance team plays a critical role in ensuring MI operates responsibly, transparently and with a focus on long-term value creation.

Throughout 2025/26, the team continued to strengthen governance and compliance frameworks, advocate for customers and regional communities, and advance the organisation's sustainability objectives.

Advocacy remained a significant area of activity during the year. MI maintains regular contact with Ministers, local representatives and specialist advocacy groups, hosting visits, attending meetings and discussing industry challenges and opportunities, while highlighting the importance of irrigation to regional communities and Australia's food and fibre sector. These engagements help strengthen understanding and relationships with decision-makers and promote informed policy discussions and decision making.

MI also maintained strong collaborative relationships with fellow irrigation infrastructure operators, Murray Irrigation and Coleambally Irrigation. This cooperation was particularly important in areas of shared interest, including the Basin Plan Review and the IPART determination of Government charges, where a coordinated and informed industry perspective, helped contribute to policy and regulatory discussions affecting irrigators and regional communities.

The team also continued our important role representing the interests of customers, and shareholders, through ongoing engagement with government agencies, regulators and industry bodies. A key contribution was responding to the Murray Darling Basin Plan review, ensuring that evidence-based messages were objectively delivered. MI also continued its active involvement with the National Irrigators' Council, providing practical insights as an irrigation infrastructure operator and helping ensure regional voices are represented in national water policy discussions.

Another priority during the year was advancing MI's sustainability agenda. Development of a Sustainability Strategy and Action Plan commenced, providing a clear framework to strengthen the organisation's approach to climate change, environmental stewardship and stakeholder engagement. Aligned with the developing Corporate Strategy, the plan will establish long-term objectives, performance measures and strategic priorities to support sustainable growth and deliver lasting value for customers, communities and the environment.

Significant progress was also made in understanding MI's emissions profile and advancing the organisation's emission reduction ambitions. This included strengthening greenhouse gas reporting capabilities, refining emissions forecasting models, developing climate-related reporting frameworks and improving the visibility of environmental data to support future decision-making. Work continued to align reporting and governance practices with evolving legislative and stakeholder expectations.

The continued development of MI's Environmental, Social and Governance (ESG) framework was another important milestone. During the year, the ESG Committee and Working Group continued to identify and manage risks, opportunities and reporting requirements, while embedding sustainability considerations into organisational planning and decision-making. Focus areas included climate risk, water management, biodiversity, waste reduction, customer satisfaction and employee wellbeing.

The team also contributed significantly to MI's broader strategic direction through the organisation's strategy refresh process. Coordinating over 200 survey responses and over 50 individual interviews helping identify future opportunities, challenges and expectations, ensuring the refreshed Strategy and Corporate Plan reflects the priorities of customers, stakeholders, employees and the broader community.

As stakeholder expectations continue to evolve, strong governance and a proactive approach to sustainability remain essential. Through effective advocacy, responsible decision-making and long-term planning, the Sustainability & Governance team is helping position MI for continued success while supporting positive outcomes for customers, communities and the environment.

Growth, Research & Innovation

The Growth, Research & Innovation team focuses on identifying opportunities that support MI's current and long-term success.

Through the strategic use of data, research and partnerships, the team helps drive innovation, support and improve decision-making, and prepare the organisation for future challenges and opportunities.

Data continues to play an increasingly important role across the organisation. As MI's digital maturity continues to grow, the ability to collect, analyse and act on information is becoming a key driver of operational and strategic decision-making. Throughout 2025/26, the team continued strengthening data management and analytics capabilities, providing valuable insights that support planning, performance monitoring and service improvement. This included the development and application of data science tools such as demand forecasting models to improve visibility of water usage patterns, as well as anomaly detection models designed to identify potential infrastructure issues before failures occur. Together, these initiatives are helping improve operational efficiency, asset management and decision-making across the business.

The team also fostered innovation through collaboration with research organisations, technology providers and industry partners. These partnerships provide access to specialist expertise and emerging technologies, helping the business evaluate new opportunities and develop practical solutions to industry challenges. During the year, the team also contributed to the identification and assessment of future growth opportunities that align with MI's strategic direction and create long-term value for customers and shareholders.

A key highlight during the year was MI's continued involvement in the One Basin CRC. This nationally significant initiative brings together industry, government and researchers to address some of the major challenges facing the Murray-Darling Basin. Through this partnership, MI contributed to projects focused on improving information systems and decision-making for water delivery operations, advancing irrigation network efficiency, reducing system losses and supporting decarbonisation pathways. MI's ongoing collaboration on the Multiple Benefits Project, is helping develop decision-support tools and control system models to support river operators in managing water deliveries more flexibly and efficiently. By reducing uncertainty and improving operational decision-making, the project aims to deliver a broader range of environmental, social, cultural and productive benefits from water delivery across the Basin.

Beyond individual projects, the team plays an important role in fostering a culture of continuous improvement across the organisation. By encouraging new ideas, challenging existing practices and embracing innovation, the team helps ensure MI remains adaptable and responsive in a rapidly changing environment.

Looking ahead, Growth, Research & Innovation will continue focusing on initiatives that improve efficiency, strengthen sustainability outcomes and create value for customers and shareholders. By leveraging data, research and strategic partnerships, the team is helping build a more informed, innovative and resilient organisation capable of meeting the challenges and opportunities of the future.

People & Culture

The success of MI is built on the capability, commitment and wellbeing of its people.

Throughout 2025/26, the People & Culture team focused on creating a safe, supportive and inclusive workplace while ensuring the business remains well positioned to meet future workforce needs.

Safety remains MI's highest priority. During the year, significant effort was invested in strengthening safety systems, promoting behavioural safety and reinforcing a culture where employees look out for one another, both at work and in the community. The business continued to embed improved safety practices, Life Saving Commitments and critical risk management approaches, helping ensure that safety remains front of mind in everything we do. Ongoing training, compliance programs and safety leadership initiatives supported the continued maturity of MI's safety culture.

Employee wellbeing also remained a key focus. Through initiatives supporting both physical and mental health, including wellbeing campaigns, psychosocial safety awareness activities, flu vaccination programs, skin checks and employee support initiatives, MI continued to foster a workplace where employees feel valued, supported and connected. A Workplace Experience Survey undertaken during the year provided valuable insights into employee priorities and helped inform future workplace improvements.

Maintaining a strong skills pipeline remains essential to ensuring MI can continue delivering high-quality services into the future. A key part of this commitment is investing in people. During 2025/26, MI employed six apprentices and two trainees, providing valuable opportunities for local people to build careers in the irrigation industry, while developing the skills needed for the future. Alongside apprenticeships, traineeships, graduate opportunities and professional development programs, these initiatives help attract and develop talent while strengthening the capability required to support a modern and evolving business. As technology continues to transform the water industry, workforce development remains a strategic priority for MI.

The year also saw important work undertaken to position the organisation for the future. Through strategic workforce planning and investment in leadership capability, MI strengthened its ability to respond to future opportunities and challenges. Supporting these efforts was a strong focus on employee engagement and communication, internal campaigns and social media initiatives that celebrate achievements and reinforce organisational values. During the year, MI also established a Community Advisory Committee, bringing together employee representatives to provide insights and feedback that help strengthen MI's connection with the communities it serves and inform future sponsorship and engagement activities.

Supporting the community remains an important part of MI's culture. A highlight of the year was the inaugural Cuppa for Community event, which brought employees together to raise funds for Griffith and Leeton Can Assist. The business also launched its inaugural Community Grants Program, supporting local initiatives that strengthen community wellbeing, education, environmental sustainability and connection. Alongside these initiatives, MI continued to support employee-led community activities, blood donation campaigns and water safety awareness programs, designed to help reduce risks around channels and waterways. Together, these efforts reflect MI's commitment to making a positive contribution beyond water delivery and strengthening the communities in which we live and work.

Alongside ongoing improvements to performance and remuneration processes, MI continues to embrace diversity, equity, inclusion and belonging. Work progressed on embedding inclusive recruitment and people practices, strengthening employee engagement, and creating opportunities for people from diverse backgrounds to thrive. With employees bringing experience and expertise from across Australia and around the world, our workforce reflects the communities we serve and strengthens our ability to innovate, collaborate and grow.


Ardlethan
NEWELL HWY
TO CANBERRA SYDNEY
BURLEY GRIFFIN WAY
Temora
NEWELL HWY
Coolamon
Cootamundra
Junee
Gundagai
Wagga Wagga
Tumut
visit Griffith
taste our culture

Board of Directors

Current Directors

Tracey Valenzisi

BBus, GAICD

Shareholder-elected Director and Company Chair

Director since 2019

Board committees as at 30 June 2026:

- Chair , Remuneration and Nominations Committee

John Houghton

MAICD

Shareholder-elected Director and Deputy Chair since 25 June 2026

Director since 8 November 2023

Board committees as at 30 June 2026:

- Chair, People, Culture & Nominations Committee

Lil Bianchi

BSc (Economics), MSc (Computer Science), GAICD

Independent Director

Director since 2021

Board Committees as at 30 June 2026:

- Chair, Audit & Risk Committee
- Member, Investment Working Group

Other Directorships as at 30 June 2026:

- Chair and Non-Executive Director, 4DMedical Limited (ASX:4DX)
- Chair and Non-Executive Director, PainCheck (ASX:PCK)
- Non-Executive Director, Qscan Services Pty Ltd
- Director, Lirio Consulting Services Pty Ltd

Hon. Niall Mark Blair

MOccHS, BAppSci (Hort), Dip TA, GAICD

Independent Director

Director since 8 November 2023

Board Committees as at 30 June 2026:

- Member, Audit and Risk Committee
- Member, People, Culture & Nominations Committee
- Member, Investment Working Group

Other Directorships as at 30 June 2026:

- Chair and Non-Executive Director, Sydney Water Corporation
- Chair and Non-Executive Director, NSW Biodiversity Conservation Trust
- Director and shareholder, Alkiira Therapeutics Pty Ltd
- Director and shareholder, Amo Probos Pty Ltd
- Director, Cotton Research and Development Corporation
- Chair, Strategic Advisory Board – DairyUp

Michael Carter*

BEng (Mining), DipFinServ, GradCertMarketing, CertGovPrac&RiskMgmt, GAICD, FGIA

Independent Director

Director since 2019,
Deputy Chair from February 2022 to 25 June 2026

Board committees as at 30 June 2026:

- Chair, Investment Working Group

Other Directorships:

- Director, Qualia Financial Group Pty Ltd
- Director and Responsible Manager, GWP Financial Services Pty Ltd
- Non-Executive Director, Sydney Institute of Health Sciences Pty Ltd
- Director, Grange Wealth Advisors Pty Ltd

* Michael Carter served as a director throughout the 2025/2026 financial year and subsequently resigned from the Board on 31 August 2026.

Allan (Grant) Delves

BSc, MAICD

Shareholder-elected Director

Director since 2021

Board committees as at 30 June 2026:

- Member, Audit and Risk Committee
- Member, Remuneration and Nominations Committee
- MI's delegate, National Irrigators' Council

Hayley Sergi

BPharm, MAICD

Shareholder-elected Director

Director since 2021

Board committees as at 30 June 2026:

- Member, People, Culture & Nominations Committee

Philip Holliday

BSc (Hons) Business Information Studies, Certificate of Competency – Class 1 (Master Mariner) FGN, GAICD

Managing Director

Managing Director since 27 February 2026

Company Secretary

The following persons held the position of Company Secretary during the reporting period:

Michael Turnell

LLB, BCom, GradDip Legal Practice, GAICD

Former Directors

The following person held a position as director until 4 September 2025:

Brett Jones

BE (Hons), MEngSc, GradDipAppFin, HBS AMP, FIE (Aust), MAIPM, MAICD

Our executive team

Philip Holliday

Chief Executive Officer

Philip Holliday commenced as Chief Executive Officer in September 2025. Philip has extensive leadership experience as both a senior Executive and a Director and has worked across listed, private, and state-owned organisations in Australia and the UK. Philip has qualifications in Business and Nautical Science.

Steven Porter

Executive Manager Assets & Maintenance

Responsible for leading and developing the combined assets and maintenance team to deliver proactive maintenance and development services and projects. He ensures quality performance and services are delivered within appropriate time frames and agreed budgets. Also responsible for developing and implementing the assets and maintenance strategy, establishing policies and activities that align with MI's overall corporate priorities.

Michael Turnell

Executive Manager Sustainability & Governance

Responsible for leading and developing activities to support positive environmental outcomes. Michael fulfils the functions of Company Secretary, leads the development and oversight of corporate governance frameworks and, as General Counsel, ensures compliance with legal and ethical standards. Michael also represents MI in anticipating, understanding, and responding to regulatory and policy changes and outcomes.

Lindsay Golsby-Smith

Executive Manager Customer Services

Responsible for leading and developing customer focused engagement and experiences across the business.

Sam Yenamandra

Executive Manager Growth, Research & Innovation

Responsible for leading and developing strategic and tactical initiatives that deliver growth and innovation. Sam leads research and development activities and the data science team to identify transformative opportunities and solutions and promote a culture of creativity and continuous improvement.

Annaliese Giason

Executive Manager People & Culture

Responsible for leading the efficient and effective delivery of human resource strategies, safety awareness and compliance. Annaliese also leads our marketing and communications team to transparently promote MI's values and objectives internally and externally, emphasising our role within the community.

Vivian Forner

Chief Financial Officer

Responsible for leading the efficient and effective delivery of financial services and water and financial investment portfolio activities. Vivian is also responsible for leading the effective delivery of internal and external audit services and coordination of corporate risk reporting.

Andrew Pasquetti

Chief Operating Officer

Responsible for leading and developing information systems, information and operational technology and water delivery services.

Corporate governance overview

MI is committed to ensuring that its corporate governance framework, policies, and processes reflect a culture of compliance. To deliver on this objective, MI's Board requires a clear understanding of current governance requirements and practices, while also keeping up to date with emerging trends and changing expectations of its stakeholders.

This overview outlines selected components of MI's corporate governance framework, highlighting the key focus areas for the Board around governance in FY26. To review MI's full Corporate Governance Statement (CGS), visit www.mirrigation.com.au/company/shareholders.

MI's corporate governance approach continues to be guided by Australian Standard AS8000: Good Governance Principles and the best practice Corporate Governance Principles and Recommendations, fourth edition. As an unlisted public company, MI is committed to continuous improvement and ensuring compliance to relevant standards of corporate governance and delivering in the best interests of all MI stakeholders.

Board composition, skills, and areas of focus

The Board skills matrix (Table 1) summarises the range of essential knowledge, experience and skills assessed as ideal for the MI Board to hold to drive MI's current strategic direction and effectively govern. The Board considers that its current members have an appropriate mix of skills and experience to discharge its responsibilities and deliver on our organisation's strategic objectives.

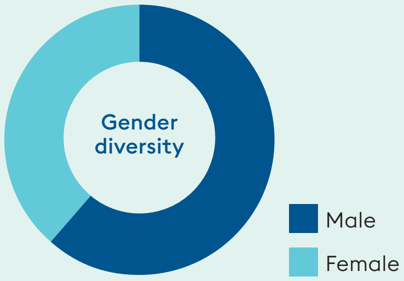
When Directors join the Board, they are required to become members of, and to undertake training provided by, the Australian Institute of Company Directors and other professional organisations which add to the value, capability, and competency of Directors. All Directors are members of the AICD.

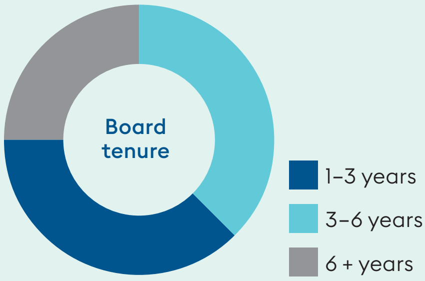
Underpinning the Board's priorities is oversight of MI's risk management framework which includes legal and regulatory, strategic, financial, reputational, people and culture and business/operations to ensure appropriate management of actual or potential risks. See MI's full CGS at www.mirrigation.com.au for more detail.

Table 1: Board skills matrix

Key skill	Demonstrated by these attributes
Water and irrigation industries	Good working knowledge of, and ability to influence, the structure, operations and challenges of water policy and the irrigation industry.
Financial and commercial	Demonstrated achievements in financial management, commerce, investment management and internal control systems.
Engineering, infrastructure, construction, and project management expertise	Knowledge and experience in infrastructure and engineering, including the prioritisation, delivery, and management of investments in infrastructure assets.
Risk management expertise	Proven knowledge, background, experience balancing commercial imperatives with the agreed risk appetite in delivering company objectives.
Organisational culture and strategic management	Experience and ability to promote and monitor MI's culture; and mentor, support and evaluate the performance of the CEO and oversee and provide input to strategic management.
Information systems and data management	Knowledge and experience in information and control systems including systems integration, cybersecurity, data driven decision making and customer information management.
Corporate and business governance	Skills, knowledge and experience in contemporary corporate governance and ability to apply those skills, knowledge, and experience to MI.

Board composition





Board focus areas

Board succession planning

The Board continued succession planning to maintain an appropriate balance of skills, experience, diversity and industry knowledge, while supporting orderly director renewal and governance continuity.

CEO onboarding

Following the appointment of MI's Chief Executive Officer, the Board oversaw a structured onboarding program to support leadership transition, stakeholder engagement and alignment with MI's strategic priorities.

Strategic direction

The Board reviewed MI's strategic direction with regard to customer expectations, water market reform, infrastructure investment, technology, climate impacts and regulatory developments.

Work health and safety

The Board maintained oversight of safety performance, incident management, critical risk controls and safety initiatives, with a continued focus on preventing workplace injuries and incidents.

Capital planning and asset resilience

The Board continued to oversee long-term capital planning, asset condition and renewal priorities to support service reliability, operational efficiency and infrastructure resilience.

Cyber security, AI and technology governance

The Board received updates on cyber security, technology risk, business continuity and artificial intelligence, with emphasis on effective governance, security, privacy and ethical oversight.

Climate resilience

Climate resilience continued to be considered through strategic planning, risk management and infrastructure investment, including changing weather patterns, water availability and operational resilience.

Environmental, social and governance

MI continued to integrate ESG principles into governance, operations and stakeholder engagement, including environmental stewardship, resource management, employee wellbeing, community engagement, ethical conduct and effective governance.

People and culture

The Board maintained oversight of workforce capability, leadership development, employee engagement and organisational culture, including attraction, retention, workforce development and an inclusive, respectful workplace.

Commitment to good governance

The Board remains committed to accountability, transparency, integrity and sound decision-making to ensure MI is well positioned to meet the evolving needs of members, customers and stakeholders while delivering sustainable long-term value.

Independent Board review

In line with good practice, the Board regularly reviews its own performance and invites a suitably qualified external business to provide an independent assessment of governance, effectiveness, and composition.

The Board engaged VUCA to conduct an external review, which was completed in April 2026. The Company reviewed the findings and agreed to introduce several changes designed to improve overall productivity and effectiveness. Overall, however, the review found the Board operates with a suitable governance framework, designed to take account of the prescribed composition (member elected and independent directors) with all Directors understanding and acquitting their duties.

Directors' remuneration

At the Annual General Meeting held on 7 November 2016, shareholders approved a change to the method of remunerating directors. Aggregate remuneration is limited through an annual cap for directors' fees, escalating by CPI at the start of each year. The cap for FY26 was $ 558,231 (inclusive of superannuation contributions), and actual compensation for the year was below the cap (FY25 was $545,147).

Information on Directors' aggregate compensation for the financial year is shown in Note 27 to the financial statements.

Directors' and managers' interests

Shareholder directors Tracey Valenzisi, Allan (Grant) Delves, Hayley Sergi and John Houghton all have interests in contracts with MI to own and deliver water. These contracts are based on normal customer terms and conditions. The individual contracts are not subject to discussion at Directors' meetings. All Directors declare any interests in matters relevant to the Company as they arise, and formally table standing disclosures of their interests at least annually. When matters are discussed in which a material personal interest might exist, or be perceived to exist, for an individual Director, that Director will excuse themselves from the meeting and take no further part in decisions relating to those matters unless the remaining Directors determine that it is in the Company's best interests for the Director to participate.

Directors acknowledge that their overriding duty is to the Company and that Board decisions must be made in the best long-term interests of the Company. Directors and managers are required to place the Company's interests ahead of their personal business interests, and refrain from actions which constitute competing with the Company or taking personal advantage of information provided to them in their capacity as directors.

Our Constitution prohibits the Independent Directors and the Managing Director from holding voting shares in the Company. In addition, the Board has determined that independent directors, the CEO, the Chief Financial Officer, the Executive Manager Customer Services, the Chief Operating Officer, the Financial Accountant, and Manager – Water Delivery may not own or trade water entitlements in the Southern Connected Basin. The remainder of the Leadership Team members may only hold voting shares in the Company if formally approved.

Aggregate information on shares and commercial transactions of key management personnel with the Company are shown in Note 27 to the financial statements.

Table 2: Directors' attendance at meetings

	Directors' Meetings		Audit and Risk Committee		Remuneration and Nominations Committee		Operational Risk Committee	
Director	Possible	Attended	Possible	Attended	Possible	Attended	Possible	Attended
Tracey Valenzisi	8	8	–	–	3	3	–	–
Lil Bianchi	8	8	1	1	–	–	2	2
Niall Blair	8	8	4	4	1	1	–	–
Michael Carter	8	8	4	4	2	2	–	–
Allan (Grant) Delves	8	7	4	3	3	3	–	–
John Houghton	8	8	–	–	–	–	2	2
Hayley Sergi	8	8	–	–	–	–	2	2
Philip Holliday	2	2	–	–	–	–	–	–
Brett Jones	1	–	–	–	–	–	–	–

Directors' report

Directors present their report on the Company for the financial year ended 30 June 2026.

Directors

The persons who served as directors of MI during the year in review and up to the date of this report are listed on page 22 and 23.

Company Secretary

The persons who served as Company Secretary during the year in review and up to date of this report are listed on page 23.

Meetings

The Board met in person 8 times during the year. The duration of meetings varied between one to two days, including committee meetings, field trips, site visits, customer meetings, training, and an off-site strategy session. Meetings are preferably held on-site and face-to-face, however teleconference and electronic meetings are available if face-to-face is not appropriate in the circumstances.

The agenda for meetings is set through consultation between the Chair, the Chief Executive Officer, and the Company Secretary. Prior to each meeting, directors are provided with briefing papers on matters to be considered and are encouraged to participate in debate and to bring to meetings independent views on all relevant issues. Details of attendance at Board meetings are shown in Table 2 of the Corporate Governance Overview on page 29.

Principal activities

The company continued its principal activity of water delivery and related services to all customers while maintaining a competitive, resilient business through prudent fiscal management. This primary goal continues to guide the entity in supporting sustainable irrigation in the MIA.

There were no significant changes to the nature of the entity's principal activities during the financial year.

Significant changes in the state of affairs

The continuation of infrastructure investment projects funded by the Commonwealth government has seen an increase in staffing and commercial transactions for the entity, and year-on-year variations in the entity's financials. There are no other significant changes to the state of affairs of the entity and the Commonwealth government funded projects have not impacted the entity's principal activities or operations.

Financial statements

The financial statements for the FY26 year in review are contained within this report.

Basis of preparation of financial statements

The financial statements for the year cover Murrumbidgee Irrigation Limited as an individual entity.

Shares, options and loans

Company shares are not listed on any share trading exchange. There are no securities under option or in respect of which options have been created, nor have any options been exercised.

On winding up of the Company, any remaining assets may not be distributed to shareholders but must be transferred to another irrigation corporation in the MIA, or an entity with similar purposes to the Company.

Shares held by Directors are disclosed in Table 3 in the Directors' Report.

No loan has been granted to any director during the year (2025: Nil).

Auditor's independence

Audit firm Grant Thornton Audit Pty Ltd has no representation on the Board or Board committees, nor is there any relationship between company officers and the auditor other than the normal business relationship between auditor and client.

The Board of Directors is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001* (Cth).

The Auditor's Independence Declaration is included with the financial statements. Fees paid to the external auditors for audit and non-audit services are fully disclosed in the notes to the financial statements.

Risk management

Directors confirm that robust risk management processes and practices are in place, and that strategic, financial, reputational, and operational risks, including business continuity, continue to be managed appropriately. The Board has formally adopted a statement of risk appetite which it applies when making decisions on behalf of the Company, and which it reviews at least annually.

Compliance

The Company continues its strong focus on managing significant regulatory compliance, which is ultimately governed under the Compliance Management Framework. The Board is satisfied that compliance is satisfactorily managed to discharge our legal obligations.

Review of operations

An overview of the operations of MI for the year in review can be found on page 16.

The underlying earnings from the normal operations of MI for FY26 was $9.1M (FY25: $17.3M). This number represents the Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) and is a measure of the Company's operating performance. This excludes earnings from government funded programs and also excludes any customer capital contribution to infrastructure expansion projects. Revenue from normal operations, including customer operations, water savings and investment revenue was $47.4M and expenditure was $38.3M (2025: revenue was $55.2M and expenditure was $37.8M).

The Company continues to aim to match its earnings from normal operations to its capital renewal requirements over a rolling 5-year period. Water delivery in FY26 was similar to FY25 due to lower than average rainfall. In FY26, capital expenditure on asset renewal (excluding government funded projects) was $4.9M (FY25 $4.2M) which was covered by the EBITDA for the year.

The Company maintains a strong financial position due to its investment portfolio and 5-year financial plan.

High allocations combined with average rainfall throughout FY25 resulted in near maximum carryover conditions and water storages starting at approximately 75% full. This combination, coupled with the dry climate conditions, translated to a higher-than-average irrigation demand year. The operational and delivery efficiency of our automated network will come into its own in supporting our customers drive regional productivity in such a year.

Matters subsequent to the end of the year

Between the end of the financial year and the date of this Directors' Report, no events have occurred, which in the opinion of Directors, have the potential to significantly affect the state of affairs of the company.

Future developments

The $124 million in funding received over a number of years under the State led Off Farm Efficiency Program resulted in the commissioning of the Roach's Reservoir. This project delivered a system which will underpin a more flexible, timely and efficient water delivery for many years to come.

We continue to work with the One Basin Co-operative Research Centre (CRC) to partner with researchers, government and other industry members to develop long term solutions to reduce exposure to climate, water and environmental threats in the Murray-Darling Basin. In addition to the two "QuickStart" projects relating to irrigation network efficiency, MI is involved in building a 3–5 year project for work on integrated network efficiency across the irrigation and river footprints and identifying and managing unaccounted water (also known as "losses").

Water reform

The Board continued its focus on water policy and advocacy on behalf of productive water users and has maintained our work in the interests of protecting customers and communities in terms of ongoing access to irrigation water. The Company seized the opportunity provided by the extended timelines under the *Water Amendment (Restoring Our Rivers) Bill 2023* (Cth) by submitting four separate efficiency project applications, one of which was commenced in November 2024.

The Company also continued to engage with the various regulatory bodies involved in implementing the *Water Market Reform* roadmap under the *Water Amendment (Restoring Our Rivers) Bill 2023* (Cth). We are cognisant that our customers and our Company rely on fair and efficient water markets and need to remain alert to opportunities to advocate for increased transparency and simplification of trading rules on behalf of our customers.

At the state level, the Company lobbied against regulatory changes that would affect productive water use in the MIA. Company representatives discussed these issues directly with the NSW Minister for Water and other relevant regulatory bodies. These efforts will continue into FY27.

Environmental regulation

MI holds an operating licence under the *Water Management Act 2000* (NSW) to carry out the business and function of water delivery within its Area of Operations. A requirement of this operating licence is to hold an Environmental Protection Licence (EPL) under the *Protection of the Environment Operations Act 1997* (NSW). The EPL is issued by the Environmental Protection Authority (EPA) and, among other conditions, requires monitoring and reporting of specified water quality parameters at sites that discharge water outside MI's Area of Operation.

MI met the requirements of our EPL for this reporting year.

To satisfy the requirements of our licences, MI prepares and submits an Annual Compliance Report covering the entirety of its area of operations, as well as an Annual Environmental Management Report covering Barren Box Storage and Wetlands. Copies of our latest available reports are located on our website: www.mirrigation.com.au.

Indemnifying Directors and Officers

MI indemnifies directors and leadership team members for liabilities to third parties arising from their role as officers of the Company, unless that liability arises out of conduct involving a lack of good faith or a pecuniary penalty or compensation order under the *Corporations Act 2001* (Cth).

The Company also provides an indemnity for directors and leadership team members against the cost of successfully defending themselves against civil or criminal proceedings. The Company has insurance policies that provide cover for permitted situations.

During FY26, the Company paid a premium of $110,532 (exclusive of GST and stamp duty) (2025: $110,532) to provide liability insurance cover for directors and officers of the Company. The insured liabilities include any legal costs that may be incurred in defending civil or criminal proceedings which may be brought against the Company or its officers when acting in that capacity, and any other payments arising from liabilities incurred by the officers in connection with such proceedings, unless such liabilities arise out of conduct involving a wilful breach of duty by the officers, or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Company.

It is not possible to apportion the premium between amounts relating to legal costs and other liabilities, or between officers' cover and company cover.

Proceedings on behalf of the Company

No proceedings have been brought or intervened in on behalf of the Company, nor has any such application been made, under section 237 of the *Corporations Act 2001* (Cth).

Dividends

The Company's Constitution prohibits it from declaring any dividends.

Table 3: Particulars of directors' interests in Shares and Delivery Entitlements at 30 June 2026:

Director	A Class Shares	B Class Shares	C Class Shares	Delivery Entitlements
Tracey Valenzisi	149	–	2	151
John Houghton	242	1,641	2	2,436
Allan (Grant) Delves	549	–	–	1,050
Hayley Sergi	355	2,795	–	5,948
Lil Bianchi	–	–	–	–
Michael Carter	–	–	–	–
Brett Jones	–	–	–	–
Niall Blair	–	–	–	–
Philip Holliday	–	–	–	–

Directors statement

Directors are satisfied that the auditor, Grant Thornton Audit Pty Ltd, has met the general standard of independence for auditors imposed by the *Corporations Act 2001* (Cth).

This report is made in accordance with a resolution of the directors.

Tracey Valenzisi
Chair
Hanwood NSW 2680
3 September 2026

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* (Cth) is set out below:

Grant Thornton Audit Pty Ltd
Level 22 Tower 5
Collins Square
727 Collins Street
Melbourne VIC 3008
GPO Box 4736
Melbourne VIC 3001

T +61 3 8320 2222

Auditor's Independence Declaration

To the Directors of Murrumbidgee Irrigation Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the audit of Murrumbidgee Irrigation Limited for the year ended 30 June 2026, I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b no contraventions of any applicable code of professional conduct in relation to the audit.

Grant Thornton

Grant Thornton Audit Pty Ltd
Chartered Accountants

A C Pitts
Partner – Audit & Assurance

Melbourne, 3 September 2026

www.grantthornton.com.au
ACN-130 913 594

Financial statements

Statement of profit or loss and other comprehensive income for the year ended 30 June 2026

Revenue

	Notes	2026 $'000	2025 $'000
Operations	4	41,882	50,107
Investments	4	5,404	8,861
Government and other	4	25,931	34,795
Total revenue		**73,217**	**93,763**

Expenses

	Notes	2026 $'000	2025 $'000
Employment related	5	(21,171)	(20,861)
Professional services and consultants	5	(2,247)	(2,150)
Operations and materials	5	(6,714)	(7,865)
Utility and other expenses	5	(8,840)	(12,773)
Loss on disposal of assets	5	(2,056)	(1,011)
Depreciation	16	(17,931)	(16,537)
Total expenditure		**(58,959)**	**(61,197)**

Profit for the year	25	**14,258**	**32,566**

Other comprehensive income

	Notes	2026 $'000	2025 $'000
Items that will be reclassified subsequently to profit or loss			
Financial asset at FVOCI* revaluation (loss)/gain		(700)	852
Items that will not be reclassified subsequently to profit or loss			
Actuarial loss of defined benefits plan recognised directly in equity		(25)	(69)
Other comprehensive income for the year		**(725)**	**783**
Total comprehensive income for the year		**13,533**	**33,349**

** Fair Value through Other Comprehensive Income (FVOCI).*

Statement of financial position as at 30 June 2026

Assets

	Notes	2026 $'000	2025 $'000
Current assets			
Cash and cash equivalents	9	34,830	42,284
Trade and other receivables	10	18,660	25,544
Inventories	11	2,097	1,517
Other assets	12	1,239	796
		56,826	70,141
Assets held for sale	13	2,814	–
Total current assets		**59,640**	**70,141**
Non-current assets			
Financial assets	14	13,396	12,967
Property, plant and equipment	16	566,740	542,549
Intangible assets	17	138,094	140,714
Shares in co-operative		40	39
Total non-current assets		**718,270**	**696,269**
Total assets		**777,910**	**766,410**

Liabilities

	Notes	2026 $'000	2025 $'000
Current liabilities			
Trade and other payables	18	11,528	10,759
Deferred revenue	19	5,476	8,466
Provisions	21	4,004	3,788
Total current liabilities		**21,008**	**23,013**
Non-current liabilities			
Provisions	22	664	692
Total non-current liabilities		**664**	**692**
Total liabilities		**21,672**	**23,705**
Net assets		**756,238**	**742,705**

Equity

	Notes	2026 $'000	2025 $'000
Contributed equity	23	273,734	273,734
Reserves	24	970	1,670
Retained earnings	25	481,534	467,301
Total equity		**756,238**	**742,705**

Statement of changes in equity for the year ended 30 June 2026

	Contributed equity $'000	FVOCI Reval Reserve* $'000	Retained earnings $'000	Total $'000
Balance at 1 July 2024	**273,734**	**818**	**434,804**	**709,356**
Profit for the year	–	–	32,566	32,566
Other comprehensive income for the year	–	852	(69)	783
Total comprehensive income for the year	–	852	32,497	33,349
Balance at 30 June 2025	**273,734**	**1,670**	**467,301**	**742,705**

	Contributed equity $'000	FVOCI Reval Reserve* $'000	Retained earnings $'000	Total $'000
Balance at 1 July 2025	**273,734**	**1,670**	**467,301**	**742,705**
Profit for the year	–	–	14,258	14,258
Other comprehensive income for the year	–	(700)	(25)	(725)
Total comprehensive income for the year	–	(700)	14,233	13,533
Balance at 30 June 2026	**273,734**	**970**	**481,534**	**756,238**

** Fair Value through Other Comprehensive Income (FVOCI) revaluation reserve – refer to notes 1(p) and 1(t).*

Statement of cash flows for the year ended 30 June 2026

	Notes	2026 $'000	2025 $'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		52,519	48,418
Payments to suppliers and employees (inclusive of GST)		(50,799)	(41,779)
		1,720	**6,639**
Receipts from annual water savings and leasing of water and land		6,560	12,498
Receipts from government contributions		24,838	41,511
Interest and other finance costs paid		–	(6)
Net cash from operating activities		**33,118**	**60,642**
Cash flows from investing activities			
Payments to acquire financial assets		(9,653)	(1,468)
Proceeds on sale of financial assets		8,638	666
Payments for property, plant and equipment		(44,982)	(40,636)
Proceeds on sale of property, plant and equipment		357	480
Payments for water investments		(196)	(4,054)
Interest and investment income received		5,400	3,860
Net cash used in investing activities		**(40,436)**	**(41,152)**
Net cash from financing activities		–	–
Net increase/(decrease) in cash and cash equivalents		**(7,318)**	**19,490**
Cash and cash equivalents at the beginning of the financial year		42,284	22,794
Cash and cash equivalents at the end of the financial year*	9	**34,966**	**42,284**

** Cashflow balance at 30 June 2026 also includes $135k (FY25 – Nil) pertaining to cash held within the managed investment fund.*

Notes to the financial statements as at 30 June 2026

Note 1. Summary of material accounting policies

The material accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. Where there has been a change in presentation format, prior year comparatives have been changed accordingly.

(a) Basis of preparation

Murrumbidgee Irrigation Limited's (the "Company") principal purpose is to provide cost effective services to its customers rather than to generate profits, as such, the directors have determined that the Company is a not-for-profit entity as defined under Australian Accounting Standards – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities.

The financial statements have been prepared on an accruals basis and are based on historical costs modified by the revaluation of selected non-current assets and financial instruments for which the fair value basis of accounting has been applied.

The financial statements have been prepared on a going concern basis based on forecasts prepared for future years demonstrating the Company's solvency, the Company has financial reserves held in cash, deposits and convertible investments, and there are no known threats to the Company's viability.

The Company is a limited company incorporated in Australia. The registered office and principal place of business of Murrumbidgee Irrigation Limited is:

86 Research Station Road, Hanwood NSW 2680.

(b) New or amended Accounting Standards and Interpretations adopted

The company has adopted all of the new and amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

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

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

At the date of authorisation of the financial statements, there were no Standards and Interpretations that were issued but not yet effective that would materially affect the Company.

(c) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances and amounts collected on behalf of third parties.

One of the two criteria for determining whether AASB 15 or AASB 1058 applies to the recognition of revenue and income of not-for-profit entities is identifying whether a contract has sufficiently specific performance obligations. This is an important and fundamental concept as the specificity of performance obligations (together with enforceability) will determine whether the transaction is accounted for under AASB 1058 or under AASB 15. Judgement is required to assess whether a promise is sufficiently specific. Such judgement takes into account any conditions specified in the arrangement, whether explicit or implicit, regarding the promised goods or services.

Revenue is recognised for the major business activities:

(i) **Customer revenue:** Revenue from the supply of water and drainage services comprises both access and usage-based charges which are billed GST-free annually to all customers. Revenue is recognised as the services are delivered to customers and the associated performance obligation is fulfilled.

(ii) **Other revenue:** Other revenue is raised from the provision of works, including the installation of irrigation supply infrastructure, and is recognised on completion of the works when rewards of ownership have passed to the buyer.

(iii) **Government contributions relate to a number of funding agreements:** For Urban Channels Pipeline (UCP) and Channel Lining and Piping (CLP): Contributions received from the government for infrastructure improvements are recognised as revenue on a percentage of completion basis, utilising the input cost method which includes labour and materials, as the relevant expenditure is incurred and when water entitlements are returned. As this arrangement constitutes a bundled contract, revenue relating to each element is recognised proportional to their fair value at contract date as if they were sold and performed independently of each other. As the company is obliged under the terms of the funding agreement to undertake the relevant infrastructure works or refund the money, any unexpended funds, equivalent to any unperformed work, at balance date are brought to account as a liability.

(iv) **Leasing of water and property:** Revenue is recognised on a straight-line basis over the term of the lease.

(v) **Temporary transfer of water:** Revenue from the temporary transfer of water is recognised when the risks and rewards have passed to the buyer. This includes transfers from water savings and water investment accounts.

Note 1. Summary of material accounting policies *(continued)*

(vi) **Interest and dividend income:** Interest and dividend income is recognised as it accrues.

(vii) **Revenue from the sale of assets:** Revenue from the sale of fixed assets is recognised when risks and rewards of ownership have passed to the buyer.

(viii) **Termination charges:** A charge is levied on cancellation of delivery entitlements. This charge for 2025/26 was based on a multiple of 10 times fixed charges in accordance with ACCC water charge rules.

(d) Income tax

On 20 March 2023, the company received a private ruling from the ATO confirming that Murrumbidgee Irrigation Limited is exempt from income tax for periods commencing from 1 July 2021 under the Income Tax Act 1997. This exemption would no longer be available if Murrumbidgee Irrigation did not continue to maintain the requirements of the private ruling. The company has continued to maintain the requirements of the private ruling for the financial period. As such the exemption continues to be applicable for the current financial period. The private ruling was effective to 30 June 2026 (a total period of 5 years). The company is in the process of applying for the tax exemption ruling for the period 1 July 2026 onwards.

(e) Trade and other receivables

Trade receivables are recognised at fair value. Trade receivables are raised in May for fixed charges and the end of July for water use based charges and are due for settlement no more than 28 days from the date of raising of the invoices. Other debtors are due for settlement in no more than 28 days. Collectability of receivables is reviewed on an ongoing basis.

Debts which are known to be uncollectable are written off. An allowance for expected credit loss is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms. The amount of movement in the allowance for expected credit loss is recognised in the statement of profit or loss and other comprehensive income.

Chapter 7, Part 4, clauses 354 to 362 of the *Water Management Act 2000* ('the Act') provides that a rate or charge imposed on the owner of any land by an irrigation corporation is a charge on the land to which it relates, thereby securing the debts.

Chapter 4, Part 1, Division 6, paragraph 136 of the Act further provides that on a change of ownership of land, the new landholder is liable to the irrigation corporation for the amount of any charges levied by the irrigation corporation in relation to the land and unpaid by the previous landholder as if the new landholder had entered into a contract with the irrigation corporation for the supply of the service or services to which the unpaid services relate.

Based on the above provisions of the *Water Management Act 2000* the company considers the allowance for expected credit losses to be appropriate.

(f) Inventories

Raw materials and stores are stated at the lower of cost and net realisable value. Costs are assigned to individual items of stock on the basis of weighted average costs. No inventory is held for resale.

Consequently, the company considers the remaining service potential of inventories when assessing the net realisable value of items held for distribution or use in delivering a service to members.

(g) Property, plant and equipment

All property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. The cost of non-current assets constructed by the company includes the cost of all materials used in construction, direct labour on the project, and an appropriate proportion of overheads. Land is not depreciated.

Depreciation on other assets is calculated using the straight-line method to allocate their cost over their estimated useful life, as follows:

Category	Years	Average
Earth channels, infrastructure and drains	10–100	46
Buildings and cottages	5–40	20
Plant	4–30	6
Office and scientific equipment	2–25	8
Motor vehicles	4–20	7

Assets are not depreciated until they have been commissioned. The assets' residual values and useful life are reviewed, and adjusted if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount (refer to Note 1 (u) (iii)). Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit or loss and other comprehensive income.

(h) Intangible assets

Licenced water share components are brought to account at cost. The licences have indefinite useful life and accordingly no amortisation is charged. The licenced water shares are checked for impairment annually (refer Note 1 (u)(iii)).

(i) Maintenance expenditure

Routine maintenance expenditure of a regular and ongoing nature is charged as an operating expense to the profit or loss as and when incurred. Major refurbishments in respect of earth supply and drainage channels and other infrastructure are capitalized.

(j) Trade and other payables

These amounts represent liabilities for goods and services provided to the company up to the reporting date which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

Note 1. Summary of material accounting policies *(continued)*

(k) Employee benefits

(i) **Short-term and long-term employee benefits:** A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities recognised in respect of short-term employee benefits, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Liabilities recognised in respect of long-term employee benefits, are measured at the present value of the estimated future cash outflows to be made by the company in respect of services provided by employees up to the reporting date.

(ii) **Retirement benefit obligations:** All employees of the company are entitled to benefits on retirement, disability or death. Plans are either defined contribution or defined benefit. The defined benefit plan provides defined lump sum or pension benefits based on years of service and final average salary and is administered by Vision Super.

Under the accumulated plans, the company makes contributions as determined by legislation.

A liability or asset in respect of defined benefit superannuation plans is recognised in the statement of financial position and is measured as the present value of the defined benefit obligation at the reporting date plus unrecognised actuarial gains, less unrecognised actuarial losses, less the fair value of the superannuation fund's assets at that date and any unrecognised past service cost.

The present value of the defined benefit obligation is based on expected future payments which arise from membership of the fund to the reporting date, calculated annually by independent actuaries using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Movements in the value of the defined benefits plans' assets and liabilities are recognised directly to other comprehensive income. Post service costs and net interest expense or income are recognised in profit or loss in the period. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(l) Cash and cash equivalents

For cash flow statement presentation purposes, cash and cash equivalents includes cash on hand and cash at bank.

(m) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

(n) Rounding of amounts

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

(o) Non-current assets or disposal groups classified as held for sale

Non-current assets and assets of disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continued use. They are measured at the lower of their carrying amount and fair value less costs of disposal. For non-current assets or assets of disposal groups to be classified as held for sale, they must be available for immediate sale in their present condition and their sale must be highly probable.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of assets held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, in current assets. The liabilities of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, in current liabilities.

Note 1. Summary of material accounting policies *(continued)*

(p) Financial assets

(i) **Recognition, initial measurement and derecognition**

Financial assets are recognised when the company becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurements of financial assets are described below. Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

(ii) **Classification and subsequent measurement of financial assets**

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

- amortised cost
- fair value through profit or loss (FVPL)
- equity instruments at fair value through other comprehensive income (FVOCI)
- debt instruments at fair value through other comprehensive income (FVOCI).

Classifications are determined by both:

- The entities business model for managing the financial asset; and
- The contractual cash flow characteristics of the financial assets.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables, which is presented within other expenses.

(iii) **Subsequent measurement of financial assets**

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows;
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

The company's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments as well as government bonds that were previously classified as held-to-maturity under AASB 139.

Debt instruments at fair value through other comprehensive income (Debt FVOCI)

Financial assets with contractual cash flows representing solely payments of principal and interest and held within a business model of collecting the contractual cash flows and selling the assets are accounted for at Debt FVOCI. Any gains or losses recognised in other comprehensive income will be reclassified to profit or loss upon derecognition of the asset. This category includes corporate bonds that were previously classified as 'available-for-sale' under AASB 139.

The classification of financial assets at FVOCI was an election determined by management at initial recognition, as it provided the most useful information.

Impairment of financial assets

AASB 9's impairment requirements use more forward looking information to recognise expected credit losses – the 'expected credit losses (ECL) model'. Instruments within the scope of the requirements include loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

The company considers a broad range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1'); and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Note 1. Summary of material accounting policies *(continued)*

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Trade and other receivables and contract assets

The company makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance at the amount equal to the expected lifetime credit losses.

In using the practical expedient, the company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

Classification and measurement of financial liabilities

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the company designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

(q) Financial liabilities

Financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

(r) Provisions

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

(s) Leasing

For any new contracts entered into on or after 1 July 2020, the company considers whether a contract is, or contains, a lease. At lease commencement date, a right-of-use asset and a lease liability is recognised on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The right-of-use assets are depreciated on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

At the commencement date, the lease liability is measured at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The company has elected to account for short-term leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

(t) Reserves

The Constitution provides that directors may, at their discretion, set aside reserves out of company profits, to be used for any purpose that the profits of the Company can be properly applied. Such reserves can be used in the business of the Company or reinvested as the directors think fit.

(i) **Fair Value through Other Comprehensive Income Reserve (FVOCI):** The purpose of the FVOCI Reserve is to accumulate unrealised gains or losses on financial asset revaluations.

Note 1. Summary of material accounting policies *(continued)*

(u) Significant estimates

(i) **Property, plant & equipment:** Depreciation is charged on property, plant and equipment as outlined in Note 16. Management have determined useful lives based on historical experience, as outlined within that note. Given the quantum of assets held by the Company, this is a significant estimate.

If the useful lives of assets were to reduce by 5% (an average of 2 years), depreciation would increase by $0.8M per annum.

(ii) **UCP/ CLP revenue recognition:** Revenue relating to the UCP and / or CLP funding is recognised as infrastructure projects are completed. The revenue is recognised over time as progress is made against budgeted expenditure on infrastructure projects. There is a risk that spend on these infrastructure projects may be higher or lower than budgeted, with any changes in the forecast costs to complete having a consequential impact on the revenue which would be recognised.

Management do not consider there to be a significant risk of a material adjustment in the next 12 months based on historical experience of major infrastructure projects.

If forecast costs to complete were +/- 5% against the original budget in the current year, the Company would have recognised +/- $1.8M of government funded project revenue.

(iii) **Impairment of assets:** Assets are reviewed annually for impairment or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

As the Company is a not-for-profit entity and the future economic benefits of the Company's assets are not primarily dependent on their ability to generate cash flows, value in use is taken to be current replacement cost provided that the Company would, if deprived of the asset, replace it.

Intangible assets with indefinite useful lives are reviewed annually as to whether their carrying value exceeds their recoverable amount. In the current year, no impairment loss has been recognised, as the fair value of intangible assets is significantly in excess of their carrying value (Note 17).

The commencement of the government funded infrastructure projects created an expectation that a significant portion of the Company's capital assets will be replaced or decommissioned in future years. Where the Company has been able to make a reasonable estimate of such items, the carrying amount of the relevant assets has been reduced to their recoverable amount. That reduction is recognised as an impairment loss through the statement of profit or loss.

It is impracticable as at 30 June 2026 to estimate the impact of planned replacements over the medium-to-longer term as these are subject to management and Board decisions, ongoing availability of funding, progress against current infrastructure projects and workforce capacity.

(v) Statement of compliance

These financial statements are general purpose financial statements which have been prepared in accordance with the *Corporations Act 2001*, Accounting Standards and Interpretations, and comply with other requirements of the law. Accounting Standards include Australian Accounting Standards – Simplified Disclosures.

The financial statements were authorised for issue by the directors on 3 September 2026.

(w) Comparatives

Unless otherwise stated, all accounting policies applied are consistent with those of prior years. Where necessary, comparatives have been reclassified for consistency with current year disclosures.

Note 2. Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. There are no critical accounting judgements, estimates and assumptions that are likely to affect the current or future financial years.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

i) **Climate change:** Where specific impacts of climate change are identified, there may be impacts on useful lives of assets (increasing depreciation charged and reducing carrying values) and there may be changes to the basis of accounting for intangible assets. Changes in weather patterns may affect availability of, and demand for, water, which may have impacts on the longer-term revenue for the Company. It is not possible, at the present time, to state the expected quantum of these impacts. Policy and legal changes as a result of climate change have potential to impact revenue via changes to water availability, the value of water entitlements and reporting requirements. It is not possible, at present time, to state the expected quantum of these impacts.

ii) ***Water Amendment (Restoring our Rivers) Act 2023* (Cth):** The amendments passed in December 2023 included voluntary water buy backs. There were buy backs processed towards the end of the financial year, this includes high security and general security water entitlements transferred from customer accounts to the Commonwealth government. The impact to company revenue is unknown at date of signing.

iii) **Revenue recognition:** To determine if a government funding agreement should be accounted for under AASB 1058 or AASB 15, the Company has to determine if the contract is 'enforceable' and contains 'sufficiently specific' performance obligations. When assessing if the performance obligations are 'sufficiently specific', the Company has applied significant judgement in this regard by performing a detailed analysis of the terms and conditions contained in the funding agreements, review of accompanying documentation and holding discussions with relevant parties. Income recognition from government funding received by the Company has been appropriately accounted for under AASB 1058 or AASB 15 based on the assessment performed.

Note 3. Segment reporting

Revenue and expenses by activities

2026 $'000	Customer operations	Water savings	Investments	Government and other activities	Hanwood Estate Property Trust (de-registered 25 June 2025)	Inter-company	Total $'000
Revenue	35,504	6,378	5,404	25,931	–	–	**73,217**
Expenses	(56,170)			(2,789)	–	–	**(58,959)**
(Loss)/profit before tax	**(20,666)**	**6,378**	**5,404**	**23,142**	**–**	**–**	**14,258**

2025 $'000	Customer operations	Water savings	Investments	Government and other activities	Hanwood Estate Property Trust	Inter-company	Total $'000
Revenue	37,728	12,367	6,512	34,795	3,219	(857)	**93,764**
Expenses	(53,600)	–	–	(5,251)	(3,201)	857	**(61,195)**
(Loss)/profit before tax	**(15,872)**	**12,367**	**6,512**	**29,544**	**18**	**–**	**32,569**

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Maker ('CODM'), defined as the Leadership Team/Board.

The CODM is responsible for the allocation of resources to operating segments and assessing their performance. The information reported to the CODM is on a monthly basis.

Note 4. Revenue

	2026 $'000	2025 $'000
Customer revenue		
Fixed charges	25,282	24,768
Usage	9,235	11,423
Bulk water conveyance revenue	777	992
Contract and other	210	557
Total customer revenue	**35,504**	**37,740**
Water savings	6,378	12,367
Total operating revenue	**41,882**	**50,107**
Investment revenue		
Interest and dividends	1,667	2,752
Water allocation	3,737	6,109
Total investment revenue	**5,404**	**8,861**
Government and other revenue		
Government funding – infrastructure	25,869	10,193
Government funding – non-infrastructure	–	24,321
Customer contributions	62	281
Total government and other revenue	**25,931**	**34,795**

Note 5. Expenses

The statement of profit or loss and other comprehensive income includes the following expenses

	2026 $'000	2025 $'000
Salaries and wages	15,688	15,443
Superannuation	2,167	1,995
Labour on-costs	3,316	3,423
Total employment related	**21,171**	**20,861**
Legal	469	393
Consultants	1,543	1,524
Audit and taxation advisors	136	158
Environmental	99	75
Total professional services and consultants	**2,247**	**2,150**
Plant maintenance and hire	942	808
Materials	1,707	1,972
Fuels and oils	753	656
Contractors	2,012	2,694
Other operation and material costs	1,300	1,735
Total operations and materials	**6,714**	**7,865**
Utilities	2,311	1,983
Insurance	1,278	1,297
Information technology	2,195	2,285
Fees and charges	455	587
Bulk water conveyance	739	590
Government funding related expenses	637	4,674
Other	1,225	1,357
Total utilities and other	**8,840**	**12,773**
Gain on disposal of non-infrastructure assets	(225)	(402)
Infrastructure disposals*	2,281	1,413
Total net (loss)/gain on disposal of assets	**2,056**	**1,011**

* *Infrastructure disposals includes impairment of infrastructure assets of $2.1M (FY25 $1.4M), taken up due to the pending replacement of the assets under the scheduled UCP and CLP capital works.*

Note 6. Remuneration of auditors

	2026 $	2025 $
Auditor of the parent entity		
Audit of the parent entity	93,500	90,000
Taxation services*	144,850	45,085
Other assurance services**	36,000	132,500
Total auditor remuneration of the parent entity	**274,350**	**267,585**
Other auditors		
Audit of the financial report of Hanwood Estate Property Trust	–	4,145
Total remuneration of other auditors	**–**	**4,145**

* *Taxation services for 2026 includes assistance with employee salary packaging, tax exemption ruling application and corporate structure advice.*

** *Other assurance services relate to audit of Murrumbidgee Irrigation Government Funding Programs as required by the NSW Department of Climate Change, Energy, the Environment and Water.*

Note 7. Income taxes

On 20 March 2023, the Company received a private ruling from the ATO confirming that Murrumbidgee Irrigation Limited is exempt from income tax for periods commencing from 1 July 2021 under the *Income Tax Act 1997*. The ruling was valid for a 5-year period. The Company is in the process of applying for a private ruling for 1 July 2026 onwards, noting that the requirements have been maintained.

Note 8. Amounts recognised directly in equity

The following amounts were recognised directly in equity

	2026 $'000	2025 $'000
Actuarial loss of defined benefits plan recognised directly in equity	(25)	(69)
Financial asset at FVOCI revaluation (loss)/gain	(700)	852
Net (loss)/gain recognised directly in equity	**(725)**	**783**

Note 9. Current assets – Cash and cash equivalents

	2026 $'000	2025 $'000
Unrestricted operational cash	19,681	13,288
Cash held for government funded projects	15,149	28,996
	34,830	**42,284**

Cash held for Government Funded projects includes amounts held in a separate bank account to meet the requirements of the relevant funding agreement. These amounts are available for use on eligible activities under the funding agreement and are maintained separately internally to meet the needs of the company.

Note 10. Current assets – Trade and other receivables

	2026 $'000	2025 $'000
Trade receivables	4,823	3,819
Less: Expected credit losses	(11)	(12)
	4,812	**3,807**
Other receivables	13,848	21,737
Total receivables	**18,660**	**25,544**

Trade receivables disclosed above are classified as loans and receivables and are therefore measured at amortised cost. No interest is charged on trade receivables for the first 28 days from the date of the invoice. Thereafter, interest is charged at the maximum rate permissible under the *Water Management Act 2000* on the outstanding balance. In accounting for the loss allowance for trade and other receivables, the company uses the simplified approach to recognise this equal to the expected lifetime credit losses. The company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

	2026 $'000	2025 $'000
Movement in the allowance for credit losses		
Balance at the beginning of the year	12	15
Impairment gains recognised on receivables	(1)	(3)
Amounts written off during the year as uncollectable	–	–
Amounts recovered during the year	–	–
Balance at the end of the year	**11**	**12**

Note 11. Current assets – inventories

	2026 $'000	2025 $'000
General inventory, chemicals and construction materials	2,097	1,517

Note 12. Other assets – other

	2026 $'000	2025 $'000
Prepayments	1,203	757
Retirement benefit asset	36	39
Total other assets	**1,239**	**796**

Note 13. Current assets – Assets held for sale

	2026 $'000	2025 $'000
Intangibles	2,814	–

The Water Transfer Deed for the CLP project was executed by the Australian Government on 24 June 2026. In accordance with the funding deed, Murrumbidgee Irrigation has agreed to transfer 3,834ML of Conveyance and 840ML of High security Water entitlements to the Commonwealth Government. The transfers would be in two tranches, one in FY27 and the other in FY28.

Note 14. Non-current assets – Financial assets

	2026 $'000	2025 $'000
Unrestricted financial assets at FVOCI	13,396	12,967
Non-current	13,396	12,967
Total financial assets	**13,396**	**12,967**

Note 15. Non-current assets – Financial instruments

The company's activities expose it primarily to the financial risks of liquidity, credit risk, and market risk.

The directors and senior management are responsible for monitoring and managing the financial risks of the entity. They monitor these risks through board meetings where management reports are presented and analysed.

The company manages its capital to ensure that it will be able to continue as a going concern while maximising the returns to the company through the optimisation of investment opportunities.

The company's overall strategy remains unchanged from 2025, with amendments to the overall investment portfolio in 2026. The company's financial instruments consist mainly of deposits with banks, fixed and floating rate notes, investments in Australian and international equities, accounts receivable and accounts payable. The company is exposed to the following risks through holding financial instruments:

(a) **Credit risk exposures:** Credit risk is the risk of financial loss to the company if a party to a financial instrument fails to meet its contractual obligations. In respect of its cash and term deposits, the company manages its risk by the application of the company's investment policy. In respect of trade debtors, the credit risk is largely mitigated by the security described at Note 1 (e). The company establishes allowances for impairment when it is expected that any receivables are not considered collectible.

The maximum exposure to credit risk as at balance date is the carrying amount as disclosed in the statement of financial position.

(b) **Liquidity risk management:** Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due.

The company has both short and long term facilities which enable sufficient cash to be available to settle obligations as they fall due.

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which is continuously reviewing practices with the purpose of establishing an appropriate liquidity risk management framework for the company's short, medium and long term funding and liquidity management requirements.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

Due to the dynamic nature of the underlying businesses, the company aims at maintaining flexibility in funding by keeping committed credit lines available. The credit risk on liquid funds is limited because the investment houses are banks with high credit ratings assigned by international credit rating agencies.

(c) **Net fair value of financial assets and liabilities:** The directors consider that the carrying amount of financial assets and financial liabilities recognised at amortised cost in the financial statements approximates their fair values.

Note 15. Non-current assets – Financial instruments *(continued)*

(d) **Market risk:** Market risk consists of foreign exchange risk, interest rate risk, and price risk.

(i) **Foreign exchange risk exposure:**

The company's functional currency is Australian dollars. Foreign exchange rate risk arises from financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. Exposure to foreign currency risk may result in the fair value of future cash flows of a financial instrument fluctuating due to the movement in foreign exchange rates of currencies in which the entity holds financial instruments which are other than the Australian dollar functional currency of the entity. Given the nature of the entity's operations, this risk is not material, as material transactions and balances are denominated in the entity's functional currency. The cost of hedging at this time outweighs any benefits that may be obtained.

(ii) **Interest rate risk exposure:**

As of 30 June 2026, the company had $35M of cash and cash equivalents. Cash and cash equivalents consist of cash in banks and bank deposits. Such interest-earning instruments carry a degree of interest rate risk. The primary objectives of our investment activities are the preservation of capital, the fulfillment of liquidity needs, and the fiduciary control of cash. The effect of a hypothetical 10% change in interest rates would have resulted in +/- $0.2M impact for the year-ended 30 June 2026.

(iii) **Price risk exposure:**

As at 30 June 2026, the company had $7M of financial assets held in equity investments. If the equity indexes had increased by 5% with all other variables held constant and all the entity's equity instruments moved according to the historical correlation with the index, there would have been an impact of $0.3M for the year-ended 30 June 2026.

Note 16. Non-current assets – Property, plant and equipment

	2026 $'000	2025 $'000
Land – at cost	14,466	14,469
Buildings and cottages – at cost	10,703	10,309
Less: Accumulated depreciation	(3,445)	(3,008)
	7,258	7,301
Plant – at cost	11,363	10,168
Less: Accumulated depreciation	(6,119)	(6,179)
	5,244	3,989
Motor vehicles – at cost	6,177	5,426
Less: Accumulated depreciation	(3,060)	(2,493)
	3,117	2,933
Office and scientific equipment – at cost	5,131	4,941
Less: Accumulated depreciation	(3,763)	(3,728)
	1,368	1,213
Earth channels, infrastructure and drains – at cost	682,429	653,449
Less: Accumulated depreciation	(159,088)	(144,978)
Less: Impairment	(2,152)	(1,704)
	521,189	506,767
In course of construction – at cost	14,098	5,877
	566,740	**542,549**

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

	Land $'000	Buildings and cottages $'000	Plant $'000	Motor vehicles $'000	Office and scientific equipment $'000	Earth channels, infrastructure and drains $'000	In course of construction $'000	Total $'000
Balance at 1 July 2025	14,469	7,301	3,990	2,933	1,214	506,764	5,878	**542,549**
Additions	–	395	2,032	1,103	600	–	40,405	**44,535**
Disposals	(3)	–	–	(129)	–	(129)	–	**(261)**
Impairment of assets	–	–	–	–	–	(2,152)	–	**(2,152)**
Transfers in/(out)	–	–	–	–	–	32,185	(32,185)	**–**
Depreciation expense	–	(438)	(778)	(790)	(446)	(15,479)	–	**(17,931)**
Balance at 30 June 2026	**14,466**	**7,258**	**5,244**	**3,117**	**1,368**	**521,189**	**14,098**	**566,740**

Note 17. Non-current assets – Intangibles

	2026 $'000	2025 $'000
Water – high security and general security at cost	53,995	53,799
Less: Assets held for sale	(912)	–
	53,083	53,799
Water – conveyance at cost	86,915	86,915
Less: Assets held for sale	(1,904)	–
	85,011	86,915
	138,094	**140,714**

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

	Water – conveyance at cost $'000	Water – high security and general security at cost $'000	Total $'000
Balance at 1 July 2025	86,915	53,799	140,714
Additions	–	229	229
Asset held for sale	(1,904)	(912)	(2,814)
Assets sold	–	(33)	(33)
Balance at 30 June 2026	**85,011**	**53,083**	**138,094**

Intangible assets are carried at the lower of their cost or cost less impairment. The company's policy for accounting for water and impairment of assets is described in Notes 1(g) and 1(u)(iii).

Water investments are held at the lower of cost and net realisable value. As at 30 June 2026, the market value of the water investments was approximately $185M (FY25 $183M).

Note 18. Current liabilities – Trade and other payables

	2026 $'000	2025 $'000
Trade payables	3,600	4,343
Accrued expenses	7,928	6,416
	11,528	**10,759**

Generally, no interest is charged on trade payables for the first 28 days from the date of invoice. Thereafter, interest may be charged on outstanding balances. The company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

Note 19. Current liabilities – Deferred revenue

	2026 $'000	2025 $'000
Other deferred revenue	626	327
Urban Channels Pipeline Project	5,565	8,139
Channel Lining & Piping Project	(715)	–
	5,476	**8,466**

The funding deed for the Channel Lining and Piping project (CLP) between the company and NSW Department of Climate Change, Energy, the Environment and Water was executed on 22 July 2026. Revenue recognition for this project represents eligible expenditure to 30 June 2026.

Note 20. Current liabilities – Borrowings

Working capital loan facility and Bank loan were closed in FY26. The assets secured by first mortgage associated with these loans were released.

A trade finance facility was established during the financial year with no security on assets required.

Financing arrangements
Unrestricted access was available at the reporting date to the following lines of credit:

	2026 $'000	2025 $'000
Total facilities		
Working capital loan facility	–	5,000
Bank loans	–	7,500
Trade finance facility	8,000	–
	8,000	**12,500**
Used at the reporting date		
Working capital loan facility	–	–
Bank loans	–	–
Trade finance facility	–	–
	–	**–**
Unused at the reporting date		
Working capital loan facility	–	5,000
Bank loans	–	7,500
Trade finance facility	8,000	–
	8,000	**12,500**

Note 21. Current liabilities – Provisions

	2026 $'000	2025 $'000
Annual leave	1,078	1,021
Long service leave	2,857	2,767
Other	69	–
	4,004	**3,788**

Note 22. Non-current liabilities – Provisions

	2026 $'000	2025 $'000
Annual leave	219	261
Long service leave	445	431
	664	**692**

Note 23. Contributed equity

(a) Ordinary shares – fully paid

	2026 $'000	2025 $'000
Contributed equity	**273,734**	**273,734**

Shares are cancelled or forfeited as a result of customers' water entitlement transactions including sales of water entitlement out of Murrumbidgee Irrigation Limited's water access licences.

The contributed equity is reflective of the equity in the company upon privatisation in 1999. In accordance with the Company's Constitution, the company cannot declare dividends, and in the event of winding up or dissolution, any remaining property must not be paid or distributed among members but must be given or transferred to an irrigation corporation as defined in the *Water Management Act 2000*. Therefore, there is no impact on contributed equity for the forfeiture or cancellation of shares.

(b) Movements in number of shares

	2026 Shares No.	Forfeited or cancelled shares No.	2025 Shares No.
A Class Shares	197,404	(3,374)	200,778
B Class Shares	484,117	(15,669)	499,786
C Class Shares	13,983	(92)	14,075
Total ordinary shares	**695,504**	**(19,135)**	**714,639**

As at 30 June 2026 – 29,512 (2025 – 10,377) previously forfeited shares are under the control of the directors and are available to be re-issued.

(c) Voting rights

	2026	2025
Voting rights attached to A Class shares	1,216	1,244
Voting rights attached to B Class shares	845	869
Voting rights attached to C Class shares	–	–

The Constitution prescribes one vote per landholding.

A Class and B Class shareholders have voting rights at general meetings and for the election of Member Directors in their voting college. Where a shareholder holds both A Class and B Class shares, the holder votes in the college in which they hold the greater number of shares.

C Class shareholders generally have no voting rights other than in respect of matters affecting their class rights.

(d) Rights to assets

Shares carry no rights to, or have residual interest in, any assets remaining on the winding up of the company.

Note 24. Equity – Reserves

	2026 $'000	2025 $'000
FVOCI Revaluation reserve	970	1,670

Note 25. Equity – Retained earnings

	2026 $'000	2025 $'000
Retained profits at the beginning of the financial year	467,301	434,804
Profit for the year	14,258	32,566
Actuarial loss on defined benefit plan	(25)	(69)
Retained profits at the end of the financial year	**481,534**	**467,301**

Note 26. Retirement benefit plans

Active Super Defined Benefit Division of Vision Super is divided into a number of Divisions. Divisions B, C, and D provide defined benefits, that is at least a component of the final benefit is derived from a multiple of member salary and years of membership. Members receive lump sum or pension benefits on retirement, death, disablement and withdrawal. Divisions B, C and D are closed to new members except for members of eligible schemes who can transfer their entitlements into the Active Super Defined Benefit Division.

Disclosures below are prepared in relation to Division B, C, and D only, these Divisions are referred to collectively as “the Fund” hereafter.

Local Government Super (Active Super) was established on 30 June 1997 by a Trust Deed made under an Act of the NSW Parliament, for the purpose of providing retirement benefits for employees of certain Local Councils in NSW.

On 1 March 2025, Active Super merged with Vision Super. As a result, all defined benefit members in Active Super were transferred to Vision Super and all Active Super products were closed. Active Super defined benefit members were transferred to the Active Super Defined Benefit Division of Vision Super under a ‘successor fund’ arrangement, which ensured that the defined benefit members’ benefits were carried over to Vision Super on an equivalency basis.

Vision Super is regulated primarily by the Superannuation Industry (Supervision) Act 1993 (Cth) (“the SIS legislation”) but is also subject to regulation under the Superannuation Administration Act 1996 (NSW).

The SIS legislation governs the superannuation industry and provides the framework within which superannuation plans operate. The SIS Regulations require an actuarial valuation to be performed for each defined benefit superannuation plan every three years, or every year if the plan pays defined benefit pensions, unless an exemption has been obtained.

The prudential regulator, the Australian Prudential Regulation Authority (APRA), licenses and supervises regulated superannuation plans.

Active Super had previously received an APRA exemption from annual actuarial investigations. However, under Vision Super, actuarial investigations will be required annually. The most recent actuarial investigation was performed as at 30 June 2025. The next investigation will be performed as at 30 June 2026.

Vision Super Trustee Pty Ltd is responsible for the governance of Vision Super. The Trustee has a legal obligation to act solely in the best interests of the Vision Super beneficiaries. The Trustee has the following roles:

- Administration of Vision Super and payment to the beneficiaries from Vision Super assets when required in accordance with the Trust Deed and superannuation law;
- Management and investment of the Vision Super assets;
- Compliance with other applicable regulations, and
- Compliance with the Trust Deed.

There are a number of risks to which the Fund exposes the Employer. The more significant risks relating to the defined benefits are:

Investment risk	The risk that investment returns will be lower than assumed and the Employer will need to increase contributions to offset this shortfall.
Longevity risk	The risk that pensioners live longer than assumed, increasing future pensions.
Pension indexation risk	The risk that pensions will increase at a rate greater than assumed, increasing future pensions.
Salary growth risk	The risk that wages or salaries (on which future benefit amounts for active members will be based) will rise more rapidly than assumed, increasing defined benefit amounts and thereby requiring additional employer contributions.
Legislative risk	The risk is that legislative changes could be made which increase the cost of providing the defined benefits.
Counterparty risk	The risk arising from the insurance policies purchased by the Fund. The key risk involved would be the default by the insurer as the Fund would still be liable to pay member benefits.

There were no other fund amendments, curtailments or settlements during the year.

Note 26. Retirement benefit plans *(continued)*

A reconciliation of the entity's defined benefit obligation and plan assets to the amount presented in the statement of financial position for each of the reporting periods is presented below.

	2026 $'000	2025 $'000
Present value of defined benefit obligations	20,188	22,943
Fair value of defined benefit plan assets	(20,672)	(23,343)
Adjustment for effect of asset ceiling	448	362
Net assets	**(36)**	**(38)**

The details of the entity's defined benefit obligation are as follows.

	2026 $'000	2025 $'000
Opening present value of defined benefit obligation	22,943	24,486
Current service cost	10	25
Interest cost	1,148	1,253
Actuarial losses/(gains) arising from changes in demographic assumptions	–	5
Actuarial losses/(gains) arising from changes in financial assumptions	(790)	626
Actuarial (gains)/losses arising from liability experience	(1,734)	(227)
Benefits paid	(1,316)	(3,148)
Taxes, premiums and expenses paid	(73)	(77)
	20,188	**22,943**

The reconciliation of the balance of the assets held for the defined benefit plans is presented below.

	2026 $'000	2025 $'000
Opening fair value of plans assets	23,343	25,751
Interest income	1,169	1,324
Movement in value on fund assets less interest income	(2,481)	(534)
Employer contributions	30	28
Benefits paid	(1,316)	(3,148)
Taxes, premiums and expense paid	(73)	(77)
	20,672	**23,344**

All Division B, C and D assets are held in Vision Super. As such, assets are not separately invested for each employer and it is not possible or appropriate to disaggregate and attribute fund assets to individual entities. The assets held by Vision Super supporting the Murrumbidgee Irrigation defined benefit obligation are part of the Employer Reserve investment option. Murrumbidgee Irrigation defined benefit obligation are part of the Employer Reserve investment option.

Note 26. Retirement benefit plans *(continued)*

The asset allocation of the Employer Reserve at 30 June 2026 was:

	2026	2025
Equities	43 %	44 %
Property	7 %	8 %
Fixed income	28 %	27 %
Cash	17 %	13 %
Other (includes private equity, private credit, growth alternative and defensive alternative assets)	5 %	8 %
Total	**100 %**	**100 %**

The significant actuarial assumptions used for the valuation are as follows.

	2026	2025
Discount rate at 30 June	5.75 %	5.16 %
Salary growth rate	4.00 %	3.50 %
Expected rate of CPI increase	4.10 %	1.9 %

Note 27. Key management personnel disclosures

(a) The directors and other members of key management personnel of the company during the year were:

(i) Directors	
Non-executive Chair	T Valenzisi
Non-executive Directors	M Carter, L Bianchi, N Blair, A Delves, J Houghton, H Sergi
Managing Director	P Holliday

(ii) Leadership team	
Chief Executive Officer	P Holliday (1.9.25 to 30.6.26) B Jones (1.7.25 to 31.8.25)
General Maintenance and Logistics	M Dance (1.7.25 to 2.2.26)
Chief Financial Officer	V Forner
Executive Manager People and Culture	A Giason
Executive Manager Customer Services	L Golsby-Smith
Chief Operating Officer	A Pasquetti
Executive Manager Assets and Maintenance	S Porter
Executive Manager Sustainability and Governance	M Turnell
Executive Manager Growth, Research and Innovation	S Yenamandra

(b) Key management personnel compensation:

Directors (excluding Managing Director/ Chief Executive Officer)	2026 $	2025 $
Short term benefits	480,860	469,667
Post employment benefits	49,454	48,223
Total Director compensation	**530,314**	**517,890**

Executive Leadership (including Managing Director / Chief Executive Officer)	2026 $	2025 $
Short term benefits	2,943,447	2,794,679
Post employment benefits	276,063	223,117
Total compensation	**3,219,510**	**3,017,796**

(c) Equity instrument for key management personnel:

The aggregate numbers of shares in the company at balance date that key management personnel have an interest in were:

Ordinary shares	2026	2025	Movement
A Class	1,295	1,295	–
B Class	4,436	4,816	(380)
C Class	4	4	–
Total ordinary shares	**5,735**	**6,115**	**(380)**

Note 27. Key management personnel disclosures *(continued)*

(d) Other transactions with key management personnel

As active irrigator shareholders of the company a number of key management personnel entered into normal commercial transactions for the supply of water and drainage services in accordance with the Water Entitlements and Water Delivery Contracts.

Value of transactions:

	2026 $	2025 $
Water supply and drainage services	346,801	309,458

No receivables as at reporting date.

(e) Loans to key management personnel

There are no loans to key management personnel.

Note 28. Contingent liabilities

There are no contingent liabilities to report on at balance sheet date.

Note 29. Commitments

Capital commitments	2026 $'000	2025 $'000
Committed at the reporting date but not recognised as liabilities, payable:		
Property, plant and equipment	8,932	272

Note 30. Related party transactions

Key management personnel
Disclosures relating to key management personnel are set out in note 27.

Transactions with related parties
There were no transactions with related parties during the current and previous financial year.

Receivable from and payable to related parties
There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

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

Note 31. Events after the reporting period

No matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Consolidated entity disclosure statement
Subsection 295(3A)(a) of the Corporations Act 2001 does not apply to Murrumbidgee Irrigation as Murrumbidgee Irrigation is not required to prepare consolidated financial statements under Australian Accounting Standards.

Directors' declaration

In the Directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, the Australian Accounting Standards – Simplified Disclosures, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2026 and of its performance for the financial year ended on that date; and
- the attached consolidated entity disclosure statement is true and correct; and
- 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 directors made pursuant to section 295(5)(a) of the *Corporations Act 2001*.

On behalf of the Directors

Tracey Valenzisi
Chair

3 September 2026

Independent auditor's report

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Independent Auditor's Report

To the Members of Murrumbidgee Irrigation Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Murrumbidgee Irrigation Limited (the Company), which comprises the statement of financial position as at 30 June 2026, the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the Directors' declaration.

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

a giving a true and fair view of the Company's financial position as at 30 June 2026 and of its performance for the year ended on that date; and

b complying with Australian Accounting Standards *AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Information other than the financial report and auditor's report thereon

The Directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2026, but does not include the financial report and our auditor's report thereon.

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

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

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

Responsibilities of the Directors' for the financial report

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

a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* (other than the consolidated entity disclosure statement); and

b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

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

i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the 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 objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

Grant Thornton

Grant Thornton Audit Pty Ltd
Chartered Accountants

A C Pitts
Partner – Audit & Assurance

Melbourne, 3 September 2026

Grant Thornton Audit Pty Ltd

#21648714v3

Company directory

Murrumbidgee Irrigation Limited

ABN	39 084 943 037
Directors	Tracey Valenzisi (Chair) John Houghton (Deputy Chair) Lil Bianchi Niall Blair Allan (Grant) Delves Hayley Sergi Philip Holliday
Company Secretary	Michael Turnell
Registered office	86 Research Station Road Hanwood NSW 2680 T 02 6962 0200
Leeton office	Dunn Avenue Leeton NSW 2705 T 02 6953 0100
Postal	Locked Bag 6010 Griffith NSW 2680
Website	www.mirrigation.com.au
Email	info@mirrigation.com.au
Auditor	Grant Thornton Melbourne VIC 3000
Bankers	Commonwealth Bank of Australia Leeton NSW 2705
Insurance brokers	Arthur J. Gallagher North Sydney NSW 2060

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ISO 9001 Quality Management Systems CERTIFIED FS 823083

ISO 14001 Environmental Management CERTIFIED EMS 823085

ISO 45001 Occupational Health and Safety Management CERTIFIED OHS 823086

Murrumbidgee Irrigation

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