# Annual Report 2024

EBOS
GROUP LIMITED

## ACKNOWLEDGEMENT OF COUNTRY AND TRADITIONAL OWNERS

At EBOS Group, we represent a collective of companies in Australia, New Zealand and Southeast Asia. We acknowledge the traditional inhabitants and the importance of their connections to the lands and communities in which we work. We offer respect and acknowledgement to lands, waters and communities, and pay our respect to Elders past and present.

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You can find more information about both our FY24 Annual Report and Sustainability Report online at **https://investor.ebosgroup.com**

## Our purpose

**Advance opportunities to enrich lives.**

## Our vision

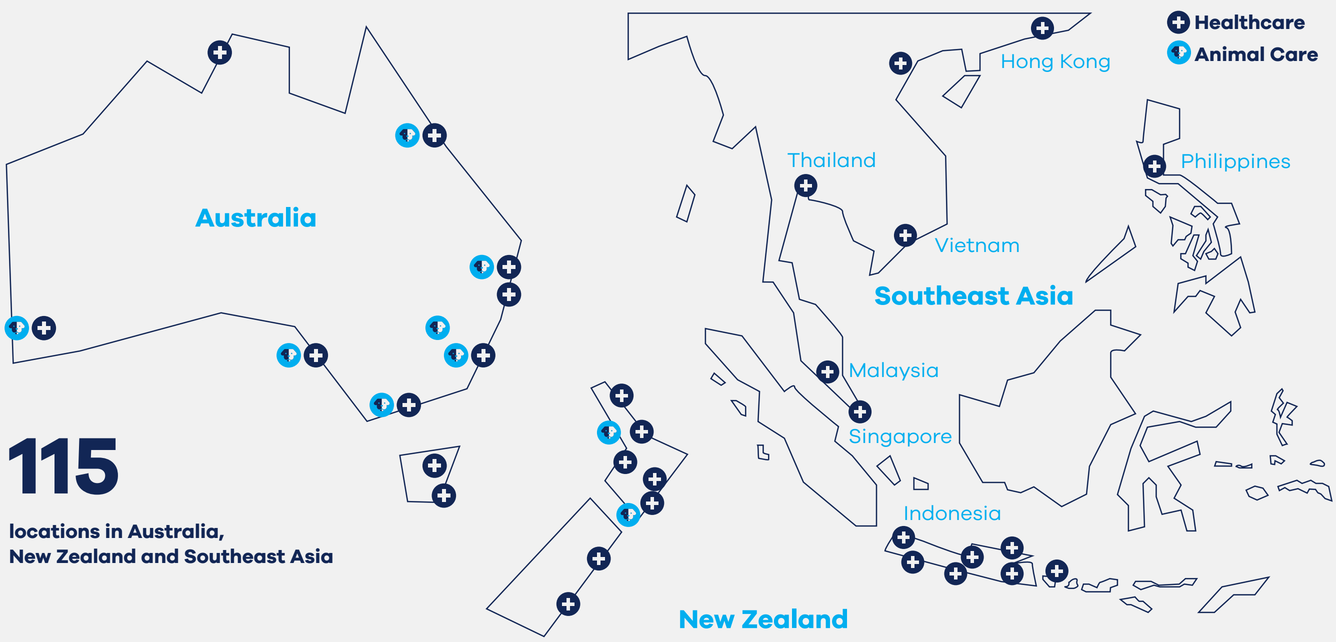
**To drive significant impact every day in the lives of our people and those we serve. We're leading with a commitment to excellence and delivering superior performance in new and existing markets.**

## BUSINESS HIGHLIGHTS

We are pleased to report another strong result for the 2024 financial year as we adapt positively to the changing market dynamics and capitalise on opportunities to drive future growth.

The result continues our long-term growth trajectory in delivering value for shareholders, with our success underpinned by the combined efforts of our people.

### OUR LOCATIONS



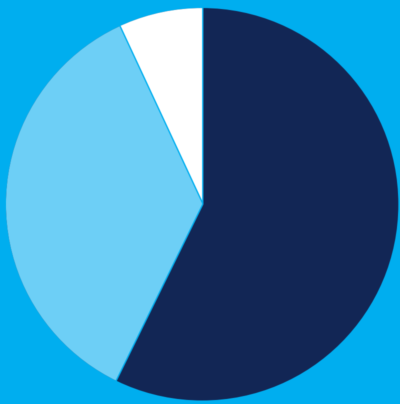

**115**

**locations in Australia, New Zealand and Southeast Asia**

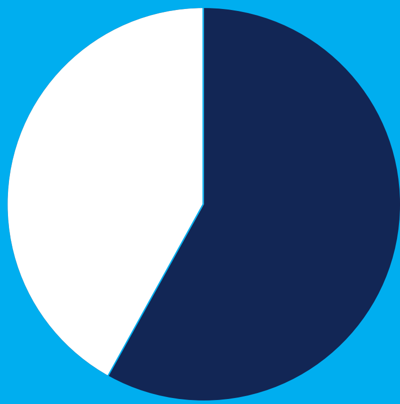
## OUR PEOPLE HIGHLIGHTS

**5,200+**
employees

**41%**
women in
leadership roles



**65%** Australia
**22%** New Zealand
**13%** Southeast Asia



**56%** female
**44%** male

## FY24 HIGHLIGHTS

**$13.2b**
revenue

**$303.4m**
underlying net profit

**NZ118.5c**
total dividends per share

**12,298**
shareholders

# SUMMARY OF RESULTS

## FINANCIAL HIGHLIGHTS

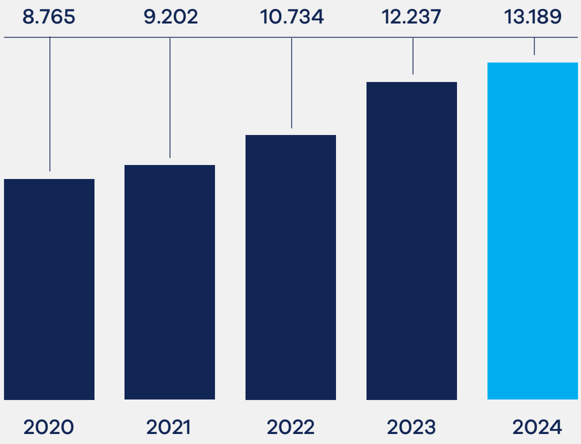
**$13.2b** revenue + 7.8% increase

**$303.4** million underlying net profit after tax + 7.7% increase

**157.9c** underlying earnings per share + 6.8% increase

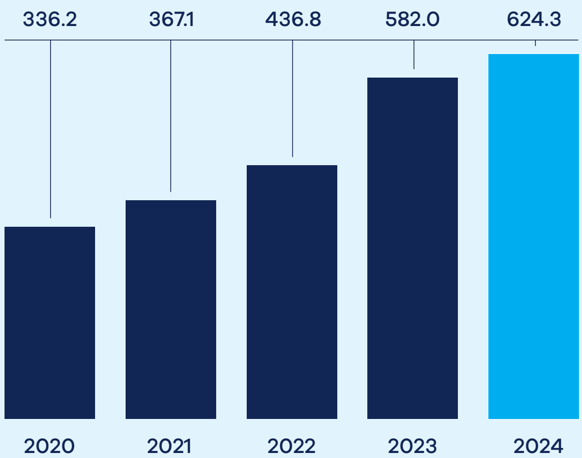
**NZ118.5c** dividends per share + 7.7% increase

## REVENUE

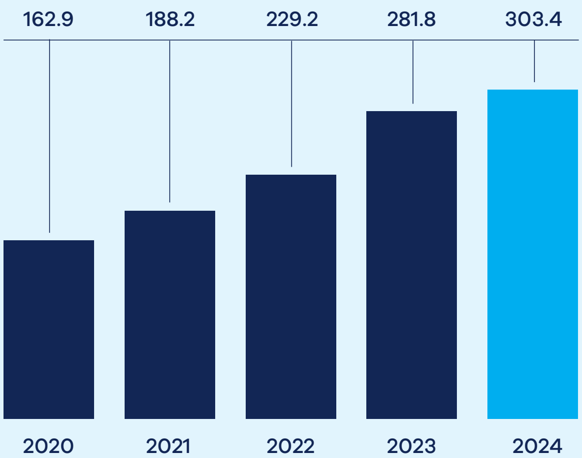



Five year revenue trend for the year to 30 June ($ billions)

## UNDERLYING PROFIT RESULTS



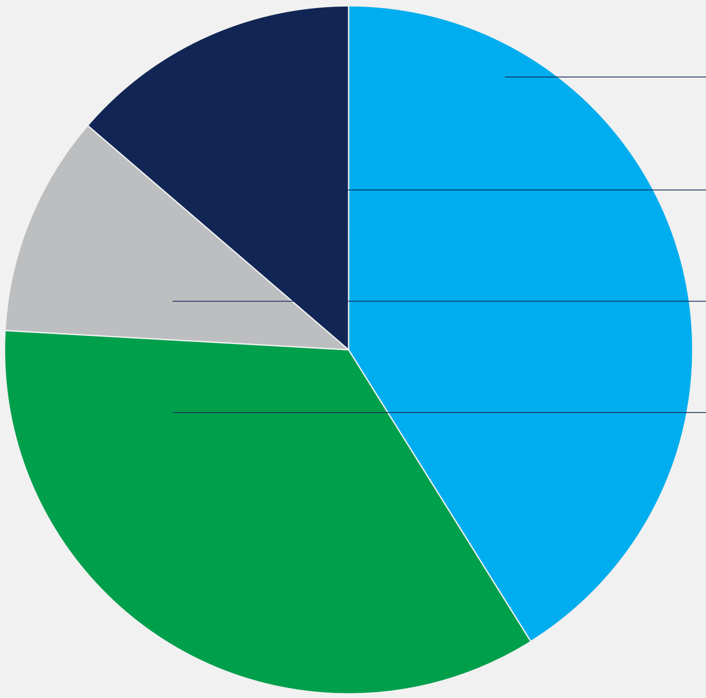

Five year EBITDA trend for the year to 30 June ($ millions)



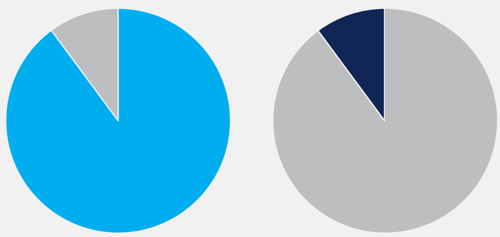

Five year NPAT trend for the year to 30 June ($ millions)

## SEGMENT AND DIVISIONAL EARNINGS OVERVIEW

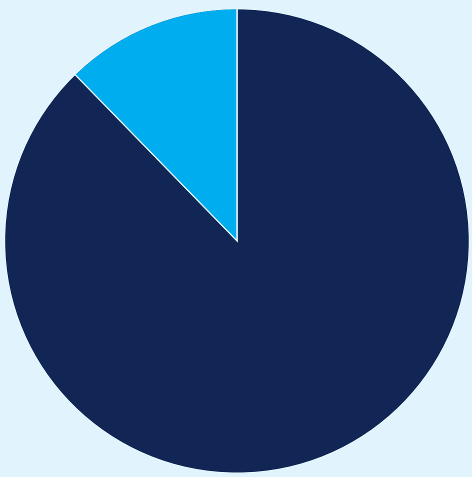
Data based on gross operating revenue, which comprises revenue less cost of sales




## SEGMENT DISTRIBUTION

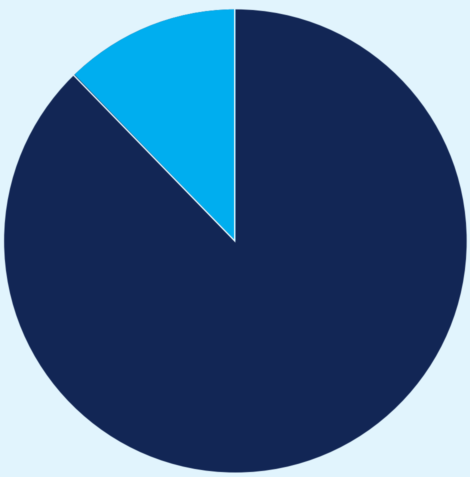



## REVENUE



**81%** Australia
**19%** New Zealand and Southeast Asia

## UNDERLYING EBITDA



**82%** Australia
**18%** New Zealand and Southeast Asia

# OUR BUSINESSES

EBOS' success is built on a diverse range of industry-leading businesses and brands spanning community pharmacy, institutional healthcare, contract logistics and animal care.

## HEALTHCARE — COMMUNITY PHARMACY

Symbion
ProPharma
PWR Pharmacy Wholesalers Russells
TerryWhite Chemmart
GP Good Price Pharmacy Warehouse
healthSAVE pharmacy
Pharmacy Choice
Discount Cincotta Chemist — Famous for value, famous for care.
minfos
DoseAid Medication Management Solutions
intellipharm
Endeavour Consumer Health
red seal
Faulding

## HEALTHCARE — INSTITUTIONAL HEALTHCARE

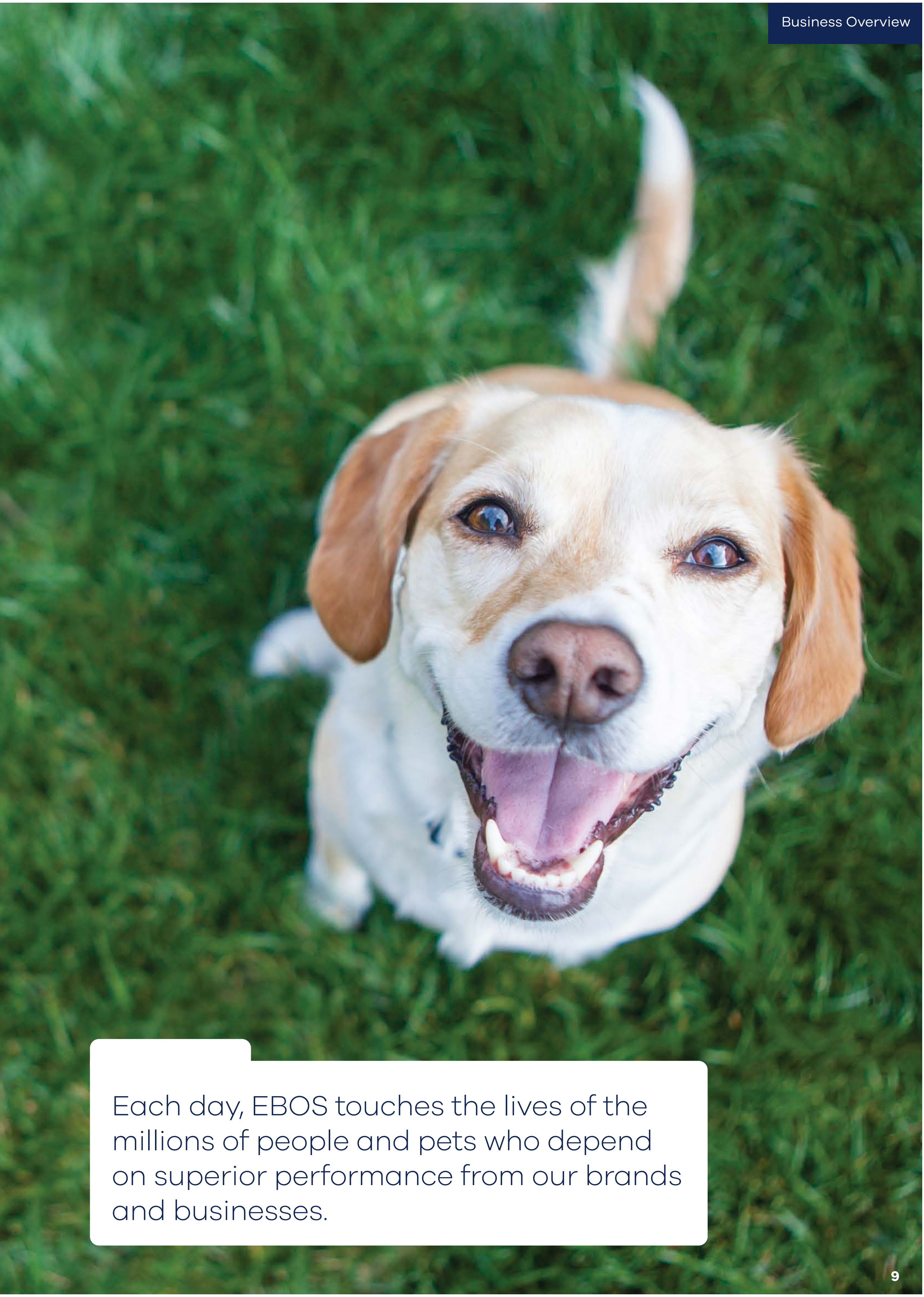
LifeHealthcare
transmedic
Australian Biotechnologies — Life Enhancing Allografts
EBOS Healthcare
Symbion Hospital Services
HPS
Sentry Medical
Zest
onelink
Warner & Webster
Vital Medical Supplies
CryOmed aesthetics

## HEALTHCARE — CONTRACT LOGISTICS

Healthcare Logistics
Clinect — Bringing Global Local

## ANIMAL CARE — ANIMAL CARE

masterpet
BlackHawk
vitapet
Lyppard
Animates — Everything for Pets
aristopet Animal Health
Superior pet food co



Each day, EBOS touches the lives of the millions of people and pets who depend on superior performance from our brands and businesses.

# CHAIR AND CEO REPORT

**Liz Coutts**
***Chair***

**John Cullity**
***Chief Executive Officer***

We are confident in the outlook for the Group and we are making strong progress on our near-term growth strategies.

**EBOS is pleased to report another strong result for the 2024 financial year as we adapt positively to the changing market dynamics and capitalise on opportunities to drive future growth.**

Our performance, driven by continued organic growth as well as several strategic investments, continues EBOS' long term growth trajectory and value for our shareholders which has seen dividends increase by more than 180% over the last 10 years.

We are confident in the outlook for the Group and we are making strong progress on our near-term growth strategies, which are:

- Delivering base business growth in both our Healthcare and Animal Care segments;
- Winning new Community Pharmacy revenue in light of changed industry dynamics;
- Cost reduction initiatives to optimise the Group's cost base; and
- Continuing to undertake strategic, value accretive acquisitions that further strengthens our core business.

The success we have achieved is the result of the extraordinary efforts of our more than 5,200 employees who continue to serve, with unwavering commitment, our communities across New Zealand, Australia and Southeast Asia.

### Highlights

EBOS' Healthcare segment has continued to benefit from its strong market positions and organic growth from each of the Community Pharmacy, TerryWhite Chemmart (TWC) and Institutional Healthcare businesses.

The revenue increase in Community Pharmacy was driven by strong performances from our retail brands including TWC, market share growth in both New Zealand and Australia and increased volumes for high value specialty medicines. We also saw continued organic growth across our Symbion Hospitals, ProPharma, and Contract Logistics businesses underlining the diversified nature of our Healthcare business.

Our TWC franchise network continued its sales growth and store expansion with the network reaching 600 stores, further strengthening its position as Australia's largest health advice-oriented community pharmacy network. The opening of TWC's 600th store in July 2024 highlights the continued strong growth of the TWC brand under EBOS' ownership, and further demonstrates the strength and momentum of the TWC franchise amongst professional community pharmacists.

This milestone is one of several recent accomplishments for TWC including receiving the 2024 *Inside Retail* 'Retailer of the Year Award' for its CareClinic health services program. TWC has also maintained its position as Australia's largest pharmacy provider of vaccination services and the strategic emphasis on vaccination leadership has in turn helped drive expansion of its award winning CareClinic program.

It is now approximately 12 months since the commencement of the Australian Government's policy allowing pharmacists to dispense 60 days' supply of PBS medicines, compared to previous limits of 30 days' supply. The impact to our Community Pharmacy business was broadly offset in FY24 by the government providing a corresponding increase to the Community Service Obligation (CSO) funding pool.

The 8th Community Pharmacy Agreement (CPA) came into effect on 1 July 2024 and provides continued investment in the community pharmacy sector. This agreement outlines the terms of funding and support provided to community pharmacies, aiming to enhance their services and sustainability. The current CSO (Community Service Obligation) deed, a separate but related agreement has been extended whilst we finalise discussions with the Australian Government regarding arrangements in the first pharmacy wholesaler agreement.

Institutional Healthcare's revenue increase of 11.5% on the prior year was driven by growth in our Symbion Hospitals and Medical Technology businesses. Symbion Hospitals revenue growth of 16% was predominantly driven by both gains in market share and sales of high value specialty medicines. Our Medical Technology business delivered strong GOR growth of 10.2%, driven by our spine, implant, aesthetics and allograft channels. Revenue growth was lower at approximately 6%, reflecting the rationalisation of lower margin, non-strategic product portfolios during the year to optimise the business for future profitable growth. The Medical Consumables business delivered organic growth, partially offset by the unwind of PPE sales and other COVID-19 related activity and a weaker flu season compared to last year.

Our Contract Logistics business in Australia continues to generate growth through new and existing principals whilst in New Zealand, the Contract Logistics business was impacted by the fall in demand for the storage and servicing of COVID-19 related products.


EBOS Group's Board of Directors and Executives visit Australian Biotechnologies in Sydney, NSW.

Consistent with our strategy of investing for growth, we increased our shareholding in Transmedic, our leading independent medical devices distributor in Southeast Asia, to 90% and entered into arrangements that will facilitate us moving to 100% ownership in FY26. We have also completed four small bolt-on acquisitions in the Medical Technology and Medical Consumables businesses across ANZ and Southeast Asia.

In addition, the Healthcare segment continued to invest in its operational infrastructure to support its growth and enhance our supply chain capabilities. Over the past 12 months, we have completed and initiated major projects in New Zealand and Australia, increasing our storage capacity for both medicines and consumables.

Most notably, our Healthcare Logistics (HCL) business in Australia opened its second state-of-the-art pharmaceutical grade facility in Sydney, New South Wales. This facility can store over 38,000 pallets of products for all types of scheduled medicines. As part of our commitment to sustainability, this world class site is equipped with features including a 4,000-panel roof-top solar array, 165,000L underground rainwater storage, smart lighting, a waste recycling system, and 10 electric vehicle charging stations. We are working towards having the facility certified as a 6-Star Green Star Building by the Green Building Council of Australia.

The growth in our Animal Care segment was driven by the strong performance of our Black Hawk and VitaPet brands, the launch of new product ranges and the contribution from the recently acquired Superior Pet Food Co. (Superior).

Meeting and exceeding the expectations of pet owners remained a priority for the Animal Care segment. Consistent with our Animal Care growth strategy, several new product development launches occurred in FY24, diversifying our product offering and complementing our existing core products. These launches included the Black Hawk Healthy Benefits® range, the new VitaPet food range and the relaunch and extension of the Black Hawk cat food range.

Capitalising on the capabilities of our pet food manufacturing plant in Parkes, Australia, Black Hawk launched, in September 2023, its new Healthy Benefits dry dog food product range – developed by animal nutritionists and vets to address common health concerns in dogs.

VitaPet's new dry dog food range was launched into major supermarkets in Australia, and tapping into the humanisation of pet food trends, several new treats were also launched under the VitaPet brand, such as bakery-style mini pretzel treats.

In another major development for cat owners Black Hawk has recently launched a new and improved range of Black Hawk dry and wet food meals. Available in pet specialty channels and vet clinics the products feature premium ingredients, supported by comprehensive consumer research and formulations that meet the unique feline needs.

# CHAIR AND CEO REPORT

EBOS' purpose, 'advance opportunities to enrich lives' applies not only to customers, patients and the communities we serve but also to our over 5,200 employees.

FY24 also marked the first year of EBOS' ownership of Superior, a leading New Zealand manufacturer and supplier of premium dog rolls and dog treats, with the business continuing to grow its product range with grocery partners. Superior also invested in the expansion and upgrade of its manufacturing plant, positioning the business for future growth and increased volume output.

EBOS' purpose, 'advance opportunities to enrich lives' applies not only to customers, patients and the communities we serve but also to our over 5,200 employees.

To develop our leaders of tomorrow, EBOS' Catalyst sponsorship program connects EBOS' leaders of today with program participants to build their capability, courage and confidence through learning, coaching, and networking opportunities. Further, our Group Talent Council comprising of business and functional leaders is working proactively with leadership teams across our businesses to optimise career opportunities for our employees.

As part of EBOS' commitment to fostering a safe, inclusive, and respectful workplace environment and due to new developments in relation to sexual harassment and psychosocial health, the EBOS Group Workplace Discrimination, Harassment & Bullying policy was updated to include a 'Bystander' clause. This update emphasises the responsibility of every individual within EBOS to actively contribute to a safe and supportive work environment.

The welfare and safety of employees is paramount and the Group's Work Health & Safety (WHS) management system focuses on strong leadership and accountability for workplace safety policies and practices. The Group Safety Committee, chaired by the CEO, oversees relevant policies and initiatives, including training, critical risk management and furthering use of technology to mitigate risks. Operating divisions report monthly performance data to senior management and the Board receives monthly and annual reports on key metrics and other key initiatives being undertaken by our Group safety team.

### Sustainability and community

EBOS continued to make solid progress with our ESG strategies during the year and these included the electrification of a new 500kW roof-mounted solar array at our pet food manufacturing facility in Parkes. Our focus has now turned to the installation of a ground-mounted solar array in Parkes that is expected to generate approximately 5MW of clean energy. We continue to work with regulators on the necessary approvals for subsequent works with the aim to generate electricity equivalent to our forecast Australian electricity needs during FY27.

Building upon our climate scenario analysis, including identifying climate risks and opportunities for the Group, we will release our inaugural Climate Statement in accordance with the 'Aotearoa New Zealand Climate Standards' in October 2024.

EBOS cannot achieve its ESG Program objectives in isolation, so we invest in strategic partnerships with organisations that share our common values. We are proud to continue our longstanding relationship with Greenfleet, a leading environmental not-for-profit. Greenfleet uses our donations for biodiverse reforestation projects offsetting a large part of our freight emissions.

Looking forward, ongoing initiatives on sustainable packaging are expected to contribute to the strengthening of the circular economy. Our grocery brands are on track to commence the transition to more sustainable packaging in 2025 by eliminating hard-to-recycle plastics in order to meet industry expectations and anticipated government regulations.

During the reporting period, we continued to focus on enhancing safeguards to protect against social risks. We commenced embedding proactive risk management measures in relation to modern slavery and other social risks as part of our ethical sourcing framework and, more broadly, in response to emerging and dynamic threats, we remain focussed on enhancing safeguards to protect our data and systems.

Together with other aspects of our corporate strategy, the Board oversees development and implementation of our ESG Program as part of its commitment to sound corporate governance. Business ethics are central to leadership and decision making at EBOS, as outlined in our Corporate Governance Code which was most recently updated in October 2023.

For many years, EBOS has strived to 'help out' by providing support to various healthcare, animal care and community focussed charities. Across New Zealand and Australia we proudly continue to support the work of Ovarian Cancer Australia, Back Track, Landsar, Fight MND, Cerebral Palsy Alliance, Malpa and the Australian Prostate Centre, and extend support to employees who raise funds for registered health and animal welfare charities, via the EBOS Match Funding policy.

Since the acquisition of Transmedic, this support has extended to Southeast Asia where our teams play an important role in healthcare initiatives such as the Cambodia Spine Outreach program. Members of our New Zealand spinal team supported operations at the Children's Surgical Centre in Phnom Penh for patients whose families were unable to afford spinal surgery treatment. Ten surgeries were successfully completed, with nine patients receiving state-of-the-art spinal implant constructs donated through our supply partner Spineart, highlighting the team's dedication to improving healthcare access in the region.

We encourage shareholders to read further information on our ESG Program which is contained in our 2024 Sustainability Report.

### Our Board and Executive Team

Consistent with EBOS' Board renewal process, independent director Peter Williams will retire as a director with effect from the conclusion of the 2024 Annual Meeting. Peter's retirement is part of a carefully considered succession process that includes the appointments of Mark Bloom and Julie Tay as independent directors during the last two years, the proposed appointment of Matt Muscio and the current search for a second new director.

Peter has dedicated 11 years to the EBOS Board and over that time has made an enormous contribution having joined the Board following EBOS' acquisition of Symbion – a pivotal time for our company. Peter has also been universally acknowledged as a respected source of counsel and support to our senior management teams over the years. During his tenure as a director, EBOS has generated significant growth and shareholder value and on behalf of the Board, and indeed our shareholders, we sincerely thank Peter and wish him all the very best in his retirement.

We also recently announced two executive appointments with Alistair Gray to the role of Chief Financial Officer (CFO) (commencing 30 September 2024) and Andrew McLean to the role of Chief Executive Officer – Medical Technology (commenced 5 August 2024).

Following a search for new non-executive directors, the Board intends to propose a resolution at the 2024 Annual Meeting for EBOS' former CEO - Medical Technology, Matt Muscio, to be appointed as a non-executive director of EBOS. Mr Muscio will remain with the business in an executive capacity until 31 December 2024 with his Board appointment taking effect from 1 January 2025.

### Final dividend

The Directors declared a final dividend of NZ 61.5 cents per share. In combination with the interim dividend, this brings total dividends declared for FY24 to NZ 118.5 cents per share (up 7.7%), representing a 69.5% underlying payout ratio.

The record date for the final dividend is 30 August 2024 and the dividend will be paid on 18 September 2024. The dividend will be imputed to 25% for New Zealand tax resident shareholders and fully franked for Australian tax resident shareholders.

### Outlook

EBOS is pleased with the strong earnings growth achieved in FY24, driven by both organic growth and acquisitions.

Our earnings have demonstrated resilience and continued growth despite the uncertain macroeconomic environment, reflecting the defensive and diverse nature of our Group.

Our FY25 performance however will be impacted by the non-renewal of the Chemist Warehouse Australia (CWA) contract, which generated approximately $2.2 billion of revenue in FY24 and ceased on 30 June 2024. Despite this the Group expects to generate Underlying EBITDA in FY25 of between $575 million to $600 million.

This guidance implies Underlying FY25 EBITDA growth compared to the prior year (excluding the CWA contract) of approximately 5% – 10%, driven by:

- Base business growth in both the Healthcare and Animal Care segments;
- Community Pharmacy revenue and segment share growth against a backdrop of changed industry dynamics; and
- Cost reduction initiatives across the Group.

EBOS' balance sheet is strong and we are well positioned to pursue both organic and inorganic growth opportunities.

We again acknowledge the efforts and contribution of our over 5,200 employees across the regions where we operate and thank our shareholders for their ongoing support.

**Elizabeth Coutts**
***Chair***

**John Cullity**
***CEO***

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE PROGRAM

**At EBOS, our vision is to drive significant impact every day in the lives of our people and those we serve.**

As a market leading healthcare and animal care company, we recognise our organisation has the power and people to lead by example and make the world a better place socially and environmentally.

Our fourth annual Sustainability Report showcases the Group's progress with its Environmental, Social and Governance (ESG) Program, which sets out the actions we will take to ensure we consistently and sustainably deliver on our responsibilities as a provider of essential network infrastructure, products and services.

To read our latest report online, please visit **www.ebosgroup.com/sustainability.**

## Solar array update

In FY24, we reached an important milestone in our solar array project with the electrification of the new 500kW roof-mounted solar array at Parkes, NSW. Our focus has now turned to the installation of a ground-mounted array in Parkes that is expected to generate approximately 5MW of clean energy. We continue to work with regulators on the necessary approvals for subsequent works with the aim to generate electricity equivalent to our forecast Australian electricity needs during FY27.

## EBOS community support

For many years, EBOS has strived to 'help out' by providing support to various healthcare, animal care and community focussed charities. EBOS is proud to support the following:

Ovarian Cancer Australia
BackTrack
Search & Rescue LandSAR New Zealand
FIGHT MND. IT TAKES PEOPLE
Cerebral Palsy Alliance
Greenfleet
Cancer Council Australia
malpa
Australian Prostate Centre apc
Humpty Dumpty Foundation
Guide Dogs Australia

## EBOS Climate Statement

The Group's first Climate Statement outlining our climate risks and opportunities, including metrics and targets will be released in October, 2024.

### MORE INFORMATION

Our Climate Statement will be available at: **www.ebosgroup.com/sustainability/climate-statement**

For more information on Community and Environment visit **www.ebosgroup.com/sustainability/communityand-environment**

## FY24 ESG HIGHLIGHTS

**94,000+**
customers

**12 million+**
orders

**90,000+**
product lines

**285 million+**
units of prescription medications supplied to pharmacies and hospitals

**1.2 million+**
medical devices supplied for use in patient surgery and treatments

**6,400+**
suppliers

**3**
new policies supporting privacy and data security

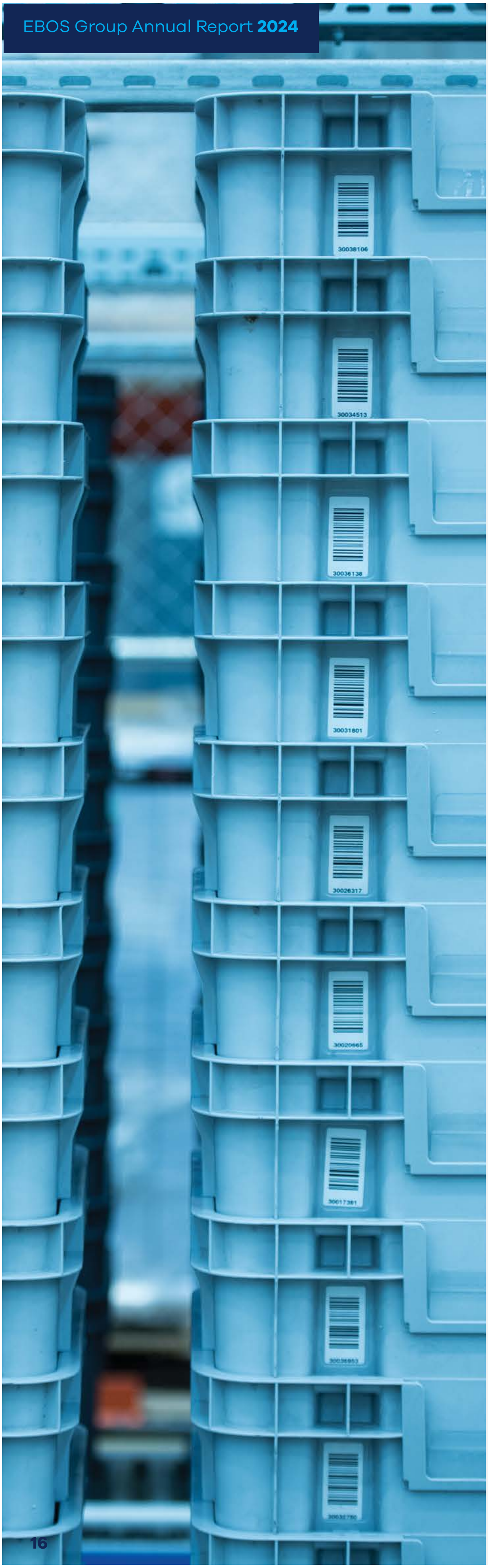
zero reported Scope 1 GHG emissions after offsets[1]

**18,261**
tonnes of carbon offset with Greenfleet

**4.8%**
Median Total Remuneration Gender Pay Gap in Australia[2]

[1] Means that EBOS invested in offsets equivalent to its gross Scope 1 emissions. The offsets acquired and retired were Australian Carbon Credit Units (ACCUs). Further details regarding our Scope 1 boundaries and exclusions and limitations and our approach to reporting targets will be included in our 2024 Climate Statement that will be released in October 2024.

[2] This data is for the reporting period to 31 March 2023 and was lodged in May 2023 and reported publicly by the Workplace Gender Equality Agency (WGEA) in FY24.



# HEALTHCARE HIGHLIGHTS

**Our diverse and expanding Healthcare segment has delivered another strong performance for the Group.**

Our leading market positions, strategic value-added investment in our people, infrastructure, products and services and disciplined financial management, have resulted in a 6.0% Underlying EBITDA increase in a challenging macroeconomic environment.

In FY24, our industry leading TerryWhite Chemmart franchise expanded its network, our Medical Technology business increased its foothold in Southeast Asia, we strengthened our supply chain support to customers, and under changing industry dynamics we capitalised on opportunities to secure new contract wins across our pharmacy wholesale business.

## Investing in our healthcare infrastructure

EBOS is firmly committed to investing in and enhancing our supply chain capabilities to meet the needs of our customers so we can support delivering optimal health outcomes to the community.

Over the past 12 months, we have completed and initiated major projects in New Zealand and Australia, increasing our storage capacity for medicines and consumables ensuring we can meet the demands of an ever-changing healthcare market.

Most notably, our Healthcare Logistics (HCL) business in Australia opened a new purpose built, state-of-the-art pharmaceutical grade Contract Logistics facility in Sydney, New South Wales. This facility can store over 38,000 pallets of products of all types of scheduled medicines.

As part of our commitment to sustainability, this world class site is equipped with features including a 4,000-panel roof-mounted solar array, 165,000L underground rainwater storage, smart lighting, a waste recycling system, and 10 electric vehicle charging stations. We are working towards having the facility certified as a 6-Star Green Star Building by the Green Building Council of Australia.

Other infrastructure projects completed or underway include:

- New HCL contract logistics distribution centre in Auckland (fully operational).
- New EBOS Healthcare medical consumables distribution centres in Sydney (fully operational) and Melbourne (expected to be fully operational in FY25).
- New pharmaceutical wholesale distribution centre in Auckland (completion expected in FY25).
- New medical consumables distribution centre in Auckland (completion expected in 2025).

Our diverse and expanding Healthcare segment has delivered another strong performance for the Group.

Electric vehicle charging stations at Healthcare Logistics (HCL), Eastern Creek, NSW.

### Supporting customers in all extremes

Our Supply Chain teams ensure our customers in every corner of New Zealand and Australia can access vital medicines, vaccines and healthcare solutions, even in times of adversity.

This was demonstrated when severe Tropical Cyclone Kirrily struck Queensland on 25 January 2024 cutting power to thousands of homes and businesses including Symbion's Townsville distribution centre, which provides medicines to customers as far north as Clifton Beach, 1,700 kilometres from Brisbane.

Over the Australia Day long weekend, our warehouse team in Townsville worked to refuel on-site emergency generators which had been activated to maintain critical temperature control for cold chain medicines. This ensured deliveries could be made as soon as roads and the airport were reopened for critical supplies.

### Customer growth

We completed significant work in FY24 in the resizing of our pharmacy wholesale business, providing a platform to capitalise on opportunities to drive substantial future growth.

As we manage the changing industry dynamics in Australia, we are confident in growing our pharmacy customer base as our wholesale team continues to serve existing customers and pursue new accounts in this changing market.

New business wins were also secured across Symbion Hospitals, ProPharma, and HCL Australia and New Zealand demonstrating the commitment across all facets of our Healthcare business to our continued success.

This achievement underscores our dedication to delivering value to our customers, supporting their goals and further solidifies our position as a trusted healthcare partner and provider.

### HIGHLIGHTS

**+6.0%**
Underlying EBITDA

**64,000+**
customers

**44**
TerryWhite Chemmart pharmacies added

**5**
new purpose built facilities

TerryWhite Chemmart National Conference, ELEVATE.

## **HEALTHCARE HIGHLIGHTS** TERRYWHITE CHEMMART

**In FY24, TerryWhite Chemmart (TWC) demonstrated continued leadership in the community pharmacy sector, marked by advancements in health services, innovation, and customer engagement that have propelled growth across its extensive award-winning pharmacy network.**

### Milestone 600 stores

TWC welcomed 44 pharmacies to their network and recently announced the 600th location in Bayswater, Victoria. The official grand opening of the 600th pharmacy was celebrated on 20 July this year. The continued expansion of the franchise underscores the brand's strong reputation for healthcare and vaccination leadership, customer service and business support.

### Award winner

TWC was named *Inside Retail* 'Retailer of the Year' in the Medium to Large business category, in recognition of its CareClinic program, providing patients with the opportunity to consult with their pharmacists across a range of health concerns – including vaccinations, urinary tract infections, blood pressure, sleep apnoea and more, all in a private clinic space. The CareClinic program also supports pharmacists with a range of tools and education opportunities to deepen their clinical knowledge to support better health outcomes.

### Vaccinations

TWC maintained its position as Australia's largest provider of pharmacist administered vaccinations. The strategic emphasis on vaccination leadership has helped drive expansion of TWC's CareClinic program.

### Expanding patient care

TWC is helping drive healthcare innovation by supporting pharmacists to participate in the Queensland Community Pharmacy Full Scope Pilot. Participating pharmacists have completed additional clinical training so they can offer consultations for health services across a range of health conditions and wellbeing services, helping to ease pressure on GPs and hospitals, making healthcare more accessible for Queenslanders. Three TWC pharmacists in Queensland were among the first cohort of community pharmacists to begin prescribing services after finishing 12 months of university-led education and training.

### Customer focus

The brand continues to build its customer proposition with the introduction of a range of initiatives readily available to our network's customers on the MyTWC platform. These initiatives include a telehealth partnership with Hola Health providing ease of access to GPs for our patients' everyday health needs whilst our new partnership with DoorDash expedites delivery for prescriptions and essential pharmacy items. Our ongoing investment in the Rewards Plus loyalty platform drives deeper customer engagement and the introduction of 62 new consumer products to the TWC branded range in FY24 provides greater choice for customers. These improvements offer customers of our network greater convenience and value, and fosters deeper engagement with health-focused activities and the products they purchase.

### Dedication to education

Continuous clinical and professional development is central to TWC's success, ensuring that pharmacy team members are equipped with the latest knowledge and skills to deliver to their full scope of practice. Now in its 10th year, Masterclass welcomed over 500 pharmacists and healthcare professionals in June for its 3-day Continuing Professional Development (CPD) training event. This summit, combined with a year-round program for pharmacists and pharmacy staff continues to demonstrate TWC's commitment to delivering better health outcomes for consumers.

## **HEALTHCARE HIGHLIGHTS** CONSUMER PRODUCTS

**Red Seal enters kids supplements market**

Red Seal has introduced new sugar-free Kids Melties supplements to support children's health in essential areas of: Growth & Development, Immune System Health, Digestive Comfort, and Sleep & Relaxation.

The innovative tablets have been designed to dissolve on the tongue, ensuring children get essential nutrients with less hassle.

**Red Seal sets the standard in toothpaste**

Following the successful 2023 launch of their NATRUE Certified Natural toothpaste range which included fluoride, Red Seal has continued to strengthen its position in market. With a growing number of new and young families choosing Red Seal, the brand has established itself as a clear leader within the natural toothpaste segment while simultaneously driving growth in the total category in Australia and New Zealand.

Further afield Red Seal is committed to meeting specific market needs with innovative specialty products, such as Propolis Mint and Black Shine Whitening, available exclusively in their growing international markets. Closer to home, this commitment to innovation has resulted in the brand being awarded Best Free From Product at the Australian Naturally Good Awards in May 2024 for their Red Seal Kids fluoride Berry Bubblicious Toothpaste. This accolade is a testament to the expertise of the dedicated Red Seal team in delivering innovative, high quality oral care products to the market.

**Steady success in foot odour control with Gran's Remedy**

Gran's Remedy, a consistent, reliable performer in Endeavour Consumer Health's portfolio continues to earn the loyalty of consumers across many markets globally. Known for its effectiveness in combating foot odour, Gran's Remedy recently expanded its product range by introducing a new spray format, providing consumers with a convenient, on-the-go and mess-free option. This new product has already shown promising popularity in its early days, further solidifying the Gran's reputation for delivering trusted foot odour solutions.

The innovative tablets have been designed to dissolve on the tongue, ensuring children get essential nutrients with less hassle.

LifeHealthcare opens new Brisbane facility.


DDU (Deformity Down Under), a decade long leading LifeHealthcare ANZ Spine education event, expanded to the ASEAN region in May 2024 in Bali, Indonesia, hosted by Transmedic.

## **HEALTHCARE HIGHLIGHTS** EBOS MEDICAL TECHNOLOGY

**The EBOS Medical Technology business (EBOS MedTech) encompasses an expanding collective of companies in New Zealand, Australia, and Southeast Asia, dedicated to pioneering and delivering transformative and life-changing solutions for patients.**

Established in 2022, the business is an increasingly valuable part of our Institutional Healthcare division and connects patients and surgeons with the very best products and services in market.

We do this across allograft manufacturing (Australian Biotechnologies), medical technology distribution in ANZ (LifeHealthcare), aesthetics device distribution in ANZ (Cryomed) and medical technology distribution in Southeast Asia (Transmedic).

### Southeast Asia expansion

Consistent with our strategy of investing for growth, EBOS increased its shareholding in Transmedic to 90% for approximately $135 million. Transmedic is a leading independent medical device distributor in Southeast Asia, with operations in seven countries.

Transmedic distributes products across therapeutic areas, including spine, orthopaedics, cardiology, ophthalmology, and radiation therapy. EBOS acquired an initial 51% ownership in Transmedic through the LifeHealthcare acquisition in May 2022. An arrangement is in place to facilitate EBOS moving to 100% ownership in FY26.

The Transmedic business experienced strong revenue growth in FY24 compared to FY23. The ophthalmology business which was acquired in April 2022 has been fully integrated and rebranded as Transmedic ophthalmology and has grown significantly under Transmedic ownership.

We have seen significant inroads in penetration outside main cities across the region, particularly in Malaysia and the Philippines, along with a number of new products introduced to the portfolio to enhance our offering in vision solutions.

Our cardiac rhythm management business has grown since our partnership with Boston Scientific, changing the channel to market from a direct salesforce model to a distribution model in August 2022. We have expanded the business geographically into Brunei and Indonesia as well as expanding our penetration, particularly upcountry in Thailand and into the provinces in the Philippines.

These two divisions form part of our strategy to be the leading medical technology distribution business across Southeast Asia and Hong Kong with market leading positions in our key therapy areas with strong surgeon and partner relationships.

### Integration for success

The successful integration of our ANZ-based devices businesses into a unified SAP (Systems, Applications and Products) system and shared facilities in Melbourne, Auckland, and Brisbane marks a significant achievement for EBOS MedTech.

Integrating processes and facilities significantly boosted productivity and efficiency, delivered cost savings and has allowed teams to work more effectively and collaboratively towards identified business objectives.

Operating on SAP made decision-making more data-driven, improved service delivery, fostered innovation, optimised processes and reduced customer wait times.

The integration scaled our distribution network and established specialised shared service teams across EBOS MedTech, providing a solid foundation for future growth and a playbook for future acquisitions.

### Cambodia Spine Outreach

EBOS MedTech facilitated life-changing spinal surgery for young patients through sponsorship and on-the-ground support of the Cambodia Spine Outreach Program.

Members of our New Zealand spinal team supported operations at the Children's Surgical Centre in Phnom Penh for patients whose families are unable to afford treatment. Access to spinal deformity correction in Cambodia is extremely limited with only one spine surgeon in the country.

Ten surgeries were successfully completed, with nine patients receiving state-of-the-art spinal implant constructs donated through our supply partner Spineart. The Outreach Program epitomised our team's commitment to improving lives.

### CAB Medical acquisition

EBOS MedTech expanded its portfolio by acquiring CAB Medical in February 2024. Based in Sydney, CAB Medical is an independent distributor specialising in foot and ankle solutions. The acquisition enhances our position in foot and ankle solutions with strong growth potential.

CAB Medical's products complement EBOS MedTech's offerings and provide opportunities for expansion into New Zealand and Southeast Asia.

EBOS MedTech and LifeHealthcare facilitated life-changing spinal surgery for young patients through sponsorship and on-the-ground support of the Cambodia Spine Outreach Program.

# ANIMAL CARE HIGHLIGHTS

**In the face of increasing competition and tough consumer conditions, EBOS' Animal Care team have remained focussed on a growth strategy underpinned by innovative new products, manufacturing capability, strong partnerships with consumers and retailers and knowing what is best for pets.**

## New product development

Many pet parents place a premium on the health of their pets at every stage of their animal's life.

Meeting and exceeding these expectations remained a priority for the Animal Care business which developed several new products across our trusted brands in FY24 and penetrated new consumer markets.

In a major breakthrough for VitaPet, its new dry dog food range was launched into major supermarkets in New Zealand and Australia, giving pet parents easy access to a high-quality slow cooked range for puppies, adolescent and adult dogs.

Tapping into trends of the humanisation of pet food, several new treats were also launched under the VitaPet brand, such as bakery-style mini pretzel treats.

This year marks a decade since EBOS acquired premium natural pet food brand, Black Hawk. Through investment, innovation and the capabilities of our pet food manufacturing plant in Parkes, New South Wales, Black Hawk sales continue to go from strength-to-strength, underscoring its reputation and trust among consumers.

In September 2023, Black Hawk's new Healthy Benefits dry dog food product range – developed by animal nutritionists and vets to address common health concerns in dogs – appeared on the shelves of leading pet specialty retailers and vet clinics.

In another major development for the Black Hawk brand, in February 2024 a new and improved range of Black Hawk dry and wet food meals for cats was launched in pet specialty channels and vet clinics. The products feature premium, natural ingredients, supported by comprehensive consumer research and formulations that meet the unique feline needs.

## Pet Care Kitchen

In 2021, we opened our $82 million Pet Care Kitchen (PCK) in Parkes, New South Wales bringing the best locally sourced ingredients with veterinary led formulation to deliver outstanding premium dog and cat kibble across our Black Hawk range.

Since launch, the state-of-the art manufacturing facility has enhanced our ability to proactively manage and respond to market demands, now and into the future, through scaling up production volumes of existing products and accelerating new product development.

PCK operates 24 hours, 5 days a week, producing millions of bags of kibble annually, providing greater quality control in our supply chain and ensuring the highest quality raw ingredients are used in the products.

The PCK design features built-in efficiencies, resource optimisation, waste reduction and energy-efficient technologies integrated into the manufacturing process that are contributing to company-wide sustainability goals.

PCK's 500kW rooftop solar array, the first phase of our larger solar array project, is now operational and will contribute to meeting part of the facility's annual electricity requirements.

Through ongoing training and development of staff, PCK will seek to optimise processes and maximise productivity while ensuring the high standards in its manufacturing operations.

## Superior Pet Food Company

FY24 marked the first year of EBOS' ownership of New Zealand dog food and dog treats manufacturer, Superior Pet Food Co (Superior).

With brands comprising Chunky, Possyum and Field and Forest and presence in grocery, rural retail and pet speciality stores, Superior is recognised by pet parents for its high-formulation dog roll products and colourant, preservative and additive-free dog treats, made almost exclusively from New Zealand meat.

All fresh meat used in its products is sourced from local, long-standing suppliers who are primary processors for both export and domestic human-grade food.

In FY24, Superior continued to grow its product range with grocery partners, and will complete the expansion of its manufacturing plant in FY25, positioning the business for strong growth and increased volume output.

Superior's focus areas in FY25 will be to further extend the production capability through investment in equipment to improve efficiency and production.

Through ongoing training and development of staff, Pet Care Kitchen will seek to optimise processes and maximise productivity while ensuring the high standards in its manufacturing operations.


AUSTRALIAN MADE WITH RESPONSIBLY SOURCED INGREDIENTS
FOOD 4 LIFE
vitapet
PUPPY
DEVELOPMENT
6 WEEKS +
CHICKEN
SLOWLY COOKED TO LOCK IN NUTRIENTS & FLAVOURS
vitapet
LARGE BREED PUPPY &
JUNIOR
GROWTH
6 MONTHS – 24 MONTHS
CHICKEN
vitapet
ADULT
THRIVE
2 YEARS +
MADE WITH REAL LAMB
LAMB
vitapet
ADULT
THRIVE
2 YEARS +
MADE WITH REAL CHICKEN
CHICKEN

# OUR BOARD






**The EBOS Group Limited Board is structured to bring to its deliberations a range of experience and skills relevant to the Company's operations. The Board comprises six independent non-executive directors.**

**Elizabeth Coutts – Independent Chair**
**ONZM, BMS, FCA, CF Instit. D**

Elizabeth Coutts was appointed to the EBOS Group Limited Board in July 2003. She is Chair of the Remuneration Committee and a member of the Audit and Risk Committee. She is Chair of Oceania Healthcare Limited and 2degrees Group Limited, Director of EBOS Group subsidiaries in New Zealand and Member, Marsh New Zealand Advisory Board.

Elizabeth is a former Chair of Skellerup Holdings Limited, Ports of Auckland Limited, Meritec Group, Industrial Research, Life Pharmacy Limited, former director of Air New Zealand Limited, the Health Funding Authority, Sanford Limited, the Yellow Group of Companies and Tennis Auckland Region Incorporated, former Deputy Chairman of Public Trust, former board member of Sport NZ, former member of the Pharmaceutical Management Agency (Pharmac), former Commissioner for both the Commerce and Earthquake Commissions, former external monetary policy adviser to the Governor of the Reserve Bank of New Zealand, a former president of the Institute of Directors Inc and former Chief Executive of the Caxton Group of Companies.

**Dr Tracey Batten – Independent Director**
**MBBS, MHA, FRACMA, MBA (Harvard), FAICD**

Dr Tracey Batten was appointed to the EBOS Group Limited Board in July 2021. She is a member of the Remuneration Committee.

Tracey is currently Chair of the Accident Compensation Corporation and a non-executive director of Medibank Private Limited and Nanosonics Limited. She was previously a non-executive director of National Institute of Water and Atmospheric Research, Abano Healthcare Group Limited and various other healthcare related research institutes, charities and industry and government bodies.

During her executive career she was Group CEO of Imperial College Healthcare NHS Trust in the United Kingdom, Group CEO of St Vincent's Health Australia, CEO of Eastern Health and CEO of Dental Health Services Victoria.

**Mark Bloom – Independent Director**
**BCom, BAcc, CA**

Mark was appointed to the EBOS Group Limited Board in September 2022.

Mark is a member of the Audit and Risk Committee. He is currently a non-executive director of ASX listed Abacus Storage King and AGL Energy Limited. He is a former director of Pacific Smiles Group Limited and Abacus Property Group. Mark has over 35 years' experience as a finance executive, including as Chief Financial Officer at ASX listed Scentre Group Limited from its formation in July 2014 through to his retirement in April 2019. Prior to this, he was the Deputy Group CFO of Westfield Group for 11 years. Mark has also held a number of senior finance roles, including being CFO and executive director for insurance and financial services companies Liberty Life, South Africa and Manulife Financial, Canada.

**Stuart McLauchlan – Independent Director**
**BCOM, FCA, CF. Inst.D**

Stuart was appointed to the EBOS Group Limited Board in July 2019. He is Chairman of the Audit and Risk Committee and a member of the Remuneration Committee. Stuart is a Chartered Fellow of the Institute of Directors and a Past President. He is a chartered accountant, partner of GS McLauchlan & Co, and a Fellow of the New Zealand Institute of Chartered Accountants. He is currently chairman of Scott Technology Ltd and ADInstruments Ltd. He is also a governor of the New Zealand Sports Hall of Fame and a member of the Marsh New Zealand Advisory Board. He was formerly a director of Ngāi Tahu Tourism Ltd.

**Julie Tay – Independent Director**
**BA, MBA (Curtin)**

Ms Julie Tay was appointed to the EBOS Group Limited Board in May 2023.

Residing in Singapore, Julie is currently a director of Sonova, a global hearing care solutions company, headquartered in Switzerland and listed on the Swiss stock exchange. She has over 30 years' experience in international executive and non-executive roles across consumer healthcare, medical devices and digital healthcare.

Julie was Senior Vice President and Managing Director, Asia Pacific and member of the global Executive Management Committee for Align Technology. Prior to this time, she was regional head of Bayer Healthcare (Diabetes Care) in Asia Pacific and also previously held senior executive roles in Asia at Johnson Diversey and Johnson & Johnson.

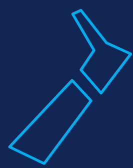
**Peter Williams – Independent Director**

Peter Williams was appointed to the EBOS Group Limited Board in July 2013. He was formerly a director of Green Cross Health Limited and an executive of The Zuellig Group.

**OUR DIRECTORS**

**50%**
Women

**1**
based in Australia



**4**
based in New Zealand

**1**
based in Southeast Asia


BlackHawk
Every ingredient matters
PROUDLY MADE IN PARKES NSW AUSTRALIA
PUPPY
ORIGINAL
MEDIUM BREED
LAMB & RICE
30% Protein
19% Fat
Made with Emu Oil


HEALTHCARE LOGISTICS
FRAGILE - MEDICAL GOODS
MEDICAL
Pfizer

# FINANCIAL SUMMARY

**EBOS records another year of strong growth and provides positive guidance for FY25.**

Group revenue exceeded $13 billion for the first time, up 7.8% on the prior year, driven by growth in both our Healthcare and Animal Care segments, including strong performances from our Community Pharmacy, Institutional Healthcare and Animal Care divisions.

EBOS recorded Underlying EBITDA of $624.3 million, representing 7.3% growth and Underlying NPAT of $303.4 million, representing 7.7% growth.

### Healthcare

The Healthcare segment reported revenue of $12.6 billion and Underlying EBITDA of $548.0 million, representing 8.0% and 6.0% growth respectively. In Australia, Healthcare revenue increased to $10.2 billion and Underlying EBITDA increased to $455.3 million, representing 8.0% and 9.4% growth respectively. In New Zealand and Southeast Asia, Healthcare revenue increased to $2.4 billion, representing 7.9% growth and Underlying EBITDA decreased to $92.8 million, representing an 8.2% decline as our New Zealand performance was impacted by a decline in non-recurring COVID-19 activity within our Contract Logistics business.

Healthcare segment growth was driven by our leading market positions and solid contributions from our Community Pharmacy, TWC and Institutional Healthcare divisions and businesses.

### Animal Care

The Animal Care segment had a strong performance with revenue of $579.0 million and Underlying EBITDA of $112.2 million, representing 3.2% and 13.2% growth respectively.

This growth was driven by ongoing resilience in the food category, the contribution from the Superior acquisition and new product development launches.

### Cash flow and balance sheet

EBOS has generated underlying operating cash flows of $367.0 million, reflecting strong Underlying EBITDA, partially offset by finance costs, tax payments and net working capital movements. Net capital expenditure for the year was $118.4 million.

Return on Capital Employed for June 2024 of 15.3% was 0.2% higher than June 2023 and is in-line with target.

The Net Debt: EBITDA ratio at June 2024 was 1.89x, which is an improvement on the 2.06x reported at 31 December 2023.

### Acquisitions

Consistent with our strategy of investing for growth, since July 2023 we have completed six acquisitions, including the acquisition of Superior, an increase in our shareholding of Transmedic and four small bolt-on acquisitions within our medical technology and medical consumables businesses.

### Dividends

The Directors are pleased to declare a final FY24 dividend of NZ61.5 cents per share, which equates to a full year dividend of NZ118.5 cents per share. For the full year, this represents an increase of 7.7% on the prior year and a dividend payout ratio of 69.5%.

The record date for the final dividend is 30 August 2024 and the dividend will be paid on 18 September 2024. The final dividend will be imputed to 25% for New Zealand tax resident shareholders and will be fully franked for Australian tax resident shareholders. The Group's Dividend Reinvestment Plan (DRP) will be operational for the upcoming final dividend. Shareholders can elect to take shares in lieu of a cash dividend at a discount of 2.5% to the volume weighted average share price.

### Outlook

EBOS is pleased with the strong earnings growth achieved in FY24, driven by both organic growth and acquisitions. Our earnings have demonstrated resilience and continued growth despite the uncertain macroeconomic environment, reflecting the defensive and diverse nature of our Group.

Our FY25 performance will be impacted by the non-renewal of the Chemist Warehouse Australia (CWA) contract, which generated approximately $2.2 billion of revenue in FY24 and ceased on 30 June 2024.

To assist investors EBOS is providing guidance for FY25 that the Group expects to generate Underlying EBITDA of between $575 million to $600 million.

This guidance implies Underlying FY25 EBITDA growth compared to the prior year (excluding the CWA contract) of approximately 5% – 10%, driven by:

- Base business growth in both the Healthcare and Animal Care segments;
- Community Pharmacy revenue and segment share growth against a backdrop of changed industry dynamics; and
- Cost reduction initiatives across the Group.

July 2024 trading demonstrated positive growth compared to the prior corresponding period (excluding the CWA contract) and is supportive of the FY25 guidance. A further trading update for the first three months of FY25 will be provided at the Annual Meeting in October 2024.

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## DIRECTORS' RESPONSIBILITY STATEMENT

The Directors of EBOS Group Limited are pleased to present to shareholders the financial statements for EBOS Group Limited and its controlled entities (together the "Group") for the year to 30 June 2024.

The Directors are responsible for presenting financial statements in accordance with New Zealand law and generally accepted accounting practice, which give a true and fair view of the financial position of the Group as at 30 June 2024 and the results of their operations and cash flows for the year ended on that date.

The Directors consider the financial statements of the Group have been prepared using accounting policies which have been consistently applied and supported by reasonable judgements and estimates and that all relevant financial reporting and accounting standards have been followed.

The Directors believe that proper accounting records have been kept which enable with reasonable accuracy, the determination of the financial position of the Group and facilitate compliance of the financial statements with the Financial Markets Conduct Act 2013.

The Directors consider that they have taken adequate steps to safeguard the assets of the Group, and to prevent and detect fraud and other irregularities. Internal control procedures are also considered to be sufficient to provide reasonable assurance as to the integrity and reliability of the financial statements.

The financial statements are signed on behalf of the Board by:

**Elizabeth Coutts**
***Chair***

**Stuart McLauchlan**
***Director***

20 August 2024

# INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS

Deloitte.

**To the Shareholders of EBOS Group Limited**

| | |
|---|---|
| **Opinion** | We have audited the consolidated financial statements of EBOS Group Limited (the 'Company') and its subsidiaries (the 'Group'), which comprise the consolidated balance sheet as at 30 June 2024, and the consolidated income statement, statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.<br><br>In our opinion, the accompanying consolidated financial statements, on pages 34 to 85, present fairly, in all material respects, the consolidated financial position of the Group as at 30 June 2024, and its consolidated financial performance and cash flows for the year then ended in accordance with New Zealand Equivalents to IFRS Accounting Standards ('NZ IFRS') as issued by the External Reporting Board and IFRS Accounting Standards ('IFRS') as issued by the International Accounting Standards Board. |
| **Basis for Opinion** | We conducted our audit in accordance with International Standards on Auditing ('ISAs') and International Standards on Auditing (New Zealand) ('ISAs (NZ)'). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.<br><br>We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.<br><br>We are independent of the Group in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*, and we have fulfilled our other ethical responsibilities in accordance with these requirements.<br><br>Our firm carries out other assignments for the Group in the area of taxation compliance services. These services have not impaired our independence as auditor of the Group. In addition to this, partners and employees of our firm deal with the Group on normal terms within the ordinary course of trading activities of the business of the Group. The firm has no other relationship with, or interest in, the Group. |
| **Audit Materiality** | We consider materiality primarily in terms of the magnitude of misstatement in the financial statements of the Group that in our judgement would make it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced (the 'quantitative' materiality). In addition, we also assess whether other matters that come to our attention during the audit would in our judgement change or influence the decisions of such a person (the 'qualitative' materiality). We use materiality both in planning the scope of our audit work and in evaluating the results of our work.<br><br>We determined materiality for the Group financial statements as a whole to be $19.2m. |
| **Key Audit Matters** | Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. |

| Key audit matter | How our audit addressed the key audit matter |
|---|---|
| **Goodwill and Indefinite Life Intangible Asset Impairment Assessment** | |
| The Group has $2,068m of goodwill and $192m of indefinite life intangible assets, including brands of $166m, on the balance sheet at 30 June 2024, as detailed in note B1 to the financial statements.<br><br>The carrying values of goodwill and indefinite life intangible assets are dependent on the future cash flows expected to be generated by the underlying businesses, and there is a risk if these cash flows do not meet the Group's expectations that the assets may be impaired.<br><br>The Group tests goodwill and indefinite life intangible assets at least annually by determining the recoverable amount (the higher of value-in-use or fair value less costs to sell) of the individual assets where possible, or otherwise the cash generating units to which the assets belong and comparing the recoverable amounts of the assets to their carrying values.<br><br>The impairment assessment models prepared by the Group contain a number of significant assumptions. Changes in these assumptions might lead to a change in the carrying value of indefinite life intangible assets and goodwill.<br><br>The Group has assessed the recoverable amount of brands based on fair value using the relief from royalty method. The key assumptions applied in the above models are:<br>• Annual revenue and expense growth rates for the 5 year forecast period;<br>• pre-tax discount rates;<br>• royalty rates; and<br>• terminal growth rates.<br><br>The Group has assessed the recoverable amount of each cash generating unit ("CGU") or group of CGUs to which goodwill has been allocated based on value-in-use models. The key assumptions applied in the value-in-use models are:<br>• Annual revenue and expense growth rates for the 5 year forecast period;<br>• pre-tax discount rates; and<br>• terminal growth rates.<br><br>We have included the impairment assessments of goodwill and indefinite life intangible assets as a key audit matter due to the significance of the balances to the financial statements and the level of judgement applied by the Group in determining the key assumptions used to determine the recoverable amounts. | We considered whether the Group's methodology for assessing impairment is compliant with NZ IAS 36: Impairment of Assets. We focused on testing and challenging the suitability of the models and reasonableness of the assumptions used by the Group in conducting its impairment reviews.<br><br>Our procedures included:<br>• Agreeing a sample of future cash flows to Board approved forecasts;<br>• Challenging the reliability of the Group's revenue and expense growth rates by comparing the forecasts underlying the growth rates to historical forecasts and actual results of the underlying businesses (where applicable); and<br>• Assessing the reasonableness of key assumptions and changes to them from previous years.<br><br>We used our internal valuation specialists to assist with evaluating the models and challenging the Group's key assumptions. The procedures of the specialists included:<br>• Evaluating the appropriateness of the valuation methodology;<br>• Testing the mathematical integrity of the models;<br>• Evaluating the Group's determination of the pre-tax discount rates and royalty rates used in the models through consideration of the relevant risk factors for each CGU, the cost of capital for the Group, and market data on comparable businesses; and<br>• Comparing the terminal growth rates to market data for the industry sectors.<br><br>We evaluated the sensitivity analysis performed by management to consider the extent to which a change in one or more of the key assumptions could give rise to impairment in the goodwill and indefinite life intangible assets. |

**To the Shareholders of EBOS Group Limited continued**

| | |
|---|---|
| **Other information** | The directors are responsible on behalf of the Group for the other information. The other information comprises the information in the Annual Report that accompanies the consolidated financial statements and the audit report. The Climate Statement which will be issued in October 2024 as outlined on page 14 in the Annual Report is expected to be made available to us after the date of the audit report.<br><br>Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.<br><br>Our responsibility is to read the other information and consider whether it is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If so, we are required to report that fact. We have nothing to report in this regard.<br><br>When we read the Climate Statement, if we conclude that there is a material misstatement therein, we are required to communicate the matter to directors and consider further appropriate actions. |
| **Directors' responsibilities for the consolidated financial statements** | The directors are responsible on behalf of the Group for the preparation and fair presentation of the consolidated financial statements in accordance with NZ IFRS and IFRS, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.<br><br>In preparing the consolidated financial statements, the directors are responsible on behalf of the Group for assessing the Group'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 Group or to cease operations, or have no realistic alternative but to do so. |
| **Auditor's responsibilities for the audit of the consolidated financial statements** | Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are 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 ISAs and ISAs (NZ) 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 these consolidated financial statements.<br><br>A further description of our responsibilities for the audit of the consolidated financial statements is located on the External Reporting Board's website at:<br><br>**https://www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-1**<br><br>This description forms part of our auditor's report. |
| **Restriction on use** | This report is made solely to the Company's shareholders, as a body. Our audit has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed. |

Deloitte Limited

**Mike Hoshek,**
**Partner for Deloitte Limited**
Christchurch, New Zealand

20 August 2024

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## CONSOLIDATED INCOME STATEMENT

*The Consolidated Income Statement presents income earned and expenditure incurred by the Group during the financial year in determining profit.*

| For the financial year ended 30 June 2024 | Notes | 2024 A$'000 | 2023 A$'000 |
|---|---|---|---|
| **Revenue** | A1(a) | 13,189,054 | 12,237,401 |
| Income from associates | F2 | 12,938 | 12,369 |
| **Profit before depreciation, amortisation, net finance costs and tax expense (EBITDA)** | | 605,595 | 568,776 |
| Depreciation | A1(b) | (92,459) | (86,246) |
| Amortisation | A1(b) | (36,412) | (38,538) |
| **Profit before net finance costs and tax expense (EBIT)** | | 476,724 | 443,992 |
| Finance income | | 7,320 | 8,542 |
| Finance costs – borrowings | | (83,290) | (67,808) |
| Finance costs – leases | H6 | (17,651) | (11,295) |
| **Profit before tax expense** | | 383,103 | 373,431 |
| Tax expense | A3 | (110,018) | (109,986) |
| **Profit for the year** | | 273,085 | 263,445 |
| Profit for the year attributable to: | | | |
| Owners of the Company | | 271,549 | 253,373 |
| Non-controlling interests | | 1,536 | 10,072 |
| | | 273,085 | 263,445 |
| **Earnings per share:** | | | |
| Basic (cents per share) | A4 | 141.3 | 132.9 |
| Diluted (cents per share) | A4 | 141.3 | 132.9 |

NOTES TO THE FINANCIAL STATEMENTS ARE INCLUDED ON PAGES 40 TO 85.

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

*The Consolidated Statement of Comprehensive Income presents profit for the year, plus gains and losses that are not recognised in the Consolidated Income Statement and instead are required to be taken directly to reserves within equity.*

| For the financial year ended 30 June 2024 | 2024<br>A$'000 | 2023<br>A$'000 |
|---|---|---|
| **Profit for the year** | 273,085 | 263,445 |
| **Other comprehensive income** | | |
| Items that may be reclassified subsequently to profit or loss: | | |
| Movement in Cash flow hedge reserve | (6,726) | 1,114 |
| Related income tax | 1,907 | (384) |
| Movement in foreign currency translation reserve | (7,061) | 5,941 |
| | (11,880) | 6,671 |
| Items that will not be reclassified subsequently to profit or loss: | | |
| Movement on equity instruments fair valued through other comprehensive income | 5,801 | 1,016 |
| **Total comprehensive income net of tax** | 267,006 | 271,132 |
| Total comprehensive income for the year is attributable to: | | |
| Owners of the Company | 265,716 | 260,908 |
| Non-controlling interests | 1,290 | 10,224 |
| | 267,006 | 271,132 |

NOTES TO THE FINANCIAL STATEMENTS ARE INCLUDED ON PAGES 40 TO 85.

# CONSOLIDATED BALANCE SHEET

*The Consolidated Balance Sheet presents a summary of the Group's assets, liabilities and equity at the end of the financial year.*

| As at 30 June 2024 | Notes | 2024 A$'000 | 2023 A$'000 |
|---|---|---|---|
| **Current assets** | | | |
| Cash and cash equivalents | | 216,883 | 211,886 |
| Trade and other receivables | C1 | 1,494,564 | 1,497,526 |
| Prepayments | | 48,756 | 40,474 |
| Inventories | C2 | 1,210,440 | 1,234,237 |
| Current tax refundable | | 4,822 | 5,918 |
| Other financial assets – derivatives | G2 | 6,727 | 16,836 |
| **Total current assets** | | 2,982,192 | 3,006,877 |
| **Non-current assets** | | | |
| Property, plant and equipment | D1 | 383,909 | 329,777 |
| Capital work in progress | D2 | 61,563 | 49,110 |
| Prepayments | | 1,553 | 2,011 |
| Deferred tax assets | A3(b) | 238,927 | 206,586 |
| Goodwill | B1(a) | 2,067,694 | 1,976,368 |
| Indefinite life intangibles | B1(b) | 192,481 | 171,108 |
| Finite life intangibles | B1(d) | 337,426 | 344,156 |
| Right of use assets | H6 | 388,952 | 281,788 |
| Investment in associates | F2 | 56,440 | 53,650 |
| Other financial assets | | 32,925 | 15,602 |
| **Total non-current assets** | | 3,761,870 | 3,430,156 |
| **Total assets** | | 6,744,062 | 6,437,033 |
| **Current liabilities** | | | |
| Trade and other payables | C3 | 2,212,533 | 2,314,371 |
| Bank loans | E3 | 765,708 | 42,124 |
| Lease liabilities | H6 | 57,239 | 50,142 |
| Current tax payable | | 6,451 | 6,370 |
| Employee benefits | | 81,848 | 80,046 |
| Other financial liabilities – derivatives | G2 | 617 | 165,000 |
| **Total current liabilities** | | 3,124,396 | 2,658,053 |

NOTES TO THE FINANCIAL STATEMENTS ARE INCLUDED ON PAGES 40 TO 85.

## CONSOLIDATED BALANCE SHEET CONTINUED

| As at 30 June 2024 | Notes | 2024 A$'000 | 2023 A$'000 |
|---|---|---|---|
| **Non-current liabilities** | | | |
| Bank loans | E3 | 470,102 | 936,351 |
| Lease liabilities | H6 | 349,914 | 254,326 |
| Trade and other payables | C3 | 36,921 | 15,383 |
| Deferred tax liabilities | A3(b) | 298,741 | 259,245 |
| Employee benefits | | 10,489 | 10,315 |
| Other financial liabilities – derivatives | G2 | 35,000 | - |
| **Total non-current liabilities** | | 1,201,167 | 1,475,620 |
| **Total liabilities** | | 4,325,563 | 4,133,673 |
| **Net assets** | | 2,418,499 | 2,303,360 |
| **Equity** | | | |
| Share capital | E1 | 1,937,210 | 1,889,863 |
| Share-based payments reserve | | 25,297 | 16,210 |
| Foreign currency translation reserve | | (38,126) | (31,311) |
| Retained earnings | | 525,444 | 559,428 |
| Equity investments fair valued through other comprehensive income reserve | | 815 | (4,986) |
| Cash flow hedge reserve | | 369 | 5,188 |
| **Equity attributable to owners of the Company** | | 2,451,009 | 2,434,392 |
| Non-controlling interests | F3 | (32,510) | (131,032) |
| **Total equity** | | 2,418,499 | 2,303,360 |

NOTES TO THE FINANCIAL STATEMENTS ARE INCLUDED ON PAGES 40 TO 85.

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

*The Consolidated Statement of Changes in Equity presents the components of capital and reserves of the Group and explains the movements in each component during the financial year.*

| For the financial year ended June 2024 | Notes | Share capital A$'000 | Share-based payments reserve A$'000 | Foreign currency translation reserve A$'000 | Retained earnings A$'000 | Equity instruments fair valued through other comprehensive income reserve A$'000 | Cash flow hedge reserve A$'000 | Non-controlling interests A$'000 | Total A$'000 |
|---|---|---|---|---|---|---|---|---|---|
| Balance at 1 July 2022 | | 1,810,562 | 11,228 | (37,100) | 481,666 | (6,002) | 4,458 | (113,256) | 2,151,556 |
| Profit for the year | | - | - | - | 253,373 | - | - | 10,072 | 263,445 |
| Other comprehensive income for the year, net of tax | | - | - | 5,789 | - | 1,016 | 730 | 152 | 7,687 |
| Payment of dividends | E2 | - | - | - | (175,611) | - | - | - | (175,611) |
| Option over non-controlling interests | F3 | - | - | - | - | - | - | (28,000) | (28,000) |
| Share-based payments | | - | 4,982 | - | - | - | - | - | 4,982 |
| Dividend reinvested | E1 | 77,981 | - | - | - | - | - | - | 77,981 |
| Share placement and retail offer costs | E1 | (285) | - | - | - | - | - | - | (285) |
| Tax on deductible issue costs | E1 | 85 | - | - | - | - | - | - | 85 |
| Employee share plan shares issued | E1 | 1,681 | - | - | - | - | - | - | 1,681 |
| Employee share issue costs | E1 | (161) | - | - | - | - | - | - | (161) |
| **Balance at 30 June 2023** | | 1,889,863 | 16,210 | (31,311) | 559,428 | (4,986) | 5,188 | (131,032) | 2,303,360 |
| Balance at 1 July 2023 | | 1,889,863 | 16,210 | (31,311) | 559,428 | (4,986) | 5,188 | (131,032) | 2,303,360 |
| Profit for the year | | - | - | - | 271,549 | - | - | 1,536 | 273,085 |
| Other comprehensive income for the year, net of tax | | - | - | (6,815) | - | 5,801 | (4,819) | (246) | (6,079) |
| Payment of dividends | E2 | - | - | - | (203,675) | - | - | - | (203,675) |
| Movement in option over non-controlling interests | F3 | - | - | - | - | - | - | (4,626) | (4,626) |
| Transfer of non-controlling interests | F3 | - | - | - | 32,768 | - | - | (32,768) | - |
| Partial derecognition of option over non-controlling interests | F3 | - | - | - | (134,626) | - | - | 134,626 | - |
| Share-based payments | | - | 9,087 | - | - | - | - | - | 9,087 |
| Dividend reinvested | E1 | 45,736 | - | - | - | - | - | - | 45,736 |
| Employee share plan shares issued | E1 | 1,808 | - | - | - | - | - | - | 1,808 |
| Employee share issue costs | E1 | (197) | - | - | - | - | - | - | (197) |
| **Balance at 30 June 2024** | | 1,937,210 | 25,297 | (38,126) | 525,444 | 815 | 369 | (32,510) | 2,418,499 |

NOTES TO THE FINANCIAL STATEMENTS ARE INCLUDED ON PAGES 40 TO 85.

# CONSOLIDATED CASH FLOW STATEMENT

*The Consolidated Cash Flow Statement presents the cash generated and used by the Group during the financial year.*

| For the financial year ended 30 June 2024 | Notes | 2024 A$'000 | 2023 A$'000 |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Receipts from sale of goods and services | | 13,198,911 | 12,124,627 |
| Interest received | | 7,320 | 8,542 |
| Dividends received from associates | F2 | 11,929 | 11,579 |
| Payments for purchase of goods and services | | (12,665,460) | (11,529,888) |
| Taxes paid | | (103,523) | (144,381) |
| Interest paid | | (100,941) | (79,103) |
| **Net cash inflow from operating activities** | E5 | 348,236 | 391,376 |
| **Cash flows from investing activities** | | | |
| Sale of property, plant and equipment | | 418 | 533 |
| Purchase of property, plant and equipment | | (61,559) | (54,497) |
| Payments for capital work in progress | | (34,340) | (39,552) |
| Payments for intangible assets | | (22,939) | (4,303) |
| Investment in associates | F2 | (2,038) | (6,214) |
| Acquisition of subsidiaries | B2 | (246,893) | (49,658) |
| Investment in other financial assets | | (10,771) | (574) |
| **Net cash (outflow) from investing activities** | | (378,122) | (154,265) |
| **Cash flows from financing activities** | | | |
| Proceeds from issue of shares | E1 | 1,611 | 1,235 |
| Proceeds from borrowings | E5 | 484,222 | 23,941 |
| Repayment of borrowings | E5 | (226,727) | (425,575) |
| Repayment of lease liabilities | H6 | (68,649) | (48,983) |
| Dividends paid to equity holders of parent (excluding Dividend Reinvestment Plan) | | (156,128) | (97,749) |
| **Net cash inflow/(outflow) from financing activities** | | 34,329 | (547,131) |
| Net increase/(decrease) in cash held | | 4,443 | (310,020) |
| Effect of exchange rate fluctuations on cash held | | 554 | 4,590 |
| Net cash and cash equivalents at the beginning of the year | | 211,886 | 517,316 |
| **Net cash and cash equivalents at the end of the year** | | 216,883 | 211,886 |

NOTES TO THE FINANCIAL STATEMENTS ARE INCLUDED ON PAGES 40 TO 85.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 30 June 2024.

### Introducing this report

The notes to the financial statements include information that is considered relevant and material to assist the reader in the understanding of the financial performance and financial position of EBOS Group Limited and its controlled entities (together "the Group" or "EBOS").

Information is considered relevant and material if:

- the amount is significant because of its size and nature;
- it is important to assist the readers understanding of the results of EBOS;
- it helps to explain to the reader the changes in the business and/or operations of EBOS; or
- it relates to an aspect of operations that is important to the future performance of EBOS.

EBOS Group Limited ('the Company') is a profit-oriented company incorporated in New Zealand, registered under the Companies Act 1993 and dual listed on both the New Zealand Stock Exchange and the Australian Securities Exchange.

### Basis of preparation

The financial statements have been prepared in accordance with Generally Accepted Accounting Practice ('GAAP'). They comply with New Zealand Equivalents to IFRS Accounting Standards ('NZ IFRS') as issued by the External Reporting Board and IFRS Accounting Standards ('IFRS') as issued by the International Accounting Standards Board for profit-oriented entities.

The financial statements comply with International Financial Reporting Standards ('IFRS').

EBOS is a Tier 1 for-profit entity in terms of the New Zealand External Reporting Board Standard A1.

The Company is a FMC reporting entity for the purposes of the Financial Markets Conduct Act 2013, and its financial statements comply with this Act.

The financial statements have been prepared on the basis of historical cost, except for the revaluation of certain financial instruments. Cost is based on the fair value of the consideration given in exchange for assets.

The information is presented in thousands of Australian dollars, unless otherwise stated.

### Critical accounting estimates and judgements

In the process of applying the Group's accounting policies and the application of accounting standards, EBOS has made a number of judgements and estimates. The estimates and underlying assumptions are based on historic experience and various other factors that are considered to be appropriate under the circumstances.

Therefore, there is an inherent risk that actual results may subsequently differ from the estimates made.

These estimates and underlying assumptions are reviewed on an on-going basis. 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.

Judgements and estimates that are considered material to understanding the performance of EBOS are found in the relevant notes to the financial statements. Key judgements have been made in regard to assumptions that support the impairment assessment for goodwill and indefinite life intangibles (note B1) and business combination accounting (note B2 and note F3).

## Introducing this report continued

### Basis of consolidation

The Group's financial statements comprise the financial statements of EBOS Group Limited, the parent company, combined with all the entities that comprise the Group, being its subsidiaries (listed in note F1) and its share of associate investments (listed in note F2). The financial statements of the members of the Group, including associates, are prepared for the same reporting period as the parent company, using consistent accounting policies.

Subsidiaries are consolidated on the date on which control is obtained to the date on which control is lost.

The results of subsidiaries acquired or disposed of during the year are included in the Consolidated Income Statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

All significant inter-company transactions and balances are eliminated on consolidation.

### Adopting of new and revised standards and interpretations

The Group has adopted all new accounting standards that have become effective during the current year. The adoption of these new standards has had no impact upon these financial statements.

In May 2024, the New Zealand Accounting Standards Board (NZASB) approved NZ IFRS 18 Presentation and Disclosure of Financial Statements (IFRS 18) for application by Tier 1 and Tier 2 for-profit entities preparing financial statements for periods beginning on or after 1 January 2027. IFRS 18 changes how entities present the primary financial statements and make disclosures in the notes to the financial statements. The transition provisions of IFRS 18 require retrospective application. The Group is continuing to assess the full impact of adopting IFRS 18.

### Foreign currency

**Functional currency**

The financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which that entity operates ("the functional currency").

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rate on the date of the transaction. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing on the balance sheet date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are included in the Consolidated Income Statement for the period.

**Foreign operations**

On consolidation, the assets and liabilities of EBOS' overseas operations are translated at the exchange rate at the reporting date. Income and expense items are translated at the average rates for the period. Exchange differences arising are recognised in the foreign currency translation reserve (in equity) and recognised in profit or loss on disposal of the foreign operation.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the exchange rate at the reporting date.

### Other accounting policies

Other accounting policies that are relevant to the readers understanding of the financial statements are included throughout the following notes to the financial statements.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

For the financial year ended 30 June 2024.

## Section A: EBOS performance

**Section Overview**

This section explains the financial performance of EBOS by:

a) displaying additional information about individual items in the Consolidated Income Statement;

b) presenting further analysis of EBOS' operating segments by revenue and expenses; and

c) providing an analysis of the components of EBOS' tax balances for the year and the current imputation credit account balance.

**A1. Revenue and expenses**

**(a) Revenue**

**Revenue consisted of the following items:**

| | 2024<br>A$'000 | 2023<br>A$'000 |
|---|---|---|
| Community Pharmacy | 7,809,802 | 7,312,355 |
| Institutional Healthcare | 4,004,660 | 3,590,454 |
| Contract Logistics Services | 139,604 | 144,086 |
| Contract Logistics Sales | 866,126 | 820,549 |
| Interdivisional eliminations | (210,182) | (190,887) |
| Healthcare | 12,610,010 | 11,676,557 |
| Animal Care | 579,044 | 560,844 |
| | 13,189,054 | 12,237,401 |

**Recognition and measurement**

**Community Pharmacy and Institutional Healthcare**

Revenue is derived from the supply of human healthcare products to pharmacies, hospitals, aged care facilities, supermarkets and other healthcare providers in Australia, New Zealand and Southeast Asia markets. This includes the supply of agency products and EBOS' own branded human healthcare products distributed by the Group's branded distribution businesses. Following delivery of the goods, the customer obtains control as it has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility when on selling the goods and bears the risks of loss in relation to the goods.

A receivable is recognised by the Group when it passes control of the goods, which is when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is made.

The transaction price may be adjusted for customers who pay their account in full, earlier than what standard credit terms would require, or for incremental costs incurred in obtaining a sales contract which are recognised over the contractual period. Under the Group's standard terms with customers, product returns, refunds and provision for warranties are in accordance with local requirements. Accumulated experience has been used to determine that such returns are not significant.

**A1. Revenue and expenses continued**

**(a) Revenue continued**

**Recognition and measurement**

**Contract Logistics**

Sales: Sales consist of the sale of human healthcare products to a wide range of healthcare customers (wholesalers, pharmacies, hospitals and medical centres), in accordance with agreed terms with the customer. A receivable is recognised by the Group when it passes control of the goods, as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is made.

Under our standard terms with customers product returns, refunds and provision for warranties provided are in accordance with local requirements. Accumulated experience has been used to determine that such returns are not significant.

Service fees: Revenue is derived from the provision of logistics services for a fee to healthcare manufacturers for their operating activities in Australia and New Zealand. Service fees are typically charged for storage of manufacturer's inventory holdings and pick, pack and delivery services provided over a period of time, typically on a monthly basis, as specified within contractual rates agreed with the manufacturer.

The performance obligation is satisfied either at a point in time or over time, as applicable, at which point the right to consideration becomes unconditional, as only the passage of time is required before payment is made.

**Animal Care**

Revenue is derived from the supply of animal care products to pet retail, grocery and vet clinics across Australia and New Zealand. This includes EBOS' own manufactured and contract manufactured animal care products. Upon delivery of the goods, the customer assumes full control as it has complete discretion over the manner of distribution and pricing of goods, has the primary responsibility when on-selling the goods and bears the risks of loss in relation to the goods.

A receivable is recognised by the Group when it passes control of the goods, which is when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is made.

Under the Group's standard terms with customers product returns, refunds and provision for warranties are in accordance with local requirements. Accumulated experience has been used to determine that such returns are not significant.

**A1. Revenue and expenses continued**

**(b) Expenses**

**Profit before tax expense has been arrived at after charging the following expenses by nature:**

| | 2024<br>A$'000 | 2023<br>A$'000 |
|---|---|---|
| One-off items [(1)] | (18,748) | (13,234) |
| Cost of sales | (11,546,832) | (10,676,268) |
| Writedown of inventory | (9,316) | (13,671) |
| Impairment loss on trade and other receivables | (461) | (1,096) |
| Depreciation of property, plant and equipment | (30,325) | (32,454) |
| Depreciation on right of use assets | (62,134) | (53,792) |
| Amortisation (non-cash) of finite life intangibles attributable to fair value adjustments for the LifeHealthcare Group acquisition | (26,181) | (26,938) |
| Amortisation of other finite life intangibles | (10,231) | (11,600) |
| Short-term and low value asset leases | (10,333) | (10,358) |
| Donations | (698) | (443) |
| Employee benefit expense | (521,864) | (491,699) |
| Defined contribution plan expense | (34,708) | (29,321) |
| Other expenses | (453,437) | (444,904) |
| Total expenses | (12,725,268) | (11,805,778) |

*(1) One-off items comprise (i) merger and acquisition costs of $10.1m (2023: $0.7m) and (ii) Healthcare Segment restructuring and transition costs of $8.6m (2023: Institutional Healthcare integration costs of $12.5m).*

**Recognition and measurement**

**Impairment**
EBOS reviews the recoverable amount of its tangible and intangible assets, including goodwill, at each balance date. If the carrying value of an asset exceeds the recoverable amount, an impairment expense is recognised in the income statement.

Tangible assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). The recoverable amount is the higher of an asset's fair value less costs to sell and the present value of future cash flows expected to be generated by the asset (value in use).

**Depreciation and amortisation**
Depreciation is provided for on a straight line basis on all property, plant and equipment other than freehold land, at depreciation rates calculated to allocate the assets' cost less estimated residual value, over their estimated useful lives. Refer to note D1 for the useful lives used in the calculation of depreciation.

Amortisation is charged on a straight line basis over the estimated useful life of finite life intangibles. Refer to note B1(d) for the useful lives used in the calculation of amortisation.

**Short term and low value asset leases**
EBOS leases certain land, buildings, plant and equipment.

The Group has elected not to recognise right of use assets and lease liabilities for short-term leases and low value asset leases. The Group recognises the lease payments associated with the leases as an expense (recognised within other expenses in the Income Statement on a straight-line basis over the lease term).

**A1. Revenue and expenses continued**

**(b) Expenses continued**

**Employee expenses**
Provision is made for benefits owing to employees in respect of wages and salaries, annual leave, long service leave and employee incentives for services rendered. Provisions are recognised when it is probable they will be settled and can be measured reliably. They are carried at the remuneration rate expected to apply at the time of settlement and discounted to the present value of the expected payment to the employee at balance date.

**Net finance costs**
Finance costs include bank interest and amortisation of costs incurred in connection with borrowing facilities. Finance costs are expensed immediately as incurred, using the effective interest method, unless they relate to acquisition and development of qualifying assets, in which case they are capitalised.

Interest income is recognised on a time-proportionate basis using the effective interest method.

**A2. Segment information**

**(a) Reportable segments**

**EBOS GROUP LIMITED**

**Healthcare Segment**
Sales of healthcare products in a range of sectors, own brands, retail healthcare, pharmacy, hospital and logistic services and wholesale activities.

**Animal Care Segment**
Sales of animal care products in a range of sectors, own manufactured and contract manufactured brands, retail, and wholesale activities.

**Corporate**
Includes net funding costs and central administration expenses that have not been allocated to the Healthcare or Animal Care segments.

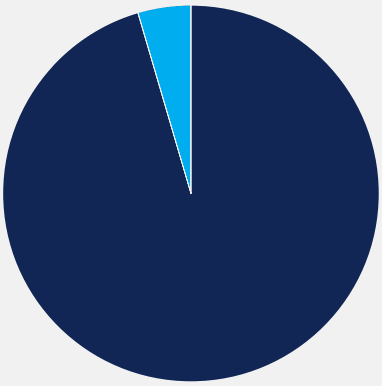
EBOS' major products and services are allocated consistently with the reportable segments, i.e. Healthcare and Animal Care, with no major products and services allocated to Corporate.

**(b) Segment revenues and results**

The following is an analysis of EBOS' revenue and results by reportable segment:

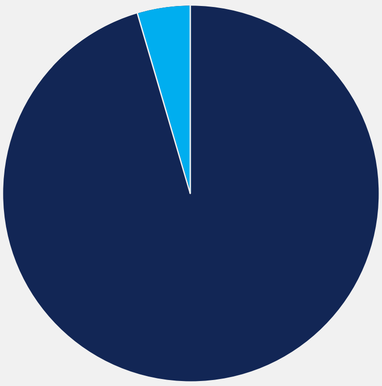
**Revenue from external customers (A$'000)**

**2024**



**Healthcare 96%** $12,610,010
**Animal Care 4%** $579,044

**2023**

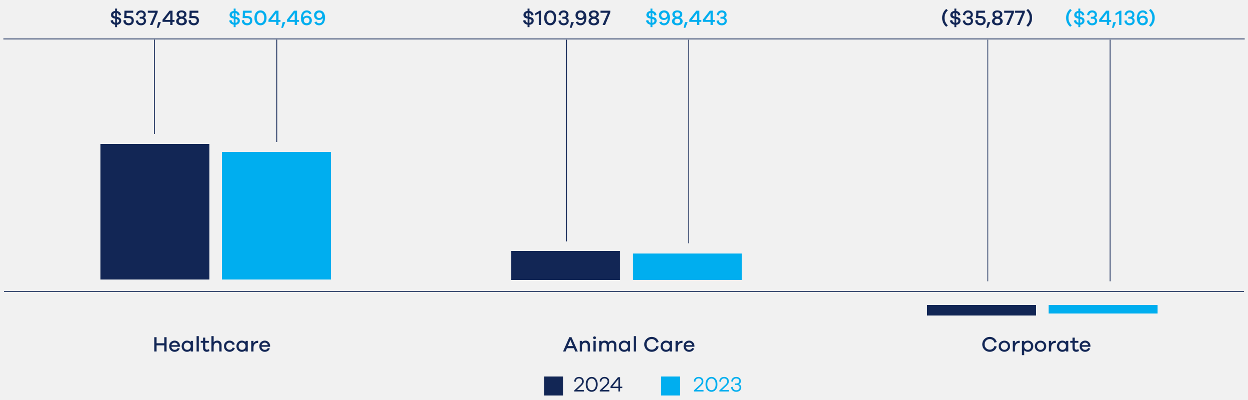


**Healthcare 95%** $11,676,557
**Animal Care 5%** $560,844

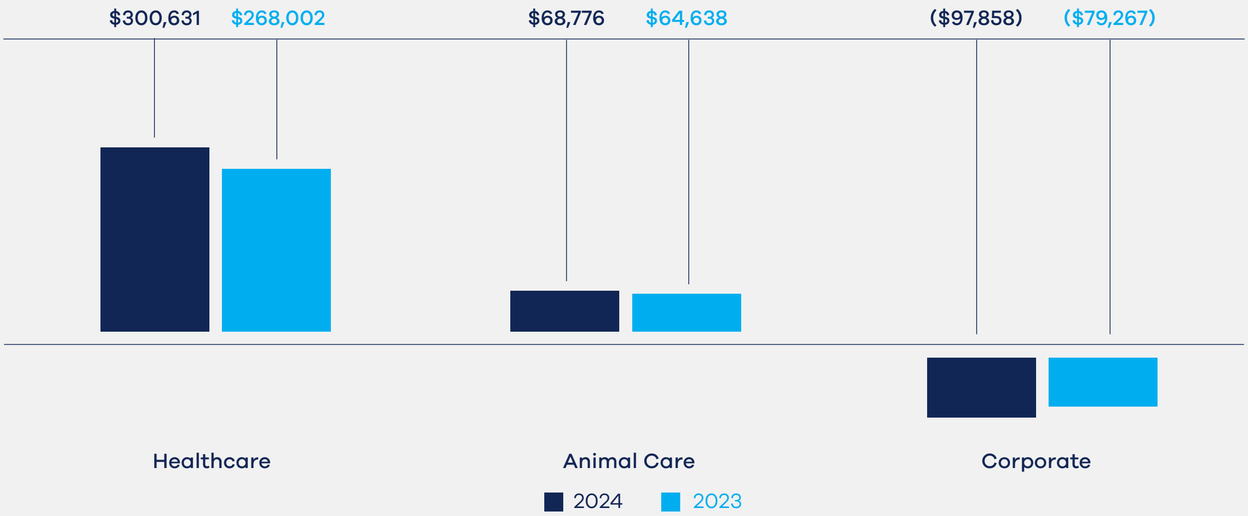
**A2. Segment information continued**

**(b) Segment revenues and results continued**

**EBITDA (A$'000)**




**Net profit/(loss) after tax for the year attributable to owners of the Company (A$'000)**




**Associate information:**

| | 2024<br>A$'000 | 2023<br>A$'000 |
|---|---|---|
| Included in the segment results above is income from associates: | | |
| Animal Care | 10,452 | 10,127 |
| Healthcare | 2,486 | 2,242 |
| Total income from associates | 12,938 | 12,369 |

**A2. Segment information continued**

**(b) Segment revenues and results continued**

The following is an analysis of other financial information by reportable segment:

| | Healthcare | | Animal Care | | Corporate | |
|---|---|---|---|---|---|---|
| | 2024 A$'000 | 2023 A$'000 | 2024 A$'000 | 2023 A$'000 | 2024 A$'000 | 2023 A$'000 |
| **Revenue from external customers** | 12,610,010 | 11,676,557 | 579,044 | 560,844 | - | - |
| **EBITDA** | 537,485 | 504,469 | 103,987 | 98,443 | (35,877) | (34,136) |
| Depreciation of property, plant and equipment | (26,193) | (28,684) | (4,132) | (3,770) | - | - |
| Depreciation on right of use assets | (55,102) | (46,826) | (5,978) | (5,867) | (1,054) | (1,099) |
| Amortisation (non-cash) of finite life intangibles attributable to fair value adjustments for the LifeHealthcare Group acquisition | (26,181) | (26,938) | - | - | - | - |
| Amortisation of finite life intangibles | (9,578) | (10,919) | (653) | (681) | - | - |
| **EBIT** | 420,431 | 391,102 | 93,224 | 88,125 | (36,931) | (35,235) |
| Net finance costs | - | - | - | - | (93,621) | (70,561) |
| Tax (expense)/benefit | (118,264) | (113,028) | (24,448) | (23,487) | 32,694 | 26,529 |
| **Profit for the year** | 302,167 | 278,074 | 68,776 | 64,638 | (97,858) | (79,267) |
| Non-controlling interests | (1,536) | (10,072) | - | - | - | - |
| Profit for the year attributable to owners of the Company | 300,631 | 268,002 | 68,776 | 64,638 | (97,858) | (79,267) |

**(c) Geographical information**

EBOS operates in two principal geographical areas: (i) Australia and (ii) New Zealand (country of domicile) and Southeast Asia.

EBOS' revenue from external customers by geographical location and information about its segment assets (non-current assets), excluding investment in associates and deferred tax assets, are detailed below:

| | Australia | | New Zealand and Southeast Asia | | Group | |
|---|---|---|---|---|---|---|
| | 2024 A$'000 | 2023 A$'000 | 2024 A$'000 | 2023 A$'000 | 2024 A$'000 | 2023 A$'000 |
| **Continuing operations** | | | | | | |
| Revenue from external customers | 10,647,831 | 9,901,504 | 2,541,223 | 2,335,897 | 13,189,054 | 12,237,401 |
| **Non-current assets** | 2,843,070 | 2,693,830 | 623,433 | 476,090 | 3,466,503 | 3,169,920 |

**(d) Information about major customers**

No revenues from transactions that are with a single customer amount to 10% or more of EBOS' revenues (2023: Nil).

**Recognition and measurement**

The reportable segments of EBOS have been identified in accordance with NZ IFRS 8 'Operating Segments'.

The Group's operating segments are identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision-maker in order to allocate resources to the segment and to assess its performance.

The accounting policies of EBOS have been consistently applied to the operating segments. Profit before depreciation, amortisation, net finance costs and tax expense (EBITDA) is the measure reported to the chief operating decision-maker for the purpose of resource allocation and assessment of segment performance.

Assets are not allocated to operating segments as they are not reported to the chief operating decision-maker at a segment level.

## A3. Taxation

**(a) Tax expense recognised in Consolidated Income Statement**

| | 2024<br>A$'000 | 2023<br>A$'000 |
|---|---|---|
| **Tax expense comprises:** | | |
| Current tax expense: | | |
| Current year | 108,948 | 105,042 |
| Adjustments for prior years | (2,762) | (2,646) |
| | 106,186 | 102,396 |
| Deferred tax expense/(credit): | | |
| Origination and reversal of temporary differences | 5,737 | 6,351 |
| Adjustments for prior years | (1,905) | 1,239 |
| | 3,832 | 7,590 |
| **Total tax expense** | 110,018 | 109,986 |

The prima facie income tax expense on pre-tax accounting profit from operations reconciles to the income tax expense in the financial statements as follows:

| | 2024<br>A$'000 | 2023<br>A$'000 |
|---|---|---|
| Profit before tax expense | 383,103 | 373,431 |
| Tax expense calculated at 28% (2023: 28%) | 107,269 | 104,561 |
| Non-deductible expenses | 8,716 | 8,015 |
| Effect of different tax rates of subsidiaries operating in overseas jurisdictions | 4,272 | 4,084 |
| Over provision of tax expense in prior years | (4,667) | (1,407) |
| Other adjustments | (5,572) | (5,267) |
| **Total tax expense** | 110,018 | 109,986 |

The tax rates used are principally the corporate tax rates of 28% (2023: 28%) payable by New Zealand and 30% (2023: 30%) payable by Australian corporate entities on taxable profits under tax law in each jurisdiction.

**A3. Taxation continued**

**(b) Deferred tax assets and liabilities**

Taxable and deductible temporary differences arise from the following:

| | 2024<br>A$'000 | 2023<br>A$'000 |
|---|---|---|
| **Gross deferred tax liabilities:** | | |
| Property, plant and equipment | 9,698 | 4,945 |
| Other payables | 3,670 | 5,130 |
| Other financial assets – derivatives | 857 | 1,597 |
| Right of use assets | 116,573 | 85,891 |
| Intangible assets | 167,943 | 161,682 |
| **Total gross deferred tax liabilities** | 298,741 | 259,245 |
| | | |
| **Gross deferred tax assets:** | | |
| Property, plant and equipment | 9,301 | 8,833 |
| Other payables | 80,954 | 82,607 |
| Other financial assets – derivatives | 287 | - |
| Lease liabilities | 123,906 | 90,934 |
| Intangible assets | 24,288 | 24,031 |
| Tax losses carried forward | 191 | 181 |
| **Total gross deferred tax assets** | 238,927 | 206,586 |

**(c) Imputation credit account balances**

| | 2024<br>A$'000 | 2023<br>A$'000 |
|---|---|---|
| **Imputation credit account balances**<br>Imputation credits available directly and indirectly to shareholders of the parent company: | 13,158 | 11,572 |

Imputation credits allow EBOS to pass on to its shareholders the benefit of the New Zealand income tax it has paid by attaching imputation credits to the dividends it distributes, reducing shareholders' net tax obligations.

## A3. Taxation continued

### Recognition and measurement

Taxable profit differs from profit before tax reported in the Consolidated Income Statement as it excludes items of income and expense that are taxable or deductible in other years (temporary differences) and also excludes items that will never be taxable or deductible (permanent differences).

Income tax expense components are current income tax and deferred tax.

Deferred tax is income tax that is expected to be payable or recoverable in the future as a result of the unwinding of temporary differences. These arise from differences in the recognition of assets and liabilities for financial reporting and for the filing of income tax returns.

Deferred tax is recognised on all temporary differences, other than those arising:

- from goodwill;
- from the initial recognition of assets and liabilities in a transaction (other than in a business combination) that affects neither the accounting nor taxable profit or loss; and
- investments in associates and subsidiaries where EBOS is able to control the reversal of the temporary differences and such differences are not expected to reverse in the foreseeable future.

Deferred tax is calculated at the tax rates that are expected to apply to the year when a liability is settled or an asset realised, based on tax rates and tax laws that have been enacted or substantively enacted at balance date.

A deferred tax asset is recognised to the extent it is probable that future taxable profits will be available to use the asset. This is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available in the future to utilise the deferred tax asset.

### Amendments to NZ IAS 12 Income Taxes (NZ IAS 12) – International Tax Reform – Pillar Two Model Rules

The Group has adopted the amendment to NZ IAS 12 for the first time in the current year. The amendment clarifies that the Standard applies to income taxes arising from tax law enacted, or substantively enacted, to implement the Pillar Two model rules published by the OECD, including tax law that implements qualified domestic minimum top-up taxes described within those rules.

The Group has undertaken a preliminary analysis of the impact of the legislation, in particular with regard to the utilisation of the safe harbour regulations. In making this assessment, the Group has applied the Pillar Two rules to the 2024 financial results to provide an indication of possible future impacts. These calculations demonstrated the impact on current taxes and tax payments is estimated to be minimal for the Group. Specifically, the safe harbour regulations are likely to be satisfied, meaning no taxes would have risen within the jurisdictions that the Group operates had the Pillar Two rules applied for the 2024 year.

The Group is making use of the temporary exemption resulting from the implementation of the Pillar Two regulations, which was included in the amendment of NZ IAS 12 published in May 2023, under which it does not have to recognise deferred taxes in relation to Pillar Two.

## A4. Earnings per share

| | | Basic earnings per share | | Diluted earnings per share | |
|---|---|---|---|---|---|
| | | 2024 | 2023 | 2024 | 2023 |
| Earnings used in the calculation of total earnings per share | A$'000 | 271,549 | 253,373 | 271,549 | 253,373 |
| Weighted average number of ordinary shares for the purposes of calculating earnings per share | No. (000's) | 192,168 | 190,602 | 192,168 | 190,602 |
| Earnings per share | Cents | 141.3 | 132.9 | 141.3 | 132.9 |

Basic earnings per share is calculated by dividing the profit attributable to the shareholders of the company by the weighted average number of ordinary shares on issue during the year excluding shares held as treasury stock. Diluted earnings per share assumes conversion of all dilutive potential ordinary shares in determining the denominator.

## Section B: Key judgements made

**Section Overview**

This section identifies the balances and transactions to which key judgements have been made by EBOS in the preparation of these financial statements. Key judgements have been made in regards to the estimates for future cash flows for goodwill and indefinite life intangibles impairment assessment purposes, and the identification of intangible assets and recognition of goodwill for business acquisitions.

**B1. Goodwill and intangibles**

**(a) Goodwill**

| | Notes | 2024<br>A$'000 | 2023<br>A$'000 |
|---|---|---|---|
| **Gross carrying amount** | | | |
| Balance at beginning of financial year | | 1,976,368 | 1,946,521 |
| Recognised from business acquisitions during the year | B2 | 93,450 | 22,296 |
| Effects of foreign currency exchange and other differences | | (2,124) | 7,551 |
| **Net book value** | | 2,067,694 | 1,976,368 |

**Recognition and measurement**

Goodwill arising on the acquisition of a subsidiary is recognised as an asset at the date that control is acquired (the acquisition date). Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously-held equity interest (if any) in the acquiree over the fair value of the identifiable net assets recognised.

Goodwill is not amortised; however, it is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of EBOS' CGUs or groups of CGUs expected to benefit from the synergies of the combination.

CGUs to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. The recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of the CGU is less than its carrying amount, the impairment loss is first allocated to reduce the carrying amount of any goodwill and then to the other assets of the unit on a pro-rata basis. Any impairment loss on goodwill is recognised immediately in profit or loss and is not subsequently reversed.

**B1. Goodwill and intangibles continued**

**(b) Indefinite life intangibles**

| | TerryWhite Chemmart Brands A$'000 | Other Healthcare Brands A$'000 | Franchise Network A$'000 | Animal Care Brands A$'000 | Healthcare Trademarks A$'000 | Total A$'000 |
|---|---|---|---|---|---|---|
| **Gross carrying amount** | | | | | | |
| Balance at 1 July 2022 | 36,538 | 82,475 | 10,954 | 24,869 | 15,569 | 170,405 |
| Effects of foreign currency exchange and other differences | - | 343 | - | 99 | 261 | 703 |
| **Balance at 30 June 2023** | 36,538 | 82,818 | 10,954 | 24,968 | 15,830 | 171,108 |
| Acquisitions through business combinations | - | - | - | 21,863 | - | 21,863 |
| Effects of foreign currency exchange and other differences | - | (98) | - | (318) | (74) | (490) |
| **Balance at 30 June 2024** | 36,538 | 82,720 | 10,954 | 46,513 | 15,756 | 192,481 |

**Recognition and measurement**

Indefinite life intangible assets represent purchased brands, trademarks and a franchise network asset that are initially recognised at fair value. These intangible assets are tested annually for impairment on the same basis as for goodwill.

**Judgement: useful lives of indefinite life intangible assets**

The Directors have assessed these brands, trademarks and a franchise network asset as having an indefinite useful life. In coming to this conclusion, the expected expansion of these assets across other products and markets, the typical product life cycle of these assets, the stability of the industry in which the assets are operating, the level of maintenance expenditure required and the period of legal control over these assets has been considered.

**B1. Goodwill and intangibles continued**

**(c) Cash-generating units**

The carrying amount of goodwill and indefinite life intangibles allocated to CGUs or groups of CGUs is as follows:

| | Goodwill | | Indefinite life intangibles | |
|---|---|---|---|---|
| | 2024 A$'000 | 2023 A$'000 | 2024 A$'000 | 2023 A$'000 |
| Healthcare Australia [1] | 712,631 | 712,631 | 9,059 | 9,059 |
| Healthcare New Zealand [2] | 71,697 | 67,141 | 20,689 | 20,787 |
| Healthcare: Pharmacy/Logistics NZ [3] | 86,852 | 87,263 | 15,755 | 15,829 |
| Healthcare: TerryWhite Group [4] | 56,836 | 53,249 | 47,492 | 47,492 |
| Healthcare: Medical Technology [5] | 928,837 | 902,276 | 52,973 | 52,973 |
| Animal Care [6] | 210,841 | 153,808 | 46,513 | 24,968 |
| | 2,067,694 | 1,976,368 | 192,481 | 171,108 |

1 Australian Consumer, Hospital, Pharmacy, Primary Healthcare sectors.
2 New Zealand Consumer, Hospital, Primary Healthcare, Aged Care and International Product Supplies.
3 New Zealand Pharmacy Wholesaler and Logistic Services.
4 Australia – Terry White Group.
5 Australia, New Zealand and Southeast Asia Medical Technology.
6 Australia and New Zealand Animal Care.

For the year ended 30 June 2024, the Directors have determined that there is no impairment of any of the CGUs containing goodwill, brands, trademarks or the franchise network asset (2023: Nil).

**Key judgement: impairment assessment assumption**

The recoverable amounts of cash generating units are determined on the basis of value in use calculations.
The recoverable amount calculations are most sensitive to changes in the following assumptions:

| | |
|---|---|
| **Revenue** | Estimated by management based on revenue achieved in the period immediately before the start of the assessment period and adjusted each year for any anticipated growth. |
| **Operating costs** | Estimated by management based on current trends at the start of the assessment period and adjusted for expected changes in the business or sector in which the business operates. |
| **Discount rates** | Estimated by management based on a current market assessment of the time value of money, cost of capital and risks specific to the asset or CGU to which the cash flows generated by that asset or CGU are being assessed. |

**B1. Goodwill and intangibles continued**

**(c) Cash-generating units continued**

**Key estimate: value in use calculation**

The value in use calculation uses cash flow projections based on financial forecasts approved by the Board and management covering a five year period, including terminal value, and management's past experience. The following estimates, excluding the impact of known business losses, were used in the value in use calculation:

| | 2024 | 2023 |
|---|---|---|
| **Goodwill** | | |
| Annual revenue growth rates | 3.0% - 7.0% | 3.0% - 7.0% |
| Allowance for increases in expenses | 2.8% - 5.5% | 3.0% - 6.0% |
| Pre-tax discount rates | 10.0% - 13.6% | 10.0% - 13.9% |
| Terminal growth rate | 2.5% | 2.5% |

**Key estimate: fair value less costs to sell**

The fair value of indefinite life intangibles has been calculated using the relief from royalty method. The following estimates were used:

| | 2024 | 2023 |
|---|---|---|
| **Indefinite life intangibles** | | |
| Annual revenue growth rates | 3.0% - 8.0% | 3.0% - 8.0% |
| Allowance for increases in expenses | 2.8% - 5.0% | 3.0% - 5.0% |
| Royalty rate | 1.0% - 11.8% | 1.0% - 11.8% |
| Pre-tax discount rates | 10.9% - 18.0% | 11.7% - 18.0% |
| Terminal growth rate | 2.5% | 2.5% |

Management has carried out a sensitivity analysis and believe that any reasonable possible change in the key assumptions would not cause the book value of any CGUs or groups of CGUs to exceed their recoverable amount.

**B1. Goodwill and intangibles continued**

**(d) Finite life intangibles**

| | Supply contracts A$'000 | Other A$'000 | Total A$'000 |
|---|---|---|---|
| Gross carrying amount | 341,717 | 150,196 | 491,913 |
| Accumulated amortisation and impairment | (29,730) | (118,027) | (147,757) |
| **Balance at 30 June 2023** | 311,987 | 32,169 | 344,156 |
| Gross carrying amount | 341,711 | 179,641 | 521,352 |
| Accumulated amortisation and impairment | (55,905) | (128,021) | (183,926) |
| **Balance at 30 June 2024** | 285,806 | 51,620 | 337,426 |

Aggregate amortisation recognised as an expense during the year:

| | 2024 A$'000 | 2023 A$'000 |
|---|---|---|
| Supply contracts [1] | 26,181 | 26,938 |
| Other | 10,231 | 11,600 |
| | 36,412 | 38,538 |

*(1) Non-cash amortisation of intangibles recognised on acquisitions.*

**Recognition and measurement**

Finite life intangible assets are recorded at cost less accumulated amortisation. Amortisation is charged on a straight line basis over their estimated useful life.

Other finite life intangible assets comprise primarily software.

**Judgement: Useful lives of finite life intangible assets**

In determining the estimated useful life of finite life intangible assets (of a period of between one to 13 years) the following characteristics have been assessed: (i) expected expansion of the usage of the assets, (ii) the typical product life cycle of these assets, (iii) the stability of the industry in which the assets are operating, and (iv) the level of maintenance expenditure required. The estimated useful life and amortisation period is reviewed at the end of each annual reporting period.

**B1. Goodwill and intangibles continued**

**(e) Goodwill and intangibles accounting policies**

**Accounting policies**

At each balance sheet date, EBOS reviews the carrying amounts of its non-current assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, EBOS estimates the recoverable amount of the CGU to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (CGU) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, other than for Goodwill, the carrying amount of the asset (CGU) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (CGU) in prior years. A reversal of an impairment loss is recognised as income immediately. Impairment losses cannot be reversed for goodwill.

**B2. Acquisition information**

The following material acquisitions of subsidiaries took place during the year:

| Name of business acquired | Principal activities | Date of acquisition | Cost of acquisition A$'000 |
|---|---|---|---|
| **2024** | | | |
| 100% of the business assets and liabilities of Superior Pet Food Co. (Superior) | Animal Care | July 2023 | 78,300 |
| 100% of the business assets and liabilities of CAB Medical Pty Limited (CAB) | Healthcare | February 2024 | 27,271 |

**B2. Acquisition information continued**

The purchase price allocation for acquisitions during the period is measured on a provisional basis and is subject to change pending the finalisation of the valuation of the assets acquired and liabilities assumed. Combined details of acquisitions undertaken during the current period are as follows:

| | Carrying value A$'000 | Fair value adjustment A$'000 | Fair value on acquisition A$'000 |
|---|---|---|---|
| **Current assets** | | | |
| Cash and cash equivalents | 5,334 | - | 5,334 |
| Trade and other receivables | 5,612 | (917) [1] | 4,695 |
| Prepayments | 353 | (57) [2] | 296 |
| Current tax receivable | 47 | (8) [3] | 39 |
| Inventories | 7,532 | (1,810) [4] | 5,722 |
| **Non-current assets** | | | |
| Property, plant and equipment | 2,808 | (784) [5] | 2,024 |
| Right of use assets | - | 4,526 [6] | 4,526 |
| Deferred tax assets | 39 | 2,468 [3] | 2,507 |
| Indefinite life intangibles | - | 21,863 [7] | 21,863 |
| Finite life intangibles | 72 | (72) [8] | - |
| **Current liabilities** | | | |
| Trade and other payables | (3,381) | (2,834) [9] | (6,215) |
| Current tax payables | (248) | (784) [3] | (1,032) |
| Lease liabilities | - | (732) [10] | (732) |
| Employee benefits | (1,654) | (276) [11] | (1,930) |
| **Non-current liabilities** | | | |
| Trade and other payables | - | (723) [9] | (723) |
| Lease liabilities | - | (3,794) [10] | (3,794) |
| Deferred tax liabilities | - | (6,133) [3] | (6,133) |
| Employee benefits | (155) | (300) [11] | (455) |
| **Net assets acquired** | 16,359 | 9,633 | 25,992 |
| Goodwill on acquisition | | | 93,450 |
| **Total consideration** | | | **119,442** |
| *Less* cash and cash equivalents | | | (5,334) |
| *Less* deferred purchase consideration | | | (21,911) |
| **Net cash outflow from acquisition** | | | **92,197** |

**B2. Acquisition information continued**

**Judgements made:**

1. To recognise the fair value of trade and other receivables on acquisition.
2. To recognise the fair value of prepayments on acquisition.
3. To recognise current and deferred tax balances on acquisition.
4. To recognise the fair value of inventories on acquisition.
5. To recognise the fair value of property, plant and equipment on acquisition.
6. To recognise the fair value of right of use assets on acquisition.
7. To recognise the fair value of the Superior Pet Food brands on acquisition.
8. To recognise the fair value of finite intangible assets on acquisition.
9. To recognise the fair value of trade and other payables on acquisition.
10. To recognise the fair value of lease liabilities on acquisition.
11. To recognise the fair value of employee benefits on acquisition.

**Recognition and measurement**

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method.

The cost of acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by EBOS in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

Where applicable, the cost of acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments. All other subsequent changes in the fair value of contingent consideration classified as an asset or liability are accounted for in accordance with relevant NZ IFRSs. Changes in the fair value of contingent consideration classified as equity are not recognised.

**Goodwill arising on acquisition**

Goodwill arose on the acquisitions of the business operations of Superior and CAB because the cost of acquisition included a control premium paid. In addition, goodwill resulted from the consideration paid for the benefit of future expected cash flows above the current fair value of the assets acquired and the expected synergies and future market benefits expected to be obtained. These benefits are not recognised separately from goodwill as the expected future economic benefits arising cannot be reliably measured and they do not meet the definition of identifiable intangible assets. The accounting for the business combinations including goodwill arose is considered provisional at balance date and will be finalised within 12 months of the acquisition date.

Superior is a leading manufacturer and supplier of dog treats and premium dog rolls based in New Zealand. This acquisition expands the Group's portfolio of branded products in attractive categories, increases our in-house manufacturing capabilities and accelerates our new product development initiatives.

CAB is a distributor of foot and ankle devices, consumables and allografts operating in Australia. CAB was acquired as it is a profitable Australian healthcare business which the Group believes fits strategically with its Australian healthcare business assets.

**Impact of the acquisitions on the results of the Group for the year ended 30 June 2024**

The impact of the acquisitions on the Group's results for the period ended 30 June 2024 are not considered material.

**B2. Acquisition information continued**

**Impact on the Consolidated Cash Flow Statement of all acquisitions during the year:**

| | 2024 A$'000 | 2023 A$'000 |
|---|---|---|
| **Subsidiaries acquired** | | |
| **Consideration** | | |
| Cash and cash equivalents | 97,531 | 23,874 |
| Deferred purchase consideration | 21,911 | 1,200 |
| Total consideration | 119,442 | 25,074 |
| **Represented by:** | | |
| Net assets acquired | 25,992 | 2,778 |
| Goodwill on acquisition | 93,450 | 22,296 |
| Total consideration | 119,442 | 25,074 |
| **Net cash outflow on acquisitions** | | |
| Cash and cash equivalents consideration | 97,531 | 23,874 |
| Cash paid for additional shares from non-controlling interests (Note F3) | 134,626 | - |
| Deferred purchase consideration paid in relation to prior year acquisitions | 20,070 | 26,088 |
| Less cash and cash equivalents acquired | (5,334) | (304) |
| Total consideration | 246,893 | 49,658 |

# Section C: Operating assets and liabilities used by EBOS

**Section Overview**

This section provides further analysis on the significant operating assets and liabilities of EBOS. These balances comprise the material net working capital balances used by EBOS to run its day to day operating activities.

### C1. Trade and other receivables

| | 2024 A$'000 | 2023 A$'000 |
|---|---|---|
| Trade receivables (i) | 1,403,190 | 1,414,658 |
| Other receivables | 121,747 | 114,278 |
| Provision for expected credit losses (ii) | (30,373) | (31,410) |
| | 1,494,564 | 1,497,526 |

**Recognition and measurement**

Trade receivables are measured on initial recognition at fair value and are subsequently carried at amortised cost. They are presented as current assets unless collection is not expected for more than 12 months after the reporting date.

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.

The Directors believe that the carrying amount of trade and other receivables approximates their fair value

(i) Trade receivables are non-interest bearing. Interest may be charged on outstanding overdue balances in accordance with the terms and conditions under which goods are supplied. Trade debtors generally have terms of 30 days.

**(ii) Provision for expected credit losses**

| | Not due A$'000 | 30–60 days A$'000 | 60–90 days A$'000 | 90+ days A$'000 | Total 2024 A$'000 |
|---|---|---|---|---|---|
| Trade receivables – total | 1,297,738 | 67,019 | 14,741 | 23,692 | 1,403,190 |
| Provision for expected credit losses – total | (231) | (2,847) | (6,970) | (20,325) | (30,373) |

| | Not due A$'000 | 30–60 days A$'000 | 60–90 days A$'000 | 90+ days A$'000 | Total 2023 A$'000 |
|---|---|---|---|---|---|
| Trade receivables – total | 1,312,810 | 69,902 | 14,523 | 17,423 | 1,414,658 |
| Provision for expected credit losses – total | (1,764) | (5,461) | (6,772) | (17,413) | (31,410) |

**C1. Trade and other receivables continued**

### Recognition and measurement

The Group recognises a loss allowance for expected credit losses ("ECL") on trade receivables. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group measures the provision for ECL using the simplified approach to measuring ECL, which uses a lifetime expected loss allowance for all trade receivables. The Group determines lifetime ECL for groups of trade receivables with shared credit risk characteristics. Groupings are based on customer, trading terms and ageing.

An ECL rate is determined based on the historic credit loss rates for the Group, adjusted for other current observable data that may materially impact the Group's future credit risk. This other observable data includes specific factors in relation to each debtor or general economic conditions of the industry in which the debtors operate.

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable basis that a more lagging default criterion is more appropriate.

## C2. Inventories

| | 2024<br>A$'000 | 2023<br>A$'000 |
|---|---|---|
| Raw materials – at cost | 38,105 | 34,278 |
| Finished goods | 1,172,335 | 1,199,959 |
| | 1,210,440 | 1,234,237 |

### Recognition and measurement

Inventories consist of raw materials (for the manufacturing operations of EBOS) and finished goods. Inventories are recognised at the lower of cost, determined on a weighted average basis, and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price in the ordinary course of business, less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

## C3. Trade and other payables

| | 2024<br>A$'000 | 2023<br>A$'000 |
|---|---|---|
| **Current** | | |
| Trade payables | 1,992,448 | 2,086,293 |
| Other payables | 216,444 | 207,142 |
| Deferred purchase consideration | 3,641 | 20,936 |
| | 2,212,533 | 2,314,371 |
| **Non-current** | | |
| Other payables | 18,648 | 14,183 |
| Deferred purchase consideration | 18,273 | 1,200 |
| | 36,921 | 15,383 |

### Recognition and measurement

Trade payables and accruals principally comprise amounts outstanding for trade purchases and ongoing costs.

Trade and other payables, are initially measured at fair value and subsequently measured at amortised cost, using the effective interest method.

The Directors consider that the carrying amount of trade payables approximates to their fair value.

Trade payables are unsecured and are generally settled within the month following the invoice date.

## Section D: Capital assets used by EBOS to operate our business

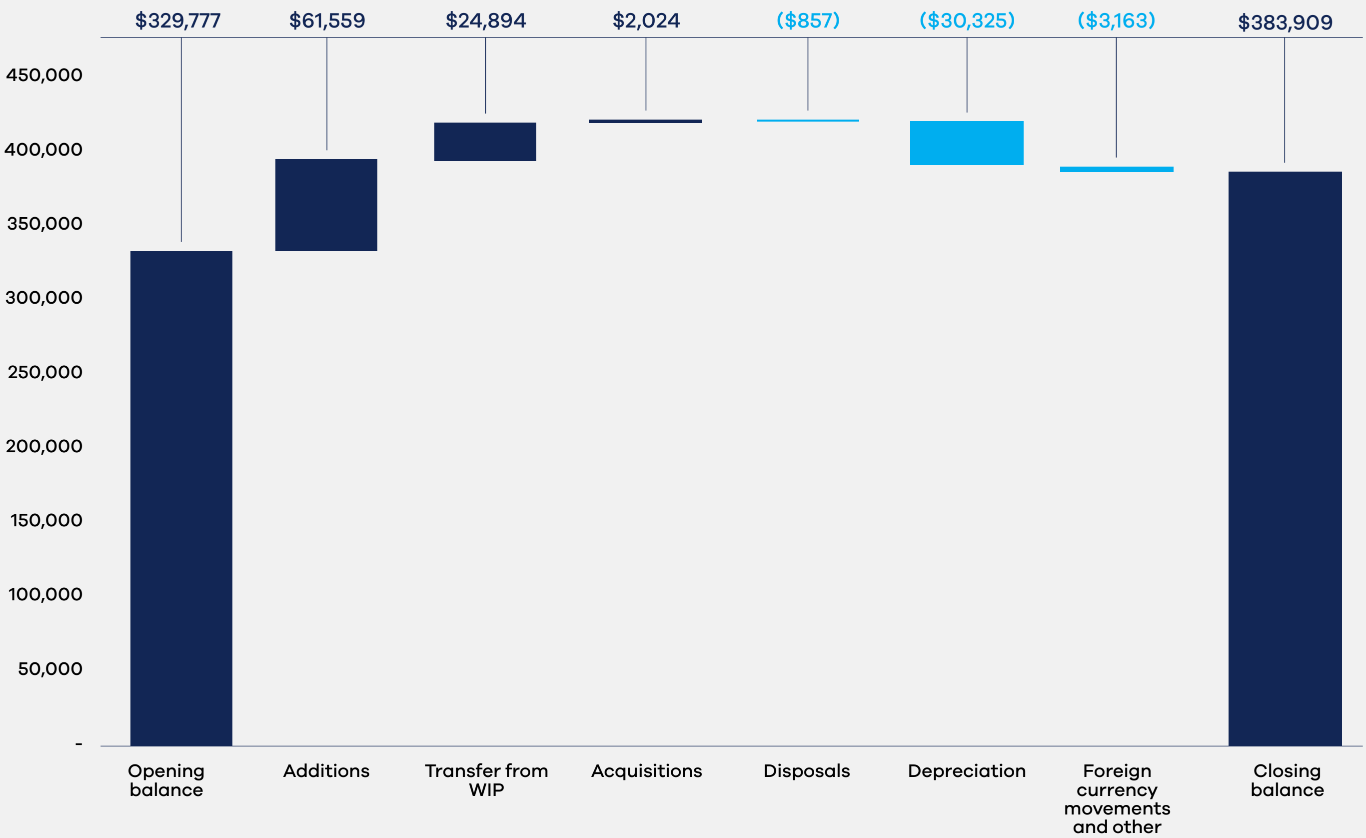
**Section Overview**

This section explains what capital assets, such as property, plant and equipment, that EBOS uses to operate its business activities. This section also describes the material movements in capital assets during the year.

### D1. Property, plant and equipment

| | Freehold land A$'000 | Buildings A$'000 | Leasehold improvements and assets A$'000 | Plant and equipment A$'000 | Office equipment, furniture and fittings A$'000 | Total A$'000 |
|---|---|---|---|---|---|---|
| Cost | 28,619 | 75,941 | 56,581 | 260,111 | 36,901 | 458,153 |
| Accumulated depreciation | - | (12,598) | (21,230) | (72,887) | (21,661) | (128,376) |
| **Balance at 30 June 2023** | 28,619 | 63,343 | 35,351 | 187,224 | 15,240 | 329,777 |
| Cost | 28,610 | 75,919 | 94,602 | 296,205 | 41,276 | 536,612 |
| Accumulated depreciation | - | (14,485) | (26,721) | (88,516) | (22,981) | (152,703) |
| **Balance at 30 June 2024** | 28,610 | 61,434 | 67,881 | 207,689 | 18,295 | 383,909 |

**Reconciliation of the net carrying amount from the beginning to the end of the year (A$'000)**



**D1. Property, plant and equipment continued**

### Recognition and measurement

Property, plant and equipment is initially recorded at cost. Cost includes the original purchase consideration and those costs directly attributable to bringing the item of property, plant and equipment to the location and condition for its intended use. After recognition as an asset, property, plant and equipment is carried at cost less accumulated depreciation and impairment losses.

Depreciation of property, plant and equipment assets, other than freehold land, is calculated on a straight-line basis. This allocates the cost or fair value amount of an asset, less any residual value, over its estimated useful life.

### Judgements and estimates – useful lives

EBOS estimates the remaining useful life of assets as follows:

- Buildings: 20 to 50 years
- Leasehold improvements: 2 to 20 years
- Plant and equipment: 2 to 20 years
- Office equipment, furniture and fittings: 2 to 20 years

The residual value and useful lives are reviewed and if appropriate adjusted at each reporting date.

**D2. Capital work in progress**

| | 2024<br>A$'000 | 2023<br>A$'000 |
|---|---|---|
| Capital work in progress | 61,563 | 49,110 |

## Section E: How we fund the business

### Section Overview

This section explains how EBOS funds its operations and shows the sources of other available facilities that it may call upon if required to fund its operational or future investing activities.

**Capital management**

EBOS manages its capital, meaning total shareholders' funds, to provide appropriate returns to shareholders whilst maintaining a capital structure that safeguards its ability to remain a going concern and optimises the cost of capital.

**E1. Share capital**

| | 2024 | | 2023 | |
|---|---|---|---|---|
| | No. 000's | Total A$'000 | No. 000's | Total A$'000 |
| **Fully paid ordinary shares** | | | | |
| Balance at beginning of financial year | 191,604 | 1,889,863 | 189,383 | 1,810,562 |
| Dividend reinvested | 1,399 | 45,736 | 2,130 | 77,981 |
| Performance rights | 186 | - | 46 | - |
| Share placement and retail offer issue costs | - | - | - | (285) |
| Tax on deductible issue costs | - | - | - | 85 |
| Issue of shares to staff under employee share plan | 54 | 1,808 | 45 | 1,681 |
| Employee share issue costs | - | (197) | - | (161) |
| | 193,243 | 1,937,210 | 191,604 | 1,889,863 |

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of shares held. Every ordinary shareholder present at a meeting of the Company in person or by proxy, is entitled to one vote per share, and upon a poll each ordinary share is entitled to one vote per share.

### Recognition and measurement

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

## E2. Dividends

### Recognition and measurement

Dividends are approved by the Board in New Zealand dollars. Dividends recognised in the Statement of Changes in Equity are converted from New Zealand dollars to Australian Dollars at the exchange rate applicable on the date the dividend was approved.

Unrecognised dividends are converted at the exchange rate applicable on the reporting date.

| | 2024 | | 2023 | |
|---|---|---|---|---|
| | A$ Cents per share | Total A$'000 | A$ Cents per share | Total A$'000 |
| **Recognised amounts** | | | | |
| Fully paid ordinary shares: | | | | |
| Final – prior year | 52.7 | 100,879 | 43.9 | 83,001 |
| Interim – current year | 53.7 | 102,796 | 48.2 | 92,610 |
| Dividends per share | 106.4 | 203,675 | 92.1 | 175,611 |
| **Unrecognised amounts** | | | | |
| Final dividend | 56.8 | 109,788 | 52.4 | 100,477 |

### Subsequent event

A dividend of NZ 61.5 cents per share was declared on 20 August 2024 with the dividend being payable on 18 September 2024. The anticipated cash impact of the dividend is approximately $109.8m.

The following table shows dividends approved in New Zealand dollars:

| | 2024 NZ$ Cents per share | 2023 NZ$ Cents per share |
|---|---|---|
| **Recognised amounts** | | |
| Fully paid ordinary shares: | | |
| Final – prior year | 57.0 | 49.0 |
| Interim – current year | 57.0 | 53.0 |
| Dividends per share | 114.0 | 102.0 |
| **Unrecognised amounts** | | |
| Final dividend | 61.5 | 57.0 |

New Zealand dollar dividends paid to equity holders of the parent are translated into Australian dollars and disclosed in the cash flow statement at the foreign currency exchange rate applicable on the date they are paid.

### E3. Borrowings

| | 2024<br>A$'000 | 2023<br>A$'000 |
|---|---|---|
| **Current** | | |
| Bank loans – securitisation facility (i) | 180,745 | 42,124 |
| Bank loans (ii) | 584,963 | - |
| | 765,708 | 42,124 |
| **Non-current** | | |
| Bank loans (ii) | 470,102 | 936,351 |
| | 470,102 | 936,351 |

(i) EBOS, through a subsidiary company, has a trade debtor securitisation facility of $400.0m (2023: $400.0m) of which $219.3m was unutilised at 30 June 2024 (2023: $357.9m). The securitisation facility involves providing security over the future cash flows of specific trade receivables, which meet certain criteria, in return for cash finance on a contracted percentage of the security provided. As recourse, in the event of default by a trade debtor, remains with EBOS, the trade receivables provided as security and the funding provided are recognised on the EBOS Consolidated Balance Sheet.

At 30 June 2024, the value of trade receivables provided as security under this securitisation facility was $236.7m (2023: $111.4m). The net cash flows associated with the securitisation programme are disclosed in the Consolidated Cash Flow Statement as cash flows from financing activities.

(ii) EBOS has gross bank term loan facilities of $1,632.4m (2023: $1,534.6m), of which $577.4m was unutilised at 30 June 2024 (2023: $598.2m).

EBOS fully complies with and operates within the debt facility financial covenants under the arrangements with its bankers.

#### Recognition and measurement

All loans and borrowings are initially recognised at cost, being the fair value of the consideration received plus issue costs associated with the borrowing. After initial recognition, these loans and borrowings are subsequently measured at amortised cost using the effective interest method, which allocates the cost through the expected life of the loan or borrowing. The fair value of non-current borrowings is approximately equal to their carrying amount.

Bank loans are classified as current liabilities unless EBOS has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

**E4. Borrowings facilities maturity profile**

As at 30 June 2024, EBOS had unrestricted access to the following lines of available credit:

| Facility | Total facility A$'m | Unused A$'m | Maturity |
|---|---|---|---|
| Term debt facilities ($AUD) | 563.0 | 13.0 | < 1 year |
| Term debt facilities ($SGD) | 53.8 | 18.7 | < 1 year |
| Term debt facilities ($AUD) | 345.0 | - | 1-2 years |
| Term debt facilities ($AUD) | 500.0 | 500.0 | 2-3 years |
| Term debt facilities ($AUD) | 125.0 | - | 3-4 years |
| Term debt facilities ($NZD) | 45.7 | 45.7 | 3-4 years |
| Securitisation facility ($AUD) | 400.0 | 219.3 | < 1 year |

The Group has sufficient resources, including available funding facilities, to meet its obligations as and when they fall due.

The following table shows the remaining contractual maturity for EBOS' borrowings at balance date. The table includes both interest and principal (undiscounted) cash flows, with total bank loans of $1,235.8m (2023: $978.5m):

| | Less than 1 year A$'000 | 1–2 years A$'000 | 2–3 years A$'000 | 3–4 years A$'000 | 4–5 years A$'000 | > 5 years A$'000 | Total A$'000 |
|---|---|---|---|---|---|---|---|
| **Bank loans** | | | | | | | |
| 2024 | 838,897 | 373,699 | 8,038 | 127,664 | - | - | 1,348,298 |
| 2023 | 60,137 | 689,472 | 364,749 | - | - | - | 1,114,358 |

**Financing activities**

| | 2024 A$'000 | 2023 A$'000 |
|---|---|---|
| Bank overdraft facility, reviewed annually and payable at call: | | |
| Amount unused | 7,525 | 7,531 |
| | 7,525 | 7,531 |
| Bank loan facilities with various maturity dates through to October 2027 (2023: November 2026) | | |
| Amount used | 1,235,810 | 978,475 |
| Amount unused | 796,609 | 956,106 |
| | 2,032,419 | 1,934,581 |

**E5. Operating cash flows**

**Reconciliation of profit for the year with cash from operating activities:**

| | 2024<br>A$'000 | 2023<br>A$'000 |
|---|---|---|
| **Profit for the year** | 273,085 | 263,445 |
| Add/(less) non-cash items: | | |
| Depreciation of property, plant and equipment | 30,325 | 32,454 |
| Depreciation on right of use assets | 62,134 | 53,792 |
| Amortisation of finite life intangibles attributable to fair value adjustments for the LifeHealthcare Group | 26,181 | 26,938 |
| Amortisation of other finite life intangible assets | 10,231 | 11,600 |
| Loss on sale of property, plant and equipment | 711 | 1,272 |
| Share of profit from associates | (12,938) | (12,369) |
| Expense recognised in respect of share-based payments | 11,794 | 9,014 |
| Deferred tax | 3,832 | 7,590 |
| | 132,270 | 130,291 |
| Movement in working capital: | | |
| Trade and other receivables | 2,962 | (123,431) |
| Prepayments | (7,824) | (9,157) |
| Inventories | 23,797 | (130,262) |
| Current tax refundable/payable | 1,177 | (39,953) |
| Trade and other payables | (80,300) | 270,728 |
| Employee benefits | 1,976 | 4,652 |
| Foreign currency translation of working capital balances | (2,445) | 3,258 |
| | (60,657) | (24,165) |
| Balances classified as investing activities | 2,148 | 25,831 |
| Working capital items acquired (including fair value adjustments) | 1,390 | (4,026) |
| Net cash inflow from operating activities | 348,236 | 391,376 |

**E5. Operating cash flows continued**

**Reconciliation of debt:**

| | 1 July 2023 A$'000 | Net repayments A$'000 | Borrowings acquired A$'000 | Foreign currency movement A$'000 | 30 June 2024 A$'000 |
|---|---|---|---|---|---|
| Bank loans | 978,475 | 257,495 | - | (160) | 1,235,810 |

| | 1 July 2022 A$'000 | Net borrowings A$'000 | Borrowings acquired A$'000 | Foreign currency movement A$'000 | 30 June 2023 A$'000 |
|---|---|---|---|---|---|
| Bank loans | 1,377,776 | (401,634) | - | 2,333 | 978,475 |

**Accounting policies**

Cash and cash equivalents comprise cash on hand and deposits readily convertible to cash and which are not subject to a significant risk of change in value.

The Consolidated Cash Flow Statement is prepared exclusive of Goods and Services Tax (GST), which is consistent with the method used in the Consolidated Income Statement.

- Operating activities include all transactions and other events that are not investing or financing activities.
- Investing activities are those activities relating to the acquisition and disposal of current and non-current investments and any other non-current assets.
- Financing activities are those activities relating to changes in the equity and debt capital structure of the Group and those activities relating to the cost of servicing EBOS' equity capital.

## Section F: EBOS Group structure

**Section Overview**

This section provides information to assist in understanding the EBOS Group legal structure and how it affects the financial position and performance of the Group. Details of businesses acquired are presented in **Section B.**

**F1. Subsidiaries**

The following entities comprise the significant trading and holding companies of the Group:

**Parent and head entity: EBOS Group Limited**

| | | Ownership Interests and Voting Rights | |
|---|---|---|---|
| Subsidiaries (all balance dates 30 June unless otherwise noted) | Country of Incorporation | 2024 | 2023 |
| Pet Care Holdings Australia Pty Ltd | Australia | 100% | 100% |
| EBOS Group Australia Pty Ltd | Australia | 100% | 100% |
| EBOS Health & Science Pty Ltd | Australia | 100% | 100% |
| PRNZ Ltd | New Zealand | 100% | 100% |
| Pharmacy Retailing NZ Ltd | New Zealand | 100% | 100% |
| Pet Care Distributors Pty Ltd | Australia | 100% | 100% |
| Masterpet Corporation Ltd | New Zealand | 100% | 100% |
| Superior Food Co. Ltd | New Zealand | 100% | 0% |
| Masterpet Australia Pty Ltd | Australia | 100% | 100% |
| Botany Bay Imports and Exports Pty Ltd | Australia | 100% | 100% |
| QPharma Pty Ltd | Australia | 100% | 100% |
| EAHPL Pty Limited | Australia | 100% | 100% |
| ZHHA Pty Ltd | Australia | 100% | 100% |
| ZAP Services Pty Ltd | Australia | 100% | 100% |
| Symbion Pty Ltd | Australia | 100% | 100% |
| Intellipharm Pty Ltd | Australia | 100% | 100% |
| Lyppard Australia Pty Ltd | Australia | 100% | 100% |
| DoseAid Pty Ltd | Australia | 100% | 100% |
| Symbion Trade Receivables Trust [1] | Australia | 100% | 100% |
| Endeavour Consumer Health Limited | New Zealand | 100% | 100% |
| Nexus Australasia Pty Ltd | Australia | 100% | 100% |
| EBOS PH Pty Ltd | Australia | 100% | 100% |
| TerryWhite Group Pty Ltd | Australia | 100% | 100% |
| Chemmart Holdings Pty Ltd | Australia | 100% | 100% |
| TW&CM Pty Ltd | Australia | 100% | 100% |
| TWC IP Pty Ltd | Australia | 100% | 100% |
| PBA Wholesale Pty Ltd | Australia | 100% | 100% |

| Subsidiaries (all balance dates 30 June unless otherwise noted) | Country of Incorporation | Ownership Interests and Voting Rights 2024 | 2023 |
|---|---|---|---|
| VIM Health Pty Ltd | Australia | 100% | 100% |
| PBA Finance No. 1 Pty Ltd | Australia | 100% | 100% |
| PBA Finance No. 2 Pty Ltd | Australia | 100% | 100% |
| Chem Plus Pty Ltd | Australia | 100% | 100% |
| Pharmacy Brands Australia Pty Ltd | Australia | 100% | 100% |
| VIM Health IP Pty Ltd | Australia | 100% | 100% |
| Tony Ferguson Weight Management Pty Ltd | Australia | 100% | 100% |
| Lite Living Pty Ltd | Australia | 100% | 100% |
| Alchemy Holdings Pty Ltd | Australia | 100% | 100% |
| Alchemy Sub-Holdings Pty Ltd | Australia | 100% | 100% |
| HPS Holdings Group (Aust) Pty Ltd | Australia | 100% | 100% |
| HPS Hospitals Pty Ltd | Australia | 100% | 100% |
| HPS Corrections Pty Ltd | Australia | 100% | 100% |
| HPS Services Pty Ltd | Australia | 100% | 100% |
| Hospharm Pty Ltd | Australia | 100% | 100% |
| HPS IVF Pty Ltd | Australia | 100% | 100% |
| HPS Finance Pty Ltd | Australia | 100% | 100% |
| HPS Brands Pty Ltd | Australia | 100% | 100% |
| Endeavour CH Pty Ltd | Australia | 100% | 100% |
| Ventura Health Pty Ltd | Australia | 100% | 100% |
| You Save Management Pty Ltd | Australia | 100% | 100% |
| Mega Save Management Pty Ltd | Australia | 100% | 100% |
| Cincotta Holding Company Pty Ltd | Australia | 100% | 100% |
| CC Pharmacy Investments Pty Ltd | Australia | 100% | 100% |
| CC Pharmacy Promotions Pty Ltd | Australia | 100% | 100% |
| CC Pharmacy Management Pty Ltd | Australia | 100% | 100% |
| Shanghai EBOS Trading Co Ltd | Australia | 100% | 100% |
| ACN 618 208 969 Pty Ltd | Australia | 100% | 100% |
| Warner and Webster Pty Ltd | Australia | 100% | 100% |
| W & W Management Services PL | Australia | 100% | 100% |
| W M Bamford & Co. Ltd | New Zealand | 100% | 0% |
| Protect Solutions Ltd | New Zealand | 100% | 0% |
| EBOS Medical Devices NZ Limited | New Zealand | 100% | 100% |
| EBOS Medical Devices Australia Pty Ltd | Australia | 100% | 100% |
| CAB Medical Pty Ltd | Australia | 100% | 0% |
| LMT Surgical Pty Ltd | Australia | 100% | 100% |

**F1. Subsidiaries continued**

| Subsidiaries (all balance dates 30 June unless otherwise noted) | Country of Incorporation | Ownership Interests and Voting Rights 2024 | 2023 |
|---|---|---|---|
| National Surgical Pty Ltd | Australia | 100% | 100% |
| Healthcare Supply Partners Pty Ltd | Australia | 100% | 100% |
| EBOS Aesthetics Pty Limited | Australia | 100% | 100% |
| Pioneer Medical Ltd | New Zealand | 100% | 100% |
| Sentry Medical Pty Ltd | Australia | 100% | 100% |
| MD Solutions Australasia Pty Ltd | Australia | 100% | 100% |
| MD Scopes Pty Ltd | Australia | 100% | 100% |
| Fibertech Medical Australia Pty Ltd | Australia | 100% | 100% |
| Klinic Solutions Australasia Pty Ltd | Australia | 100% | 100% |
| MD Solutions NZ Ltd | New Zealand | 100% | 100% |
| Pacific Health Supplies TopCo1 Pty Ltd | Australia | 100% | 100% |
| Pacific Health Supplies TopCo2 Pty Ltd | USA | 100% | 100% |
| Pacific Health Supplies TopCo Pty Ltd | Australia | 100% | 100% |
| Pacific Health Supplies Mezzco Pty Ltd | Australia | 100% | 100% |
| Pacific Health Supplies Holdco Pty Ltd | Australia | 100% | 100% |
| Pacific Health Supplies Bidco Pty Ltd | Australia | 100% | 100% |
| LifeHealthcare Group Pty Ltd | Australia | 100% | 100% |
| LifeHealthcare Finance Pty Ltd | Australia | 100% | 100% |
| LifeHealthcare Pty Ltd | Australia | 100% | 100% |
| LifeHealthcare Distribution Pty Ltd | Australia | 100% | 100% |
| LifeHealthcare Services Pty Ltd | Australia | 100% | 100% |
| LifeHealthcare Ltd | New Zealand | 100% | 100% |
| LifeHealthcare Distribution (NZ) Ltd | New Zealand | 100% | 100% |
| Culpan Distributors Ltd | New Zealand | 100% | 100% |
| Culpan Medical Pty Ltd | Australia | 100% | 100% |
| Spiran Pty Ltd | Australia | 100% | 100% |
| Australian BioTechnologies Pty Ltd | Australia | 100% | 100% |
| ABT Medical Pty Ltd | Australia | 100% | 100% |
| Tissuelife Pty Ltd | Australia | 100% | 100% |
| Tissue Technologies Pty Ltd | Australia | 50.01% | 50.01% |
| Transmedic Pte Ltd | Singapore | 90% | 51% |
| PT. Transmedic Indonesia | Indonesia | 90% | 51% |
| Transmedic Healthcare Sdn Bhd | Malaysia | 90% | 51% |
| Transmedic Company Ltd | Vietnam | 90% | 51% |
| Transmedic Healthcare Co Ltd | Vietnam | 90% | 51% |

| Subsidiaries (all balance dates 30 June unless otherwise noted) | Country of Incorporation | Ownership Interests and Voting Rights 2024 | 2023 |
|---|---|---|---|
| Transmedic Philippines, Inc | Philippines | 90% | 51% |
| Transmedic Holdings Philippines Inc | Philippines | 90% | 51% |
| T-Medic Co Ltd | Thailand | 90% | 51% |
| Transmedic (Thailand) Co Ltd | Thailand | 89.53% | 51% |
| Transmedic China Ltd | Hong Kong | 90% | 51% |
| Swissmed Pte Ltd | Singapore | 90% | 51% |
| Ophthaswissmed Philippines Inc | Philippines | 89.10% | 50.49% |
| Swissmed Sdn Bhd | Malaysia | 90% | 51% |
| Swiss Med (International) Pte. Ltd. | Singapore | 90% | 51% |
| Swissmed (Hong Kong) Ltd | Hong Kong | 90% | 51% |

*(1) The balance date of all subsidiaries is 30 June aside from the Symbion Trade Receivables Trust which has a balance date of 31 December. The results of the Symbion Trade Receivables Trust ("the Trust") have been included in the Group results for the year to 30 June 2024. The Trust is consolidated as EBOS has the exposure, or rights, to variable returns from its involvement with the Trust and the Group considers that it has existing rights that give it the current ability to direct the relevant activities of the Trust.*

**F2. Investment in associates**

The following table presents the material associates of the Group as at 30 June 2024:

| Name of associate company | Principal activities | Date of acquisition | Proportion of shares and voting rights acquired | Cost of acquisition A$'000 |
|---|---|---|---|---|
| Animates NZ Holdings Limited | Animal Care | December 2011 | 50% | 17,353 |
| Good Price Pharmacy Franchising Pty Limited | Healthcare | October 2014 | 44.18% | 7,286 |
| Good Price Pharmacy Management Pty Limited | Healthcare | October 2014 | 44.18% | 7,286 |

The reporting date for Animates NZ Holdings Limited is 30 June. Animates NZ Holdings Limited is incorporated in New Zealand. Although the company holds 50% of the shares and voting power in Animates NZ Holdings Limited, this entity is not deemed to be a subsidiary as the other 50% is held by a single shareholder, therefore EBOS is unable to exercise control over this entity.

The reporting date for Good Price Pharmacy Franchising Pty Limited and Good Price Pharmacy Management Pty Limited is 30 June. They are incorporated in Australia.

**F2. Investment in associates continued**

The summarised financial information in respect of the Group's material associates is set out below:

| | 2024<br>A$'000 | 2023<br>A$'000 |
|---|---|---|
| **Statement of Financial Position** | | |
| Total assets | 117,411 | 125,247 |
| Total liabilities | (73,568) | (82,978) |
| Net assets | 43,843 | 42,269 |
| Group's share of net assets | 21,588 | 20,835 |
| **Income Statement** | | |
| Total revenue | 230,574 | 214,412 |
| Total profit for the year | 26,571 | 25,379 |
| Group's share of profits of associates | 12,938 | 12,369 |
| Movement in the carrying amount of the Group's investment in associates: | | |
| Balance at the beginning of the financial year | 53,650 | 45,912 |
| New Investments | 2,038 | 6,214 |
| Share of profits of associates | 12,938 | 12,369 |
| Share of dividends | (11,929) | (11,579) |
| Net foreign currency exchange differences | (257) | 734 |
| Balance at the end of the financial year | 56,440 | 53,650 |
| Goodwill included in the carrying amount of the Group's investment in associates | 23,450 | 23,519 |
| The Group's share of capital commitments of associates | - | 241 |

**Recognition and measurement**

An associate is an entity over which EBOS has significant influence and that is neither a subsidiary nor an interest in a joint venture or joint operation. EBOS has significant influence when it has the power to participate in the financial and operating policy decisions of the investee, but is not in control or joint control over those policies.

Investments in associates are incorporated in the Group's financial statements using the equity method of accounting. Under the equity method, investments in associates are carried in the Consolidated Balance Sheet at cost and adjusted for post-acquisition changes in EBOS' share of the net assets of the associate, less any impairment in the value of individual investments and less any dividends. Losses of an associate in excess of EBOS' interest in that associate are recognised only to the extent that EBOS has incurred legal or constructive obligations or made payments on behalf of the associate.

Any excess of the cost of acquisition over EBOS' share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of that investment.

**F3. Non-controlling interests**

On 31 May 2022, the Group, through its subsidiary EBOS Medical Devices Australia Pty Ltd, acquired 100% of equity interest in Pacific Health Supplies TopCo1 Pty Ltd and Pacific Health Supplies TopCo2 Pty Ltd (LifeHealthcare Group), including a 51% interest in Transmedic Pte Ltd (Transmedic, a subsidiary of LifeHealthcare Group). The Group also entered into arrangements providing a pathway of up to 100% ownership of Transmedic, resulting in a financial liability – derivative of $137.0m initially recognised on the balance sheet as at 30 June 2022 and a corresponding adjustment to non-controlling interests. Subsequently, the amount expected to be paid at the time of exercise of the option was reassessed to $165.0m, as at 30 June 2023, with the movement of $28.0m recognised directly in equity.

During the current year, the Group purchased an additional 39% shareholding in Transmedic for a consideration of $134.6m, to increase its shareholding in Transmedic to 90%. An option arrangement has also been entered into that will facilitate the Group moving to 100% ownership in financial year 2026. As at 30 June 2024, the carrying value of the financial liability – derivative was $35.0m. Subsequent changes to the carrying value of the financial liability – derivative are recognised directly in equity within non-controlling interests.

The table below shows details of Transmedic, the non-wholly owned subsidiary of the Group that has material non-controlling interests. The other non-controlling interests are not considered material and are therefore not disclosed in the financial statements.

| | | Proportion of ownership interests held by non-controlling interests | | Profit allocated to non-controlling interests for the year | | Non-controlling interests[1] | |
|---|---|---|---|---|---|---|---|
| Name of subsidiary | Principal place of business | 2024 % | 2023 % | 2024 A$'000 | 2023 A$'000 | 2024 A$'000 | 2023 A$'000 |
| Transmedic Pte Limited (Transmedic) | Southeast Asia | 10.0 | 49.0 | 1,624 | 10,773 | (25,220) | (123,830) |

*(1) The non-controlling interests consist of both the share of net assets and the carrying value of the financial liability – derivative (refer to Note G2).*

The summarised financial information in respect of the Group's subsidiaries that have material non-controlling interests as at 30 June 2024, reflecting 100% of the underlying subsidiary's relevant figures, is set out below:

| | 2024 A$'000 | 2023 A$'000 |
|---|---|---|
| **Statement of Financial Position** | | |
| Total assets | 176,273 | 173,052 |
| Total liabilities | (78,473) | (89,031) |
| Net assets | 97,800 | 84,021 |
| Equity attributable to owners of the company | 88,020 | 42,851 |
| Non-controlling interests | 9,780 | 41,170 |
| Non-controlling interests in % | 10% | 49% |
| **Income Statement** | | |
| Total revenue | 181,303 | 169,379 |
| Profit attributable to owners of the Company | 13,892 | 11,072 |
| Profit attributable to non-controlling interests | 1,624 | 10,773 |
| **Cash Flow Statement** | | |
| Net cash inflow /(outflow) from operating activities | 12,030 | (841) |
| Net cash (outflow) from investing activities | (12,858) | (13,531) |
| Net cash inflow from financing activities | 4,425 | 11,850 |
| Total net cash inflow/(outflow) | 3,597 | (2,522) |

**Recognition and measurement**

Non-controlling interests in subsidiaries are identified separately from the Group's equity. The non-controlling interests on the date of acquisition are initially measured at the non-controlling interests' proportionate share of the fair value of the identifiable net assets assumed. Subsequent to the acquisition, the carrying amount of non-controlling interests is the valuation on initial recognition plus the non-controlling interests' share of subsequent changes in equity. Transactions with non-controlling interests are recorded directly in retained earnings.

## Section G: How we manage risk

**Section Overview**

This section describes the financial risks that EBOS has identified and how it manages these risks, to protect its financial position and financial performance. Management of these risks includes the use of financial instruments to hedge against unfavourable interest rate and foreign currency movements.

**G1. Financial risk management**

The EBOS corporate treasury function provides services to the Group's entities, co-ordinates access to financial markets, and manages the financial risks relating to the operation of the Group.

EBOS does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes. The use of financial derivatives is governed by Group policies approved by the Board of Directors, which provide written principles on the use of financial derivatives. Compliance with policies for exposure limits is reviewed by a committee of the Board of Directors on a regular basis.

**Foreign currency risk**

EBOS is exposed to foreign currency risk arising primarily from the procurement of goods denominated in foreign currencies (US dollar, Australian dollars, Thai baht, Swiss Franc, Euro and British pound).

It is the policy of the Group to enter into foreign exchange forward contracts to manage the foreign currency risk associated with anticipated sales and purchase transactions typically out to 12 months of the exposure generated. It is the policy of the Group to enter into foreign exchange forward contracts for up to 100% of forecasted foreign currency transactions for the next six months and up to 80% of six to 12 months of forecasted foreign currency transactions.

All forward foreign currency contracts entered into fix the exchange rate of highly probable forecast transactions, denominated in foreign currencies, and are designated as cash flow hedges to reduce the Group's cash flow exposure resulting from variable movements in exchange rates.

The Group performs a qualitative assessment of effectiveness of hedges using the critical terms of the underlying transaction and hedging instrument. It is expected that the value of the forward contracts and the value of the corresponding hedged items will systematically change in opposite direction in response to movements in the underlying exchange rates.

EBOS enters into forward foreign exchange contracts only in accordance with the Board approved treasury policy.

No sources of ineffectiveness emerged from these hedging relationships.

**Interest rate risk**

EBOS is exposed to interest rate risk as it borrows funds in New Zealand dollars, Singapore dollars and Australian dollars at floating interest rates.

The risk is assessed and managed by the use of interest rate swap and interest rate collar contracts. In interest rate swap contracts, EBOS agrees to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. In interest rate collar contracts, EBOS pays upfront premiums to cap the interest at strike rates on agreed notional principal amounts. Such contracts enable EBOS to partially mitigate the risk of changing interest rates on debt held.

It is the policy of the Group to enter into interest rate swap and interest rate collar contracts to manage base interest rate risk associated with floating rate Group borrowings of up to 100% of the exposure generated for 1-3 years, up to 80% for 3-5 years and up to 50% for 5-10 years.

All interest rate swap contracts exchanging floating rate interest amounts for fixed rate interest amounts and interest rate collar contracts capping the floating rates at strike rates are designated as cash flow hedges to reduce the Group's cash flow exposure resulting from variable interest rates on borrowings.

The interest rate swaps and the interest payments on the loan occur simultaneously, and the amount accumulated in equity is reclassified to profit or loss over the period that the floating rate interest payments on debt affect profit or loss.

The Group has previously entered into a number of interest rate collar contracts. Under the interest rate collar contracts, for each period where floating rates are above strike rates, the interest payments are limited to the strike rates. Changes in fair value of the collar due to changes in intrinsic value and time value are deferred in the cash flow hedge reserve. The premium paid for the collars are recorded as an expense over the life of the instruments on a straight-line basis.

**G1. Financial risk management continued**

The Group performs a qualitative assessment of the effectiveness of hedges using the critical terms of the underlying transaction and hedging instrument. It is expected that the value of the interest rate swaps or interest rate collars, and the value of the corresponding hedged items (floating rate borrowings) will systematically change in opposite direction in response to movements in the underlying interest rates.

Interest rate swap and interest rate collar contracts are only entered into in accordance with the Group's Board approved treasury policy.

No sources of ineffectiveness emerged from these hedging relationships.

**Interest rate sensitivity analysis**

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the reporting date. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the reporting date was outstanding for the whole year. A one per cent increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates for the year ended 30 June 2024 had been one per cent higher/lower with all other variables held constant, the Group's:

- Profit before tax would decrease by $3.7m or increase by $11.7m (2023: decrease by $3.2m or increase by $11.2m). This is attributable to the Group's unhedged exposure to interest rates on its variable rate borrowings.
- Other comprehensive income would increase by $8.6m or decrease by $5.9m respectively (2023: increase by $17.2m or decrease by $8.3m) as a result of the changes in the fair value of interest rate swaps.

**Liquidity risk**

EBOS is exposed to liquidity risk as it must invest in significant levels of working capital such as inventory and accounts receivable which can impact liquidity unless they are converted to cash.

EBOS manages liquidity risk by maintaining adequate reserves, banking facilities and reserve banking facilities by continuously monitoring forecast and actual cash flows and matching maturity profiles of financial assets and liabilities. Refer to note E4 for information on EBOS' borrowings facility maturity profile.

**Credit risk**

EBOS is exposed to the risk of default in relation to receivables owing from its healthcare and animal care customers, hedging instruments and guarantees and deposits held with banks and other financial institutions.

EBOS has adopted a policy of only dealing with credit worthy counter parties as a means of mitigating the risk of financial loss from defaults. All bank balances are assessed to have low credit risk at each reporting date as they are held with reputable international banking institutions.

Trade receivables consist of a large number of customers, spread across diverse sectors and geographical areas. Ongoing credit evaluation is performed on the financial condition of the trade receivables. Credit assessments are undertaken to determine the credit quality of the customer, taking into account their financial position, past experience and other relevant factors. Individual risk limits are granted in accordance with the internal credit policy and authorised via appropriate personnel as defined by the Group's delegation of authority manual.

The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the maximum exposure to EBOS of any credit risk.

EBOS does not have any significant credit risk exposure to any single counter party. The credit risk on liquid funds and derivative financial instruments is limited because the counter parties are banks with high credit ratings assigned by international credit rating agencies.

EBOS has not changed its overall strategy regarding the management of risk from 2023.

**G2. Financial instruments**

**Derivatives**

| | 2024<br>A$'000 | 2023<br>A$'000 |
|---|---|---|
| **Other financial assets – derivatives (at fair value)** | | |
| Forward foreign exchange contracts (i) | 213 | 3,258 |
| Interest rate swaps (i) | - | 230 |
| Interest rate collars (i) | 6,514 | 13,348 |
| | 6,727 | 16,836 |
| **Other financial liabilities – derivatives (at fair value)** | | |
| Forward foreign exchange contracts (i) | 617 | - |
| Other financial liabilities – consideration for remaining non-controlling interests (ii) | 35,000 | 165,000 |
| | 35,617 | 165,000 |

*(i) Designated and effective as a cash flow hedging instrument carried at fair value.*

*(ii) Represents the carrying value of the financial obligation (put option) if the option for the Group to acquire the remaining equity interest in Transmedic, a subsidiary of the LifeHealthcare Group, were exercised (refer to Note F3).*

### Recognition and measurement

EBOS has categorised these derivatives, both financial assets and financial liabilities (excluding Other financial liabilities – consideration for remaining controlling interests), as Level 2 under the fair value hierarchy contained within NZ IFRS 13. There were no transfers between fair value hierarchy levels during the current or prior periods.

The fair value of forward foreign exchange contracts is determined using a discounted cash flow valuation. Key inputs are based upon observable forward exchange rates, at the measurement date, with the resulting value discounted back to present values.

Interest rate swaps and interest rate collars are valued using a discounted cash flow valuation. Key inputs for the valuation of interest rate swaps and interest rate collars are the estimated future cash flows based on observable yield curves at the end of the reporting period, discounted at a rate that reflects the credit risk of the various counter parties.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value.

The fair values of financial assets and financial liabilities are determined as follows:

- The fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices.
- The fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.
- The fair value of derivative instruments are calculated using quoted prices. Where such prices are not available use is made of discounted cash flow analysis using the applicable yield curve for the duration of the instruments.

The carrying amount of financial assets and financial liabilities recorded in the financial statements approximates their fair values.

As hedge accounting has been applied for all derivatives except the option over non-controlling interests, and no hedge ineffectiveness has occurred during the period, the movement in these instruments has been recognised in other comprehensive income. The premium paid for the interest rate collars are recorded as an expense over the life of the instruments on a straight-line basis.
The recognition in profit or loss depends on the nature of the hedge relationship. EBOS designates these derivatives as cash flow hedges of highly probable forecast transactions. Hedging gains or losses are recognised in the profit or loss when the hedged items affect the profit or loss except where they are hedging non-financial items in which case they are recognised as an adjustment to the initial carrying value of the non-financial items (basis adjustment). When a forward contract is used in a cash flow hedge relationship the Group has designated the change in fair value of the entire forward contract, i.e. including the forward element, as the hedging instrument.

**G2. Financial instruments continued**

### Cash flow hedges

At the inception of a hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions.

Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument that is used in a hedging relationship is highly effective in offsetting changes in cash flows of the hedged item attributable to the hedged risk.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated as a separate component of equity in the hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

### Financial liability (put option over non-controlling interests)

Where the Group writes a put option with the non-controlling shareholders on their equity interest in a non-wholly owned subsidiary for settlement in cash a financial liability, at the present value of the exercise price of the option, is recognised. When the non-controlling interests still have present access to the returns associated with the underlying ownership interest, non-controlling interests continue to be recognised and accordingly the liability is considered a transaction with owners and recognised within non-controlling interests. Subsequent to the initial recognition, any changes in the carrying amount of the financial liability - derivative, including the accretion of interest, are recognised directly in equity within non-controlling interests.

### Judgement: measurement of financial liability (put option over non-controlling interests)

Valuation of the financial liability – derivative is based upon management's most recent assessment of the consideration to be payable, in the event that the option is exercised by the minority shareholders.

Consideration payable is subject to future financial performance of the subsidiary and the current market assessment of the time value of money. In the event that the option is not exercised during the option period, and therefore expires, then the financial liability – derivative is derecognised with no impact to Profit or Loss.

**G2. Financial instruments continued**

**Outstanding forward foreign currency contracts: nominal value**

| | 2024<br>A$'000 | 2023<br>A$'000 |
|---|---|---|
| Buy Australian dollars | 20,191 | 9,750 |
| Buy Euro | 14,395 | 10,795 |
| Buy British pounds | 4,176 | 3,976 |
| Buy Thai baht | 8,013 | 18,086 |
| Buy US dollars | 33,317 | 91,114 |
| Buy CH francs | 2,993 | - |
| | 83,085 | 133,721 |

**Outstanding interest rate swap contracts: nominal value**

| | 2024<br>A$'000 | 2023<br>A$'000 |
|---|---|---|
| Less than 1 year | - | 25,000 |

**Outstanding interest rate collar contracts: nominal value**

| | 2024<br>A$'000 | 2023<br>A$'000 |
|---|---|---|
| Less than 1 year | 180,000 | - |
| 1 to 3 years | 420,000 | 600,000 |
| 3 to 5 years | 200,000 | 200,000 |
| | 800,000 | 800,000 |

## Section H: Other disclosures

**Section Overview**

This section includes the remaining information relating to EBOS that is required to be presented so as to comply with its financial reporting requirements.

### H1. Contingent liabilities

| | 2024<br>A$'000 | 2023<br>A$'000 |
|---|---|---|
| **Contingent liabilities** | | |
| Guarantees given to third parties | 6,628 | 5,639 |

### H2. Commitments for expenditure

| | 2024<br>A$'000 | 2023<br>A$'000 |
|---|---|---|
| **Capital expenditure commitments:** | | |
| Plant | 10,788 | 43,997 |

### H3. Subsequent events

Subsequent to year end the Board has approved a final dividend to shareholders. For further details please refer to note E2.

Subsequent to year end, the Group entered into an agreement to extend the maturity date of the $400.0m trade debtor securitisation facility to September 2026.

### H4. Related party disclosures

**Key management personnel compensation**

| | 2024<br>A$'000 | 2023<br>A$'000 |
|---|---|---|
| Employee benefits | 27,520 | 25,660 |

EBOS operates a long term incentive scheme whereby eligible staff receive performance rights entitling each holder of the performance right to 1 new share per right issued (or payment of cash in lieu, at the Board's discretion). Performance rights do not vest until performance conditions are met over a three year period. In the current year 411,128 performance rights were issued with a 3 year performance period of 1 July 2023 to 30 June 2026 (2023: 345,496 with a 3 year performance period of 1 July 2022 to 30 June 2025).

**H5. Remuneration of auditors**

All non-audit services provided by EBOS Group's Auditor require pre-approval by the Audit and Risk Committee. Before any non-audit services are approved, the Audit and Risk Committee must be satisfied that the provision of such services will not have any influence on the independence of the auditors.

| | 2024<br>A$'000 | 2023<br>A$'000 |
|---|---|---|
| **Auditor of the Group (Deloitte)** | | |
| Audit and audit related services (including interim review) | 1,301 | 1,262 |
| Taxation compliance | 3 | 6 |
| | 1,304 | 1,268 |
| **Other Auditors** | | |
| Audit of subsidary financial statements | 154 | 171 |
| Tax compliance and advisory | 105 | 81 |
| | 259 | 252 |

**External Auditor Rotation and Tender**

As a New Zealand and Australian public interest entity the Group is required to maintain a five-year mandatory rotation period for the appointment of the Group audit engagement partner.

The 2024 financial year is the first year of engagement for the current Group Audit Partner, with the previous Group engagement partner having completed a five-year period as the Group's auditor in the prior year.

Deloitte are the Group's current Group auditor. Utilising Deloitte's extensive global experience and presence, the audit engagement is led by the Group engagement partner, however, is also supported by additional partners from Deloitte Australia, New Zealand and Singapore to audit their respective component group entities across Australia, New Zealand and Southeast Asia.

A formal request for proposal process was recently completed in August 2023 for the provision of external audit services to EBOS for the financial years ending 30 June 2024 to 30 June 2026. After conducting the audit tender process led by the Audit and Risk Committee, which invited audit proposals from the four major accounting firms, the Board determined that Deloitte should be retained as the Group's external auditor.

## H6. Leases

### The Group as a lessee

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

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate (IBR).

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

- fixed lease payments, less incentives receivable;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease term is the non-cancellable period of a lease, together with periods covered by an option (available to the lessee only) to extend or terminate the lease if the lessee is reasonably certain to exercise/not to exercise that option. In determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise/not exercise an option.

The lease liability is presented as a separate line in the Consolidated Balance Sheet.

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

The Group remeasures the lease liability (and makes a corresponding adjustment to the related ROU asset) whenever:

- the lease term has changed or there is a change in the assessment of likely exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate.
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

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

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under NZ IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

ROU assets are depreciated over the shorter period of either the lease term or the useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the ROU asset reflects that the Group expects to exercise a purchase option, the related ROU asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The ROU assets are presented as a separate line in the Consolidated Balance Sheet.

The Group applies NZ IAS 36 Impairment of Assets to determine whether a ROU asset is impaired and accounts for any identified impairment loss under this standard.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the ROU asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included as operating expenses in the Consolidated Income Statement.

As a practical expedient, NZ IFRS 16 Leases permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has adopted this practical expedient.

**H6. Leases continued**

**Right of use assets**

| | Land and buildings A$'000 | Office, plant and equipment A$'000 | Motor vehicles A$'000 | Total A$'000 |
|---|---|---|---|---|
| **Cost** | | | | |
| Balance as at 1 July 2023 | 413,258 | 12,320 | 4,896 | 430,474 |
| Additions | 162,866 | 5,788 | 1,157 | 169,811 |
| Disposals (including lease modifications) | (17,846) | (2,180) | (789) | (20,815) |
| Lease modifications | 6,036 | 1,826 | 42 | 7,904 |
| Foreign currency differences | (868) | 1 | (10) | (877) |
| **Balance as at 30 June 2024** | 563,446 | 17,755 | 5,296 | 586,497 |
| | | | | |
| **Accumulated depreciation** | | | | |
| Balance as at 1 July 2023 | (139,846) | (6,164) | (2,676) | (148,686) |
| Disposals | 10,746 | 1,270 | 720 | 12,736 |
| Depreciation expense | (57,361) | (3,270) | (1,503) | (62,134) |
| Foreign currency differences | 530 | (1) | 10 | 539 |
| **Balance as at 30 June 2024** | (185,931) | (8,165) | (3,449) | (197,545) |
| | | | | |
| **Net book value** | | | | |
| **As at 30 June 2023** | 273,412 | 6,156 | 2,220 | 281,788 |
| **As at 30 June 2024** | 377,515 | 9,590 | 1,847 | 388,952 |

**H6. Leases continued**

| | 2024<br>A$'000 | 2023<br>A$'000 |
|---|---|---|
| **Amounts recognised in profit and loss** | | |
| Depreciation on right of use assets | 62,134 | 53,792 |
| Finance costs – leases | 17,651 | 11,295 |
| Expense relating to short term leases and low value assets | 10,333 | 10,358 |
| **Lease liabilities** | | |
| Current | 57,239 | 50,142 |
| Non-current | 349,914 | 254,326 |
| **Maturity analysis (undiscounted future cash flows)** | | |
| Year 1 | 77,038 | 61,150 |
| Year 2 | 68,784 | 58,699 |
| Year 3 | 60,722 | 49,082 |
| Year 4 | 53,060 | 41,071 |
| Year 5 | 41,135 | 33,194 |
| Onwards | 274,654 | 132,273 |
| | 575,393 | 375,469 |
| **Cash outflows for leases** | | |
| Interest on lease liabilities | (17,651) | (11,295) |
| Repayments of lease liabilities | (68,649) | (48,983) |
| Short term leases and low value asset leases | (10,333) | (10,358) |
| | (96,633) | (70,636) |

### Additional stock exchange information

As at 24 July 2024

| Twenty largest shareholders | Fully paid shares | Percentage of paid capital |
|---|---|---|
| Sybos Holdings Pte Limited | 36,698,002 | 18.99 |
| Custodial Services Limited | 12,863,254 | 6.66 |
| HSBC Nominees (New Zealand) Limited – NZCSD | 11,945,394 | 6.18 |
| JP Morgan Chase Bank NA NZ Branch-Segregated Clients Acct – NZCSD | 10,313,439 | 5.34 |
| BNP Paribas Nominees (NZ) Limited – NZCSD | 10,162,902 | 5.26 |
| HSBC Nominees (New Zealand) Limited A/C State Street – NZCSD | 10,031,609 | 5.19 |
| JP Morgan Nominees Australia Limited | 9,884,811 | 5.12 |
| Tea Custodians Limited Client Property Trust Account – NZCSD | 7,607,290 | 3.94 |
| Forsyth Barr Custodians Limited | 6,814,524 | 3.53 |
| Accident Compensation Corporation – NZCSD | 5,567,722 | 2.88 |
| Citibank Nominees (New Zealand) Limited – NZCSD | 5,393,354 | 2.79 |
| FNZ Custodians Limited | 4,771,289 | 2.47 |
| HSBC Nominees A/C NZ Superannuation Fund Nominees Limited – NZCSD | 4,218,386 | 2.18 |
| HSBC Custody Nominees (Australia) Limited | 3,881,197 | 2.01 |
| JBWere (NZ) Nominees Limited | 2,556,423 | 1.32 |
| ANZ Wholesale Australasian Share Fund – NZCSD | 2,504,047 | 1.29 |
| New Zealand Depository Nominee Limited | 2,385,485 | 1.23 |
| Whyte Adder No 3 Limited | 1,797,874 | 0.93 |
| Generate Kiwisaver Public Trust nominees Limited <NZCSD> | 1,642,442 | 0.85 |
| Simplicity Nominees Limited – NZCSD | 1,566,940 | 0.81 |
| | 152,606,384 | 78.97 |

### Substantial product holders and number of securities

The following information is provided in compliance with section 293 of the Financial Markets Conduct Act and the ASX Listing Rules.

| Number of ordinary shares | As at balance date | As at 24 July 2024 |
|---|---|---|
| | 193,242,573 | 193,247,906 |

| Number of unquoted performance rights | As at balance date | As at 24 July 2024 |
|---|---|---|
| | 1,055,414 | 1,530,330 |

| Substantial holder name* | Ordinary shares as at balance date | Percentage of share capital as at balance date | Ordinary shares as at 24 July 2024 | Percentage of share capital as at 24 July 2024 |
|---|---|---|---|---|
| Sybos Holdings Pte Limited | 36,698,002 | 18.99% | 36,698,002 | 18.99% |

* based on substantial holding notices received by the Company.

**Additional stock exchange information continued**

| **Distribution of shareholders and shareholdings** | Holders | Fully paid ordinary shares | Percentage of paid capital |
|---|---|---|---|
| Size of Holding | | | |
| 1 to 1,000 | 7,547 | 2,537,078 | 1.31 |
| 1,001 to 5,000 | 3,524 | 7,999,506 | 4.14 |
| 5,001 to 10,000 | 665 | 4,698,021 | 2.43 |
| 10,001 to 100,000 | 504 | 10,996,772 | 5.69 |
| 100,001 and over | 58 | 167,016,529 | 86.43 |
| Total | 12,298 | 193,247,906 | 100.00 |

| **Distribution of performance rights (not quoted on NZX and ASX)** | Number of performance rights participants | Number of performance rights | Percentage of performance rights |
|---|---|---|---|
| Size of Holding | | | |
| 1 to 1,000 | 27 | 22,294 | 1.46 |
| 1,001 to 5,000 | 67 | 170,267 | 11.13 |
| 5,001 to 10,000 | 12 | 92,312 | 6.03 |
| 10,001 to 100,000 | 22 | 702,320 | 45.89 |
| 100,001 and over | 2 | 543,137 | 35.49 |
| Total | 130 | 1,530,330 | 100.00 |

**Additional stock exchange information continued**

**Unmarketable parcels**

As at 24 July 2024, there were 484 shareholders (with a total of 3,572 shares) holding less than a marketable parcel of shares based on the closing price of the Company's shares on the ASX of A$31.60. The ASX Listing Rules define a marketable parcel of shares as a parcel of shares of not less than A$500.

**Waivers granted from the NZX Listing Rules/ASX Admission**

There were no waivers granted by the NZX during the year or waivers of NZX Listing Rules relied upon by the Company during the year.

The terms of the Company's admission to the ASX and on-going listing requires the following disclosures:

1. The Company is not subject to Chapters 6, 6A, 6B and 6C of the Australian Corporations Act dealing with the acquisition of shares (including substantial holdings and takeovers).
2. Limitations on the acquisition of securities imposed under New Zealand law are as follows:
   (a) In general, securities in the Company are freely transferable and the only significant restrictions or limitations in relation to the acquisition of securities are those imposed by New Zealand laws relating to takeovers, overseas investment and competition.
   (b) The New Zealand Takeovers Code creates a general rule under which the acquisition of 20% or more of the voting rights in the Company or the increase of an existing holding of 20% or more of the voting rights of the Company can only occur in certain permitted ways. These include a full takeover offer in accordance with the Takeovers Code, a partial takeover in accordance with the Takeovers Code, an acquisition approved by an ordinary resolution, an allotment approved by an ordinary resolution, a creeping acquisition (in certain circumstances), or compulsory acquisition of a shareholder holding 90% or more of the shares.
   (c) The New Zealand Overseas Investment Act 2005 and Overseas Investment Regulations 2005 (New Zealand) regulate certain investments in New Zealand by overseas interests. In general terms, the consent of the New Zealand Overseas Investment Office is likely to be required where an 'overseas person' acquires shares in the Company that amount to 25% or more of the shares issued by the Company, or if the overseas person already holds 25% or more, the acquisition increases that holding.
   (d) The New Zealand Commerce Act 1986 is likely to prevent a person from acquiring shares in the Company if the acquisition would have, or would be likely to have, the effect of substantially lessening competition in the market.

**Voting Rights**

Shareholders may vote at a meeting of shareholders either in person or by proxy, attorney, or representative.

In a poll every shareholder present in person or by proxy, attorney or representative has one vote for each share.

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# CORPORATE GOVERNANCE

**The Board and management of EBOS Group Limited are committed to ensuring that the Company adheres to best practice and governance principles and maintains high ethical standards.**

**Climate Statement**

EBOS Group Limited is a 'climate reporting entity' for the purposes of the Financial Markets Conduct Act 2013 (NZ). The Company will release its first Climate Statement on 31 October 2024 which will be made available at: **https://www.ebosgroup.com/sustainability/climate-statement.**

**Corporate Governance Statement**

The 2024 Corporate Governance Statement relating to the Company and its subsidiaries (the Group) can be found at: **https://www.ebosgroup.com/who-we-are/corporate-governance**. The Corporate Governance Statement refers to a number of codes, policies and charters of the Group. These documents (or a summary of them) can be found at **https://www.ebosgroup.com/who-we-are/corporate-governance**.

**Risk management**

Risk management is an integral part of the Group's business. The Group has an enterprise risk management framework, designed to promote a culture which ensures a proactive and consistent approach to identifying and mitigating risk on a Group-wide basis.

Our approach to risk management provides clarity on roles and responsibilities to minimise the impact of financial, operational and sustainability risks on our business. Under this approach, the Board approves the strategic risk profile and risk appetite statements (which describe the level of risk the Group is willing to take in relation to specific risk categories) for the Group. The Board reviews the strategic risk profile at least annually.

The Audit & Risk Committee assists the Board by monitoring the strategic risk profile and implementation of the risk appetite levels that were set by the Board. The monitoring of the strategic risk profile is part of a standing agenda item for each regular Audit & Risk Committee meeting.

Management reports to the Board and the Audit & Risk Committee on whether the Group's material business risks are being managed effectively and updates the risk rating of strategic risks on an ongoing basis, presenting proposed changes to the Board or the Audit & Risk Committee as required. As such, this process is continuous and is designed to provide advanced warning of material risks before they eventuate and includes:

- significant risk identification;
- risk impact quantification;
- risk mitigation strategy development;
- reporting; and
- monitoring and evaluation to ensure the ongoing integrity of the risk management process.

A description of the Group's key financial risks (foreign currency risk, interest rate risk, liquidity risk and credit risk) and how these are managed, is set out on pages 76 and 77.

A description of the Group's key non-financial risks and how these are managed is set out in the Group's Corporate Governance Statement. These risks include: competition risk, reliance on key suppliers, supply chain disruption and macroeconomic conditions, significant changes to price, industry or pharmacy regulation, product liability and litigation risk, cyber risk, health and safety risk, loss of critical operations and acquisition and major capital expenditure project risk.

With regard to the impact of climate change and, in particular, the impact of severe weather events, these factors are considered as part of specific non-financial risks, in particular supply chain disruption and loss of critical warehouse operations. Furthermore, in preparation for releasing its first climate-related disclosures the Company has undertaken a thorough climate risk assessment and identified climate related risks and opportunities. The Company's first climate-related disclosures will be released on 31 October 2024.

**Access to advice and auditors**

As set out in the Group's Corporate Governance Code, a director may obtain independent advice at the expense of the Company on issues related to the fulfillment of their duties as a director, subject to obtaining the approval of the Audit & Risk Committee prior to incurring any advisory fees.

In addition, it is open to the Audit & Risk Committee to meet external auditors and internal auditors without management present.

**Corporate Governance Disclosures**

For the purposes of compliance with the NZ Companies Act, NZX Listing Rules and NZX Corporate Governance Code dated 1 April 2023 (NZX Code), the following disclosures are included in the Annual Report.

***Diversity***

The Group has a Diversity & Inclusion Policy which is set out as Appendix F of the Corporate Governance Code. Under the policy, the Board is responsible for setting measurable objectives for achieving diversity. The Board set the objectives for the 2023/24 year (FY24) in June 2023. Set out on the following page is the Board's assessment of those objectives for FY24:

| Objective | Progress during FY24 |
|---|---|
| Maintain gender diversity in relation to the composition of the Board, with not less than 30% of directors being female and not less than 30% of directors being male. | There were no new appointments to the Board during FY24.<br><br>Accordingly, as at 30 June 2024 the gender diversity of the Board remained the same compared to 30 June 2023, with 50% of directors being female and 50% of the directors being male. |
| Aim to increase the proportion of women in executive and senior leadership roles by identifying internal talent through robust succession planning, developing female leaders and acquiring external talent through fair and objective recruitment practices. | As at 30 June 2024, 27% of Executive Leadership Team (ELT) members were female (a reduction from 36% as at 30 June 2023). The reduction was as a result of one change on the ELT. As part of the recruitment process for the new ELT member a number of female candidates were considered.<br><br>Further to this there has been some improvement in representation of women at the direct reports of ELT level.<br><br>The Talent Council (comprised of the ELT and other senior management) met during FY24 to discuss talent and succession and to look for opportunities to develop careers across the Group. The Talent Council, supported by policies such as the Recruitment and Selection Policy, enables senior leaders to focus on gender balance in their teams and to ensure a diverse representation of both decision makers and candidates.<br><br>EBOS once again invested in its key sponsorship and leadership development program called 'Catalyst'. The commitment to 40:40:20 representation on the program was achieved with the current intake of the program tracking at 55% female representation. |
| Assess and analyse the gender pay gap at EBOS annually and report to the Board and Workplace Gender Equity Agency in accordance with obligations. | EBOS reported to the Board on the Gender Pay Gap (GPG) in Australia as required under its legal obligations. Based on the 1 April 2022 to the 31 March 2023 reporting period, EBOS' Australian employee base has a median GPG of 4.8%. The national median GPG in Australia was 19%. Our Diversity and Inclusion strategy assists us to strive for gender balance and to close the GPG. |
| Continue to promote family friendly and flexible work place practices including but not limited to a commitment to supporting those on parental leave, supporting flexible return to work arrangements and on-going flexible work arrangements that suit both the organisation and the individual. | There has been ongoing support for flexible working during FY24, as many of our knowledge workers continue to engage in hybrid work arrangements where this suits the individual and the organisation.<br><br>In FY24 parental leave returns were monitored and tracked. 78% of those who took parental leave returned to the business after their leave. |
| Continue to commit to the EBOS Reconciliation Action Plan in Australia and improving cultural awareness across both Australia and New Zealand. | This year EBOS conducted a First Nations Employment Program pilot in partnership with a labour hire provider. The program allows for the attainment of a Certificate Three in Supply Chain Operations for participants.<br><br>As part of our Integrity Training, and our commitment to fostering safe, inclusive, and respectful workplaces, we provided training on anti-bullying and anti-harassment. |
| Educate our leaders through training to ensure they are equipped and can role model the principles outlined in our Workplace Policies. | EBOS have a number of policies that support the Diversity and Inclusion strategy including the Recruitment and Selection Policy, the Workplace Gender Equality Policy, the Family and Domestic Violence Leave Policy, the Workplace Discrimination, Harassment and Bullying Policy and the Flexible Working Policy.<br><br>As part of EBOS' commitment to fostering a safe, inclusive, and respectful workplace environment and due to new developments in relation to sexual harassment and psychosocial health, the EBOS Group Workplace Discrimination, Harassment & Bullying policy was updated to include a 'Bystander' clause. This update emphasises the responsibility of every individual within EBOS to actively contribute to a safe and supportive work environment.<br><br>EBOS also joined the National Association of Women in Operations (NAWO) in FY24. NAWO is an Australian organisation which has vision to see diversity valued and balanced at every level in operations. |

***Gender representation***

The Group's gender representation as at 30 June 2024 was as follows:

| Board | Female % | Female (no.) | Male % | Male (no.) | Gender Diverse % | Gender Diverse (no.) |
|---|---|---|---|---|---|---|
| 2022/23 | 50% | 4 | 50% | 4 | 0% | 0 |
| 2023/24 | 50% | 3 | 50% | 3 | 0% | 0 |

| Officer | Female % | Female (no.) | Male % | Male (no.) | Gender Diverse % | Gender Diverse (no.) |
|---|---|---|---|---|---|---|
| 2022/23 | 36% | 4 | 64% | 7 | 0% | 0 |
| 2023/24 | 27% | 3 | 73% | 8 | 0% | 0 |

Officer has the meaning given in the NZX Listing Rules.

| Group | Female % | Male % |
|---|---|---|
| 2022/23 | 56 | 44 |
| 2023/24 | 56 | 44 |

***Director independence***

The Board's assessment of the independence of each person that was a director as at 30 June 2024 is set out below.

| Name | Status | Appointment date |
|---|---|---|
| Elizabeth Coutts | Independent[1] | July 2003 |
| Tracey Batten | Independent | July 2021 |
| Mark Bloom | Independent | September 2022 |
| Stuart McLauchlan | Independent | July 2019 |
| Julie Tay | Independent | May 2023 |
| Peter Williams | Independent | July 2013 |

The Board has determined that all directors are Independent. The Board has undertaken a carefully considered succession process in recent years with the appointment a number of Independent Directors, being Julie Tay in May 2023, Mark Bloom in September 2022, Tracey Batten in July 2021 and Stuart McLauchlan in July 2019. Furthermore, two long-standing Independent directors, Stuart McGregor and Sarah Ottrey retired in October 2023 and Peter Williams, who is also regarded as Independent, will retire at the conclusion of the Annual Meeting in October 2024.

In relation to Elizabeth Coutts, the Board is unanimously of the view that she brings, amongst other things, an independent view to decisions in relation to EBOS and that her tenure is not, of itself, an indication that she is no longer Independent. The Board considers that a mix of tenure amongst directors is of benefit to the Company and its shareholders.

**NZX Code**

Under NZX Listing Rule 3.8.1(b), EBOS is required to state in the annual report which recommendations in the NZX Code were not followed in the financial year ended 30 June 2024.

| Recommendation | Comment |
|---|---|
| 3.4 – Nomination Committee | The Board does not have a nomination committee. The Board has determined, having regard to the current composition of the Board, that a nomination committee is not currently required. The Board undertakes the functions that were previously delegated to a nominations committee. |
| 5.2 – Remuneration policy | EBOS has a remuneration policy which is approved by the Board. The Remuneration Committee determines the relative weightings each year. The policy itself does not include the relative weightings of remuneration and performance criteria. This information is included in the Company's Corporate Governance Statement (as required under the policy) and the Annual Report to ensure it accurately reflects the remuneration structures. |

[1] Independent means that the director is considered to be an Independent Director as defined under the NZX Listing Rules and independent having regard to the factors set out in the ASX Corporate Governance Council's Corporate Governance Principles & Recommendations.

# REMUNERATION

**Remuneration Overview**

Dear Shareholders,

On behalf of EBOS' Board of Directors, I am pleased to present EBOS' remuneration overview for the Company and its controlled entities (the Group) for the year ended 30 June 2024.

As the Chair of the Board and its Remuneration Committee, I work closely with my fellow directors to ensure that EBOS' remuneration policies and frameworks continue to motivate, reward and retain our talented team. As a Board, we are committed to ensuring there is an appropriate level of transparency around EBOS' approach to remuneration in order to encourage confidence in EBOS' executive and director remuneration processes and reinforce key stakeholder (including shareholder) and executive pay-for-performance alignment.

*FY24 Performance and Remuneration Outcomes*

In FY24 EBOS reported another year of strong performance by the Group driven by continued organic growth as well as undertaking several strategic investments. Group revenue exceeded $13 billion (up 7.8%) for the first time reflecting particularly strong growth within our Community Pharmacy and Institutional Healthcare divisions. Overall, the Group reported underlying EBITDA of $624.3 million (up 7.3%), underlying NPAT of $303.4 million (up 7.7%) and underlying EPS of 157.9 cents (up 6.8%).

Significant investments undertaken in line with EBOS' strategy of investing for growth were completed during the period, including increasing our shareholding in Southeast Asia business Transmedic to 90% and completing the acquisition of Superior Pet Food Co. In addition, we completed four small bolt-on acquisitions in the Medical Technology and Medical Consumables businesses across ANZ and Southeast Asia.

The Board assesses the performance of the CEO against set targets. The short term incentive of the CEO is assessed on the annual earnings performance of the Group and the Board determined that the FY24 short term incentive would be set by reference to the Group's underlying EBITDA growth, aligning the incentive with a key financial metric reported to shareholders. The long term incentive continues to be assessed on the three year EPS growth achieved by the Group.

Table 5 of the remuneration report details the realised remuneration of the CEO in FY24 and Table 8 provides detail of the CEO remuneration structure. Table 6 of the report outlines the current and historical performance of the Group in more detail.

*Executive Remuneration Framework*

In order to drive sustainable business performance and to execute its strategic plan, EBOS must attract and retain people of a high calibre. Accordingly, executive remuneration is set with regard to this and other key business objectives, including encouraging a long-term commitment to EBOS Group.

EBOS aligns components of executive remuneration with the performance of EBOS (pay-for-performance alignment). As such, executive remuneration comprises fixed and 'at risk' (or performance-based) elements which are both short and long-term in nature. The purpose of this structure is to ensure that the interests of the executives, EBOS and its shareholders are aligned during the period over which the business results are realised (stakeholder alignment).

The Board believes that our focus on profitability via the Short-Term Incentive plan remains appropriate for an organisation of EBOS' maturity and complexity, while our Long-Term Incentive plan continues to promote sustainable business growth. The Remuneration Committee is committed to reviewing our incentive plans annually to ensure that they remain fit for purpose in our evolving business.

Thank you to all EBOS shareholders for your support this year.

**Elizabeth Coutts**
***Chair of the Board and Remuneration Committee***

**Structure of this report**

This remuneration overview is structured as follows:

1. Remuneration Philosophy and Principles
2. Remuneration Governance
3. Executive Remuneration Framework
4. CEO Remuneration
5. Non-Executive Director Remuneration
6. Employee Payment Bands

**Section 1: Remuneration Philosophy and Principles**

EBOS has a Remuneration Policy which relates to the remuneration of the directors and senior executives of EBOS. A copy of the policy is available on EBOS' website: **https://www.ebosgroup.com/who-we-are/corporate-governance**. As described in that policy, EBOS believes that it is in the best interests of both EBOS and its employees to pay everyone fairly for the value of the work performed, in a financially responsible manner.

EBOS adopts an objective, robust and market-competitive system to determine the remuneration levels of roles at EBOS based on the job requirements, skills and experience, and knowledge required of a fully competent job incumbent without bias. This approach is also flexible enough to ensure that EBOS is able to recruit, develop and retain a highly qualified workforce. The Remuneration Policy is reinforced by EBOS' Values and Leadership Standards which recognises the Group's overarching commitments to safety, diversity, respect, sustainability, ethical behaviour and appropriate risk management. Attracting, developing and retaining people of a high calibre is critical to support sustainable business performance and execution of strategy, and the remuneration of directors and executives is set having regard to this.

Executive remuneration is benchmarked having regard to comparably sized companies to EBOS on the ASX. The benchmarking also has regard to the evolving complexity in the EBOS business with EBOS operating across a number of geographies (New Zealand, Australia, Southeast Asia and the United States) and sectors, the requirements of the individual position and relevant internal and external pay relativities.

The remuneration framework is structured to promote the long-term sustainable growth of the Group with a significant portion of performance-based executive remuneration awarded as rights to equity to reinforce alignment with the interests of EBOS and its shareholders over this period. In this way, executive pay-for-performance is aligned with stakeholder (including shareholder) experience over the longer term.

**Section 2: Remuneration Governance**

As set out in the Charter for the Remuneration Committee, the Committee is responsible for reviewing, recommending and, if delegated by the Board, setting, in accordance with EBOS' Remuneration Policy and practices, all components of the remuneration of the directors and executives. The charter for the Remuneration Committee is available on EBOS' website: **https://www.ebosgroup.com/who-we-are/corporate-governance.**

The Remuneration Committee is responsible for:

- approving the remuneration of executives; and
- recommending non-executive director remuneration to the Board (within a fee pool approved by shareholders).

The Board is responsible for:

- approving non-executive director remuneration (within a fee pool approved by shareholders); and
- approval of remuneration policies.

The members of the Remuneration Committee during the year were Independent Directors Elizabeth Coutts (Chair), Stuart McLauchlan and Tracey Batten. The CEO attends each meeting by a standing invitation. From time to time the Chair of the Committee shall be entitled to request that the Committee meet without the CEO. Other employees are involved in these meetings on an as-needed basis and only by invitation.

**Section 3: Executive Remuneration Framework**

**a. Summary**

The Group's Executive Remuneration Framework is a transparent structure comprising three elements.

**Table 1: Executive Remuneration Framework Summary**

| | Fixed | Variable | |
|---|---|---|---|
| | **Total Fixed Remuneration (TFR)** | **Short-Term Incentive (STI)** | **Long-Term Incentive (LTI)** |
| **How is it delivered?** | Cash | Cash | Performance Rights |
| **How does it work?** | Fixed remuneration consists of base salary and may include a component of compulsory superannuation contributions for Australian-based executives and KiwiSaver contributions for New Zealand-based executives.<br>Executives' fixed remuneration is set having regard to:<br>• The person's position accountabilities, qualifications, and experience;<br>• Performance and record of achievement at EBOS; and<br>• Relevant market data for similar positions at comparable companies, generally on the ASX. | The STI is an annual performance-dependent cash payment based on business performance.<br>Business performance is measured:<br>• For all executives, by Group financial performance, with FY23 STIs paid during FY24 based on Profit Before Tax and FY24 STIs expected to be paid shortly after the release of this report based on underlying EBITDA; and<br>• For those executives with business unit responsibilities, business unit underlying EBITDA.<br>Further details are set out in section (b) over the page. | The LTI comprises a grant of Performance Rights.<br>The LTI aligns Group performance to executive reward through a direct link to the EBOS Group share price and Group financial performance.<br>It is tested against:<br>• 3-year Earnings per Share Compound Annual Growth Rate (EPS CAGR), and<br>• Continued employment with EBOS.<br>Further details are set out in section (c) over the page. |
| **What is its purpose?** | To attract and retain executives with competitive remuneration in our markets. | Aligns individual performance and behaviours with the Board-approved strategic and financial objectives of EBOS for a financial year. | Aligns an individual with the medium to long term financial performance of the Group, thereby closely aligning with shareholders.<br>Provides opportunity to receive equity and share in the future growth of EBOS. |
| **What is the time horizon? (See also table below)** | Salary and superannuation paid throughout a financial year. | 1 financial year.<br>The Board will only approve an STI at the same time as the financial results for that financial year are finalised and the audit is completed. | 3 financial years.<br>The Board will only approve an LTI vesting after the financial results for the last year of the performance period are finalised and the audit is completed. |

**b. Short-Term Incentive (STI) Plan**

**Table 2: FY24 STI plan**

| Feature | Approach |
|---|---|
| **Purpose** | Aligns individual performance and behaviours with the Board-approved strategic and financial objectives of EBOS for a financial year.<br>Provide individuals with a competitive market position for total cash reward (i.e. variable and fixed pay components). |
| **Instrument** | Cash. |
| **Performance Criteria** | The performance measures for the STI are set by reference to the executive's responsibilities and particular projects relevant to that executive and the business or function for which they are responsible.<br>The following criteria must be met before any payments are made:<br>• Group financial performance measures for the financial year; and<br>• for those with business unit responsibilities business unit EBITDA targets for the financial year.<br>For the FY23 STIs paid during FY24, Group financial performance was measured by reference to PBT. For the FY24 STIs expected to be paid shortly after release of this report, Group financial performance was measured by reference to Group underlying EBITDA.<br>The Board through the Remuneration Committee determines what the targets are for a financial year and if these targets have been achieved. Targets are set having regard to the Board-approved budget for the relevant year, with the overarching objective being that targets are achievable but sufficiently challenging. This ensures targets also have regard to (as and when appropriate) significant transformative acquisitions that are projected to impact upcoming year performance.<br>The FY24 STI for the Executive Leadership Team included a stretch incentive to explicitly incentivise and reward outperformance by EBOS.<br>In line with the Board's expectation that Management is accountable for a range of activities, including implementation of sustainability and health & safety initiatives, the Board also has the flexibility to consider non-financial STI performance measures and award Short-Term Incentive payments for special, strategically important and/or transformative projects. The Board separately oversees key activities and initiatives of management (including in relation to sustainability and health & safety). The Board is currently of the view that financial metrics remain appropriate for an organisation of EBOS' complexity and maturity however health and safety leadership and progress in relation to the Group's ESG program is factored into the determination of the CEO STI outcome. In FY25 there are plans to introduce a Workplace Health and Safety Index as part of the assessment of the STI. |
| **Board discretion and Clawback** | The Board has discretion as to if an STI will operate for a financial year and who participates in the STI.<br>The payment of an STI to a participant is conditional upon the participant's overall performance and behaviours being satisfactory.<br>The Board has discretion to clawback or adjust an STI award to ensure a participant does not derive an unfair benefit, including where the participant:<br>• acts, or has acted, fraudulently or dishonestly or made a material misstatement on behalf of any Group company;<br>• is in breach of any of their duties or obligations to any Group company (including a breach of their obligations under their employment contract);<br>• has engaged in negligence or gross misconduct;<br>• has done an act which could reasonably be regarded to have contributed to material reputation damage to any Group company; or<br>• is convicted of an offence or has a judgment entered against them in connection with the affairs of any Group company. |

### c. Long-Term Incentive (LTI)

**Table 3: FY24 LTI plan**

| Feature | Approach |
|---|---|
| **Purpose** | Align a portion of executives' total remuneration with the medium to long term performance of the Group's financial performance and share price.<br>Provide individuals with a competitive market position for total reward (i.e. variable and fixed pay components). |
| **Instrument** | Performance rights which are rights to acquire ordinary shares in EBOS for nil consideration. |
| **Performance period** | Three years from 1 July 2023 to 30 June 2026 (i.e. FY24-FY26) |
| **Performance Criteria** | The performance criteria (vesting conditions) for executives are:<br>• continuous employment with the Group; and<br>• growth in EBOS' earnings per share over the performance period must equal or exceed a specific compound annual growth percentage target.<br>The vesting conditions for the FY24 LTI includes a 'stretch' target for certain senior executives to incentivise and reward outperformance by EBOS.<br>The performance criteria are assessed at the end of the 3 year performance period (with no retesting in future periods).<br>The Board also has the flexibility to consider broader performance criteria, including capital efficiency and/or non-financial objectives, and award Long-Term Incentive payments for special, strategically important and/or transformative projects (to drive significant outperformance and retain key executives over the relevant period). The Board is currently of the view that earnings per share remains an appropriate measure to assess the medium-to-long term performance of EBOS and its executive team. |
| **Settlement** | If the Board determines that performance rights have vested it may determine with respect to each vested right whether to:<br>• allot and issue, or transfer, shares to a participant (equity settle); and/or<br>• pay a cash amount to a participant equivalent to the 'market value' of a share as at the date of vesting of the performance rights (cash settle). The market value of an EBOS share is calculated by reference to the volume weighted average price of EBOS shares on the NZX for the 5 trading days immediately prior to the date that the Board determines the rights have vested. |
| **Dividends and voting rights** | Performance rights do not have voting rights or accrue dividends. |
| **Board discretion and Clawback** | The Board has discretion as to if an LTI will operate for a period and who participates in the LTI.<br>The Board has discretion to adjust downwards (including to zero) unvested or vested LTI awards where, in the opinion of the Board, the participant:<br>• acts, or has acted, fraudulently or dishonestly or made a material misstatement on behalf of any Group company;<br>• is in breach of any of their duties or obligations to any Group company (including a breach of their obligations under their employment contract);<br>• has engaged in negligence or gross misconduct;<br>• has done an act which could reasonably be regarded to have contributed to material reputation damage to any Group company; or<br>• is convicted of an offence or has a judgment entered against them in connection with the affairs of any Group company. |

**Table 3: FY24 LTI plan continued**

| Feature | Approach |
|---|---|
| **Restriction on hedging** | Hedging of performance rights by executives is prohibited under the plan rules and EBOS' Securities Trading Policy. |
| **Change of control** | Vesting of performance rights is subject to Board discretion. |
| **Cessation of employment** | **Resignation:** subject to the Board determining otherwise, unvested performance rights are forfeited.<br>**Termination for cause:** if an executive's employment is terminated for cause, subject to the Board determining otherwise, unvested and vested performance rights are forfeited.<br>**Termination without cause (including circumstances such as redundancy and retirement):** the Board shall determine the treatment of unvested performance rights. All vested performance rights remain on foot unless otherwise determined by the Board. |

### d. Executive Remuneration Mix

The weightings of executive remuneration components is as determined by the Committee each year having regard to market practice, the responsibilities of the CEO and the Executive Leadership Team, the performance of EBOS Group and any strategic projects of EBOS Group from time to time. Set out below is a table showing the components of fixed and variable components of the CEO and Executive Leadership Team in FY24.

**Table 4: Remuneration Mix**

| | Fixed | Variable | |
|---|---|---|---|
| | **TFR** | **STI** | **LTI** |
| **CEO at Target** | 31% | 33% | 36% |
| **CEO at Stretch** | 23% | 36% | 41% |
| **Executive Leadership Team at Target** | 46% | 28% | 26% |
| **Executive Leadership Team at Stretch** | 36% | 33% | 31% |

The amounts above may differ to the actual (or realised) components of remuneration for the CEO set out in Table 5 as that table shows the mix of remuneration actually realised in FY24.

As required under the Remuneration Policy, the relative weightings of realised executive remuneration components in FY24 is set out in the Group's Corporate Governance Statement.

**Section 4: CEO Remuneration**

**a. FY24 Total Realised Remuneration**

The table below summarises the realised remuneration outcomes for Mr. Cullity for FY24 and FY23.

**Table 5: Summary of total realised remuneration (all figures in A$)**

| Financial year | Base Salary | Compulsory Superannuation | TFR (including compulsory superannuation) | STI | Special Short-Term Incentive – LifeHealthcare Acquisition | LTI | Total |
|---|---|---|---|---|---|---|---|
| FY24 – outcome | $1,574,708 | $27,398 | $1,602,106 | $2,550,000 | N/A | $2,496,083* | $6,648,189 |
| FY24 – pay mix | | | 24% | 38% | N/A | 38% | |
| FY23 – outcome | $1,574,708 | $25,292 | $1,600,000 | $2,550,000 | $2,040,000 | $1,566,764** | $7,756,764 |
| FY23 – pay mix | | | 21% | 33% | 26% | 20% | |

** This relates to the cash settlement of 75,000 performance rights issued in August 2020 that vested during the current year.*

*** This relates to the vesting of 45,455 performance rights issued in September 2019 that vested during FY23.*

Each component of Mr Cullity's remuneration in FY24 is described more fully below.

**b. Past Financial Performance**

The table below presents the financial performance for EBOS Group Limited for the previous five financial years.

**Table 6: Past financial performance**

| | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|---|---|---|---|---|
| **NPAT[1]** | A$271.5m | A$253.4m | A$202.6m | A$185.3m | A$162.5m |
| **Basic EPS (Annual)** | A$141.3cps | A$132.9cps | A$114.5cps | A$113.2cps | A$100.6cps |
| **Underlying EPS (Annual)** | A$157.9cps | A$147.9cps | A$129.5cps | A$114.9cps | A$100.8cps |
| **Compound growth in Basic EPS (3 year)** | 7.7% Per annum (2022-2024) | 9.7% per annum (2021-2023) | 8.4% per annum (2020-2022) | 7.8% per annum (2019-2021) | 6.6% per annum (2018-2020) |
| **Compound growth in Underlying EPS (3 year)** | 11.2% Per annum (2022-2024) | 13.6% per annum (2021-2023) | 11.2% per annum (2020-2022) | 5.3% per annum (2019-2021) | 3.4% per annum (2018-2020) |
| **Share price at end of financial year** | NZ$32.22 | NZ$36.75 | NZ$39.01 | NZ$32.30 | NZ$21.61 |
| **Market capitalisation at end of financial year** | NZ$6,226m | NZ$7,041m | NZ$7,388m | NZ$5,302m | NZ$3,519m |
| **Total dividends in period (NZ$ cps)** | 118.5 | 110.0 | 96.0 | 88.5 | 77.5 |
| **Total shareholder return (annual)[2]** | (9.2)% | (3.2)% | 23.7% | 53.6% | (3.30%) |
| **Total shareholder return (3 year)** | 9.3% (2022-2024) | 82.9% (2021-2023) | 79.8% (2020-2022) | 93.2% (2019-2021) | 35.9% (2018-2020) |
| **Total shareholder return (5 year)** | 59.3% (2020-2024) | 128.2% (2019-2023) | 145.0% (2018-2022) | | |

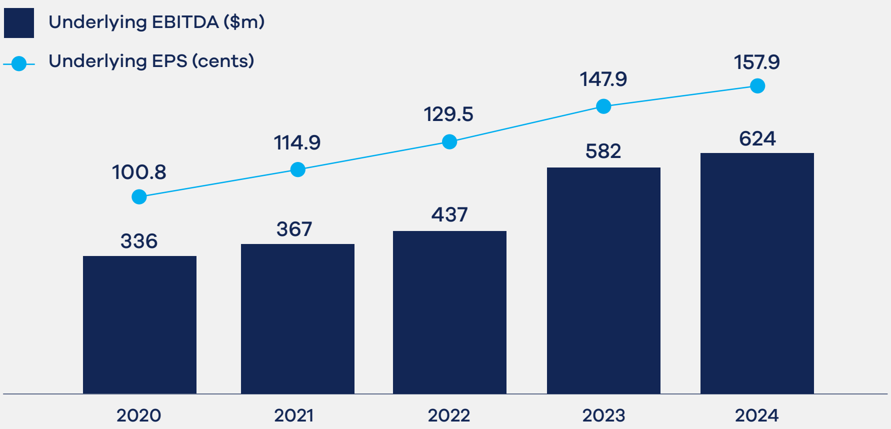
*[1] Net profit after tax attributable to owners of the company.*

*[2] Total shareholder return is calculated as the share price at the end of the year plus dividends declared in relation to that year divided by the opening share price for the year.*

Over the 5 year period ended 30 June 2024, EBOS has delivered Compound Annual Growth in Total Shareholder Returns of 59.3%. This return compares to the ASX 100 of 44.8% placing EBOS' performance well above the median.

The following graph highlights the continued growth in the Group's key performance measures that are directly related to the remuneration of both the CEO and Executive Leadership team.

**Underlying EBITDA and Underlying Earnings Per Share Performance (FY20-FY24)**




**b. Key terms of the CEO's employment contract**

The table below sets out the key terms of Mr Cullity's employment contract.

**Table 7: CEO Contract**

| Contract duration | Notice period – company | Notice period – CEO | Termination provision (where notice provided) | Post-employment restraint |
|---|---|---|---|---|
| Ongoing until terminated by either party | 12 months unless for cause | 12 months | 12 months | 18 months |

**c. Relative weightings of CEO remuneration**

There was no change to the structure of Mr Cullity's remuneration for FY24. Accordingly, the table below sets out the relative weightings of Mr Cullity's remuneration in respect of FY23 and FY24.

**Table 8: CEO Remuneration Structure**

| | Target | Stretch | Target | Stretch |
|---|---|---|---|---|
| **Fixed Remuneration** | $1,602,106 | | 31% | 23% |
| **Short-Term Incentive** | $1,700,000 | $2,550,000 | 33% | 36% |
| **Long-Term Incentive** | $1,900,000 | $2,850,000 | 36% | 41% |
| **Total ($)** | $5,202,106 | $7,002,106 | | |

### d. CEO Remuneration Outcomes for FY24

The amounts set out in Table 5 and this section differ from the amounts included in Note H4 to the Financial Report and the table of employee remuneration included on pages 105 and 106 which are reported according to accounting standards and, in respect of the table of employee remuneration, in New Zealand dollars as required under Section 211 of the Companies Act 1993.

The accounting values of remuneration reported in Note H4 do not reflect what a person was actually paid during the financial year due to a number of factors including the timing of payments of short-term incentives as well as the valuation of share-based payments.

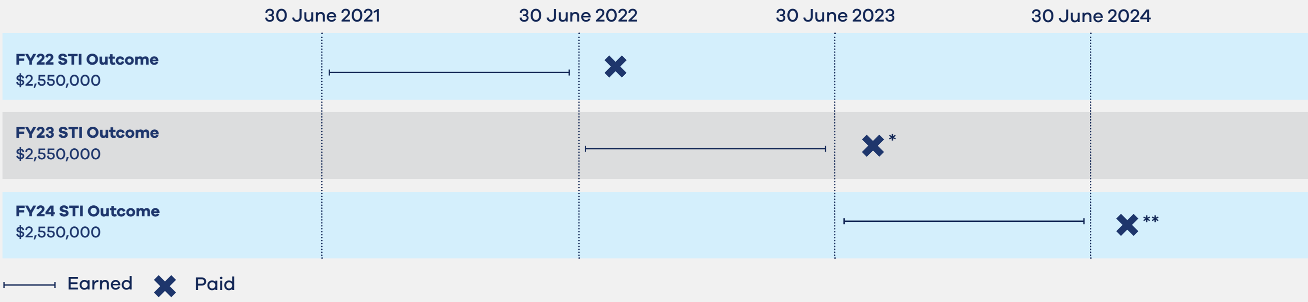
*Fixed remuneration*

In FY24, Mr Cullity received a base salary of $1,574,708 and compulsory superannuation contributions of $27,398 for total fixed remuneration of $1,602,106.

*STI Outcomes*

The Board's practice is to only approve the payment of an STI to the CEO upon finalisation of EBOS' audited accounts for the relevant financial year. The table below shows the STI earned in respect of the relevant year and the STI actually paid to the CEO during that financial year.

**Table 9: Summary of STI outcomes in the last 3 years**




** Does not include special acquisition incentive paid as disclosed in the 2023 Annual Report.*

*** Expected STI to be paid shortly after the release of the Annual Report in respect of the Group's FY24 results.*

*FY23 STI details (paid in FY24)*

In respect of FY23 performance, Mr Cullity received an STI payment of $2,550,000 in August 2023 (FY24) following the finalisation of EBOS' FY23 audited accounts.

The Board retained 'target' and 'stretch' elements for this STI. Accordingly, for FY23, if EBOS' underlying PBT results were equal to:

- 90% of the 2023 Target, 65% of the STI is payable;
- 94% of the 2023 Target, 75% of the STI is payable;
- 98% of the 2023 Target, 90% of the STI is payable;
- 100% of the 2023 Target, 100% of the STI is payable ('target STI entitlement'); and
- from 101% to 104% of the 2023 Target, between 110% to 150% ('maximum STI entitlement') of the target STI entitlement is payable.
- Straight-line pro-rata vesting is implemented between all points.

The Target amount was set by reference to the budgeted PBT for the Group for FY23.

Mr Cullity's target STI entitlement under the FY23 STI was $1,700,000 and his maximum STI entitlement was $2,550,000 (150% of his target STI entitlement). As the stretch target for FY23 was met, Mr Cullity received his maximum STI entitlement of $2,550,000.

*FY24 STI details (to be paid in FY25)*

In respect of FY24 performance, Mr Cullity will receive, shortly after the release of this Annual Report, an STI payment of $2,550,000.

The Board determined that the FY24 STI would be set by reference to underlying EBITDA growth of the Group with 'target' and 'stretch' elements as follows:

- underlying EBITDA growth of the Group of 4.4% ('target STI entitlement'); and
- underlying EBITDA growth of the Group of 6.1% ('maximum STI entitlement').

There is straight-line pro-rata vesting implemented between these points.

Mr Cullity's target STI entitlement under the 2024 STI was $1,700,000 and his maximum STI entitlement was $2,550,000 (150% of his target STI entitlement). As the stretch target for FY24 was exceeded (underlying EBITDA growth was 7.3%), Mr Cullity will receive his maximum STI entitlement of $2,550,000.

As referred to in Table 2 above, the Board has broad discretion in relation to the award of short-term incentives and health and safety leadership and progress in relation to the Group's ESG program is factored into the Board's determination of Mr Cullity's STI outcome.

*LTI Outcomes*

The Board's practice is to only approve the vesting of an LTI following finalisation of EBOS' audited accounts for the last financial year of the relevant performance period.

*FY21 LTI (paid in FY24)*

During FY24, Mr Cullity received a long-term incentive of $2,496,083. This comprised the full vesting of 75,000 performance rights issued to Mr Cullity in respect of the performance period from 1 July 2020 to 30 June 2023 (FY21 LTI). The Board elected to satisfy the vesting of the performance rights by settling the performance rights in cash.

**Table 10: Summary of FY21 LTI which was paid in FY24**

| Award | Performance Period | Number of Rights Vested | VWAP* | Cash Settlement of Rights |
|---|---|---|---|---|
| FY21 LTI | 1 July 2020 to 30 June 2023 | 75,000 (100% of grant) | $33.28 | $2,496,083 |

**The VWAP used was the 5 trading day VWAP on NZX at the time of payment multiplied by the then current AUD/ NZD exchange rate.*

The full vesting of the performance rights is as a result of the achievement of the EPS performance hurdles for the three year performance period from 1 July 2020 to 30 June 2023, reinforcing alignment with shareholder value creation over this period.

*FY22 LTI (to vest in FY25)*

In relation to the 94,124 performance rights issued in respect of the performance period 1 July 2021 to 30 June 2024 (FY2022 LTI), it is expected that all of these performance rights will vest shortly after the release of the annual report as the three year EPS CAGR performance condition has been achieved.

*FY24 LTI (granted in FY24)*

The performance conditions for the performance rights granted during FY24 (FY24 LTI) are described in Table 3 above. There was no change to the maximum LTI for Mr. Cullity in granting the FY24 LTI. Accordingly, the maximum LTI in the form of equity instruments for Mr Cullity, which is inclusive of a stretch component, is $2,850,000. The performance period is 1 July 2023 to 30 June 2026. Accordingly, these rights remain unvested as at 30 June 2024 and the vesting conditions will be tested following the conclusion of the FY26 financial year.

**Table 11: Summary of FY2024 LTI which was granted on 15 September 2023**

| Award | Grant Date | Number of Rights Granted | VWAP* | Total Grant Face Value |
|---|---|---|---|---|
| FY24 LTI | 15 September 2023 | 87,007 | NZ$35.54 | $2,850,000 |

**The VWAP used to calculate the number of performance rights issued in FY24 was the 5 trading day VWAP on NZX post the announcement of the Group's results for FY23, less the FY23 final dividend.*

*FY25 LTI (granted in FY25)*

The performance conditions for the performance rights granted during FY25 (FY25 LTI) are described in Table 3 above. There was no change to the maximum LTI for Mr. Cullity in granting the FY25 LTI. Accordingly, the maximum LTI in the form of equity instruments for Mr Cullity, which is inclusive of a stretch component, is $2,850,000. The performance period is 1 July 2024 to 30 June 2027. Accordingly, these rights remain unvested as at 30 June 2024 and the vesting conditions will be tested following the conclusion of the FY27 financial year.

**Table 12: Summary of FY25 LTI which was granted on 22 July 2024**

| Award | Grant Date | Number of Rights Granted | VWAP* | Total Grant Face Value |
|---|---|---|---|---|
| FY25 LTI | 22 July 2024 | 98,153 | NZ$32.23 | $2,850,000 |

**The VWAP used to calculate the number of performance rights issued in FY24 was a 10 day VWAP up to 27 June 2024.*

*Summary of CEO's LTIs*

Long-Term Incentives in the form of equity instruments received by Mr Cullity since the commencement of his employment with the Group in 2009 are:

**Table 13: LTI summary**

| Award | Performance Period | Instruments Granted | Vested/Unvested | Percentage of Grant Vested |
|---|---|---|---|---|
| FY25 LTI | 1 July 2024 to 30 June 2027 | 98,153 performance rights | Unvested | Yet to be tested |
| FY24 LTI | 1 July 2023 to 30 June 2026 | 87,007 performance rights | Unvested | Yet to be tested |
| FY23 LTI | 1 July 2022 to 30 June 2025 | 80,195 performance rights | Unvested | Yet to be tested |
| FY22 LTI | 1 July 2021 to 30 June 2024 | 94,124 performance rights | Expected to vest | Expected to be 100% |
| FY21 LTI | 1 July 2020 to 30 June 2023 | 75,000 performance rights | Vested (cash settled) | 100% |
| FY20 LTI | 1 July 2019 to 30 June 2022 | 45,455 performance rights | Vested (cash and equity settled) | 100% |
| FY19 LTI | 1 July 2018 to 30 June 2021 | 47,500 performance rights | Vested (cash settled) | 100% |
| FY18 LTI | 1 July 2017 to 30 June 2020 | 110,000 loan-backed shares | Vested | 100% |
| FY17 LTI | 1 July 2016 to 30 June 2019 | 95,000 loan backed shares | Vested | 100% |

**Section 5: Non-Executive Director Remuneration**

To support the attraction and retention of directors of the highest calibre and requisite expertise from New Zealand, Australia and internationally, the Group aims to set remuneration of non-executive directors having regard to:

- the time commitment and responsibilities of the non-executive directors (including any commitment as a member of a standing or ad hoc Board committee and special exertion for significant project work outside of the normal workload for the Board and Committees); and
- market rates for non-executive director remuneration for comparable companies (by size, industry classification and complexity). The Board has regard to this as part of its succession planning and the attraction and retention of directors from, or with experience in, key geographic markets in which the Group operates, including Australia and Southeast Asia.

Non-executive director remuneration is in the form of fees. Non-executive directors do not receive performance-based or equity-based remuneration.

Total remuneration for non-executive directors is subject to an aggregate fee pool limit of NZ$1,643,250 (including payments made in respect of KiwiSaver and compulsory superannuation contributions) in any financial year. The fee pool was approved by shareholders at the Annual Meeting held on 24 October 2023. The table below sets out the current fee allocations for director fees by position.

**Table 14: Non-executive director fees by position**

| Position | Fees (NZ$) |
|---|---|
| Chair | $352,800 |
| Director (other than Chair) | $176,400 |
| Chair of Audit & Risk Committee | $42,000 |
| Chair of Remuneration Committee | $34,650 |
| Member of Audit & Risk Committee | $21,000 |
| Member of Remuneration Committee | $17,325 |
| Special exertion fee pool | $78,750 |

Directors' remuneration and other benefits required to be disclosed pursuant to section 211(1) of the Companies Act 1993 for the year ended 30 June 2024 were as follows:

**Table 15: Non-executive director fees paid during FY24**

| Director | Base Fee (NZ$) | Audit and Risk Committee (NZ$) | Remuneration Committee (NZ$) | Special Exertion Fee (NZ$) | Total (NZ$) |
|---|---|---|---|---|---|
| E Coutts | $352,800 | $21,000 | $34,650 | Nil | $408,450 |
| T Batten | $176,400 | Nil | $17,325 | Nil | $193,725 |
| M Bloom | $176,400 | $14,438 | Nil | Nil | $190,838 |
| S McGregor* | $88,200 | Nil | Nil | Nil | $88,200 |
| S McLauchlan | $176,400 | $42,000 | $17,325 | Nil | $235,725 |
| S Ottrey* | $88,200 | $6,562 | Nil | Nil | $94,762 |
| J Tay | $176,400 | Nil | Nil | Nil | $176,400 |
| P Williams | $176,400 | Nil | Nil | Nil | $176,400 |

**Ms Ottrey and Mr McGregor retired as directors on 24 October 2023.*

**Employee Payment Bands**

Grouped below, in accordance with section 211 of the Companies Act 1993, are the number of employees or former employees of the Company and its subsidiaries, including those based outside of New Zealand, who received remuneration and other benefits in their capacity as employees totalling NZ$100,000 or more during the year.

| **Employee remuneration (NZ$)** | **30 June 2024** Number of Employees |
|---|---|
| $100,000 to $110,000 | 301 |
| $110,000 to $120,000 | 204 |
| $120,000 to $130,000 | 158 |
| $130,000 to $140,000 | 115 |
| $140,000 to $150,000 | 118 |
| $150,000 to $160,000 | 109 |
| $160,000 to $170,000 | 67 |
| $170,000 to $180,000 | 61 |
| $180,000 to $190,000 | 68 |
| $190,000 to $200,000 | 52 |
| $200,000 to $210,000 | 32 |
| $210,000 to $220,000 | 40 |
| $220,000 to $230,000 | 24 |
| $230,000 to $240,000 | 38 |
| $240,000 to $250,000 | 27 |
| $250,000 to $260,000 | 24 |
| $260,000 to $270,000 | 23 |
| $270,000 to $280,000 | 18 |
| $280,000 to $290,000 | 14 |
| $290,000 to $300,000 | 17 |
| $300,000 to $310,000 | 7 |
| $310,000 to $320,000 | 15 |
| $320,000 to $330,000 | 9 |
| $330,000 to $340,000 | 6 |
| $340,000 to $350,000 | 7 |
| $350,000 to $360,000 | 6 |
| $360,000 to $370,000 | 7 |
| $370,000 to $380,000 | 4 |
| $380,000 to $390,000 | 7 |
| $390,000 to $400,000 | 6 |
| $400,000 to $410,000 | 6 |
| $410,000 to $420,000 | 4 |
| $420,000 to $430,000 | 5 |
| $430,000 to $440,000 | 4 |
| $440,000 to $450,000 | 1 |

| **Employee remuneration (NZ$)** | **30 June 2024** Number of Employees |
|---|---|
| $480,000 to $490,000 | 2 |
| $500,000 to $510,000 | 3 |
| $530,000 to $540,000 | 1 |
| $540,000 to $550,000 | 2 |
| $560,000 to $570,000 | 2 |
| $570,000 to $580,000 | 1 |
| $580,000 to $590,000 | 1 |
| $590,000 to $600,000 | 1 |
| $620,000 to $630,000 | 1 |
| $640,000 to $650,000 | 2 |
| $670,000 to $680,000 | 1 |
| $680,000 to $690,000 | 1 |
| $690,000 to $700,000 | 2 |
| $730,000 to $740,000 | 1 |
| $790,000 to $800,000 | 1 |
| $830,000 to $840,000 | 1 |
| $880,000 to $890,000 | 1 |
| $910,000 to $920,000 | 1 |
| $940,000 to $950,000 | 1 |
| $1,110,000 to $1,120,000 | 1 |
| $1,190,000 to $1,200,000 | 1 |
| $1,390,000 to $1,400,000 | 1 |
| $1,480,000 to $1,490,000 | 1 |
| $1,540,000 to $1,550,000 | 1 |
| $1,630,000 to $1,640,000 | 1 |
| $1,760,000 to $1,770,000 | 1 |
| $2,080,000 to $2,090,000 | 1 |
| $2,270,000 to $2,280,000 | 2 |
| $2,330,000 to $2,340,000 | 1 |
| $4,150000 to $4,160,000 | 1 |
| $7,540,000 to $7,550,000 (John Cullity – Group CEO) | 1 |

# DIRECTORS' INTERESTS AND DISCLOSURES

### Disclosure of interests

In accordance with section 140(2) of the Companies Act 1993, the directors named below have made general disclosure of interest, by a general notice disclosed to the Board and entered in the Company's interests register during the year ended 30 June 2024, as follows:

**E.M. Coutts:** Chair of Oceania Healthcare Limited and Voyage Digital (NZ) Limited, (now known as 2degrees Group Limited), Director of EBOS Group subsidiaries in New Zealand and Member, Marsh New Zealand Advisory Board.

**T.L. Batten:** Chair of Accident Compensation Corporation, Director of Medibank Private Limited, National Institute of Water and Atmospheric Research Limited and Nanosonics Limited.

**M.A. Bloom:** Director of Abacus Storage Operations Limited, Abacus Storage Funds Management Limited (the responsible entity for the Abacus Storage Property Trust), AGL Energy Limited, Pacific Smiles Group Limited, Metropolitan Memorial Parks, Fambloom Beneficiary Pty Ltd, Fambloom Pty Ltd and Fambloom Super Pty Ltd.

**S.J. McLauchlan:** Chairman of Scott Technology Limited, Analog Digital Instruments Limited, Cargill Hotel 2002 Ltd, G S McLauchlan & Co, Otago Community Hospice and Wood Solutions. Director of Southlink Health Education Trust, Argosy Property Ltd, Dunedin Casinos Ltd and Scenic Hotels Group. Governor, NZ Sports Hall of Fame. Member, Marsh NZ Advisory Board. Former member of the Advisory Board to the Partridge Jewellers group.

**J. Tay:** Director of Sonova Holding A.G.

**P.J. Williams:** none recorded.

*Former directors*

**Stuart McGregor:** Director of Symbion Pty Ltd and other EBOS Group subsidiaries and director of Bodd Pty Ltd.

**Sarah Ottrey:** Chair of Whitestone Cheese Ltd and director of Sarah Ottrey Marketing Ltd, Skyline Enterprises Limited and subsidiaries, Mount Cook Alpine Salmon Limited and Christchurch International Airport Ltd. Member of the Institute of Directors – Otago Southland Branch committee. Trustee for the SGE and AA Berry Family Trust.

### Indemnity and Insurance

In accordance with section 162 of the Companies Act 1993 and the constitution of the Company, the Company has given indemnities to, and has effected insurance for, the directors and executives of the Company and its related companies which, except for some specific matters that are expressly excluded, indemnify and insure directors and executives against monetary losses as a result of actions undertaken by them in the course of their duties. Specifically excluded are certain matters, such as the incurring of penalties and fines, which may be imposed for breaches of law.

### Use of information

There were no notices from directors of the Company requesting to use Company information received in their capacity as directors, which would not otherwise have been available to them.

### Share dealings by Directors

The directors have disclosed to the Board under section 148(2) of the Companies Act 1993 the following particulars of acquisitions or disposals of a relevant interest in the Company's shares during the year ended 30 June 2024.

| Director | Ordinary Shares Purchased/(Sold) | Consideration Paid/(Received) | Date of Transaction |
|---|---|---|---|
| Stuart McLauchlan | 39 | NZ$1,390.35 | 22 March 2024 |

### Directors' shareholdings

| Director | | 30 June 2024 | 30 June 2023 |
|---|---|---|---|
| Elizabeth Coutts | – Indirect/beneficial interest | 35,748 | 35,748 |
| | – Direct, non-beneficial interest – trustee of EBOS Staff Share Plan | 71,592 | 71,592 |
| Tracey Batten | – Direct interest | 1,500 | 1,500 |
| Stuart McLauchlan | – Indirect/beneficial interest | 2,453 | 2,414 |
| **Former director** | | | |
| Sarah Ottrey* | – Indirect/beneficial interest | 3,469 | 3,469 |
| | – Held with associated person | 9,828 | 9,828 |

*Ms Ottrey resigned as a director with effect from 24 October 2023. This information is as at the date of resignation.

### Attendance at Board and committee meetings

| Director | Board | | Audit & Risk | | Remuneration | |
|---|---|---|---|---|---|---|
| | Eligible to Attend | Attended | Eligible to Attend | Attended | Eligible to Attend | Attended |
| Elizabeth Coutts | 11 | 11 | 3 | 3 | 3 | 3 |
| Tracey Batten | 11 | 11 | - | - | 3 | 3 |
| Mark Bloom | 11 | 11 | 2 | 2 | - | - |
| Stuart McLauchlan | 11 | 11 | 3 | 3 | 3 | 3 |
| Julie Tay | 11 | 11 | - | - | - | - |
| Peter Williams | 11 | 11 | - | - | - | - |
| **Former directors** | | | | | | |
| Stuart McGregor | 4 | 4 | - | - | - | - |
| Sarah Ottrey | 4 | 4 | 1 | 1 | - | - |

### Disclosures relating to subsidiaries

| Subsidiary | Current Directors |
|---|---|
| ABT Medical Pty Ltd | J Cullity<br>M Muscio |
| ABT Nevada LLC | J Cullity<br>M Muscio<br>S Berry<br>J Goldberg<br>L Myers |
| ACN 618 208 969 Pty Ltd | J Cullity<br>S McGregor#* |
| Alchemy Holdings Pty Ltd | J Cullity<br>S McGregor#*<br>B Barons |
| Alchemy Sub-Holdings Pty Ltd | J Cullity<br>S McGregor#*<br>B Barons |
| Australian Biotechnologies Pty. Limited | J Cullity<br>M Muscio |
| Beaphar Pty Ltd | J Cullity<br>J Dillon |
| BFCMC Pty Ltd | J Cullity<br>S McGregor#*<br>N Munroe |
| Blackhawk Premium Pet Care Pty Ltd | J Cullity<br>S McGregor#*<br>J Dillon |
| Botany Bay Imports Exports Pty Ltd | J Cullity<br>J Dillon |
| CAB Medical Pty Ltd | J Cullity<br>M Muscio |
| CC Pharmacy Investments Pty Ltd | J Cullity<br>S McGregor#*<br>B Barons |
| CC Pharmacy Management Pty Ltd | J Cullity<br>S McGregor#*<br>B Barons |
| CC Pharmacy Promotions Pty Ltd | J Cullity<br>S McGregor#*<br>B Barons |
| Chemmart Holdings Pty Ltd | J Cullity<br>S McGregor#*<br>N Munroe |
| Cincotta Holding Company Pty Ltd | J Cullity<br>S McGregor#*<br>B Barons |
| Clinect Pty Ltd | J Cullity<br>S McGregor*<br>B Barons |
| Clinect NZ Pty Limited | E Coutts<br>J Cullity<br>L Hansen |
| Collaboration Medical Clinics Pty Ltd | J Cullity<br>S McGregor#*<br>N Munroe |
| Collaboration Medical Clinics Investments Pty Ltd | J Cullity<br>N Munroe |
| Culpan Distributors Ltd | E Coutts<br>J Cullity<br>L Hansen |

| Subsidiary | Current Directors |
|---|---|
| Culpan Medical Pty Ltd | J Cullity<br>M Muscio |
| Developing People Pty Ltd | J Cullity<br>S McGregor#*<br>N Munroe |
| DoseAid Pty Ltd | J Cullity<br>S McGregor*<br>B Barons |
| EAHPL Pty Ltd | J Cullity<br>S McGregor#* |
| EBOS Aesthetics Pty Ltd | J Cullity<br>M Muscio |
| EBOS Group Australia Pty Ltd | J Cullity<br>S McGregor#*<br>B Barons |
| EBOS Health & Science Pty Ltd | J Cullity<br>S McGregor#*<br>B Barons |
| EBOS Medical Devices Australia Pty Ltd | J Cullity<br>S McGregor#<br>M Muscio |
| EBOS Medical Devices NZ Limited | E Coutts<br>J Cullity<br>L Hansen |
| EBOS PH Pty Ltd | J Cullity<br>S McGregor#* |
| Endeavour CH Pty Ltd | J Cullity<br>S McGregor#* |
| Endeavour Consumer Health Limited | E Coutts<br>J Cullity<br>L Hansen |
| Fibertech Medical Australia Pty Ltd | J Cullity<br>M Muscio |
| Healthcare Supply Partners Pty Ltd | J Cullity<br>B Barons |
| Hospharm Pty Ltd | J Cullity<br>S McGregor#*B<br>Barons |
| HPS Brands Pty Ltd | J Cullity<br>S McGregor#*<br>B Barons |
| HPS Corrections Pty Ltd | J Cullity<br>S McGregor#*<br>B Barons |
| HPS Finance Pty Ltd | J Cullity<br>S McGregor#*<br>B Barons |
| HPS Holdings Group (Aust) Pty Ltd | J Cullity<br>S McGregor#*<br>B Barons |
| HPS Hospitals Pty Ltd | J Cullity<br>S McGregor#*<br>B Barons |
| HPS IVF Pty Ltd | J Cullity<br>S McGregor#*<br>B Barons |

| Subsidiary | Current Directors |
|---|---|
| HPS Services Pty Ltd | J Cullity<br>S McGregor#*<br>B Barons |
| Intellipharm Pty Ltd | J Cullity<br>S McGregor*<br>B Barons |
| Klinic Solutions Australasia Pty Ltd | J Cullity<br>M Muscio |
| LifeHealthcare Limited | E Coutts<br>J Cullity<br>L Hansen |
| LifeHealthcare Distribution (NZ) Limited | E Coutts<br>J Cullity<br>L Hansen |
| LifeHealthcare Pty Limited | J Cullity<br>M Muscio |
| LifeHealthcare Distribution Pty Limited | J Cullity<br>M Muscio |
| LifeHealthcare Finance Pty Limited | J Cullity<br>M Muscio |
| LifeHealthcare Group Pty Limited | J Cullity<br>M Muscio |
| LifeHealthcare Services Pty Ltd | J Cullity<br>M Muscio |
| Lite Living Pty Ltd | J Cullity<br>S McGregor#*<br>N Munroe |
| LMT Surgical Pty Ltd | J Cullity<br>M Muscio |
| Lyppard Australia Pty Ltd | J Cullity<br>S McGregor*<br>J Dillon |
| Malex Medical Asia (M) Sdn Bhd | KY Ng<br>A Phu<br>ST Lee |
| Masterpet Australia Pty Limited | J Cullity<br>J Dillon |
| Masterpet Corporation Limited | E Coutts<br>J Cullity<br>L Hansen |
| Masterpet Logistics Pty Ltd | J Cullity<br>J Dillon |
| MD Scopes Pty Ltd | J Cullity<br>M Muscio |
| MD Solutions Australasia Pty Ltd | J Cullity<br>M Muscio |
| MD Solutions NZ Limited | J Cullity<br>L Hansen |
| Mega Save Management Pty Ltd | J Cullity<br>S McGregor#*<br>B Barons |
| National Surgical Pty Ltd | J Cullity<br>S McGregor#*<br>M Muscio |
| Nexus Australasia Pty Limited | J Cullity<br>S McGregor#*<br>B Barons |

| Current Directors | Current Directors |
|---|---|
| Ophthaswissmed Philippines Inc | KM Teo<br>KC Seah<br>M Cruz<br>G Borromeo |
| Pacific Health Supplies Topco1 Pty Limited | J Cullity<br>M Muscio |
| Pacific Health Supplies TopCo2 LLC | J Cullity |
| Pacific Health Supplies BidCo Pty Limited | J Cullity<br>M Muscio |
| Pacific Health Supplies HoldCo Pty Limited | J Cullity<br>M Muscio |
| Pacific Health Supplies MezzCo Pty Limited | J Cullity<br>M Muscio |
| Pacific Health Supplies TopCo Pty Limited | J Cullity<br>M Muscio |
| PBA Finance No. 1 Pty Ltd | J Cullity<br>S McGregor#<br>N Munroe |
| PBA Finance No. 2 Pty Ltd | J Cullity<br>S McGregor#*<br>N Munroe |
| PBA Wholesale Pty Ltd | J Cullity<br>S McGregor#*<br>N Munroe |
| Pet Care Distributors Pty Ltd | J Cullity<br>S McGregor#*<br>J Dillon |
| Pet Care Holdings Australia Pty Ltd | J Cullity<br>S McGregor#*<br>J Dillon |
| Pet Care Wholesalers Pty Ltd | J Cullity<br>S McGregor#* |
| Pets International Pty Ltd | J Cullity<br>J Dillon |
| Pharmacy Brands Australia Pty Ltd | J Cullity<br>S McGregor#*<br>N Munroe |
| Pharmacy Retailing (NZ) Limited | E Coutts<br>J Cullity<br>L Hansen |
| Pioneer Medical Limited | E Coutts<br>J Cullity<br>L Hansen |
| Protec Solutions Limited | E Coutts<br>J Cullity<br>L Hansen |
| PRNZ Limited | E Coutts<br>J Cullity<br>L Hansen |
| PT Transmedic Indonesia | H Marpaung |
| QPharma Pty Ltd | J Cullity<br>J Dillon |
| Richard Thomson Pty Limited | J Cullity<br>S McGregor#*<br>B Barons |

| Subsidiary | Current Directors |
|---|---|
| Sentry Medical Pty Limited | J Cullity<br>B Barons |
| Shanghai EBOS Business Management Co Ltd | J Cullity |
| Spiran Pty. Ltd. | J Cullity<br>M Muscio |
| Superior Pet Food Co. Limited | E Coutts<br>J Cullity<br>L Hansen |
| Swissmed Pte. Ltd. | KJY Lee<br>SJJ Lee |
| Swissmed Sdn Bhd | SJJ Lee<br>EBG Leow |
| Swiss Med (International) Pte. Ltd. | KJY Lee<br>SJJ Lee |
| Swissmed (Hong Kong) Limited | LW Tham |
| Symbion Pty Ltd | J Cullity<br>S McGregor*<br>B Barons |
| Terry White Group Pty Ltd | J Cullity<br>S McGregor#*<br>N Munroe |
| Tissue Technologies Pty Ltd | J Cullity<br>M Muscio |
| Tissuelife Pty Limited | J Cullity<br>M Muscio |
| Tony Ferguson Weight Management Pty Ltd | J Cullity<br>S McGregor#*<br>N Munroe |
| T-Medic Co., Ltd | KM Teo<br>KW Choo |
| Transmedic Pte Ltd | A Phua<br>TS Lee<br>M Muscio |
| Transmedic China Ltd | A Phua |
| Transmedic Company Limited | SJJ Lee (Chairman) |
| Transmedic Healthcare Co., Ltd | SJJ Lee (Chairman) |
| Transmedic Healthcare Sdn Bhd | KY Ng<br>ST Lee<br>A Phua |
| Transmedic Holdings Philippines, Inc | KM Teo<br>KC Seah<br>K San-Diego<br>V Fernando-Ambagan<br>M Cruz |
| Transmedic Philippines, Inc | KM Teo<br>KC Seah<br>K San-Diego<br>V Fernando-Ambagan<br>M Cruz |
| Transmedic (Thailand) Co., Ltd | KM Teo<br>TS Lee<br>KW Choo |
| TW&CM Pty Ltd | J Cullity<br>S McGregor#*<br>N Munroe |
| TWC IP Pty Ltd | J Cullity<br>S McGregor#*<br>N Munroe |
| Ventura Health Pty Ltd | J Cullity<br>S McGregor#*<br>B Barons |
| VIM Health Pty Ltd | J Cullity<br>S McGregor#*<br>N Munroe |
| VIM Health IP Pty Ltd | J Cullity<br>S McGregor#*<br>N Munroe |
| Vitapet Corporation Pty Limited | J Cullity<br>J Dillon |
| Warner & Webster Pty Ltd | J Cullity<br>S McGregor#*<br>B Barons |
| W & W Management Services Pty Ltd | J Cullity<br>S McGregor#*<br>B Barons |
| W M Bamford & Co Limited | E Coutts<br>J Cullity<br>L Hansen |
| You Save Management Pty Ltd | J Cullity<br>S McGregor#*<br>B Barons |
| ZAP Services Pty Ltd | J Cullity<br>S McGregor* |
| ZHHA Pty Ltd | J Cullity<br>S McGregor* |

*Ceased to be a director during the year ended 30 June 2024
#Alternate director

No employee of the Group appointed as a director of the Company or its subsidiaries receives remuneration or other benefits in their role as a director. The remuneration and other benefits of such employees, received as employees, are included in the relevant bandings for remuneration disclosed under employee remuneration range on pages 105 and 106.

### Auditor

The Company's Auditor, Deloitte, will continue in office in accordance with the Companies Act 1993.

The directors are satisfied that the provision of non-audit services, during the year by the auditor is compatible with the general standard of independence for auditors imposed by the Companies Act 1993. Details of amounts paid or payable to the auditor for non-audit services provided during the year by the auditor are outlined in note H5 of the financial statements.

**Elizabeth Coutts**
***Chair of Directors***

**Stuart McLauchlan**
***Director***

# DIRECTORY

**Registered offices**

108 Wrights Road
PO Box 411
Christchurch 8024
New Zealand
Telephone: +64 3 338 0999
Email: ebos@ebos.co.nz

Level 7, 737 Bourke Street
Docklands 3008
PO Box 7300
Melbourne 8004
Australia
Telephone: +61 3 9918 5555
Email: ebos@ebosgroup.com

**Website address**

**www.ebosgroup.com**

**Directors**

Elizabeth Coutts
*Independent Chair*

Tracey Batten
*Independent Director*

Mark Bloom
*Independent Director*

Stuart McLauchlan
*Independent Director*

Julie Tay
*Independent Director*

Peter Williams
*Independent Director*

**Senior executives**

John Cullity
*Chief Executive Officer*

Brett Barons
*CEO Symbion*

Simon Bunde
*EGM Strategic Operations, ESG and Innovation*

Janelle Cain
*General Counsel*

Julie Dillon
*CEO Animal Care*

Leonard Hansen
*Chief Financial Officer*

Martin Krauskopf
*EGM Strategy and Mergers and Acquisitions*

David Lewis
*EGM*

Jacinta McCarthy
*Group GM, Human Resources*

Matt Muscio
*CEO Medical Technology (to 5 August 2024)*

Andrew McLean
*CEO Medical Technology (appointed 5 August 2024)*

Mithran Naiker
*Chief Information Officer*

**Auditor**

Deloitte Limited
Christchurch

**Securities exchange**

EBOS Group Limited shares are quoted on the New Zealand Securities Exchange and the Australian Securities Exchange (NZX/ASX code: EBO).

**Share register**

Computershare Investor Services Ltd
Private Bag 92119
Auckland 1142
New Zealand
Telephone: +64 9 488 8777

Computershare Investor Services Pty Ltd
GPO Box 3329
Melbourne, Victoria 3001
Australia
Telephone: 1800 501 366

**Managing your shareholding online**

To change your address, update your payment instructions and to view your Investment portfolio, including transactions, please visit:

**www.computershare.com/investorcentre**

General enquiries can be directed to:

- enquiry@computershare.co.nz
- Private Bag 92119, Auckland 1142, New Zealand or GPO Box 3329, Melbourne, Victoria 3001, Australia
- Telephone (NZ) +64 9 488 8777 or (Aust) 1800 501 366
- Facsimile (NZ) +64 9 488 8787 or (Aust) +61 3 9473 2500

Please assist our registrar by quoting your CSN or shareholder number.

**Annual Meeting**

The Annual Meeting of EBOS Group Limited will be held on Wednesday, 23 October 2024 at 2pm, at the Park Hyatt Hotel, 99 Halsey Street, Auckland, New Zealand.

*This Annual Report is printed on environmentally responsible paper, produced using FCS® certified 100% Post Consumer Recycled, Process Chlorine Free (PCF) pulp.*

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