Third Age Health

Annual Report 2024

Third Age Health

Our Mission

Elevating healthcare to live well.

Our Vision

Third Age Health is the trusted leader for living well, providing personalised and comprehensive care at every life stage.

Our Values

We care	Quality is key. We care for all of our stakeholders – our people, patients, facilities and shareholders.
We're committed	We are persistent, committed and driven to get the best outcomes for all of our stakeholders – our patients, our people, clients and shareholders.
We get it done, well	We have a can-do attitude. We strive to think differently. We do what needs to be done, to the best of our ability. We're innovative, visionary and resourceful. We get it done and we do it right.
We are one team	We all achieve more when we work together – working with our stakeholders in all aspects of delivering care.

Contents

FY24 BUSINESS SUMMARY

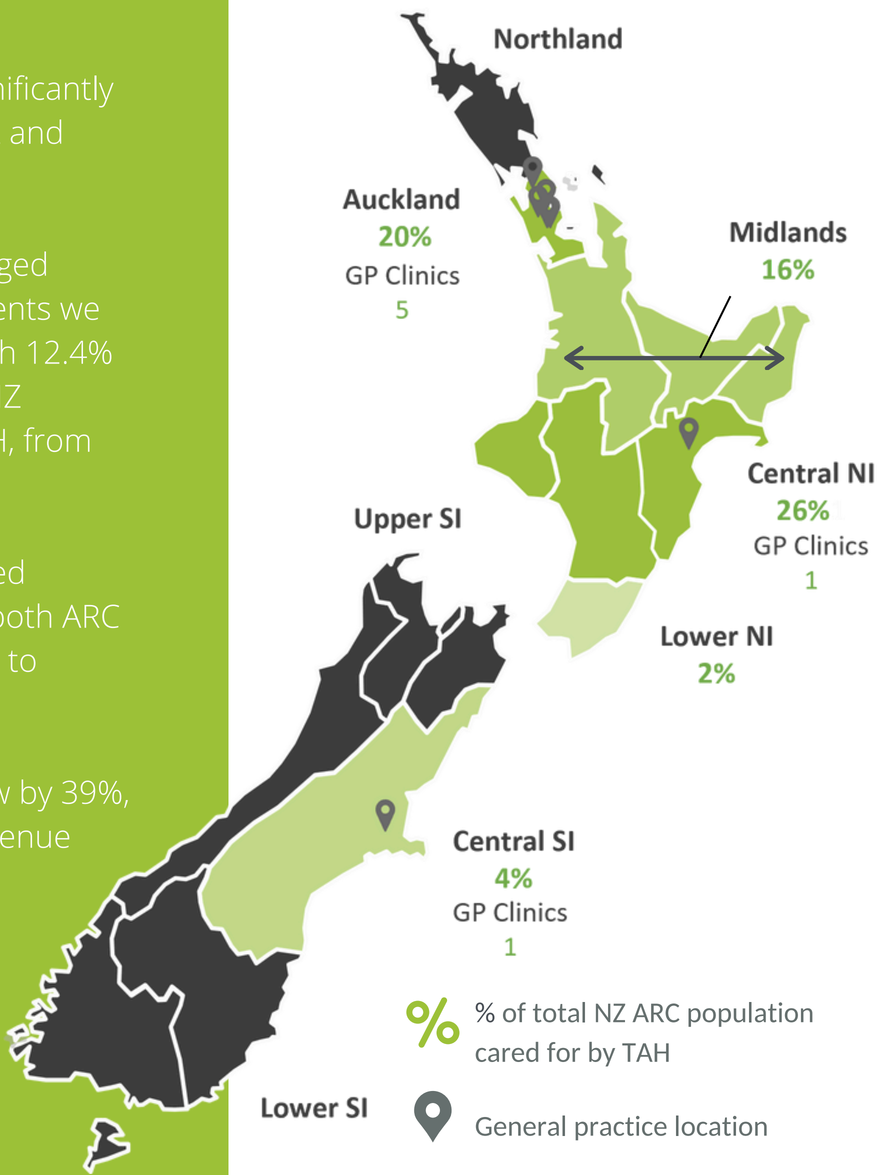
Third Age Health is New Zealand's leading provider of quality health care services for older people; supporting those living in care homes, private hospitals, secure dementia units, retirement villages and in their own homes.

Our Growth and Reach in FY24

Third Age Health (TAH) has significantly expanded its national footprint and market share in FY24.

- Increased the number of Aged Residential Care (ARC) patients we provide care to by 18%, with 12.4% of ARC population across NZ currently supported by TAH, from 67 facilities.
- Grew our combined enrolled patient population across both ARC and general practice by 4% to 24,969 enrolled patients.
- Our core ARC revenue grew by 39%, while General Practices revenue grew by 30%.
- Clinical Team and People: 87 clinicians worked with us during FY24, a 28% increase from the prior year, with the number of clinicians across both ARC and GP settings now making up 74% of the overall Third Age Health team (71%, FY23).

NATIONAL FOOTPRINT



8,393

Of the total enrolled patients are 65+ years

FY24 FINANCIAL SUMMARY

- Revenue of $15,151k up 35% from FY23: Revenue growth was significant across ARC and General Practice. There were no new acquisitions of practices during the year however General Practice revenue grew from a combination of the full year impact from last year's acquisitions, fee increases and higher patient growth. Price review increases across ARC contributed to Revenue growth alongside growth in the number of ARC facilities serviced.
- Underlying NPATA[1] of $1,708k, up 148% from FY23: underlying NPATA is adjusted for noncash amortisation charges arising from purchase accounting rules and a non-recurring provision relating to the impairment of the TADH loan in FY23.
- Cashflow: Cash and cash equivalents increased to $1,695k in FY24 (FY23: $1,355k). This signifies an improved liquidity position, attributed to positive cash flows from operating activities of $2,677k for FY24 (FY23: $788k).
- Debt: activities during FY24 were focused on paying down debt of $999k (FY23: $37k).

Financial Highlights $'000	Third Age Health and Controlled Entities					
	1H	2H	%	FY23	FY24	%
Revenues	7,341	**7,810**	**6.4%**	**11,217**	**15,151**	**35.1%**
Underlying EBIT[2]	1,096	1,510	37.7%	1,487	2,606	75.2%
Underlying EBIT Margin	14.9%	19.3%	37.7%	13%	17.2%	3.9%
Underlying NPBTA	906	1,345	48.4%	1,244	2,251	80.9%
Underlying NPBTA%	12.3%	17.2%	4.9%	11%	14.9%	3.8%
Underlying NPATA	694	1,014	46%	688	1,708	148.3%
Underlying NPATA%	9.5%	13%	3.5%	6%	11.3%	5.1%
Statutory NPAT[3]	**537**	**846**	**57.5%**	**412**	**1,383**	**235.9%**
Basic earnings per share	5.36	8.63	60.7%	4.39	13.99	220%
Ordinary dividends per share (cents)	3.96	6.11	54.3%	5.03	10.07	100.2%
Return on Equity	30.2%	47%	17.3%	16%	47%	31.5%
Return on Capital Employed	19.9%	36%	15.8%	12%	36%	23.7%

[1] Underlying NPBTA & underlying NPATA are adjusted for (i) non-cash amortisation charges arising as a result of purchase accounting rules (ii) non-recurring provision related to the TADH loan (iii) adjustment for IFRS 9 'financial instruments' loss on restructure of loan

[2] Underlying EBIT adjusted for non-recurring provision related to the TADH loan

[3] The restatement on additional provision for "make good" has been reversed between our unaudited preliminary and the final audited results. This has resulted in the reported statutory NPAT for FY23 being revised back to $412k as was reported in the prior year audited financial statements. In addition, the statutory NPAT for FY24 has increased $22k from the unaudited preliminary to $1,383k.

CHAIRMAN & CEO REPORT

Dear Shareholder

We are pleased to report our full year results for FY24. During the year we progressed in creating more customer value across our core business of providing primary medical care into Aged Residential Care (ARC) settings and our Community General Practices, resulting in a more sustainable growth trajectory.

A focus on continuously improving processes and systems was crucial for stabilising our operations and strengthening the groundwork for sustainable future growth. Initiatives aimed at improving clinician and client retention and attraction showed positive results as the year progressed. Pleasingly we were also able to recruit more clinicians, which enabled us to meet growing demand, and further strengthened our service delivery and client engagement, leading to net organic growth in our core ARC-related business.

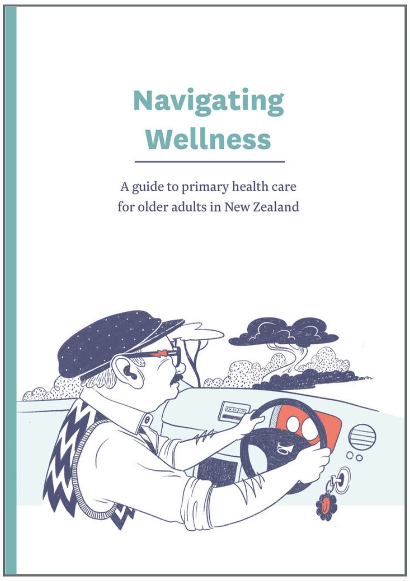
Unfortunately, some of our Auckland based Community General Practices continue to underperform financially. The root causes have been identified and all efforts are being expended to ensure performance is improved in the near future.

Creating Customer Value

Our commitment to creating value and delivering results for our customers saw us execute on several initiatives across our ARC business:

- Completed the build of our proprietary digital clinical platform with the pilot release planned for Q1 FY25 for several customer facilities. This platform is a unique solution that streamlines a range of workflow issues faced by clinicians and facilities. It significantly enhances the quality of care we provide and highlights our commitment to innovation in the provision of primary care to older adults.
- Took over and transformed a practice at Selwyn Village providing primary care to its independent living retirement village residents. A cornerstone of our service at Selwyn Village is the KARE program, a clinical care model for older people’s health. Offering nurse-based screenings, check-ins, and assessments, the KARE program ensures that practitioners’ time is utilised optimally while delivering better patient outcomes.
- Expanded our Nurse Practitioner development program by setting up a physical training base enabling us to facilitate additional intake of nurses who wish to pursue this pathway with us. Nurse Practitioners are an important means of building long-term resilience across our network.

- Produced the Navigating Wellness book, a guide to primary health care for older adults in New Zealand, which will be freely available for use throughout the sector. We are grateful to the CHT Aged Care Fund for helping fund this initiative and the excellent work by our team compiling it.
- We are also piloting new innovative mixed-model virtual / physical services, encouraging collaborative team-based care which over time we plan to extend further across the country.



These investments in improving delivery and engagement with customers are starting to pay off as demonstrated by significant year on year improvements in our Net Promoter Scores (NPS). This has also resulted in positive word of mouth which has been instrumental in driving our strong organic growth with practitioners and new ARC clients requesting our services.

Continuous Improvement

The roll out Kaizen (aka Lean) across the business has now evolved into our Third Age Health Way of Working (TAH WOW). We are particularly proud of what has been achieved by our team in terms of process improvement, waste reduction and embedding this way of working into our operational DNA. The progress made also resulted in the company being recognised as a top three finalist at the NZ Kaizen awards.

Financial Performance

Our core ARC-related business continues to experience strong organic growth with enrolled patients of 4,360 up 18% compared with the number of aged residential care patients enrolled with us at 31 March 2023. This increase drove organic revenue growth for the period of 39% on pcp to $8.283 million.

Community General Practices maintained patient numbers during this year with enrolled patients of 20,609 up 2% compared to 31 March 2023. General Practice revenue in total of $6.868 million is up 30% on pcp.

Throughout the year we have adjusted pricing across both our ARC and General Practice businesses to align with the rising cost of resourcing while ensuring our rates remain competitive with current market demands.

Capital Allocation

In evaluating our approach to allocating capital, we adhered to the principles such as the $1 rule which we outlined in last year's letter. We accelerated the repayment of $1m in high-cost bank debt during the year while also investing in our digital capabilities. After careful consideration, we determined that the acquisition of Hub Aged Care which closed after year end, would deliver solid accretion in intrinsic value per share.

During the year, in line with our dividend policy, we distributed 75% of our net profit after tax as dividends along with accelerating this return of capital by shifting from semi-annual to quarterly dividend payments. Notably the total ordinary dividend per share paid during the year was the highest in the company's history.

Looking ahead, in FY25 and beyond we plan to grow our dividend per share on the FY24 baseline on a cents per share basis. However, we will gradually over the long-term be targeting a dividend payout ratio of 50-60%. This new payout ratio will provide us with the flexibility to accelerate the repayment of high-cost debt taken on to acquire Hub Aged Care and make other capital allocation choices with a view to ultimately driving average annual growth in intrinsic value per share.

Dividend

We are pleased to announce a final FY24 fully imputed dividend per share, in line with our 75% payout ratio dividend policy of 2.80 cents per share.

Outlook

While the health sector landscape remains complex, marked by an ageing population, and limited practitioner resources, we remain optimistic about ongoing growth prospects of our core ARC related business as we reap the benefits of the investments in processes, systems, and our team. This along with our digital roadmap, has laid the groundwork for further organic growth.

We expect both our organic revenue and underlying profit in FY25 to outpace those of FY24, albeit much more moderately than FY24 outpaced FY23.

In conclusion we want to express our sincere thanks to our customers, partners, team and to you, our shareholders, for your continued trust and support.

Sincerely,

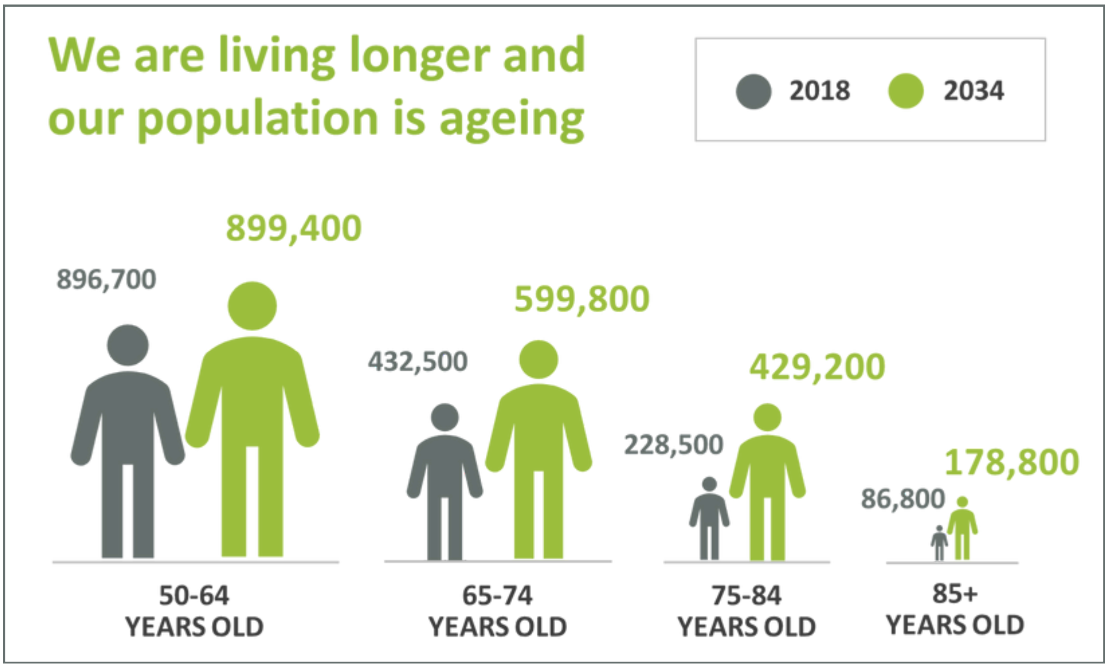
John Fernandes
Chairman

Tony Wai
CEO

Embracing Growth: Leading the Way in Aged Care

Caring for an Ageing New Zealand

New Zealand's population continues to age. The number of people aged over 65 is approximately 820,000, which is projected to exceed 1.5 million by 2048*. This demographic shift presents both challenges and opportunities for the healthcare sector, which Third Age Health is committed to adapt and evolve to meet, demonstrated through our growth, and key strengths.



Our Expansion

Growing Our Reach: By the end of FY24, we have contracted with 67 ARC facilities, marking a 29% increase compared to the prior year. This expansion underscores our commitment to providing high-quality healthcare services to the elderly.

Market Share: We now support 12% of the total ARC population across New Zealand, a significant increase from previous years. Our goal is to increase this market share to 20% within the next five years.

Independent Living: We successfully launched TAHI Care in FY24, Third Age Health Independent Living Care, at one of Auckland's largest retirement and aged residential care facilities. This new model highlights our commitment to providing comprehensive care to meet the evolving needs of elderly residents, ensuring they receive high-quality healthcare in a supportive environment, in the community, retirement villages and in ARC.

Third Age Health
TAHI Care

Our Strengths

Continuity of Care

With a growing proportion of the population ageing, the need for consistent and integrated care is also increasing. Third Age Health leads in providing planned-care approaches to support the health needs of our ageing population, as well as by providing care to people as they age in both retirement village and in the community.

Digital Transformation

In response to evolving healthcare needs and government policies, we are rolling out our new clinical portal in FY25. This portal will enhance practitioner capacity and improve the quality of care delivered to our patients.

Resourcing and Workforce Development

The healthcare sector faces significant resourcing challenges, with practitioners in high demand globally and an ageing workforce nearing retirement. Third Age Health is proactively addressing these issues by creating development pathways for General Practitioners (GPs) and Nurse Practitioners (NPs), ensuring we attract and retain top talent.

Collaborative Government Initiatives

We are working closely with the government and the wider healthcare sector to meet the increasing demand for aged care services across New Zealand. Our collaborative efforts aim to reduce the impact on hospital services and ensure that healthcare needs are met efficiently and effectively.

Diversification of ARC Client Base

Our client base continues to diversify, with a wider geographic spread and a variety of client brands. This positions us as a key player in the sector, operating across a broad range of facilities and locations, and providing robust and adaptable healthcare solutions.

Enhancing Care and Satisfaction: Our Commitment to Excellence

Our Progress and Achievements

Over the past year, Third Age Health has continued to improve its services, delivering notable results that highlight our commitment to excellence. Key metrics from our recent surveys provide insights into why facilities choose to work with us and why practitioners want to be part of our team.

Positive Net Promoter Score (NPS)

ARC Clients NPS: NPS for 2024 is 39, reflecting high satisfaction and likelihood of recommending our services.
Practitioner NPS: Our practitioner NPS is 17 in 2024, showcasing practitioner satisfaction and engagement.

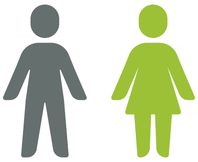
Why Facilities Choose Us

- **Quality Care**: Facilities appreciate the excellent primary GP/NP care we provide, along with our holistic approach and 24/7 support.
- **Responsive Team**: Our ARC PMs and support team are praised for their friendly, prompt, and approachable nature, fostering strong partnerships with facilities.
- **Innovative Solutions**: We continue to introduce new innovations and improvements, such as our 0800 support line and digital platforms, to enhance service delivery and support for our clients.

Why Practitioners Want to Be Part of Our Team

- **Supportive Environment**: Practitioners value the support and responsiveness of the TAH management team, finding their roles rewarding and impactful in improving health outcomes.
- **Professional Development**: Opportunities for upskilling, teaching, and continuous improvement are key reasons why practitioners enjoy working with us.
- **Flexible Work**: The freedom and flexibility offered in their roles allow practitioners to maintain a healthy work-life balance while making a difference in the lives of residents.

OUR TEAM



67% Female

34% Male

117 Total team

87 Clinical team

OUR BOARD

John Fernandes | Independent Chairman

John is CFO of MacroActive and Ruminant BioTech. He has experience in strategy, finance and continuous improvement within financial services, telco, media and technology businesses in New Zealand and a Master of Business Administration from The University of Auckland.

Bevan Walsh | Founder and Non-Independent Director

Bevan founded Third Age Health with the goal of revolutionising the way Kiwi nursing homes access their medical services. He has a strong commitment to delivering excellent service, and plays an active role in shaping Third Age Health's practice philosophy.

Steffan Crausaz | Independent Director

Steffan is a transformative leader in healthcare, with experience as a pharmacist and CEO. As the former CEO of Tāmaki Health Group, he enhanced operating profits and developed telehealth options during the COVID-19 crisis. Before Tāmaki, Steffan led Pharmac.

Wayne Williams | Independent Director

Wayne is formerly a Partner of KPMG and has close to 30 years' experience within the health sector. He has worked in line management and consulting roles within primary care, DHBs and the Ministry of Health, and he was most recently the CEO of Alliance Health Plus Trust.

CONSOLIDATED FINANCIAL STATEMENTS

Third Age Health Services Limited
and subsidiaries

For the year ended 31 March 2024

Directors' responsibility statement

The Directors of Third Age Health Services Limited (the "Company") are pleased to present to shareholders the Consolidated Financial Statements for Third Age Health Services Limited and its subsidiaries ("the Group") for the year ended 31 March 2024.

The Directors are responsible for presenting financial statements in accordance with New Zealand law and generally accepted accounting practice, which present fairly in all material respects the financial position of the Group as at 31 March 2024 and the results of its operations and cash flows for the year ended on that date.

The Consolidated Financial Statements of the Group have been prepared using accounting policies which have been consistently applied and supported by reasonable judgements and estimates and all relevant financial reporting 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 Companies Act 1993, NZX Listing Rules and Financial Markets Conduct Act 2013.

The Directors ensure 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 a reasonable assurance as to the integrity and reliability of the Financial Statements.

The Consolidated Financial Statements presented are signed on behalf of the Board on 27 June 2024 by:

John Fernandes
Chairman

Wayne Williams
Audit Committee Chair

Third Age Health Services Limited
Consolidated statement of comprehensive income
For the year ended 31 March 2024

	Notes	2024 $000	2023 $000
Revenue	4	**15,151**	**11,217**
Cost of services	5	(7,535)	(5,633)
Gross profit		**7,616**	**5,584**
Other income		85	35
Administrative employees and contractors	7	(3,042)	(2,484)
Administrative professional and consulting fees	8	(437)	(503)
Other expenses	9	(1,226)	(841)
Operational expenses		**(4,705)**	**(3,828)**
Loan impairment	17	**-**	**(233)**
EBITDA		**2,996**	**1,558**
Depreciation on right of use assets	18	(360)	(273)
Depreciation on plant, property and equipment		(30)	(31)
Amortisation of intangibles	19.3	(325)	(240)
Finance costs	10	(355)	(286)
Profit before income tax		**1,926**	**728**
Income tax expense	12	(543)	(316)
Profit for the period		**1,383**	**412**
Other comprehensive income		-	-
Total comprehensive income for the period		**1,383**	**412**
Profit and total comprehensive income attributable to:			
Shareholders of the parent		1,400	439
Non-controlling interests	27	(17)	(27)
Profit for the year		**1,383**	**412**
Earnings per share	14		
Basic earnings per share (cents)		13.99	4.39
Diluted earnings per share (cents)		13.99	4.39

These Consolidated Financial Statements are to be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity

For the year ended 31 March 2024

	Notes	Share Capital $000	Share Based Payments Reserve $000	Retained earnings $000	Non-controlling Interest $000	Total $000
Balance at 1 April 2022		**515**	**643**	**1,538**	**-**	**2,696**
Profit for the year		-	-	439	(27)	412
Total comprehensive income for the year		**-**	**-**	**439**	**(27)**	**412**
Shares issued		81	-	-	-	**81**
Dividend		-	-	(647)	-	**(647)**
Tax credit on share based payments		-	4	-	-	**4**
Deferred tax credit on share based payments		-	(10)	-	-	**(10)**
Share based payments		-	8	-	-	**8**
Balance at 31 March 2023		**596**	**645**	**1,330**	**(27)**	**2,544**
Balance at 1 April 2023		**596**	**645**	**1,330**	**(27)**	**2,544**
Prior period error	28	-	-	(40)	-	(40)
Revised balance at 1 April 2023		**596**	**645**	**1,290**	**(27)**	**2,504**
Profit for the year		-	-	1,400	(17)	1,383
Total comprehensive income for the year		**-**	**-**	**1,400**	**(17)**	**1,383**
Dividend	13	-	-	(986)	-	**(986)**
Tax credit on share based payments	12.1	-	-	-	-	**-**
Deferred tax credit on share based payments		-	-	-	-	-
Share based payments	25.2	-	12	-	-	**12**
Balance at 31 March 2024		**596**	**657**	**1,704**	**(44)**	**2,913**

These Consolidated Financial Statements are to be read in conjunction with the accompanying notes.

Third Age Health Services Limited
Consolidated statement of financial position
For the year ended 31 March 2024

	Notes	2024 $000	2023 $000
Current assets			
Cash and cash equivalents	15	1,695	1,355
Trade and other receivables	16	775	840
Other assets		81	125
Accrued revenue		319	152
Loan receivable	17	-	80
Total current assets		2,870	2,552
Non-current assets			
Property, plant and equipment		123	135
Right-of-use-assets	18	2,514	2,967
Intangible assets	19	4,191	4,370
Financial assets		20	20
Total non-current assets		6,848	7,492
Total assets		**9,718**	**10,044**
Current liabilities			
Trade and other payables	21	1,594	1,164
Employee benefits		336	209
Provisions		22	22
Current tax liabilities		346	94
Bank Loan - current	23, 30	1,342	375
Lease liabilities	18	306	283
Total current liabilities		3,946	2,147
Non current liabilities			
Bank loan	23, 30	-	1,966
Other payables	21	1	2
Lease liabilities	18	2,399	2,755
Deferred tax liability	12.2	459	630
Total non current liabilities		2,859	5,353
Total liabilities		**6,805**	**7,500**
Net assets		**2,913**	**2,544**
Equity			
Share capital	25	596	596
Share based payment reserve		657	645
Retained earnings		1,704	1,330
Equity attributable to the Parent		**2,957**	**2,571**
Non-Controlling Interests	27	(44)	(27)
Total Equity		**2,913**	**2,544**

These Consolidated Financial Statements are to be read in conjunction with the accompanying notes.

Third Age Health Services Limited
Consolidated statement of cash flows
For the year ended 31 March 2024

	Notes	2024 $000	2023 $000
Cash flows from operating activities			
Receipts from customers		15,097	10,692
Payments to suppliers and employees		(11,624)	(9,278)
Interest received		38	7
Interest paid		(372)	(243)
Income taxes paid		(462)	(390)
Net cash flows provided by operating activities	11	**2,677**	**788**
Cash flows from investing activities			
Payments purchase for property, plant and equipment		(17)	(44)
Investment in developing intangible assets		(132)	(10)
Acquisition of general practices		-	(2,004)
Net cash flows used in investing activities		**(149)**	**(2,058)**
Cash flows from financing activities			
Share purchase plan deposits applied to acquire shares		-	(76)
Proceeds from issuing shares		-	72
Loan repayments on bank borrowings		(999)	(37)
Loan receivable repayments		80	-
Payment of lease liabilities	17	(283)	(198)
Dividend paid	13	(986)	(638)
Proceeds from borrowings	29	-	2,378
Net cash flows (used in) / provided by financing activities		**(2,188)**	**1,501**
Net increase in cash and cash equivalents		**340**	**231**
Cash and cash equivalents at the beginning of the period		1,355	1,124
Cash and cash equivalents at the end of the period		**1,695**	**1,355**

These Consolidated Financial Statements are to be read in conjunction with the accompanying notes.

1. Reporting entity

These Consolidated Financial Statements are for Third Age Health Services Limited and its subsidiaries (the "Group"). The Parent is incorporated and domiciled in New Zealand and registered under the Companies Act 1993. The parent's shares are publicly traded on the New Zealand Stock Exchange (NZX) and are listed on the main board of the NZX. The principal trading activity of the Group is the provision of medical services to the aged care sector. Those companies included in the Group are disclosed in note 19.

The Consolidated Financial Statements of the Group are for the year ended 31 March 2024. The Financial Statements were authorised for issue by the Directors as dated in the Directors' Responsibility Statement.

2. Statement of accounting policies

2.1. Basis of preparation

The Financial Statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). They comply with the New Zealand equivalents to International Financial Reporting Standards ("NZ IFRS") and other applicable Financial Reporting Standards, as appropriate. These Financial Statements comply with International Financial Reporting Standards ("IFRS") as published by the International Accounting Standards Board. For the purposes of complying with NZ GAAP, the Group is a for-profit entity. These Financial Statements have been prepared in accordance with the Financial Markets Conduct Act 2013.

2.2. Basis of measurement

Historical cost convention
The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss and financial assets at fair value through other comprehensive income, and certain classes of property, plant and equipment.

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

2.3. Basis of consolidation

The Consolidated Financial Statements incorporate the Financial Statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.
When necessary, adjustments are made to the Financial Statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2.4. Functional and presentational currency

The individual Financial Statements of each Group entity are maintained in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated Financial Statements, the results and position of each Group entity are expressed in New Zealand Dollars (NZD), rounded to thousands, which is the functional currency of the Company and the presentation currency for the consolidated Financial Statements.

The Group has no foreign operations and the functional currency of all the Group subsidiaries is NZD.

2.5. Goods and services tax (GST)

Revenue, expenses, assets and liabilities are recognised net of the amount of goods and services tax (GST) except:

- Where the amount of GST incurred is not recovered from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- For receivables and payables which are recognised inclusive of GST (the net amount of GST recoverable from or payable to the taxation authority is included as part of receivables or payables).

2.6. Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.
Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial instruments are classified into the following specified categories: 'fair value through profit or loss' (FVTPL), 'fair value through other comprehensive income' (FVOCI) and 'at amortised cost'. The classification depends on the nature and purpose of the financial instrument and is determined at the time of initial recognition.

The Group's financial assets consist of cash, short term deposits, trade receivables and related party receivables.

Financial assets – Cash and short-term deposits
Cash and short-term deposits comprise cash at bank and on hand and short-term deposits with a maturity of three months or less.
Financial assets – Trade and other receivables
Trade receivables are non-derivative financial assets and measured at amortised cost using the effective interest method less expected credit and loss allowance. Impairment of trade receivables is recorded through a loss allowance account (bad debt provision). The amount of the loss allowance is based on the NZ IFRS 9 simplified Expected Credit Loss (ECL) approach which involves the Group estimating the lifetime ECL at each balance date. The lifetime ECL is calculated using a provision matrix based on historical credit loss experience and adjusted for forward looking factors specific to the debtors and the economic environment.

Financial assets – Related party receivables
Related party receivables are measured at amortised cost net of any impairment related to credit losses.

Financial liabilities and equity instruments
Financial liabilities and equity instruments – Equity instruments
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.

Financial liabilities and equity instruments – Financial liabilities
Financial liabilities at amortised cost (including borrowings, related party payables and trade and other payables) are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial liabilities and equity instruments – Derecognition of financial liabilities
The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.7. Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their fair value, except deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements which are recognised and measured in accordance with NZ IAS 12 Income taxes and NZ IAS 19 Employee benefits respectively.

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 in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds 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 interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

2.8. Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

2.9. Issued Capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.10. Dividends

Dividends are recognised when declared during the financial year and no longer at the discretion of the company

2.11. Employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Defined contribution superannuation expense
Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

2.12. Provisions

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

2.13. Changes in accounting policies

All significant accounting policies have been applied on a basis consistent with those used in the audited Consolidated Financial Statements of the Group for the year ended 31 March 2023.

2.14. Standards issued but not yet effective

There are new or amended accounting standards mandatory effective 1 January 2024 which the Group did not adopt earlier.

Amendments to NZ IAS 1 – Presentation of Financial Statements: Disclosure of Accounting Policies
Amendments to NZ IAS 7 – Statement of Cash Flows and NZ IFRS 7 Financial Instruments: Disclosures
Amendments to NZ IAS 16 – Leases
Amendments to FRS 44 – Disclosure of Fees for Audit Firms' Services

The Group is yet to assess the full impact of these new standards or amendments issued but not due for adoption by the group until 1 April 2024. However, they are not at this stage expected to have a material impact on the Group.

3. Use of accounting estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

- Loan receivable from Third Age Digital Health (note 16)

The Company has determined that a provision against the loan receivable from Third Age Digital Health be recognised owing to constructive obligation and based on the best estimate of the consideration required to settle the present obligation at the reporting date, considering the risks and uncertainties surrounding that obligation.

- Carrying of value of intangible assets (note 18)

The company assesses the carrying value at each reporting date of goodwill allocated to each cash generating unit by value-in-use calculations which require the use of assumptions. These assumptions include discount rate, terminal growth rate and EBITDA growth as disclosed in note 18 and are based on Company's best estimate at the date of preparation.

- Share based Payments (Note 24)

The company assesses valuation of share-based payments using the Monte Carlo simulation valuation model which require the use of assumptions. These assumptions include share price at grant date, exercise price, share volatility, dividend yield and risk-free interest rate as disclosed in note 24.1 and are based on Company's best estimate at the date of preparation.

- Revenue from services rendered

When recognising revenue in relation to the provision of services to customers, the key performance obligation of the company is considered to be when the service is provided to the customer, as this is deemed to be the time that the customer obtains the benefits of the service provided.

- Expected Credit Loss (ECL)

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience, historical collection rates and forward-looking information that is available. The allowance for expected credit losses, as disclosed in note 15, is calculated based on the information available at the time of preparation. The actual credit losses in future years may be higher or lower.

- Estimation of useful of useful life of assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

- Income tax

The company is subject to income taxes in New Zealand, the jurisdiction in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The company recognises liabilities for anticipated tax audit issues based on the company's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

- Recovery of deferred tax asset

Deferred tax assets are recognised for deductible temporary differences only if the company considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

- Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the company's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The company reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

- Incrementation borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the company estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

- Lease make good provision

A provision has been made for make good costs which are specifically identified in each the Company's lease agreements for future restoration of leased premises. The provision includes future cost estimates associated with closure of the premises for specifically identified make good requirements. Changes to the estimated future costs for sites are recognised in the statement of financial position by adjusting the asset and the provision. Reductions in the provision that exceed the carrying amount of the asset will be recognised in profit or loss.

4. Revenue recognition

4.1. Revenue from contracts with customers

Revenue has been categorised as consultation revenue, capitation revenue and other revenue.

Consultation revenue

The Group earns revenue from the provision of medical consultation services. Each consultation performed is a separate performance obligation satisfied at a point in time. The price for each consultation is a fixed amount based on an agreed rate card with the customer. Revenue is recognised once the consultation service has been provided. Revenue claims from contracts like ACC and MOH (General medical, maternity and immunisation claims) with customers is measured at the fair value of the consideration received or receivable and may be reduced for rebates and other similar allowances.

Capitation revenue

The Group provides various medical services on a 'stand ready' basis on behalf of Primary Health Organisations (PHOs). This capitation revenue is recognised monthly based on the number of enrolled patients and the agreed rate for the particular patient. The agreed rate will be affected by the characteristics of the patient, for example, their age or gender. Revenue is recognised on an over time basis measured on a time lapsed basis.

Other revenue

Other revenue is made up of claims related to vaccinations and other claims recognised on a point in time basis once the services have been given to the patient as well as interest revenue. Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Revenue from contracts with customers

	2024 $000	2023 $000
Capitation revenue		
Aged medical care services	2,308	1,857
General practice medical services	3,887	2,728
Consultation revenue		
Aged medical care services	5,906	3,961
General practice medical services	2,425	1,851
Other revenue		
Aged medical care services	69	130
General practice medical services	556	690
Total revenue from contracts with customers	15,151	11,217

Geographical information

Over the two years covered by the Consolidated Financial Statements, the Group operated in New Zealand only.

Timing of revenue recognition

Revenue from services provided to customers are recognised at a point in time.

Information about major customers

Included in total revenue are revenues that arose from services provided to the Group's largest customers.

The Group derived revenue from the following significant customers:

	2024 $000	2023 $000
Customer 1	2,300	1,653
Customer 2	655	588

No other single customers contributed 10% or more to the Group's revenue for both 2024 and 2023.

5. Cost of services

Cost of services line include direct costs of doctors, nurses and medical supplies as well as other direct costs.

	2024 $000	2023 $000
Practitioners (GP's and nurses)	7,341	5,506
Medical supplies	194	127
Total for cost of services	7,535	5,633

6. Segment information

6.1. Products and services from which reportable segments derive their revenue

The Group's reportable segments are as follows:

- Aged medical residential care services, being the provision of medical care services to the aged care sector.
- General practice medical services, being the provision of primary care services to the community.

6.2. Segment revenues and results

The following is an analysis of the Group's revenue and results from operations by reportable segment:

Segment revenue	**2024**	**2023**
	$000	**$000**
Aged medical care services	8,283	5,948
General practice medical services	6,868	5,269
Total for continuing operations	15,151	11,217

Segment profit before tax	**2024**	**2023**
	$000	**$000**
Aged medical care services	1,833	709
General practice medical services	93	19
Total for continuing operations	1,926	728

Segment profit includes the following items:

For the year ended 31 March 2023	**Aged care medical services**	**General practice medical services**
	$000	**$000**
EBITDA	713	845
Depreciation	(4)	(300)
Amortisation of intangibles	-	(240)
Interest expense on leases	-	(99)
Interest on bank Loan	-	(150)
Interest on Loss on modification of borrowings	-	(43)
Profit before tax	**709**	**19**
Add back: Loan impairment	233	**-**
Profit before tax from underlying core operations	**942**	**19**
Income tax expense	(270)	(46)
Profit for the period	439	(27)

For the year ended 31 March 2024	Aged care medical services $000	General practice medical services $000
EBITDA	1,839	1,157
Depreciation	(6)	(384)
Amortisation of intangibles	-	(325)
Interest expense on leases	-	(204)
Interest on bank Loan	-	(151)
Profit before tax	**1,833**	**93**
Add back: Loan impairment	-	-
Profit before tax from underlying core operations	**1,833**	**93**
Income tax expense	(496)	(47)
Profit for the period	**1,337**	**46**

EBITDA represents profit before tax excluding amounts for depreciation and amortisation expenses, interest expenses and interest income.

6.3. Segment assets and liabilities

Segment assets	2024 $000	2023 $000
Aged medical care services incl support functions	2,638	2,445
General practice medical services	8,281	8,784
Total segment assets	**10,919**	**11,229**
Intercompany elimination	(1,201)	(1,185)
Total segment assets	**9,718**	**10,044**

Segment liabilities	2024 $000	2023 $000
Aged medical care services incl support functions	1,461	1,048
General practice medical services	6,545	7,637
Total segment liabilities	**8,006**	**8,685**
Intercompany elimination	(1,201)	(1,185)
Total segment liabilities	**6,805**	**7,500**

7. Costs of administrative employees and contractors includes:

	Note	2024 $000	2023 $000
Salaries and wages		2,513	2,129
Short term incentives		197	40
Defined contribution (KiwiSaver)		121	89
Share based payments expense	24.2	12	8
Employee benefit expense		2,843	2,266
Contractors		199	218
		3,042	2,484

8. Administrative professional and consulting fees

	2024 $000	2023 $000
Fees payable to auditors	70	89
Accounting and taxation services	40	45
Legal expenses	41	92
Directors' fees	180	174
Listing and share registry costs	40	50
Other consultancy costs	66	53
	437	503

Fees payable to auditors of $70,000 relates to fees for the annual audit of the Consolidated Financial Statements being $52k to UHY Haines Norton and $18k to the prior auditors EY (2023: $89,400). UHY Haines Norton does not perform other assurance or non-assurance services. Accounting and taxation services are provided by Deloitte.

Legal expenses include $21,334 in respect of acquisition activity during the year ended 31 March 2024 (2023: $76,480). Refer to note 30.3.

9. Other expenses

	2024 $000	2023 $000
Technology / IT	601	426
Marketing & PR	26	15
Travel & Entertainment	38	41
Professional operational services	198	109
Office & General	363	250
	1,226	841

10. Finance costs

	2024 $000	2023 $000
Interest expense on leases	204	144
Interest on bank Loan	151	99
Loss on modification of borrowings	-	43
	355	286

11. Reconciliation of profit for the year to net cash from operating activities

Reconciliation of profit for the year to net cash from operating activities

	2024 $000	2023 $000
Profit before income tax	1,926	728
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation	390	304
Amortisation of intangibles	325	240
Share based payments expense	12	8
Loan impairment	-	233
Other non-cash adjustments	(9)	-
Working capital adjustments:		
Trade and other receivables	64	(729)
Trade and other payables	431	702
Impact of working capital acquired	-	(308)
	3,139	1,178
Income tax paid	(462)	(390)
Net cash from operating activities	2,677	788

12.Taxation

12.1. Income tax recognised in profit or loss relating to continuing operations

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Tax expense comprises:

	2024 $000	2023 $000
Current income tax	715	435
Deferred income tax	(172)	(113)
Prior period adjustment	-	(6)
Total income tax expense recognised in the current year	**543**	**316**

Income tax expense for the year can be reconciled to the accounting profit as follows:

	2024 $000	2023 $000
Profit before tax	**1,926**	**728**
Income tax expense/(benefit) calculated at 28%	539	204
Effect of non-deductible expenses	11	110
Tax credit on share based payments	-	(4)
Prior period adjustments	(9)	6
Income tax expense recognised in profit or loss	**543**	**316**

12.2. Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.
The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax liability

Deferred tax liability is made up of the following deferred tax assets and liabilities.

	2024 $000	2023 $000
Deferred tax asset	913	957
Deferred tax liability	(1,372)	(1,587)
	(459)	(630)
Deferred tax assets relate to:		
Provisions and accruals	149	106
Lease Liabilities	764	851
Share based payments	-	-
	913	957
Deferred tax liabilities relate to:		
Right-of-use-assets	(704)	(831)
Intangible assets	(668)	(756)
	(1,372)	(1,587)

The movement on deferred tax is summarised as follows.

	Notes	Provisions and accruals $000	Right-of-use-assets $000	Leases $000	Intangible assets $000	Totals $000
Opening net deferred tax asset/(liability)		106	(831)	851	(756)	(630)
Recognised in the profit and loss		43	127	(87)	88	172
Closing net deferred tax asset/(liability)	12.2	149	(704)	764	(668)	(459)

12.3. Imputation credits

The Group had New Zealand imputation credits of $891,630 (2023: $812,736) available for use in subsequent periods.

13.Dividends

Dividends declared and paid during the year ended 31 March 2024:	Cents per share	$000
Interim dividend Q3	3.31	332
Interim dividend Q2	2.34	234
Interim dividend Q1	1.62	162
Final dividend for the year ended 31 March 2023	2.58	258
	9.85	**986**

Dividends declared and paid during the year ended 31 March 2023:	Cents per share	$000
Interim dividend	2.45	244
Final dividend for the year ended 31 March 2022	4.05	403
	6.50	**647**

14.Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the shareholders of the parent by the weighted average number of ordinary shares outstanding during the financial year, excluding treasury shares.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and the weighted average number of ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

Reconciliation of earnings used in calculating earnings per share

	2024 $000	**2023 $000**
Net profit attributable to the ordinary shareholders of the parent	1,400	439
Earnings used in the calculation of basic earnings per share	1,400	439

Weighted average number of shares used as the denominator

	2024 Shares 000's	**2023 Shares 000's**
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	10,004	10,004
Adjustments for calculation of diluted earnings per share:		
Employee share options	-	-

	2024 Shares 000's	2023 Shares 000's
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share	10,004	10,004

Share options issued under ESOP plans are considered as antidilutive.

15.Cash and cash equivalents

	2024 $000	2023 $000
Cash on hand and at bank	1,695	1,695
	1,695	**1,695**

16.Trade and other receivables

Current

	2024 $000	2023 $000
Trade receivables	763	842
Less provision for doubtful debts	(26)	(3)
	737	839
Other receivables	38	**1**
	775	**840**

As at 31 March 2024 90% of the Group's trade receivables are current (2023: 74%). Short-term receivables from customers (excluding Health NZ funding) are recorded at the amount due, less an allowance for expected credit losses (ECL). This allowance is calculated using a simplified approach based on a lifetime ECL. Current provision recorded is immaterial.

	Expected credit loss rate		Carrying amount		Allowance for expected credit losses	
	2024 $000	2023 $000	2024 $000	2023 $000	2024 $000	2023 $000
Current (<30 days)	0%	0%	666	644	-	-
30 to 60 days	0%	0%	22	23	--	-
60 – 90 days	0%	0%	9	21	-	-
Over 90 days	38%	2%	67	154	26	3
			763	**842**	**26**	**3**

17.Loan receivable

Third Age Digital Health Limited loan note	**2024 $000**	**2023 $000**
Loan receivable	233	313
Less provision for doubtful debt	(233)	(233)
	-	**80**

During the current financial year, an interim distribution of $80,000 was received from the liquidators of TADH hence the loan receivable is held as a nil receivable as at 31 March 2024. The provision raised in the year ending 31 March 2023 of $233k against the loan owing to the uncertainty around the liquidation process remains as at 31 March 2024.

18.Right of use assets and lease liabilities

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis (6-10 years).
Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on an index or a rate;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the Group's incremental borrowing rate.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability.
- any lease payments made at or before the commencement date, less any lease incentives received.
- any initial direct costs, and
- restoration costs.

Amounts recognised in the balance sheet

Right-of-use assets	**2024 $000**	**2023 $000**
Opening balance	**2,967**	**1,093**
Additions	-	2,147
Lease reassessments	(93)	-
Depreciation	(360)	(273)
Closing balance	**2,514**	**2,967**

Lease liabilities	**2024 $000**	**2023 $000**
Opening balance	**3,038**	**1,088**
Additions	-	2,148
Lease reassessments	(50)	-
Interest	204	143
Lease repayments	(487)	(341)
Closing balance	**2,705**	**3,038**
Current	306	283
Non-current	2,399	2,755
	2,705	**3,038**

Amounts recognised in the Statement of Profit or Loss

	2024 $000	**2023 $000**
Depreciation of right-of-use assets property	360	273
Interest expense (included in finance cost)	204	143
Short term office rent (included in office & general)	115	69

The total cash outflow for leases in the 12-month period ended March 2024 was $487k (2023: $341k). The future minimum rentals payable under non-cancellable operating leases are $1,337k.

19.Intangible assets

	Notes	**2024 $000**	**2023 $000**
Goodwill	18.1	1,651	1,651
Intangibles	18.2	2,540	2,719
		4,191	4,370

19.1. Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

	Note	2024 $000	2023 $000
Opening balance		1,651	796
Additions		-	855
Closing balance		1,651	1,651
Goodwill impairment		-	-
Net carrying amount of goodwill		**1,651**	**1,651**

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

19.2. Impairment of goodwill

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Goodwill has been allocated for impairment testing purposes to Hawkes Bay Wellness Centre Limited (HBWC), Belmont Medical Centre Limited (BMC), Ponsonby Medical (Third Age Health) Limited (PMC), Devonport Family Medicine (Third Age Health) Limited (DFM) and EastMed St Heliers Limited (EastMed). Each practice is considered a Cash Generating Unit (CGU).

The allocation of goodwill for each CGU is as follows:

	2024 $000	2023 $000
Hawkes Bay Wellness Centre Limited (HBWC)	408	408
Belmont Medical Centre Limited (BMC)	13	13
Ponsonby Medical (Third Age Health) Limited (PMC)	375	375
Devonport Family Medicine (Third Age Health) Limited (DFM)	65	65
EastMed St Heliers Limited (EMSHL)	790	790
	1,651	1,651

For the 2024 reporting period, the recoverable amount of the cash-generating units was determined based on value-in-use calculations which require the use of assumptions. The calculation uses cash flow projections based on a financial forecast covering a five-year period.
A forecast was generated to model the expected growth of the five CGUs. The following table sets out key assumptions within the forecast:

Discount Rate	18% (2023: 15-18.5%)
Terminal growth rate	2% (2023: 2%)
EBITDA Growth	3% (2023: 5-10%)

Assumption	**Approach used for determining values**
Discount rate	Based on current borrowing rate plus 3% margin for conservative approach.
Terminal growth rate	Based on historical long run inflation rate.
EBITDA growth	Based on management's estimate of available growth in patient base historical results

The value-in-use is estimated to exceed the carrying amount of HBWC by $2.7 million, BMC by $0.1 million, PMC by $0.7 million, DFM by $0.8 million and EastMed by $0.2 million. As such, there has been no impairment of the asset during the year.

If any one of the following changes were made to the above key assumptions, the carrying amount and the recoverable amount would be equal.

	HBWC 2024 %	**BMC 2024 %**	**PMC 2024 %**	**DFM 2024 %**	**EMSHL 2024 %**
EBITDA growth	Reduction from 3% growth to negative 60% growth	Reduction from 3% growth to negative 20% growth.	Reduction from 3% growth to negative 19%.	Reduction from 3% growth to negative 27% growth.	Reduction from 3% growth to negative 0.7% growth
Discount rate	No reasonably possible movement.	No reasonably possible movement.	Increase from 18% to 38% pre-tax	No reasonably possible movement.	Increase from 18% to 20% pre-tax
Growth rate beyond year 5	No possible rate	No possible rate	Reduction from 2% to negative 48%.	No possible rate	Reduction from 2% to negative 0.45%

19.3. Other intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

As a result of the acquisition of general practices, separately identified Intangible assets have been recognised from the patient enrolled database of the general practices and an ongoing funding agreement with the Primary Health Organisations (PHOs).

	Software Development $000	Patient database $000	PHO agreement $000	Total $000
Cost:				
Balance at 31 March 2023	23	1,368	1,796	3,187
Additions	146	-	-	146
Disposals/ retirements	-	-	-	-
Balance at 31 March 2024	169	1,368	1,796	3,333

	Software Development $000	Patient database $000	PHO agreement $000	Total $000
Accumulated depreciation:				
Balance at 31 March 2023	(4)	(190)	(275)	(468)
Amortisation expense	(9)	(142)	(174)	(325)
Balance at 31 March 2024	(12)	(332)	(449)	(793)
Carrying amount at 31 March 2024	**157**	**1,036**	**1,347**	**2,540**
Carrying amount at 31 March 2023	**19**	**1,179**	**1,521**	**2,719**

A patient database and PHO agreement was acquired on the acquisition of each GP clinic. The patient database and PHO agreement are amortised on a straight-line basis over ten years. The remaining useful life for each acquired GP clinic's patient database and PHO agreement is as follow as at 31 March 2024:

	HBWC	BMC	PMC	DFM	EMSHL
Remaining useful life (years)	4.0	7.5	8.0	8.0	8.5

20. Business Combinations

20.1. Group composition

The parent entity is Third Age Health Services Limited, a company incorporated in New Zealand. The Group had the following subsidiaries as of 31 March 2024.

Subsidiary name	Country of incorporation	Ownership 2024	Ownership 2023
Hawkes Bay Wellness Centre Limited	New Zealand	100%	100%
Belmont Medical Centre Limited	New Zealand	100%	100%
Ponsonby Medical (Third Age Health) Limited	New Zealand	100%	100%
Third Age Employee Share Purchase Plan Trust	New Zealand	100%	100%
Devonport Family Medicine (Third Age Health) Limited	New Zealand	100%	100%
EastMed St Heliers Limited	New Zealand	67%	67%

The Company holds a 10% share in Phoenix Health Hub that is treated as an investment, recorded at fair value each Balance Date. As per shareholders agreement, the Company has not invested any funds. As of 31 March 2024, the fair value was nil. Phoenix Health Hub Limited is an investment in a Christchurch based clinic to realise a new integrated general practice and allied health clinic to support unmet health needs.

21.Trade and other payables

Current

	2024 $000	2023 $000
Trade payables	782	675
GST payable	253	272
Accruals and other payables	560	217
	1,595	**1,164**

Non-current

	Note	2024 $000	2023 $000
Liability for cash settled options	24.2	1	2
Accruals and other payables		-	-
		1	**2**

Current trade payables are typically paid within 30 days of the invoice date or on the 20th of the month following the invoice date.

22.Financial instruments

Financial assets	Notes	2024 $000	2023 $000
Financial assets at amortised cost			
Cash and cash equivalents		1,695	1,355
Trade receivables	15	775	840
Loan receivable	16	-	80
Financial liabilities			
Financial liabilities at amortised cost			
Trade and other payables	20	1,595	1,164
Bank loan	29	1,342	2,341
Lease Liabilities	17	2,705	3,038
Employee share purchase loans	24.1	-	-

22.1. Fair value measurements

As at 31 March 2024, the Group has one investment in Phoenix Health Hub measured at fair value consistent with 31 March 2023.

23.Financial risks

This note presents information about the Group's exposure to each financial risk and how those risks are managed.

23.1. Interest rate risk

As at 31 March 2024, the Company had two fixed rate bank loans. The balance as at 31 March 2024 on the fixed rate bank loans were $663k and $663k at interest rates of 10.26% and 9.36% respectively prior to IFRS 9 adjustment. The floating facility of $750,000 of which nil has been drawn down as at 31 March 2024 with a current rate of 10.30% (note 29).

23.2. Credit risk

Credit risk is the risk of the failure of a debtor or counterparty to honour its contractual obligation resulting in financial loss to the Group.

Financial assets, which potentially subject the Group to credit risk, consist principally of cash and cash equivalents, trade and other receivables, and loan receivables. The maximum credit risk at 31 March 2023 and 2024 is the carrying value of these assets on the balance sheet. The directors consider the Group's exposure to credit risk from cash and cash equivalents and trade and other receivables to be minimal given that

- The Group's cash and cash equivalents are held with ANZ, Westpac, BNZ, ASB and Kiwibank. ANZ, Westpac, BNZ and ASB are all rated AA- based on rating agency Standard & Poors. Standard & Poors no longer rate Kiwibank, but rating from Moody's Investor Services and Fitch Ratings are A1 and AA respectively.
- The Group's customers are typically low credit risk and, historically, there has been minimal bad debt expense recorded.

23.3. Liquidity risk

The Group manages liquidity to ensure that it has sufficient liquidity to meet its liabilities when due. Ultimate responsibility for liquidity risk management rests with the board of directors. The Group manages liquidity risk through continuous cash management and monitoring of forecast and actual cash flows.

Financing arrangements
Unused borrowing facilities at the reporting date:

	2024 $000	2023 $000
Bank overdraft	750	656
Bank loans	-	-
	750	656

23.4. Maturity profile

The following table details the Group's exposure to liquidity risk.

Contractual maturity dates

Financial liabilities as at 31 March 2024:	Notes	On demand $000	Less than one year $000	Greater than one year $000	Total $000
Trade and other payables	20		1,595	-	1,595
Lease liabilities	17		306	2,399	2,704
Bank loan	29		1,342	-	1,342
			3,243	**2,399**	**5,641**

Financial liabilities as at 31 March 2023:	Notes	On demand $000	Less than one year $000	Greater than one year $000	Total $000
Trade and other payables	20	-	1,164	-	1,164
Lease liabilities	17	-	283	2,755	3,038
Bank Loan	29	94	281	1,966	2,341
		94	**1,728**	**4,721**	**6,543**

Capital risk management

The Group manages its capital (comprising of cash and cash equivalents) to ensure that entities in the Group will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance.

24.Share Capital

Ordinary shares

All ordinary shares rank equally with one vote attached to each fully paid share. Total issued share capital is 10,004,149 ordinary shares (2023: 10,004,149). At 1 April 2021 there were 250,000 shares held for specific participants of the Third Age Employee Share Purchase Plan Trust ("**Trust**"). During the year ended 31 March 2022, 200,000 shares were issued and the remaining 50,000 shares were issued during the year ended 31 March 2023. As at 31 March 2024, of the total number of issued shares, nil (2023: nil) were held in trust for specific participants under the Employee Share Purchase Plan (ESPP, note 24.1).

	Note	Issued Share Capital $000	Treasury shares and shares held in Trust $000	Total $000	Authorised issued and fully paid shares 000's
Balance at 1 April 2023		596	-	596	10,004
Shares issued		-	-	-	-
Share issue transaction costs		-	-	-	-
Balance at 31 March 2024		**596**	**-**	**596**	**10,004**
Balance at 1 April 2022		592	(76)	516	10,000
Shares issued		9	76	84	4
Share issue transaction costs		(5)	-	(4)	-
Balance at 31 March 2023		**596**	**-**	**596**	**10,004**

25.Share Based Payments

25.1. Employee Share Option Plan (ESOP)

ESOP - CEO

On the 4 September 2021 (grant date) the Board approved the offer of 300,000 options, 183,000 equity-settled options and 117,00 cash-settled options, under a Company Employee Share Option Plan (ESOP) to the CEO, Tony Wai. The Options will vest in three tranches, 60,000, 90,000 and 150,000. Vesting is subject to continued employment and Total Return to Shareholders being 26% per annum achieved by 27 September 2024, 27 September 2025, and 27 September 2026 since grant date with the expiry date of the options will be one year after the date of vesting.

ESOP - CFO

On 19th January 2023 (grant date) the Board approved an offer of 25,000 equity-settled options with an issue date of 1 April 2023, under a Company Employee Share Option Plan (ESOP) to the CFO, Denice Bennett. The Options will vest in three tranches, 5,000, 7,500 and 12,500. Vesting is subject to continued employment and agreed performance targets achieved by 1 April 2026, 1 April 2027, and 1 April 2028 since grant date with the expiry date of the options will be one year after the date of vesting. There is no obligation for cash settlement. The CFO resigned effective 22 February 2024, hence no liability owing as at 31 March 2024.

	2024		2023	
Financial liabilities as at 31 March 2024:	**Number of options**	**Weighted average exercise price**	**Number of options**	**Weighted average exercise price**
Outstanding as at 1 April	325,000	2.33	300,000	2.36
Forfeited during the year	(25,000)	(2.00)	-	-
Exercised during the year	-	-	-	-
Granted during the year	-	-	25,000	2.00
Outstanding as at 31 March	**300,000**	**2.36**	**325,000**	**2.33**
Exercisable as at 31 March	**-**	**-**	**-**	**-**

25.2. Share based payments expense

	2024 $000	2023 $000
Employee share option plan:		
Share based payments expense equity-settled	11	6
Share based payments expense cash-settled	1	2
Employee share purchase plan	-	-
	12	**8**

26. Related party transactions

26.1. Group composition

The Group is comprised of the following entities:

Subsidiary name	Country of incorporation	Ownership 2024	Ownership 2023
Hawkes Bay Wellness Centre Limited	New Zealand	100%	100%
Belmont Medical Centre Limited	New Zealand	100%	100%
Ponsonby Medical (Third Age Health) Limited)	New Zealand	100%	100%
Third Age Employee Share Purchase Plan Trust	New Zealand	100%	100%
Devonport Family Medicine (Third Age Health) Limited (acquired 2 May 2022)	New Zealand	100%	100%
EastMed St Heliers Limited (acquired 3 October 2022)	New Zealand	67%	67%

The Group's ownership interest in all subsidiaries are equal to its proportion of voting rights held. The Group has no restrictions relating to its ability to access or use the assets and settle the liabilities of the Group.

26.2. Related party transactions

			2024 $000	2023 $000
John Fernandes	Director & Shareholder	Director fees	63	58
Juruel Fernandes	Sibling of Director	Contractor	1	-
Bevan Walsh	Director & Shareholder	Director fees	35	27
Norah Barlow (resigned 26 November 2023)	Director & Shareholder	Director fees	25	39
Wayne Williams	Director	Director fees	45	49
Steffan Crausaz (appointed 26 November 2023)	Director	Directors fees	12	-
Diane Budres (resigned 19 July 2022)	Director & Shareholder	Director fees	-	1

Directors’ fees for John Fernandes, Norah Barlow, Steffan Crausaz and Wayne Williams also include fees as members of the Audit Committee. Wayne Williams, Audit Committee Chair, receives a fee of $10,000 per annum, while Norah Barlow, Steffan Crausaz and John Fernandes receive a fee of $2,500 per annum.

26.3. Key management personnel compensation

	2024 $000	2023 $000
Short term benefits		
CEO remuneration: Tony Wai	447	331
Other key management personnel including Directors	1,138	983
	1,585	1,314
Long term benefits	12	7
	1,597	**1,321**

Remuneration of the CEO is based on a base of $297k and Short-Term Incentive Pool (STI) of $150k. The STI is at risk based on achievement of organic revenue and profit growth target and compliance with all relevant laws and regulations governing the Company.

27.Non-Controlling Interests

EastMed St Heliers Limited, a 67% owned subsidiary of the Company, has material non-controlling interests (NCI).

Summarised financial information in relation to EastMed St Heliers Limited, before intra-group eliminations, is presented below together with amounts attributable to NCI:

	2024 $000	2023 $000
Revenue	**1,949**	**1,035**
Cost of services	(400)	(271)
Gross profit	**1,549**	**764**
Other income	31	11
Employees and contractors	(795)	(458)
Professional and consulting fees	(22)	(6)
Other expenses	(481)	(210)
Operational expenses	**(1,298)**	**(674)**

	2024 $000	2023 $000
EBITDA	**282**	101
Depreciation	(196)	(102)
Finance costs	(144)	(76)
Profit before income tax	**(58)**	**(77)**

	2024	2023
	$000	$000
Income tax expense	7	4
Profit for the period	**(51)**	**(81)**
Profit / (loss) allocated to NCI	**(17)**	**(27)**

	2024	2023
	$000	$000
Current assets		
Cash and cash equivalents	379	398
Trade and other receivables	86	99
Total current assets	465	497
Non-current assets		
Property, plant and equipment	44	47
Right-of-use-assets	1,552	1,788
Deferred tax asset	24	4
Total non-current assets	1,620	1,839
Total assets	**2,085**	**2,340**
Current liabilities		
Trade and other payables	519	562
Current tax liabilities	(31)	(32)
Lease liabilities	147	135
Total current liabilities	635	657
Non current liabilities		
Lease liabilities	1,516	1,686
Total non-current liabilities	1,516	1,686
Total Liabilities	**2,151**	**2,351**

	2024	2023
	$000	$000
Opening balance for NCI	**(27)**	-
Add profit /(loss) allocated to NCI	(17)	(27)
Accumulated non-controlling interest	**(44)**	**(27)**

	2024	2023
	$000	$000
Net cash flows from operating activities	**(20)**	**109**
Net cashflows / (outflows) NCI	**(6)**	**72**

28. Prior period error

Upon review of IFRS16 and recalculation of our lease obligations, adjustments have been made to current year retained earnings shown in our Consolidated Statement of Changes in Equity. These changes are not material, and have been included in the year ending 31 March 2024 (retained earnings reduced by $40k).

29. Contingent liabilities and contingent assets

The Group has no contingent liabilities or contingent assets as at 31 March 2024 (2023: Nil).

30. Bank Loan

The Company entered into a $3 million debt facility in the financial year ending 31 March 2023 with ANZ Bank New Zealand Limited to provide capital to support the Group's planned acquisition strategy. The original term was two years (on a floating rate plus margin) with a covenant requiring Debt-to-EBITDA ratio (based on 12 "months" results) capped at two times, tested at each reporting date. The ANZ loan facility balance as at 31 March 2024 was as follows:

1. $663k term loan, fixed at a rate of 9.36% maturing on 24 November 2024*;
2. $663k term loan, fixed at a rate of 10.26% maturing on 29 November 2024*;
3. $750k floating facility with nil drawn, at current rate as at 31 March 2024 of 10.30%

Security for the loan & overdraft are a first ranking security over the Company and the Group which includes cross guarantees and indemnity of debt. As at 31 March 2024, the Debt to EBITDA ratio was 0.447 (2023: 1.233).

Total interest charged on the loan in the period was $151,312 (FY23: $98,578).

* Subsequent to year end, the Company extended the loan maturity of the two existing term loan facilities amounting to $1,342k as at 31 March 2024. The maturity dates extended from November 2024 to 31 December 2025.

Current	2024 $000	2023 $000
Bank Loan	1,342	281
Overdraft	-	94
	1,342	**375**

Non-current	2024 $000	2023 $000
Bank Loan	**-**	**1,966**

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

Total Facilities	2024 $000	2023 $000
Bank Loan	1,342	2,247
Overdraft	750	750
	2,092	**2,997**

Used Facilities	2024 $000	2023 $000
Bank Loan	1,342	2,247
Overdraft	-	94
	1,342	**2,341**

Available Facilities	2024 $000	2023 $000
Bank Loan	-	-
Overdraft	750	656
	750	**656**

31.Subsequent events

31.1. Final dividend declared

On 27 May 2024 the Board declared a final dividend for the year of 2.80 cents per share taking the total dividend for the year to 10.07 cents per share.

31.2. Fixed Term for Flexible Loan

On 24 May 2024, the Company extended the loan maturity of the two existing loan facilities amounting to $1,342k as at 31 March 2024. The maturity dates extended from November 2024 to 31 December 2025.

31.3. Acquisition of Hub Aged Care

On 1 April 2024, the Company completed the acquisition of 70% of Hub Aged Care, a Wellington-based primary care practice specialising in aged residential care services for the total purchase price of $728k. Per the sale and purchase agreement, a $598k payment was made on settlement, financed through the Company's existing ANZ floating facility. The remaining $130k represents a deferred purchase price to be paid on the first anniversary of the completion subject to specified conditions.

No other matter or circumstances has occurred subsequent to year end that has significantly affected or may affect, the operations of the Group, the results of those operations or the state of affairs of the entity in subsequent financial years.

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Independent Auditor's Report

To the Shareholders of Third Age Health Services Limited

Opinion

I have audited the consolidated financial statements of Third Age Health Services Limited ("the Company") and its subsidiaries ("the Group"), which comprise:

- the consolidated statement of financial position as at 31 March 2024;
- the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements including a summary of significant accounting policies.

I am a partner with UHY Haines Norton Chartered Accountants Sydney (the Firm) and I have used the staff and resources of the Firm to perform the audit of the Group.

In my opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 March 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with New Zealand Equivalents to International Financial Reporting Standards ("NZ IFRS") issued by the New Zealand Accounting Standards Board.

Basis for Opinion

I conducted my audit in accordance with International Standards on Auditing (New Zealand) ("ISAs (NZ)") issued by the New Zealand Auditing and Assurance Standards Board. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of my report.

I am 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) (IESBA Code)*, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other than in my capacity as auditor, neither myself, the firm or the firm's staff have no relationship with, or interests in, the Group.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the consolidated financial statements of the current year. These matters were addressed in the context of my audit of the consolidated financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Why the audit matter is significant	How my audit addressed the key audit matter
Revenue recognition Revenue is a key focus of shareholders, directors and management in measuring the Group's progress towards its growth objectives. The Group's principal revenue stream, the provision of consultation services, continues to be recognised at the point in time at which the service is provided. The Group's other significant revenue stream, the provision of capitation services, is recognised over time as the service is provided. Disclosures in relation to the Group's revenue are included in Note 4 to the consolidated financial statements.	To address the risk associated with revenue recognition, the following audit procedures were carried out: • Reviewed revenue recognition policies for appropriateness and compliance with the requirements of the relevant accounting standard NZ IFRS 15; • Performed Substantive Analytical review procedures; • Selected a sample of transactions and agreed them to supporting documentation such as invoices, cash receipt and assessed whether all criteria related to revenue recognition has been met before being recognised as revenue; • Reviewed credit notes posted after year end to ascertain correct revenue recognition during the year; • Performed revenue cut off procedures by selecting revenue samples before and after year end and testing that revenue is recorded in the correct period; • Reviewed manual revenue journals as part of the journal entry testing process with the criteria specifically targeting unusual entries to revenue accounts; and • Assessed the reasonability and completeness of the revenue related disclosures to test compliance with the requirements of the accounting standards.

Why the audit matter is significant	How my audit addressed the key audit matter
Intangible assets & Goodwill The Group has significant intangible assets relating to the acquisitions made in previous periods. The Group has significant intangible assets with finite useful lives including software, patient database and PHO agreement totalling $2.54 m (note 19) as at 31 March 2024 that are amortised over their useful life. In addition, there is a significant goodwill balance recorded of $1.65 million (note 19) as at 31 March 2024. We consider this area to be significant as balances are material to the financial report and the significant estimates and judgements applied in testing these balances for impairment.	To address the risk associated with intangible balance, the following audit procedures were carried out: • Assessed reasonability of the useful life used for the purpose of calculating amortisation on software and patient database i.e. finite life intangible assets; • Analysed the Group's impairment assessment for the correct methodology with particular emphasis on the key assumptions being discount rate, growth rate and forecast cash flows; • Performed an independent recalculation of the Group's recoverable amount and compared it to management's assessment and the relevant carrying amount; • Performed stress testing of the key assumptions; and • Assessed the reasonability and completeness of the related disclosures to test compliance with the requirements of the accounting standards.

Information Other than the Consolidated Financial Statements and Auditor's Report thereon

The Directors are responsible for the annual report, which includes information other than the consolidated financial statements and auditor's report.

My opinion on the consolidated financial statements does not cover the other information and I do not express any form of audit opinion or assurance conclusion thereon.

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

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

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 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.

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

My objective is 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 my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with 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.

A further description of the auditor's responsibilities for the audit of the consolidated financial statements is located on the External Reporting Board's website at: https://www.xrb.govt.nz/assurance-standards/auditors-responsibilities/audit-report-1/.

This description forms part of my auditor's report.

Restriction on use of my report

This report is made solely to the Group's shareholders, as a body. My audit work has been undertaken so that I might state to the Group's shareholders, as a body those matters which I am required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Group and the Group's shareholders, as a body, for my audit work, for this report or for the opinion I have formed.

Vikas Gupta
Audit Partner - UHY Haines Norton Chartered Accountants Sydney
Signed at Sydney, Australia on 27 June 2024

STATEMENT OF CORPORATE GOVERNANCE

Third Age Health Services Limited
and subsidiaries

The objective of the Board of Third Age Health Services Limited ("the Company") is to to maximise both returns on capital and the average annual rate of increase in intrinsic value per share. The Board considers there is a strong link between good corporate governance and the achievement of this objective.

The company seeks to follow the NZX Corporate Governance Code (NZCGC) recommendations for listed companies to the extent that it is appropriate to the size and nature of the Company's operations. Other principles which the Company considers in its governance approach are the the Financial Market Authority's Corporate Governance Principles and Guidelines, and the Commonsense Corporate Governance Principles 2.0 (altogether "Principles").

The Board considers that its corporate governance framework complies with the NZCGC recommendations, except as stated within this report. This report is presented by addressing the eight principles and the associated recommendations of the NZCGC.

The information in this report is current as at the date of release of the Annual Report for the year ended 31 March 2024 and has been approved by the Board.

The key corporate governance documents referred to in this report are available under the investors section of the Company's website at https://www.thirdagehealth.co.nz

Principle 1 – Code of Ethical Behaviour

Recommendation 1.1

"The Board should document minimum standards of ethical behaviour to which the issuer's directors and employees are expected to adhere (a code of ethics).
The code of ethics and where to find it should be communicated to the issuer's employees. Training should be provided regularly. The standards may be contained in a single policy document or more than one policy.
The code of ethics should outline internal reporting procedures for any breach of ethics, and describe the issuers' expectations about behaviour, namely that every director and employee:

a. acts honestly and with personal integrity in all actions;
b. declares conflicts of interest and proactively advises of any potential conflicts;
c. undertakes proper receipt and use of corporate information, assets and property;
d. in the case of directors, give proper attention to the matters before them;
e. acts honestly and in the best interest of the issuer, as required by law, and takes account of interests of shareholders and other stakeholders;
f. adheres to any procedures around giving and receiving gifts (for example where gifts are given that are of value in order to influence employees and directors, such gifts should not be accepted);
g. adheres to any procedures about whistle blowing (for example, where actions of a whistle blower have complied with the issuer's procedures, an issuer should protect and support them, whether or not action is taken): and
h. manages breaches of the code"

The Company complies with this recommendation with a Code of Ethics which was published in March 2022. Directors observe and foster high ethical standards. The Company expects its directors, officers, and employees to act legally, to maintain high ethical standards, and to act with integrity consistent with the Company's policies, guiding principles and values.

The Company adopts policies to ensure it maintains high standards of performance and behaviour when dealing with the Company's customers, suppliers, shareholders and staff. The specific governance policies in place throughout the year were a Diversity and Inclusion policy, Market Disclosure Policy and the Financial Products Trading policy.

The Code of Ethics can be found on the investor section of the Company's website (https://www.thirdagehealth.co.nz).

Recommendation 1.2
"An issuer should have a financial product dealing policy which applies to employees and directors."

The Company complies with this recommendation. The Financial Products Trading Policy can be found on the investor section of the Company's website (https://www.thirdagehealth.co.nz).

Principle 2 - Board composition & Performance

Recommendation 2.1
"The board of the issuer should operate under a written charter which sets out the roles and responsibilities of the board. The board charter should clearly distinguish and disclose the respective roles and responsibilities of the board and management."

The Company complies with this recommendation, with the board operating under a Board charter which is available on the investor section of the Company's website (https://www.thirdagehealth.co.nz).

Recommendation 2.2
"Every issuer should have a procedure for the nomination and appointment of directors to the board."

The Company complies with this recommendation. The Board has decided that these functions will be carried out by the main board within the terms of reference of this Board Charter. A copy of the Board Charter is available on the investor section on the Company's website (https://www.thirdagehealth.co.nz).

Recommendation 2.3
"An issuer should enter into written agreements with each newly appointed director establishing the terms of their appointment."

The Company complies with this recommendation. All current Directors and senior executives have entered into written agreements with the Company setting out the terms of their appointment. In accordance with the NZX Listing Rules, all Directors are required to retire (though may be re-elected) not later than the third annual meeting following the Director's appointment, or after three years, whichever is longer. Any Directors appointed by the Board since the previous annual meeting must also retire and are eligible for election.

Recommendation 2.4
"Every issuer should disclose information about each director in its annual report or on its website, including profile of experience, length of service, independence and ownership interest and director attendance at Board meetings."

The Company complies with this recommendation. The biographies of the Directors are available in this Annual Report and on the Company's website (https://www.thirdagehealth.co.nz).

With regard to Board meeting attendance, the Board meets as often as it deems appropriate, including sessions to review the performance of the business, to consider the strategic direction and to approve annual budgets. While Board meetings are usually held in personal as is common nowadays, a video conference option is also provided, which also suits the dispersed nature of the Board.

The table below sets out Director attendance at Board meetings during FY24, including meetings to approve strategic plans, budgets and the release of annual and half year results.

Director	Number of meetings eligible to attend	Number of meetings attended
Bevan John Walsh	8	8
John Samuel Ronny Fernandes	8	8
Wayne Geoffrey Williams	8	8
Norah Kathleen Barlow (resigned 26 November 2023)	6	5
Steffan Crausaz (appointed 26 November 2023)	2	2

Recommendation 2.5

"An issuer should have a written diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving diversity (which at a minimum should address gender diversity) and to assess annually both the objectives and the entity's progress in achieving them. The issuer should disclose the policy or a summary of it."

The company complies with the recommendation to have a written diversity policy which can be found on the investor section of the Company's website (https://www.thirdagehealth.co.nz). The company prioritises diversity of thought and has not set any specific measurable diversity objectives related to gender, ethnicity or other similar characteristics.

NZX listed issuers are required to report quantitative data on the gender breakdown of Directors and Officers at the financial year end.

As at 31 March 2024 the mix of male and female within the Board and Company's Key Management Personnel (the CEO and persons that report to the CEO) was as follows:

	2024		2023	
	Male	Female	Male	Female
Non-executive Directors	4	-	3	1
Key Management Personnel	3	7	4	6

Recommendation 2.6

"Directors should undertake appropriate training to remain current on how to best perform their duties as directors of an issuer."

Members of the Board undertake regular professional training to remain current on how best to perform their duties. The Company encourages all Directors to undertake appropriate training and education so that they may best perform their duties. This may include attending presentations on changes in governance, legal and regulatory frameworks; attending technical and professional development courses; site visits and briefings from key executives; and attending presentations from industry experts and key advisers.

Recommendation 2.7
"The Board should have a procedure to regularly assess director, board, and committee performance."

The Board have introduced an assessment process to enable an annual assessment of the Directors, and the Board plus senior executives. The Board considers individual and collective performance, together with the skill sets, training and development and succession planning required to govern the business.

Recommendation 2.8
"A majority of the Board should be independent directors."

The Company complies with this recommendation. In determining directors' independence, the Board has applied factors outlined in the commentary to Corporate Governance Code recommendation 2.4.

The Board currently comprises four Directors, three of whom are independent:
- John Samuel Ronny Fernandes, Independent Chairman
- Bevan John Walsh, Non-independent Director.
- Wayne Geoffrey Williams, Independent Director.
- Steffan Crausaz, Independent Director

Directors' interests disclosed for the financial year ended 31 March 2024 are provided in the Shareholder and Statutory Information section of this Annual Report.

Recommendation 2.9
"An issuer should have an independent chair of the Board. If the chair is not independent, the chair and the CEO should be different people."

During the year ended 31 March 2024, the Company complied with this recommendation. In addition, the Chairman and CEO are different people.

Principle 3 – Board Committees

Recommendation 3.1
"An issuer's audit committee should operate under a written charter. Membership on the audit committee should be a majority of independent directors and comprise solely of non-executive directors of the issuer. The Chair of the audit committee should be an independent director and not the chair of the board."

The Company complies with this recommendation. The board operates an Audit Committee which provides a forum for effective communication between the Board and external auditors. The Committee reviews the annual and half-yearly financial statements, prior to their approval by the Board, the effectiveness of internal control, the Company finance function, information systems, and the efficiency and effectiveness of the audit function.
During the year ended 31 March 2024 the Committee comprised of Wayne Williams (Chair and Independent Director), Norah Barlow (Independent Director, resigned 26 November 2023), Steffan Crausaz (appointed 26 November 2023) and John Fernandes (Independent director). The Audit Committee Charter can be found on the investors section of the Company's website (https://www.thirdagehealth.co.nz).

The table below sets out Director's attendance at Audit Committee meetings during FY24.

Director	Number of meetings eligible to attend	Number of meetings attended
Wayne Geoffrey Williams	3	3
John Samuel Ronny Fernandes	3	3
Norah Kathleen Barlow (resigned 26 November 2023)	2	2
Steffan Crausaz (appointed 26 November 2023)	1	1

Recommendation 3.2
"E*mployees should only attend the audit committee at the invitation of the audit committee."*

The Company complies with this recommendation. Employees and other non- members of the committee only attend by invitation.

Recommendation 3.3
"An issuer should have a remuneration committee which operates under a written charter (unless this is carried out by the whole board). At least a majority of the remuneration committee should be independent directors".

Given the size and nature of the Board there is no standing committee for remuneration, but the Board has decided that these functions will be carried out by the main Board within the terms of reference of the Board Charter. A copy of the Board Charter is available on the investors section of the Company's website (https://www.thirdagehealth.co.nz).

Recommendation 3.4
"An issuer should establish a nominations committee to recommend director appointments to the Board (unless this is carried out by the whole Board) which should operate under a written charter. At least a majority of the nominations committee should be independent directors."

Given the size and nature of the Board there is no standing committee for nominations, but the Board has decided that these functions will be carried out by the main board within the terms of reference of the Board Charter. A copy of the Board Charter is available on the investor section of the Company's website (https://www.thirdagehealth.co.nz).

Recommendation 3.5
"An issuer should consider whether it is appropriate to have any other board committees as standing committees. All committees should operate under written charters. An issuer should identify the members of each of its committees, and periodically report member attendance."

The Board will continue to access the requirements for further standing committees. The Board will use standing committees where this will enhance its effectiveness in key areas, while still retaining Board responsibility.

Recommendation 3.6
"The board should establish appropriate protocols that set out the procedure to be followed if there is a takeover offer for the issuer including any communication between insiders and the bidder. The board should disclose the scope of independent advisory reports to shareholders. These protocols should disclose the option of establishing an independent takeover committee, and the likely composition and implementation of an independent takeover committee."

In the case of a takeover offer, the Company will form an Independent Takeover Committee to oversee disclosure and response and engage expert legal and financial advisors to provide advice on procedure. The

Company does not have a formal Takeover Response Policy at this stage and so is not compliant with this recommendation.

Principle 4 - Reporting and disclosure

Recommendation 4.1
"The issuer's board should have written continuous disclosure policy."

The Company complies with this recommendation. The Company's directors are committed to keeping investors and the market informed of all material information about the Company and its performance, in a timely manner. The company has adopted a Market Disclosure Policy to ensure that material information is identified, reported, assessed and, where required, disclosed to the market in a timely manner. A copy of the Policy is available on the investors section of the Company's website (https://www.thirdagehealth.co.nz).

Recommendation 4.2
"An issuer should make its code of ethics, board and committee charters and the policies recommended in the NZX Code, together with any other key governance documents, available on its website."

The Company complies with this recommendation. Published policies and charters are found the investor section of the Company's website (https://www.thirdagehealth.co.nz).

Recommendation 4.3
"Financial reporting should be balanced, clear and objective. An issuer should provide non-financial disclosures at least annually, including considering environmental, economic, and social factors and practices. It should explain how operational or non-financial targets are measured. Non-financial reporting should be informative, include forward looking assessments, and align with key strategies and metrics monitored by the board."

In addition to all information required by law, the Company also seeks to provide meaningful information to ensure stakeholders and investors are well informed, including financial and non-financial information.

Financial Information
Senior Management is responsible for implementing and maintaining appropriate accounting and financial reporting principles, policies, and internal controls designed to ensure compliance with accounting standards and applicable laws and regulations.

The Board's Audit Committee oversees the quality and integrity of external financial reporting, including the accuracy, completeness, balance and timeliness of financial statements. It reviews the Company's full and half year financial statements and makes recommendations to the Board concerning accounting policies, areas of judgement, compliance with accounting standards, stock exchange and legal requirements, and the results of the external audit.

For the financial year ended 31 March 2024, the Directors believe that proper accounting records have been kept that enable the determination of the Company's financial position with reasonable accuracy and facilitate compliance of the financial statements with the Financial Markets Conduct Act 2013.

The Company' full and half year financial statements are available on the investor section of the Company's website (https://www.thirdagehealth.co.nz).

Non-financial information
The Company sets out, reports against and discusses its strategic objectives in a variety of communications including the Chair and CEO's commentary in reports to shareholders.

Principle 5 – Remuneration

Recommendation 5.1
"An issuer should recommend director remuneration to shareholders for approval in a transparent manner. Actual director remuneration should be clearly disclosed in the issuer's annual report."

The Company complies with this recommendation. Remuneration of Directors and senior executives is a key responsibility of the Board. The Board ensures that remuneration is benchmarked to the market for Director and Board positions.

Recommendation 5.2
"An issuer should have a remuneration policy for remuneration of directors and officers, which outlines the relative weightings of remuneration component and relevant performance criteria."

The Company complies with this recommendation.

Director remuneration
The total remuneration pool available for Directors was fixed at listing at a current maximum of $180,000 per annum for all non-executive Directors. The Board determines the level of remuneration paid to Directors from that pool. Directors also receive reimbursement for reasonable travelling, accommodation and other expenses incurred in the course of performing their duties.

Any proposed increases in pool of fees for non-executive Director fees and remuneration will be put to shareholders for approval. If independent advice is sought by the Board, it will be disclosed to shareholders as part of the approval process.

Approved remuneration for Board roles
The fees payable to a non-executive Chair currently amount to $60,000 per annum, fees payable to the Independent and Non-Independent Directors are $35,000 per annum. The Chair of the Audit Committee receives $10,000 per annum while members receive $2,500 per annum.

No retirement benefits, share options or special exertion payments have been provided to Directors

Executive remuneration
In general, executive remuneration comprises a fixed base salary, an at-risk short-term incentive payable annually linked to business performance and incentives linked to longer term share growth. At-risk incentives are paid against targets agreed with executives at the commencement of the period and are based on financial measures, mainly earnings targets.

Recommendation 5.3
"An issuer should disclose the remuneration arrangements in place for the CEO in its annual report. This should include disclosure of base salary, short term incentives and long-term incentives and the performance criteria used to determine performance-based payments."

The Company complies with this recommendation. The CEO remuneration is detailed under note 25.3 of the Consolidated Financial Statements.

Principle 6 - Risk Management

Recommendation 6.1
"An issuer should have a risk management framework for its business and the issuer's board should receive and review regular reports. An issuer should report the material risks facing the business and how these are being managed."

The Board has overall responsibility for the Company's system of risk management and internal control. The Board delegates day-to-day management of the risk to the CEO.

Risk Identification
The senior management team is required to regularly identify the major risks affecting the business and develop structures, practices, and processes to manage and monitor these risks. The CEO provides an updated risk register at each Board meeting. Additionally, the Board has regular engagement with all Key Management Personnel, including unfettered access to them and external advisors as needed to support decision making and manage risks.

Insurance
The Company maintains insurance policies that it considers adequate to meet its insurable risks.

Recommendation 6.2
"An issuer should disclose how it manages it's health and safety risks and should report on its health and safety risks, performance and management."

The Company complies with this recommendation, with formal reporting to the board on it's health and safety risks, performance and management at Board meetings.

Principle 7 – Auditors

Recommendation 7.1
"The board should establish a framework for the issuer's relationship with its external auditors. This should include:
a. For sustaining communication with the issuer's external auditors;
b. To ensure that the ability of the external auditors to carry out their statutory audit role is not impaired, or could reasonably be conceived to be impaired;
c. To address what, if any services (whether by type or level) other than their statutory audit roles may be provided by the auditors to the issuer: and
d. To provide for the monitoring and approval by the issuer's audit committee of any service provided to the issuer other than in their statutory audit role."

The Company complies with this recommendation. The Board is committed to ensuring audit independence, both in fact and appearance, so that the Company's external financial reporting is viewed as being highly objective and without bias. The Audit Committee reviews the quality and cost of the audit undertaken by the Company's external auditors and provides a formal channel of communication between the Board, senior management, and external auditors.

The Audit Committee approves the auditor's terms of engagement, audit partner rotation (at least every five years) and audit fee and reviews and provides feedback in respect of the annual audit plan. In FY24 the Company changed auditor from EY to UHY Haines Norton. The Audit Committee periodically has time with the external auditor without management present. The Committee also assesses the auditor's independence on an annual basis.

All audit work of the Company is fully separated from non-audit services to ensure that appropriate independence is maintained. There were no other services provided by UHY Haines Norton in FY24. The amount of fees paid to UHY Haines Norton for audit and non-audit work are identified on note 8 of the Consolidated Finance Statements.

UHY Haines Norton has provided the Committee with written confirmation that, in its view, it was able to operate independently during the year.

Recommendation 7.2
"The external auditor should attend the issuer's Annual Meeting to answer questions from shareholders in relation to the audit."

The Company complies with this recommendation. UHY Haines Norton will be invited to attend the FY24 Annual Shareholders' Meeting and will be available to answer questions from shareholders at the meeting.

Recommendation 7.3
"Internal audit functions should be disclosed."

The Company has a number of internal controls which are overseen by the Audit Committee and/or the Board. These include controls for business continuity management, insurance, health and safety, conflicts of interest, and prevention and identification of fraud. Given the size of the business the Company does not have an internal audit function.

Principle 8 – Shareholder rights and relations

Recommendation 8.1
'An issuer should have a website where investors and interested stakeholders can access financial and operational information and key corporate governance information about the issuer."

The Company complies with this recommendation. The Company's website can be found at https://www.thirdagehealth.co.nz.

Recommendation 8.2
"An issuer should allow investors the ability to easily communicate with the issuer, including the option to receive communications from the issuer electronically."

The Company complies with this recommendation. The Board is committed to open and regular dialogue and engagement with shareholders. The Company seeks to ensure that investors understand its activities by communicating effectively with them and giving them access to clear and balanced information.

The Company has a calendar of communications and events for shareholders, including but not limited to:
• Half and full Year Results Announcements and Annual Report.
• Market announcements.

- Annual Shareholders' Meeting.
- Scheduled and ad hoc investor presentations to institutional investors and retail brokers.
- Easy access to information through the Company's website (https://www.thirdagehealth.co.nz).
- Access to management and the Board via a dedicated email address, investors@thirdagehealth.co.nz.

Recommendation 8.3

"Quoted equity security holders have the right to vote on major decisions which may change the nature of the issuer in which they are invested."

The Company complies with this recommendation. Shareholders are actively encouraged to attend the Annual Shareholders' Meeting and may raise matters for discussion at this event and may vote on major decisions that affect the Company. Voting is by poll, upholding the 'one share, one vote' philosophy.

In accordance with the Companies Act 1993, the Company's Constitution and the NZX Main Board Listing Rules, the Company refers major decisions that may change the nature of the Company to shareholders for approval. All shareholders are given the option to elect to receive electronic communications from the Company. In addition to shareholders, the Company has a wide range of stakeholders and maintains open channels of communication for all audiences, including brokers, the investing community, regulators, staff, customers and suppliers.

Recommendation 8.4

"If seeking additional equity capital, issuers of quoted securities should offer further equity securities to existing equity security holders of the same class on a pro rata basis and no less favourable before further equities are offered to other investors."

In the event that the Company will seek additional equity capital, the Company will seek to offer further equity securities to existing equity security holders of the same class on a pro rata basis and no less favourable before further equities are offered to other investors.

Recommendation 8.5

"The board should ensure that the notices of annual or special meetings of quoted equity security holders is posted on the issuer's website as soon as possible and at least 20 working days prior to the meeting."

The Company has complied with this recommendation.

1. Additional information required under the NZX Listing Rules

Twenty largest registered shareholders as of 31 March 2024

The Company has one class of equities, Ordinary Shares listed on the NZX Main Board under the ticker code TAH.

The following table shows the names and holdings of the 20 largest registered holdings of listed ordinary shares of the Company on 31 March 2024.

Shareholders	Holding	% of issued capital
Bevan John Walsh	4,289,343	42.88%
Michael Haskell & Associates Limited	2,571,893	25.71%
Timothy Grant Livingstone & Robert Peter Webber	840,500	8.40%
New Zealand Depository Nominee	347,220	3.47%
Diane Lynn Budres	248,392	2.48%
Brian Hezelton Walsh	189,404	1.89%
Jsrf Limited	178,792	1.79%
Lenore Deirdre Bauer	156,500	1.56%
Jiahuan Fu	138,182	1.38%
FNZ Custodians Limited	94,480	0.94%
Xzs Holdings Limited	44,000	0.44%
Bruce John Mccullagh	37,049	0.37%
Dellow Nominees Limited	33,400	0.33%
Custodial Services Limited	32,988	0.33%
Tony Andrew Wai	32,903	0.33%
Gore Holdings Limited	25,000	0.25%
Norah Kathleen Barlow & Robert Noel Barlow	24,490	0.24%
Arthur Smethurst & Leigh Smethurst	23,000	0.23%
Brett Hiirini Shepherd	20,529	0.21%
Jean Paterson Marshall	20,529	0.21%
Keith Arthur Albert Thomas	20,000	0.20%
	9,368,594	93.64%

The total number of voting securities of the Company at 31 March 2024 was 10,004,149 ordinary shares which are listed on the NZX.

Spread of shareholders as at 31 March 2024

The following table is the spread of listed shareholders as of 31 March 2024

Shareholder size	Number of Holders	Total Shares listed	% of listed capital
1-1,000	74	32,887	0.33%
1,001-5,000	75	220,697	2.21%
5,001-10,000	25	206,844	2.07%
10,001-50,000	25	489,015	4.89%
50,001-100,000	-	-	-
Greater than 100,000	10	9,054,706	90.51%
	209	10,004,149	100.0%

Shareholding of Directors as of 31 March 2024

Director	2024 Shares	2023 Shares
Bevan John Walsh	4,289,343	4,311,731
John Samuel Ronny Fernandes	178,792	127,328
Wayne Geoffrey Williams	-	-
Steffan Crausaz	-	-

Norah Kathleen Barlow resigned as a Director on 26 November 2023. As at 31 March 2023 and 2024 she held 24,490 shares. Directors are encouraged, though not required, to own shares in the Company.

2. Additional information required under the Financial Markets Conduct Act 2013

Substantial Security Holders

Information on Substantial Security Holders is provided pursuant to section 293 of the Financial Markets Conduct Act 2013 (the "Act") and details the Substantial Security Holders in the Company and their relevant interests in the Company's shares as of 31 March 2024. A person has a substantial holding for the purposes of the Act if the person has a relevant interest in quoted voting products that comprise 5% or more of a class of quoted voting products of the listed issuer.

Investor name	Shares held at 31 March 2024	% of issued capital
Bevan John Walsh	4,289,343	42.88%
Timothy Grant Livingstone & Robert Peter Webber (W W Flaunty Family A/c)	840,500	8.40%
Michael Haskell & Associates Limited	626,920	6.27%
Lenore Deirdre Bauer		
Beneficial ownership[1]	1,514,972	
Direct ownership	156,500	
	1,671,472	16.71%

1. This relates to an informal agreement relating to the beneficial ownership of a share of the shares held by Bevan John Walsh, the exercise of voting rights attaching to those Share, and any acquisition or disposal of those Shares

3. Additional information required under the Companies Act 1993

Directors' remuneration and other benefits

The names of the directors of the Company who held office and the details of their remuneration and value of other benefits received for services to Third Age Health Services Limited for the year ended 31 March 2024 were:

	Board Fees $	Audit Committee Fees $
John Samuel Ronny Fernandes	60,000	2,500
Wayne Geoffrey Williams	35,000	10,000
Bevan John Walsh	35,000	-
Norah Kathleen Barlow	23,333	1,672
Steffan Crausaz	11,667	625
	165,000	14,797

Interests register

Directors have given notices disclosing interests pursuant to section 140(1) of the Companies Act 1993. Particulars of entries recorded in the Company's Interests Register during the financial year ended 31 March 2024 are set out in the following table.

Director		Nature of disclosure
Bevan John Walsh	1	Bevan Walsh is a major shareholder of The Company TAH and Third Age Digital Health Limited (TADH). Bevan Walsh resigned as a director of TADH on 20 December 2021. The Company is owned money from TADH. Details of the loan and interim distribution are provided in note 15 of the Consolidated Financial Statements.
	2	Indemnified to the extent allowed by the Companies Act 1993 and the company constitution.
	3	Directors and Officers insurance cover provided by the Company.
John Samuel Ronny Fernandes	1	Indemnified to the extent allowed by the Companies Act 1993 and the company constitution.
	2	178,792 Shares (1.79%) in the Company held by JSRF Limited, in which John Fernandes has a relevant interest as sole director and shareholder.
	3	JSRF Limited (a company owned 100% by John Fernandes) holds an option to purchase a further 100,000 Shares (1.03%) held by another shareholder (who is not a director or senior manager) at $2.15 per Share. That option can be exercised in part or in full at any time until 30 June 2024.
	4	Directors and Officers insurance cover provided by the Company. .
	5	John Fernandes holds a position as a Board member of the ACT political party

Director		Nature of disclosure
Norah Kathleen Barlow	1	Norah Barlow holds a position as CEO of a client of the Company
	2	24,490 (0.24%) shares in the Company held by Norah Kathleen Barlow and Robert Noel Barlow in their capacities as trustees of a family trust associated with Norah Barlow
	3	Indemnified to the extent allowed by the Companies Act 1993 and the company constitution.
	4	Directors and Officers insurance cover provided by the Company
Wayne Geoffrey Williams	1	Indemnified to the extent allowed by the Companies Act 1993 and the company constitution.
	2	Directors and Officers insurance cover provided by the Company
Steffan Crausaz	1	Indemnified to the extent allowed by the Companies Act 1993 and the company constitution.
	2	Directors and Officers insurance cover provided by the Company

Indemnity and insurance

The Company has entered into deeds of indemnity in favour of all its directors. The Company has insured all its directors against liabilities and costs in accordance with section 162(5) of the Companies Act 1993.

Employees' remuneration

The number of employees or former employees, not being Directors of the Group, who received remuneration and other benefits in their capacity as employees, the value of which exceeds $100,000 is set out below:

	2024 Number	2023 Number
$100,000 - $109,999	7	2
$110,000 - $119,999	3	2
$120,000 - $129,999	2	1
$130,000 - $139,999	1	1
$140,000 - $149,999	-	-
$150,000 - $159,999	1	1
$160,000 - $169,999	2	-
$170,000 - $179,999	1	-
$180,000 - $189,999	1	1
$190,000 - $199,999	2	-
$200,000 - $209,999	1	1
$210,000 - $219,999	-	-
$220,000 - $229,999	1	1
$230,000 - $239,999	-	-
$240,000 - $249,999	1	-
$250,000 - $259,999	-	2
$260,000 - $269,999	-	-
$270,000 - $279,999	1	-
$280,000 - $289,999	-	-
$290,000 - $299,999	1	1
$300,000 - $309,999	-	-
$310,000 - $319,999	-	-
$320,000 - $329,999	-	-
$330,000 - $339,999	-	-
$340,000 - $349,999	-	-
$350,000 - $359,999	-	-
$360,000 - $369,999	-	-
$370,000 - $379,999	1	-

Amount payable to auditors

The amount payable to our auditors was $70,000 being $52k to UHY Haines Norton and $18k to the prior auditors EY (2023: $89,400).

Donations

The Company made $1,450 charitable donations during the year ended 31 March 2024.

Registered office
536 Kennedy Road
Greenmeadows, Napier

New Zealand Company number
3189884

Directors
Bevan John Walsh (Chairman, Non-independent)
John Samuel Ronny Fernandes (Independent)
Wayne Geoffrey Williams (Independent)
Norah Kathleen Barlow (Independent) (resigned26 November 2023)
Steffan Crausaz (Independent) (appointed 26 November 2023)

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