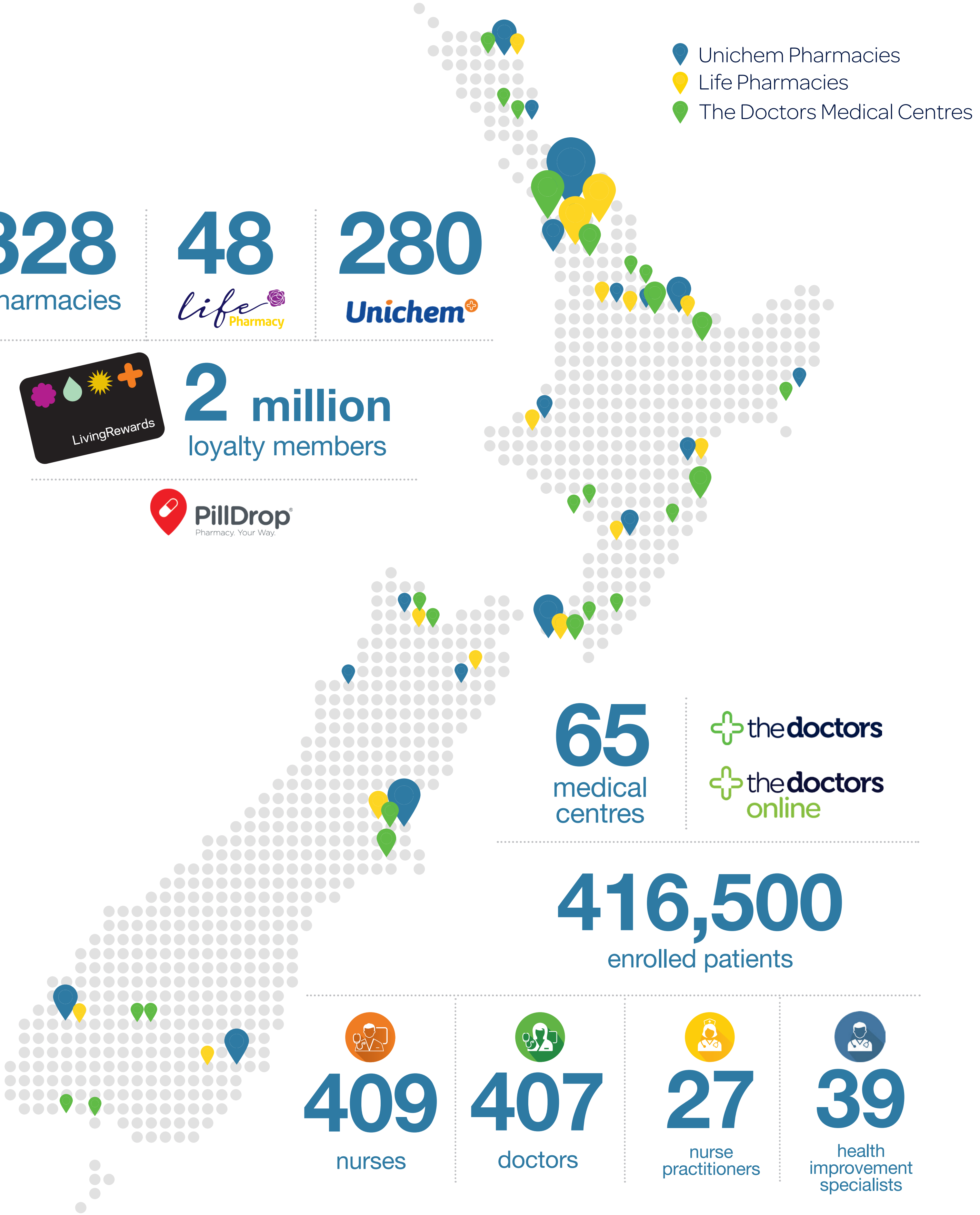
GREEN CROSS HEALTH

2025 ANNUAL REPORT

Who we are



328 pharmacies

48 Life Pharmacy

280 Unichem

2 million loyalty members

LivingRewards

PillDrop
Pharmacy. Your Way.

65 medical centres

thedoctors

thedoctors online

416,500 enrolled patients

409 nurses

407 doctors

27 nurse practitioners

39 health improvement specialists

As at 31 March 2025

Our Purpose: Working together to support healthier communities.

We are passionately commited to the health and wellness of New Zealand, and to providing the best care and advice to our communities. This is our promise.

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The year at a glance

Group Performance

Group Revenue
$523.8m

Operating Profit/EBIT
$38.7m

Net Profit After Tax
$16.0m

Net Assets
$181.0m

Divisional Performance

Pharmacy Operating Profit
$21.5m

Medical Operating Profit
$19.5m

Financial Summary

So let's start with the plain English version of our accounts. If you are interested, more details can be found in the financial statements and notes further on in this report.

	2025 $'000	2024 $'000
We generate revenue from two sources		
Pharmacy retail and dispensary	370,372	363,644
Medical services	153,386	140,271
Our costs to operate are primarily		
Wages and salaries	191,229	180,812
Costs of products sold	222,919	214,592
Other costs (marketing, governance, communications etc)	49,991	52,356
Lease expense, depreciation and amortisation	22,479	24,843
Impairment	7	716
After all income and expenses, we earned		
Profit before tax	28,836	22,420
Tax expense	(8,093)	(6,591)
Profit after tax	20,743	15,829
Loss from discontinued operation, net of tax	-	(276)
Non-controlling interest	(4,768)	(3,796)
Profit after tax attributable to the Parent shareholders	**15,975**	**11,757**

What happened to the profit and where did the cash go?		
We started the year with a bank balance of	23,402	58,215
Our profit after tax (after adjusting for non-cash items) was*	27,670	25,715
We bought and sold various businesses	(1,365)	(9,990)
We bought fixed assets	(5,838)	(7,399)
We (repaid)/drew bank borrowings	(10,509)	11,408
We paid dividends to our shareholders	(6,484)	(48,895)
We paid dividends to our minority partners	(2,560)	(3,061)
Our working capital changed	1,883	(2,591)
We ended the year with a bank balance of	**26,199**	**23,402**

** Includes repayment of lease principal and interest expense of $21.0m (2024: $20.4m) under NZ IFRS 16.*

So what is the equity book value**		
We have total assets of	386,237	382,882
We have total liabilities of	(205,238)	(212,823)
So our equity book value is	180,999	170,059
Which represents a net asset value for each share of (cents)**	**126.0**	**118.5**

*** Comparative information has been restated.*

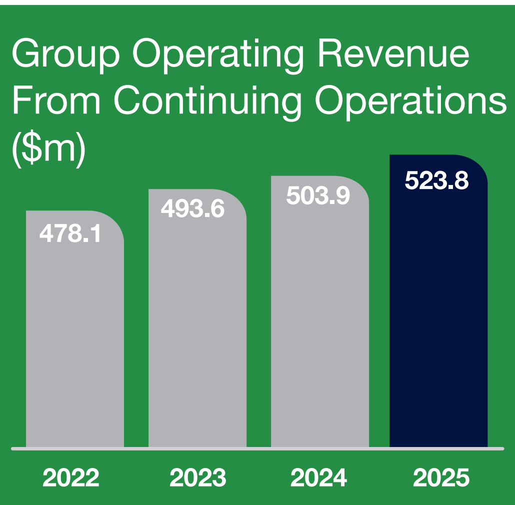
Company report

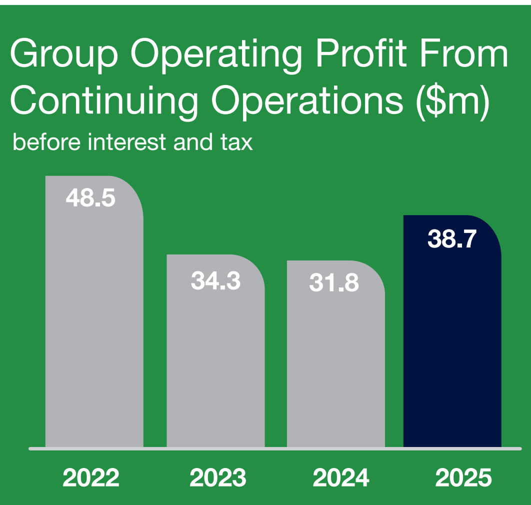
Green Cross Health delivered Net Profit After Tax Attributable to Shareholders of $16.0m over the last twelve months.

This year the Company has navigated not only a difficult economic environment, but also a challenging primary healthcare landscape. Amidst inflationary pressures, insufficient government funding and constrained consumer spending, a focus on cost control and evolving the operating model has sustained results. Over the last five years, the Company has invested in excess of $85 million in technology improvements, site refurbishments and acquisitions to improve and expand the Company's primary care offering. The Company remains cautious on consumer sentiment and economic recovery with both divisions focussed on providing care to New Zealand communities to achieve organic growth.

Results summary

- Operating Revenue of $523.8m.
- Operating Profit (EBIT) of $38.7m.
- Net Profit After Tax Attributable to Shareholders of $16.0m.
- Pharmacy Operating Profit of $21.5m.
- Medical Operating Profit of $19.5m.
- Investment in growth of $7.3m, including two equity investments (one pharmacy, one medical centre), site refurbishments and investment in technology.
- 2.75cps dividend declared, to be paid on 23 June 2025.





Dividend

The Board has declared a final dividend of 2.75 cents per share (final FY25 dividend) to be paid in June 2025. This brings the total dividends declared in respect of the FY25 year to 5.25 cents per share.

Green Cross Health future focus

The Board is cautious on the timing and pace of economic recovery. Over the next 12 months, the Company will focus on expanding clinical services through Care & Advice Health Hubs in Unichem and Life pharmacies to maximise access for patients to additional services and will continue advocating for the extension of pharmacist scope of practice. Investment in technology and people is a priority to ensure continuous improvement in the operating model and clinical environment to deliver high quality patient care. Green Cross Health urges Health New Zealand to permit direct funding to practices, enabling more resources to reach frontline general practice while supporting medical teams to reduce unnecessary administrative tasks and maximise time for patient activity.

Thank you to our team

The Company acknowledges the hard work of our team members serving communities across New Zealand. Their dedication, compassion and expertise have made a significant difference in the lives of many patients. Thank you for your efforts, commitment and ability to adapt, constantly providing the highest quality care and advice. Together we will continue to make a positive impact in healthcare and Green Cross Health will foster professional development to ensure our team is trained and well-positioned to deliver essential healthcare advice and services.

Pharmacy division

Unichem, Life Pharmacy and PillDrop

The Green Cross Health network dispensed over 38 million prescriptions across its network of 328 pharmacies, a growth of two million prescriptions with same stores prescriptions up 4% year-on-year. Unichem and Life pharmacies administered over 326,000 vaccinations, a 2% increase on the prior year with a 41% increase in non-flu vaccinations. Living Rewards membership grew by 3% to over 2.09 million members, with members spending 50% more than non-members.

328
stores

2.09 million
loyalty members

Revenue in Pharmacy increased 2% to $370.4m while Operating Profit for the period increased to $21.5m driven by top line growth and store optimisation completed in the prior period.

The Care & Advice Health Hub was launched within Unichem and Life Pharmacies to support the increasing demand for essential pharmacy services and raise consumer awareness of the clinical services available at pharmacies through branding and consistency in services offered across the network. Improvement in the ranging of complementary pharmacy health and wellness products further enhances the service offering. The network is on track to achieve 200 Care & Advice Health Hub branded pharmacies by the end of the calendar year.

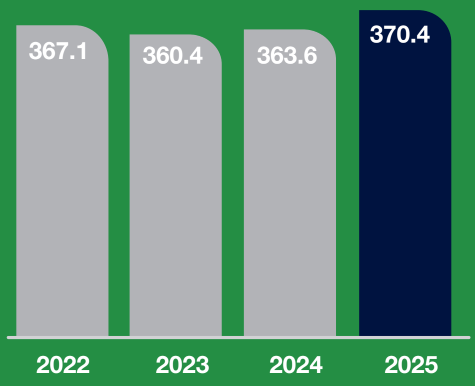
Retail sales continued to be challenging in the period. A new store concept, Beauty by Life, was unveiled under the Life brand to modernise the beauty and wellness offering and reinforce the brand's market position. The refreshed concept has introduced new product ranges, supplemented by beauty services to enrich customer experience and appeal to a broader market. The first Beauty by Life opened at the Life Newmarket store in November and will be extended to further sites in the coming year.

The upgraded Life Pharmacy ecommerce platform now offers customers a seamless experience including browsing stock availability online before visiting a store along with having the ability to shop online and collect the item in store, with 5,000 products purchased through click & collect since the capability was deployed late last year. The partnership with Uber Eats continues to build momentum and 149 pharmacies across the network are now able to service customer needs with on-demand delivery across the country.

Highlights

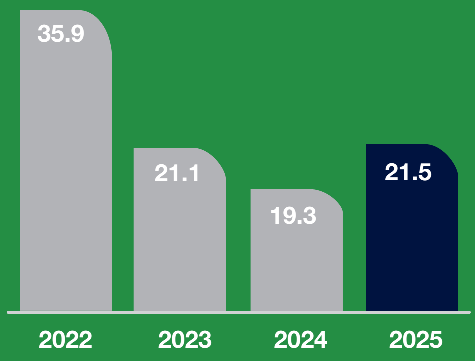
- Pharmacy division Operating Revenue for the period of $370.4m.
- Pharmacy division Operating Profit for the period of $21.5m.
- 326,000 vaccinations administered including a 41% increase in non-flu vaccinations.
- Living Rewards membership growth to 2.09m members.
- Green Cross Health pharmacies dispensed over 38 million prescriptions, a 4% increase on a same store basis.
- 11 core clinical services available in all Care & Advice Health Hubs.
- Modernising the Life brand instore experience with the introduction of 'Beauty by Life'.

Pharmacy Operating Revenue ($m)



Pharmacy Operating Profit ($m)

before interest and tax



Future focus

- Expand clinical services through Care & Advice Health Hubs to support revenue growth.
- Offer differentiated brands and products supplemented with professional instore experience.
- Improve customer accessibility through omni-channel experience and reward customer loyalty.
- Leverage trusted brands and advocate for extended pharmacist scope of practice.
- Enhance workforce productivity, manage margins and control occupancy costs.

Medical division

The Doctors and The Doctors Online

The division consists of 65 medical centres serving the largest enrolled patient base in New Zealand. During the period, further investment was made in centre refurbishments and digital services to maximise patient experience. The telehealth service was rebranded to The Doctors Online to better align with its service offering. Revenue for the period increased to $153.4m.

416,500
enrolled patients

65
medical centres

Medical Revenue increased by 9% to $153.4m, with Operating Profit of $19.5m following annualisation of acquisitions. The restructuring of the cost base completed in the second half of last year and operational improvement contributed to the financial performance for the year.

Following a period of strategic acquisitions, the Medical division shifted focus to consolidating its network to strengthen internal operations and maximise patient experience. Two medical practices underwent substantial refurbishments to add capacity for more patients to be seen in an upgraded clinical environment. Digital services are fundamental in administering patient care and over 120,000 active users are signed up on The Doctors App, booking an average of 20,000 appointments per month through this service, enabling enhanced patient engagement and service efficiency.

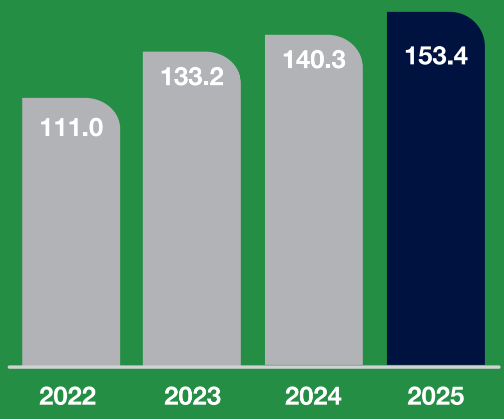
Given the national shortage of general practitioners, workforce constraints are an ongoing challenge. In response, the division is progressing towards a team-based care model to build greater capacity within practices. This has led to the creation of new roles to provide patient care, with Nurse Practitioners, Extended Care Paramedics and Physician Associate roles being added across the network. The shift to the National Hauora Coalition Primary Health Organisation has enabled the establishment of 25 Health Improvement Practitioner and 14 Health Coach roles offering patients direct access to mental health and wellbeing support.

The telehealth service was rebranded to The Doctors Online during the year and plays a pivotal role in assisting medical centres with virtual locum services and improving patient access to essential health services. The Government's announcement of new national funding for virtual care services is expected to further advance the use of virtual care.

Highlights

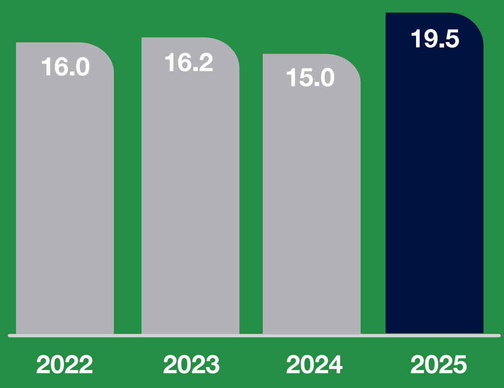
- Medical division Operating Revenue for the period of $153.4m.
- Medical division Operating Profit for the period of $19.5m.
- Enrolled patients of 416,500, New Zealand's largest general practice enrolled patient base.
- Telehealth services rebranded to The Doctors Online.
- 39 new roles to directly support patient mental health and wellbeing.
- Two significant refurbishments to increase capacity and enhance the clinical environment to better accommodate patient needs.

Medical Operating Revenue ($m)



Medical Operating Profit ($m)

before interest and tax



Future focus

- Deliver organic growth to the patient base through innovative care model and investment to add capacity.
- Lobby Health New Zealand for direct funding to enable more resources to reach frontline general practice and reduce unnecessary administrative tasks.
- Strengthen The Doctors brand by enhancing its visibility and reinforcing its reputation for trusted healthcare.
- Invest in technology to grow digital services and improve patient access.
- Operational and clinical improvement to deliver workforce productivity and continuous improvement in the operating model.

Financials

Directors' declaration

For the year ended 31 March 2025

In the opinion of the Directors of Green Cross Health Limited, the financial statements and notes, on pages 18 to 44:

- Comply with New Zealand generally accepted accounting practice and give a true and fair view of the financial position of the Green Cross Health Limited Group as at 31 March 2025 and the results of its operations and cash flows for the year ended on that date.

- Have been prepared using appropriate accounting policies, which have been consistently applied and supported by reasonable judgements and estimates.

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

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

The Directors are pleased to present the financial statements of Green Cross Health Limited for the year ended 31 March 2025.

For and on behalf of the Board of Directors:

C. Steele

Kim Ellis
Chair
28 May 2025

Carolyn Steele
Director
28 May 2025

Independent auditor's report

KPMG

To the shareholders of Green Cross Health Limited

Report on the audit of the consolidated financial statements

Opinion

We have audited the accompanying consolidated financial statements which comprise:

- The consolidated statement of financial position as at 31 March 2025;
- The consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended; and
- Notes, including material accounting policy information and other explanatory information.

In our opinion, the accompanying consolidated financial statements of Green Cross Health Limited (the Company) and its subsidiaries (the Group) on pages 18 to 44 present fairly, in all material respects:

- The Group's financial position as at 31 March 2025 and its financial performance and cash flows for the year ended on that date;
- In accordance with New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS) issued by the New Zealand Accounting Standards Board and International Financial Reporting Standards issued by the International Accounting Standards Board.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of Green Cross Health Limited 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), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with Professional and Ethical Standards 1 and the IESBA Code.

Our responsibilities under ISAs (NZ) are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

Our firm has also provided other services to the Group in relation to tax compliance and advisory. Subject to certain restrictions, partners and employees of our firm may also deal with the Group on normal terms within the ordinary course of trading activities of the business of the Group. These matters have not impaired our independence as auditor of the Group. The firm has no other relationship with, or interest in, the Group.

Emphasis of matter

We draw attention to Note 24 of the consolidated financial statements, which describes the restatement of the opening balance, and the comparative period in relation to Contract Liabilities. Our opinion is not modified in respect of this matter.

KPMG

Financials

Materiality

The scope of our audit was influenced by our application of materiality. Materiality helped us to determine the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and on the consolidated financial statements as a whole. The materiality for the consolidated financial statements as a whole was set at $1.4m determined with reference to a benchmark of Group's Profit Before Tax. We chose the benchmark because, in our view, this is a key measure of the Group's performance.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements in the current period. We summarise below those matters and our key audit procedures to address those matters in order that the shareholders as a body may better understand the process by which we arrived at our audit opinion.

Our procedures were undertaken in the context of and solely for the purpose of our audit opinion on the consolidated financial statements as a whole and we do not express discrete opinions on separate elements of the consolidated financial statements.

The key audit matter: Impairment of non-current assets

Refer to note 13 to the financial statements.

The Group has grown significantly through acquisitions in its Pharmacy and Medical business units which has resulted in the recognition of goodwill in the amount of $86.9 million, and $76.9 million, respectively.

In the event the business units underperform compared to their business cases, there is a risk that the goodwill arising on acquisition may no longer be supported.

As disclosed in note 13, the Group performs an annual impairment test of goodwill and uses a discounted cash flow model to determine the recoverable amount of its business units to which goodwill has been allocated.

In performing this assessment, assumptions are made in respect of future economic and market conditions. Cashflow forecasts include consideration of the Group's strategic business plans for each business unit and their impact on forecast sales and operating costs. Additionally, management determined terminal growth rates and discount rates which reflect an assessment of the time value of money and the risks specific to each business unit.

The annual impairment test performed by the Group was significant to our audit due to the magnitude of the goodwill balance and because the assessment process involved judgement about the future performance of the business units.

The market capitalisation deficit that exists at balance date is an indicator of impairment.

How the matter was addressed in our audit

Our audit procedures included:

- Ensuring the allocation of goodwill to the Group's business units is appropriate;
- Evaluating the methodology, mathematical accuracy and assumptions applied in the discounted cash flow models. We used our own valuation specialists to assist us with the consideration of terminal growth and discount rates;
- Challenging management's cash flow assumptions over projected cash, and the expected impact of the Group's business plans for each business unit by reference to their historical performance and the internal and external factors that influence their operations;
- Performing sensitivity analysis around the key assumptions used in the models;

Independent auditor's report (continued)

- Reviewing the appropriateness of related disclosures in the consolidated financial statements; and
- Challenged management on whether the market capitalisation deficit is an indicator of impairment and challenged management's earnings assumptions used in the value in use calculations.

We did not identify any factors that were materially inconsistent with management's overall conclusions.

Other information

The Directors, on behalf of the Group, are responsible for the other information included in the Group's Annual Report. The other information comprises the Directors Declaration included in the Group's Annual Report, but does not include the consolidated financial statements and our Auditor's Report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated financial statements our 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 our knowledge obtained in the audit or otherwise appears materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Directors.

Use of this independent auditor's report

This independent auditor's report is made solely to the shareholders. Our audit work has been undertaken so that we might state to the shareholders those matters we are required to state to them in the independent auditor's report and for no other purpose. To the fullest extent permitted by law, none of KPMG, any entities directly or indirectly controlled by KPMG, or any of their respective members or employees, accept or assume any responsibility and deny all liability to anyone other than the shareholders for our audit work, this independent auditor's report, or any of the opinions we have formed.

Responsibilities of Directors for the consolidated financial statements

The Directors, on behalf of the Group, are responsible for:

- The preparation and fair presentation of the consolidated financial statements in accordance with NZ IFRS issued by the New Zealand Accounting Standards Board and the International Financial Reporting Standards issued by the International Accounting Standards Board;
- Implementing necessary internal control to enable the preparation of a consolidated set of financial statements that is free from material misstatement, whether due to fraud or error; and

- Assessing the ability of the Group to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate or to cease operations or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objective is:

- To obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and
- To issue an independent auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs NZ will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located at the External Reporting Board (XRB) website at:

https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-1-1/

This description forms part of our independent auditor's report.

The engagement partner on the audit resulting in this independent auditor's report is Jodi Newth.

For and on behalf of

KPMG

KPMG
Auckland
28 May 2025

Consolidated statement of comprehensive income

For the year ended 31 March 2025

	Notes	2025 $'000	2024 $'000
Continuing operations			
Operating revenue	4	**523,758**	**503,915**
Operating expenditure	6.2	**(467,264)**	**(452,080)**
Depreciation and amortisation expense	11,13	(4,770)	(6,254)
Depreciation - leases	12	(14,584)	(14,269)
Impairment	11,13	(7)	(716)
Share of equity accounted net earnings	15	1,590	1,198
Operating profit before interest and tax		**38,723**	**31,794**
Interest income		588	900
Interest expense		(2,101)	(2,549)
Interest expense - leases		(8,374)	(7,725)
Net interest expense		**(9,887)**	**(9,374)**
Profit before tax		**28,836**	**22,420**
Income tax expense	7	(8,093)	(6,591)
Profit from continuing operations		**20,743**	**15,829**
Discontinued operation			
Loss from discontinued operation, net of tax		-	(276)
Profit for the year		**20,743**	**15,553**
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		**20,743**	**15,553**
Attributable to:			
Shareholders of the Parent		15,975	11,757
Non-controlling interest		4,768	3,796
		20,743	**15,553**
Earnings per share			
Basic earnings per share (cents)	8	11.13	8.20
Diluted earnings per share (cents)	8	11.10	8.18
Earnings per share - continuing operations			
Basic earnings per share (cents)	8	11.13	8.39
Diluted earnings per share (cents)	8	11.10	8.37

The accompanying Notes to the Consolidated Financial Statements on pages 22 to 44 form part of the consolidated financial statements.

Consolidated statement of changes in equity

For the year ended 31 March 2025

	Notes	Share capital $'000	Share based payment reserve $'000	Retained earnings $'000	Non-controlling interest $'000	Total equity $'000
Balance as at 1 April 2023 (As reported)		90,760	583	100,065	10,597	202,005
Restatement of contract liabilities	24	-	-	3,451	-	3,451
Balance as at 1 April 2023 (Restated)		90,760	583	103,516	10,597	205,456
Profit or loss for the year		-	-	11,757	3,796	15,553
Total comprehensive income for the year		**-**	**-**	**11,757**	**3,796**	**15,553**
Distributions to non-controlling interests		-	-	-	(3,543)	(3,543)
Impacts of other transactions		-	-	(52)	1,490	1,438
Dividends to shareholders	9	-	-	(48,895)	-	(48,895)
Performance share rights charged to SOCI		-	50	-	-	50
Performance share rights vested	20	183	(183)	-	-	-
Balance as at 31 March 2024 (Restated)*		**90,943**	**450**	**66,326**	**12,340**	**170,059**
Balance as at 1 April 2024 (Restated)		90,943	450	66,326	12,340	170,059
Profit or loss for the year		-	-	15,975	4,768	20,743
Total comprehensive income for the year		**-**	**-**	**15,975**	**4,768**	**20,743**
Distributions to non-controlling interests		-	-	-	(2,275)	(2,275)
Impacts of other transactions		-	-	(840)	(419)	(1,259)
Dividends to shareholders	9	-	-	(6,484)	-	(6,484)
Performance share rights charged to SOCI		-	215	-	-	215
Performance share rights vested	20	150	(150)	-	-	-
Balance as at 31 March 2025		**91,093**	**515**	**74,977**	**14,414**	**180,999**

** Comparative information has been restated, refer Note 24.*

The accompanying Notes to the Consolidated Financial Statements on pages 22 to 44 form part of the consolidated financial statements.

Consolidated statement of financial position

As at 31 March 2025

ASSETS	Notes	2025 $'000	2024* (Restated) $'000
Current assets			
Cash and cash equivalents		26,199	23,402
Trade and other receivables	10	22,724	25,549
Inventories		33,167	30,445
Total current assets		**82,090**	**79,396**
Non-current assets			
Other receivables	10	2,448	2,693
Property, plant and equipment	11	19,740	18,979
Right-of-use assets	12	96,279	97,084
Intangible assets	13	165,947	165,937
Deferred tax asset	14	12,275	11,977
Equity accounted group investments	15	7,458	6,816
Total non-current assets		**304,147**	**303,486**
Total assets		**386,237**	**382,882**
LIABILITIES			
Current liabilities			
Trade payables and accruals	16	69,388	67,303
Income taxes payable	16	685	937
Borrowings	17	1,855	2,573
Lease liabilities	12	12,741	13,098
Total current liabilities		**84,669**	**83,911**
Non-current liabilities			
Borrowings	17	22,581	32,372
Lease liabilities	12	97,988	96,540
Total non-current liabilities		**120,569**	**128,912**
Total liabilities		**205,238**	**212,823**
Net assets		**180,999**	**170,059**
EQUITY			
Share capital		91,093	90,943
Share based payment reserve		515	450
Retained earnings		74,977	66,326
Total equity attributable to shareholders of the Parent		**166,585**	**157,719**
Non-controlling interest		14,414	12,340
Total equity		**180,999**	**170,059**

** Comparative information has been restated, refer Note 24.*

The accompanying Notes to the Consolidated Financial Statements on pages 22 to 44 form part of the consolidated financial statements.

Consolidated statement of cash flows

For the year ended 31 March 2025

	Notes	2025 $'000	2024 $'000
Cash flows from operating activities			
Dividends received	15	1,075	1,852
Receipts from customers		526,583	504,862
Interest received		588	900
Payments to suppliers and employees		(466,971)	(453,638)
Net income taxes		(8,634)	(8,019)
Net cash inflow from operating activities	18	**52,641**	**45,957**
Cash flows from investing activities			
Purchases of property, plant, equipment and software intangibles		(5,838)	(7,399)
Acquisition of interests in equity accounted investments	15	(127)	(323)
Acquisition of interests in subsidiary and non-controlling interests		(1,366)	(10,178)
Disposal of discontinued operation		-	(276)
Net cash outflow from investing activities		**(7,331)**	**(18,176)**
Cash flows from financing activities			
Proceeds from borrowings		1,558	41,220
Repayments of borrowings		(12,067)	(29,812)
Payment of lease liabilities		(12,577)	(12,641)
Interest expense		(2,137)	(2,467)
Interest expense - leases		(8,374)	(7,725)
Distributions to non-controlling interest		(2,560)	(3,061)
Dividend paid	9	(6,484)	(48,895)
Net cash outflow from financing activities		**(42,641)**	**(63,381)**
Net increase/(decrease) in cash and cash equivalents		**2,669**	**(35,600)**
Cash and cash equivalents at the beginning of the financial year		23,402	58,215
Cash acquired: business combinations	5	128	787
Cash and cash equivalents at end of year		**26,199**	**23,402**
Reconciliation of closing cash and cash equivalents to the consolidated statement of financial position			
Cash and cash equivalents		26,199	23,402
Closing cash and cash equivalents		**26,199**	**23,402**

The accompanying Notes to the Consolidated Financial Statements on pages 22 to 44 form part of the consolidated financial statements.

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Notes to the consolidated financial statements

For the year ended 31 March 2025

1. Reporting entity

Green Cross Health Limited (the "Parent" or the "Company") is a New Zealand company registered under the Companies Act 1993 and is an FMC entity for the purposes of the Financial Reporting Act 2013 and the Financial Markets Conduct Act 2013. The Financial Statements have been prepared in accordance with these Acts. The Company is listed on the New Zealand Stock Exchange ("NZX").

The consolidated financial statements of Green Cross Health Limited comprise the Parent, its subsidiaries, and its interest in associates and joint ventures (together referred to as the "Group").

2. Basis of preparation of financial statements

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). They comply with New Zealand equivalents to International Financial Reporting Standards ("NZ IFRS"), and other applicable Financial Reporting Standards, and authoritative notices as appropriate for a Tier one for profit entity. They also comply with International Financial Reporting Standards.

The financial statements were approved by the Board of Directors on 28 May 2025.

(b) Basis of measurement

The financial statements of the Group are prepared under the historical cost basis unless otherwise noted within the specific accounting policies below.

(c) Changes in accounting policy

The Group has consistently applied the following accounting policies to all periods presented in these consolidated financial statements, except as mentioned below.

(d) Comparatives

Comparative information has been restated. See Note 24.

(e) Functional and presentation currency

These financial statements are presented in New Zealand dollars ($), which is the functional currency of the entities of the Group. All financial information presented in New Zealand dollars has been rounded to the nearest thousand.

(f) Significant estimates and judgements

The preparation of financial statements in conformity with NZ IFRS requires the Directors to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgements about carrying values of some assets and liabilities. Actual results may differ from these estimates.

In authorising the financial statements for the year ended 31 March 2025, the Directors have ensured that the specific accounting policies necessary for the proper understanding of the financial statements have been disclosed, and that all accounting policies adopted are appropriate for the Group's circumstances and have been consistently applied throughout the year for all Group entities for the purposes of preparing the consolidated financial statements.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods. Information about the significant areas of judgement exercised or estimation in applying accounting policies that have had a significant impact on the amounts recognised in the financial statements are described as follows:

(i) Classification of investments

Classifying investments as either subsidiaries, associates or joint ventures requires the Directors to assess the degree of influence which the Group holds over the investment. In arriving at a conclusion the Directors take into account the constitutional structure of the investment, governance arrangements, current and future representation on the Board of Directors, and all other arrangements which might allow influence over the operating and financial policies of the investment.

(ii) Impairment of goodwill and indefinite life intangible assets

The carrying values of goodwill and intangible assets with an indefinite useful life, are assessed at least annually to ensure that they are not impaired. This assessment requires the Directors to estimate future cash flows to be generated by cash generating units to which goodwill and intangible assets with indefinite useful lives have been allocated. Estimating future cash flows entails making judgements including the expected rate of growth of revenues and expenses, margins and market shares to be achieved, and the appropriate rate to apply when discounting future cash flows. Note 13 of these financial statements provides more information on the assumptions the Directors have made in this area and the carrying values of goodwill and indefinite life intangible assets. As the outcomes in the next financial period may be different to the assumptions made, it is impracticable to predict the impact that could result in a material adjustment to the carrying amount.

(iii) Accounting for leases under NZ IFRS 16

In determining the right-of-use assets and lease liabilities a number of estimates and judgements have been made by management. These include determining the applicable incremental borrowing rates and assessment of the lease terms, including any rights of renewal and whether it is reasonably certain they will be exercised. See Note 12.

(g) Subsidiaries

Subsidiaries are entities that are controlled by the Group as defined in NZ IFRS 10. Control exists when the Group is exposed to, or has rights to, variable returns from its involvement in the investee and has the ability to affect those returns through its power over the investee. Power arises when the Group has existing rights to direct the relevant activities of the investee, i.e. those that significantly affect the investee's returns. Control is assessed on a continuous basis.

The Group consolidates the results of its subsidiaries from the date that control commences until the date on which control ceases. At such point as control ceases, it derecognises the assets, liabilities and any related non-controlling interests and other components of equity. Any interest retained in the former subsidiary is measured at fair value when control is lost.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture. At the date the equity method is discontinued, the difference between the carrying amount of the associate or a joint venture and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or a joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture.

The Group's ownership interests in subsidiaries ranges from 25% to 100% (2024: 25% to 100%). The Group consolidates 35 out of 52 entities where it holds less than half of the profit shares. This is on the basis that the Group's contractual arrangements with these entities result in them meeting the definition of being subsidiaries as set out above.

2. Basis of preparation of financial statements (continued)

(h) Non-controlling interests

Non-controlling interests are present ownership interests and are initially measured at either fair value or the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is determined on a transaction-by-transaction basis. Under the proportionate interest method, goodwill is not attributed to the non-controlling interest and the Group recognises only its share of goodwill whereas under fair value, the non-controlling interest includes its proportionate share of goodwill.

Changes in the Group's interest in a subsidiary that do not result in a change in the control conclusion are accounted for as transactions with equity-holders in their capacity as equity holders.

While the group has 51 (2024: 51) subsidiaries with non-controlling interests, there are no subsidiaries with individually material non-controlling interest.

(i) Transactions eliminated on consolidation

Intra-group balances, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(j) Goods and services tax (GST)

The statement of comprehensive income has been stated so that all components are exclusive of GST. All items in the statement of financial position are stated net of GST with the exception of receivables and payables, which include GST invoiced.

(k) Statement of cash flows

The statement of cash flows has been prepared using the direct method subject to the netting of certain cash flows.

Cash flows in respect of investments and borrowings that have been rolled-over under arranged banking facilities have been netted in order to provide meaningful disclosures.

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Operating activities include all cash received from all revenue sources and all cash disbursed for all expenditure sources including taxation refunds or payments and other transactions that are not classified as investing or financing activities.

Investing activities reflect the acquisition and disposal of property, plant and equipment and intangibles, loans to associates, and investments in associates, subsidiaries and joint ventures.

Financing activities reflect changes in borrowings and equity.

(l) Inventory

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on a weighted average principle, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. Inventory comprises of pharmacy goods held for sale.

(m) Government grants

Grants that compensate the Group for expenses incurred are recognised in profit and loss as other income on a systematic basis in the periods in which the expenses are recognised.

3. New standards and interpretations issued and not yet effective

A number of new standards, amendments to standards and interpretations are not yet effective for the year ended 31 March 2025. These have been assessed for applicability to the Group and the Directors have concluded that they will not have a significant impact on future financial statements, except for amendments to NZ IFRS 18 which will require a change in presentation and disclosure of the consolidated financial statements effective 1 January 2027.

4. Segment reporting

The Group has two reportable segments: pharmacy services and medical services. The pharmacy services segment provides retail and dispensary services and the medical services segment provides GP, nursing and urgent care services.

The Group's main operations are in the pharmacy industry providing pharmacy services through consolidated stores, equity accounted investments and franchise stores. The medical services segment includes fully owned and equity accounted medical centres, and support services provided to these medical centres, as well as medical centres outside the Group.

The Board monitors the various revenue streams within each reportable segment separately however, they do not meet the criteria for separate disclosure due to the following:

- Aggregation of the operating segments within each reportable segment is consistent with the core principle of NZ IFRS 8, i.e. aggregating will not distort the interpretation of the financial statements for the users;
- The operating segments within each reportable segment share the same economic characteristics; and
- The nature of the products and services, and the nature of the regulatory environment are the same for the operating segments.

Operating segments

Information about reportable segments from continuing operations

March 2025	Notes	Pharmacy services $'000	Medical services $'000	Corporate $'000	Total $'000
External revenues	6.1	370,366	153,386	-	523,752
Other income		6	-	-	6
Total revenue		**370,372**	**153,386**	**-**	**523,758**
Cost of products sold		(222,702)	(217)	-	(222,919)
Employee benefit expense		(80,589)	(110,640)	-	(191,229)
Lease expenses		(2,760)	(365)	-	(3,125)
Other expenses		(31,423)	(16,284)	(2,284)	(49,991)
Depreciation and amortisation		(2,840)	(1,930)	-	(4,770)
Depreciation - leases		(8,744)	(5,840)	-	(14,584)
Impairment		(7)	-	-	(7)
Share of equity accounted net earnings		175	1,415	-	1,590
Segment profit		**21,482**	**19,525**	**(2,284)**	**38,723**
Interest income					588
Interest expense					(2,101)
Interest expense - leases					(8,374)
Profit before tax					**28,836**
Tax expense					(8,093)
Profit after tax					20,743
Non-controlling interest					(4,768)
Net profit attributable to the shareholders of the Parent					**15,975**
Reportable segment assets		270,949	126,101	(10,813)	386,237
Reportable segment liabilities		125,356	90,695	(10,813)*	205,238

** Intersegmental elimination.*

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4. Segment reporting (continued)

March 2024	Notes	Pharmacy services $'000	Medical services $'000	Corporate $'000	Total $'000
External revenues	6.1	363,559	140,254	-	503,813
Other income		85	17	-	102
Total revenue		**363,644**	**140,271**	**-**	**503,915**
Cost of products sold		(214,321)	(271)	-	(214,592)
Employee benefit expense		(80,028)	(100,784)	-	(180,812)
Lease expenses		(3,598)	(722)	-	(4,320)
Other expenses		(33,095)	(16,776)	(2,485)	(52,356)
Depreciation and amortisation		(4,299)	(1,955)	-	(6,254)
Depreciation - leases		(8,793)	(5,476)	-	(14,269)
Impairment		(565)	(151)	-	(716)
Share of equity accounted net earnings		377	821	-	1,198
Segment profit		**19,322**	**14,957**	**(2,485)**	**31,794**
Interest income					900
Interest expense					(2,549)
Interest expense - leases					(7,725)
Profit before tax					**22,420**
Tax expense					(6,591)
Profit after tax					15,829
Loss from discontinued operation, net of tax					(276)
Non-controlling interest					(3,796)
Net profit attributable to the shareholders of the Parent					**11,757**
Reportable segment assets*		273,948	119,693	(10,759)	382,882
Reportable segment liabilities*		131,528	92,054	(10,759)**	212,823

** Comparative information has been restated, refer Note 24.*
*** Intersegmental elimination.*

5. Business combinations

Business combinations during the year include; Sunset Family Doctors Servco Limited and Brookfield Pharmacy. None of these acquisitions are individually material to the Group's result.

	Carrying value $'000	Fair value $'000
Identifiable assets acquired and liabilities assumed		
Total assets	531	531
Total liabilities	(229)	(229)
Identifiable net assets	**302**	**302**
Consideration transferred		
Satisfied by:		
Cash consideration		1,117
Deferred consideration		-
Contingent consideration		-
Total consideration		**1,117**
Less cash acquired (included in assets above)		(128)
Net consideration		**989**
Goodwill		
Goodwill recognised as a result of the acquisitions is as follows:		
Total consideration		1,117
Identifiable net assets		(302)
Goodwill		**815**

The goodwill is attributable mainly to the various patient databases acquired and the synergies expected to be achieved. None of the goodwill recognised is expected to be deductible for tax purposes.

The amount of revenue included in the consolidated statement of comprehensive income is $5.0m with a net profit after tax of $0.1m in respect of the entities acquired during the year.

If the acquisitions had occurred on 1 April 2024, management estimates that consolidated operating revenue would have been $525.3m, and consolidated profit after tax for the year would have been $20.8m for continuing operations.

6. Operating performance

6.1 Revenue Revenue from contracts with customers	2025 $'000	2024 $'000
Pharmacy retail and dispensary	333,886	323,799
Other pharmacy services	36,480	39,760
Medical services	153,386	140,254
	523,752	**503,813**

Disaggregation of contract revenue	Reportable segments		
	Pharmacy services $'000	Medical services $'000	Total $'000
Year ended 31 March 2025			
Timing of revenue recognition			
Transferred at a point in time	356,238	68,998	425,236
Transferred over time	14,128	84,388	98,516
	370,366	**153,386**	**523,752**
Year ended 31 March 2024			
Timing of revenue recognition			
Transferred at a point in time	351,863	61,804	413,667
Transferred over time	11,696	78,450	90,146
	363,559	**140,254**	**503,813**

Pharmacy retail and dispensing services

Pharmacy retail and dispensary services include retail sales, dispensing, professional advisory and care services. For all these services control is considered to pass to the customer at the point when the customer can use or otherwise benefit from the goods and services. For retail sales, control passes at point of sale. Retail sales are predominantly by credit card, debit card or in cash.

The Group operates its own Living Rewards loyalty programme. Loyalty points earned during a sale transaction are deferred to liabilities (net of estimated points expiry), and are recognised as revenue when the Living Rewards member redeems their points.

Other pharmacy services

These mainly include franchise fees, supplier income and other service revenue. Control for franchise services pass over time as the services are delivered over the term of the franchise agreement. Payment terms for franchise fees is generally 20 to 30 days. Supplier income is earned, as promotional services are rendered over a specified time period by the Group. Payment terms are generally 20 to 30 days.

Medical services

Medical services include capitation and health services and patient fees. Control for capitation and health services passes over time as the healthcare services are delivered to the patient over a certain time period. Payments terms are generally 20 to 30 days. Patient fees are earned at a point in time. Control passes to the customer when service has been delivered to a customer. Patient fees are predominantly by credit card, debit card or in cash.

Contract assets and contract liabilities

Current contract assets represent revenue where the service has been provided but not yet invoiced to the customer. When the customer has been invoiced, any outstanding balances are included in receivables. Contract liabilities reflect payments received for services that have not yet been provided and the payments will be recognised as revenue over time.

Costs directly related to the acquisition of a contract or renewal of an existing contract are capitalised and amortised over the life of the contract. Cost relating to fulfilling a contract are only capitalised if they meet the recognition criteria under NZ IFRS 15. Costs incurred in obtaining a contract are only capitalised to the extent they are incremental.

Contract balances

The following table provides information, about receivables, contract assets and contract liabilities from contracts with customers:

	31 Mar 2025 $'000	31 Mar 2024* (Restated) $'000
Trade receivables which are included in trade and other receivables	7,144	11,008
Contract assets	13,924	12,514
Contract liabilities	(4,312)	(4,228)

Significant changes in the contract assets and the contract liabilities during the period are as follows:

	2025 Contract assets	2025 Contract liabilities	2024 Contract assets	2024* Contract liabilities (Restated)
Revenue recognised that was included in the contract liability balance at the beginning of the period	-	4,228	-	3,210
Transfer from contract assets recognised at the beginning of the period to receivables	12,514	-	11,457	-

** Comparative information has been restated, refer Note 24.*

6.2 Operating expenditure	**2025 $'000**	**2024 $'000**
Cost of products sold	222,919	214,592
Employee benefit expense	191,229	180,812
Lease expenses	3,125	4,320
Other expenses	48,436	51,155
Audit fees	368	347
Other services provided by auditors	139	288
Directors' fees in respect of the Parent company	453	453
Directors' fees in respect of the subsidiary companies	309	254
Bad debts written off and movement in doubtful debt provision	286	(141)
	467,264	**452,080**
Auditor's remuneration to KPMG comprises:		
Annual audit of financial statements	351	322
Annual audit of financial statements – prior year	17	25
	368	**347**
Other services provided by auditors:		
Taxation services	139	143
Other services	-	145
	139	**288**

Taxation services relate to compliance and related services, and tax support.
Other services relates to a retail product category review.

7. Income tax expense

	Notes	2025 $'000	2024 $'000
Current tax expense		(8,391)	(6,877)
Deferred tax benefit	14	298	286
Total tax expense		**(8,093)**	**(6,591)**
Imputation credit account:			
Available for use in subsequent periods $24.6m (2024: $19.2m)			
Numerical reconciliation between tax expense and pre-tax accounting profit			
Profit before tax		28,836	22,420
Income tax expense at 28%		(8,074)	(6,278)
Deduct tax effects of adjustments:			
Other		(19)	(313)
		(8,093)	**(6,591)**

Taxation accounting policy

Income tax expense is charged to profit and loss and comprises current tax and deferred tax, unless it relates to an item recognised in other comprehensive income or equity in which case it is recognised in other comprehensive income or equity.

Current tax is the estimated tax payable on the current period's taxable income using current tax rates, adjusted for any under or over accrual in respect of prior periods.

Deferred tax is recognised using the balance sheet approach, allowing for temporary differences between the carrying amounts of assets and liabilities for accounting purposes and the carrying amounts for tax purposes. A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related benefit will be realised.

8. Earnings per share

The earnings per share and dividend per share is calculated using the Group's result divided by the weighted average number of shares for the listed entity, Green Cross Health Limited.

	2025 cents per share	2024 cents per share (Restated)
Basic earnings per share The calculation of basic earnings per share is based on the profit attributable to equity holders of the Parent and a weighted average number of ordinary shares issued during the year of 143,579,013 (2024: 143,431,640).	11.13	8.20
Diluted earnings per share The calculation of diluted earnings per share is based on the profit attributable to equity holders of the Parent and a weighted average number of ordinary shares issued during the year after adjustment for the effects of all dilutive ordinary shares of 143,890,735 (2024: 143,744,827).	11.10	8.18
Net tangible assets/(liabilities) per share The calculation of net tangible assets/(liabilities) per share is based on net assets/(liabilities) less deferred tax and intangible assets (refer Note 13 and Note 14) and the closing number of ordinary shares at the end of the year.	1.93	(5.48)
Net assets per share The calculation of net assets per share is based on net assets and the closing number of ordinary shares at the end of the year.	126.04	118.54

	2025 $'000	2024 $'000
Earnings per share - continuing operations		
Profit from continuing operations	20,743	15,829
Profit from continuing operations attributable to minority interests	(4,768)	(3,796)
Profit from continuing operations attributable to the ordinary equity holders of the Company used in calculating basic earnings per share	**15,975**	**12,033**

	2025 cents per share	2024 cents per share
Basic earnings per share - continuing operations	11.13	8.39
Diluted earnings per share - continuing operations	11.10	8.37

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9. Dividends

	2025 cents per share	2024 cents per share
Dividends per share	**4.50**	**34.00**

In December 2024, Green Cross Health Limited paid an interim dividend of 2.50 cents per qualifying ordinary share to shareholders, which was fully imputed to 28% (2023: 2.50 cents).

In June 2024, Green Cross Health Limited paid a final dividend of 2.00 cents per qualifying ordinary share to shareholders, which was fully imputed to 28% (2023: 3.50 cents).

In April 2023, Green Cross Health Limited paid a special dividend of 28.00 cents per qualifying ordinary share to shareholders, which was fully imputed to 28%.

10. Trade and other receivables

	2025 $'000	2024* (Restated) $'000
Trade receivables	7,144	11,008
Provision for doubtful debts	(1,967)	(1,748)
Contract assets	13,924	12,514
Accrued income	1,201	855
Other receivables and prepayments	2,422	2,920
	22,724	**25,549**
Other receivable - non-current asset	**2,448**	**2,693**

** Comparative information has been restated, refer Note 24.*

11. Property, plant and equipment

	2025 $'000	2024 $'000
Opening cost	90,804	90,164
Acquisitions through business combinations	268	644
Additions	4,980	6,440
Disposals	(8,570)	(2,600)
Assets written off	(282)	(3,844)
Closing cost	**87,200**	**90,804**
Opening accumulated depreciation	71,944	71,177
Acquisitions through business combinations	139	242
Depreciation for the period	4,734	6,181
Disposals	(8,340)	(2,225)
Assets written off	(189)	(3,431)
Closing accumulated depreciation	**68,288**	**71,944**
Closing book value	18,912	18,860
Work in progress	828	119
Total property, plant and equipment	**19,740**	**18,979**

Property, plant and equipment accounting policy

Property, plant & equipment owned by the Group consists primarily of leasehold improvements and is stated at cost less accumulated depreciation and any impairment losses. Property, plant & equipment acquired in stages is not depreciated until the asset is ready for its intended use.

Depreciation is provided on a straight-line basis on all property, plant & equipment components to allocate the cost of the asset (less any residual value) over its useful life or if it relates to assets in a leased premises, the life of the lease if shorter. The residual values and remaining useful lives of asset components are reviewed at least annually.

Current estimated useful lives of property, plant and equipment are between two and twelve years.

Subsequent expenditure is capitalised only if it is probable that future economic benefit associated with the expenditure will flow to the Group. All other costs are recognised in the profit and loss as expenditure when incurred.

Any resulting gain or loss on disposal of an asset is recognised in the profit and loss in the period in which the asset is disposed of.

Financials

12. Leases

As a lessee

The Group's leased assets include property leases for pharmacies, medical centres and support office. The lease terms of these leases typically range from 2 to 30 years (inclusive of any renewal options). Some leases provide for additional rent payments that are based on changes in CPI or market rental rates. The Group also leases motor vehicles and equipment, which typically run for a period of 3 to 5 years.

As a lessee, the Group recognises right-of-use assets and lease liabilities for the majority of its leases – i.e. these leases are on-balance sheet.

The carrying amounts of right-of-use assets and lease liabilities are as below:

Right-of-use assets	Property $'000	Motor Vehicles $'000	Equipment $'000	Total $'000
2025				
Balance as at 1 April 2024	95,583	217	1,284	97,084
Balance as at 31 March 2025	95,621	87	571	96,279
Depreciation	13,740	130	714	14,584
2024				
Balance as at 1 April 2023	87,617	348	833	88,798
Balance as at 31 March 2024	95,583	217	1,284	97,084
Depreciation	13,398	130	741	14,269

Additions to property of $4.9m (2024: $16.4m) and remeasurements of $8.8m (2024: $5.0m) have been made to right-of-use assets during the current year.

Low value leases of $3.4m (2024: $4.3m) have been expensed (under lease exemption).

12. Leases (continued)

Lease liabilities	Property $'000	Motor Vehicles $'000	Equipment $'000	Total $'000
2025				
Balance at 1 April 2024	**108,024**	**255**	**1,359**	**109,638**
Current liability	12,270	139	689	13,098
Non-current liability	95,754	116	670	96,540
Balance as at 31 March 2025	**109,943**	**116**	**670**	**110,729**
Current liability	11,955	116	670	12,741
Non-current liability	97,988	-	-	97,988
2024				
Balance at 1 April 2023	**97,983**	**376**	**919**	**99,278**
Current liability	12,312	121	592	13,025
Non-current liability	85,671	255	327	86,253
Balance as at 31 March 2024	**108,024**	**255**	**1,359**	**109,638**
Current liability	12,270	139	689	13,098
Non-current liability	95,754	116	670	96,540

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payment made. It is re-measured when there is:

- A change in future lease payments arising from a change in an index or rate; or
- A change in the estimate of the amount expected to be payable under a residual value guarantee; or
- Changes in assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised; or
- Any other change in the future lease payments or the lease term due to a lease modification that's not accounted for as a separate lease.

The Group has applied judgement to determine the lease term for some lease contracts in which it is a lessee that include renewal options. The assessment of whether the Group is reasonably certain to exercise such options impact the lease term, which significantly affects the amount of lease liabilities and right-of-use assets recognised.

Maturity analysis of contractual undiscounted cash flows	2025 $'000	2024 $'000
Less than one year	19,621	19,814
Two to five years	60,164	62,087
More than five years	75,569	88,759
	155,354	**170,660**

As a lessor

The Group sub-leases some of its properties. Income in relation to these subleases is $1.9m (2024: $1.7m). The right-of-use assets recognised from the head leases are measured at cost. The sub-lease contracts are classified as operating leases under NZ IFRS 16.

Maturity analysis of contractual undiscounted cash flows	**2025 $'000**	**2024 $'000**
Less than one year	611	983
Two to five years	1,247	1,405
More than five years	518	262
	2,376	**2,650**

13. Intangible assets

	Notes	**2025 $'000**	**2024 $'000**
Other intangible assets			
Opening costs		10,770	11,966
Acquisitions through business combinations		-	6
Additions		5	59
Disposals		(4,489)	(171)
Asset impairment		-	(1,090)
Closing cost		**6,286**	**10,770**
Opening accumulated amortisation		8,440	9,452
Acquisitions through business combinations		-	1
Amortisation for the period		36	73
Disposals		(4,333)	(8)
Asset impairment		-	(1,078)
Closing accumulated amortisation		**4,143**	**8,440**
Closing book value		**2,143**	**2,330**
Goodwill			
Opening costs		163,607	152,516
Other acquired goodwill	5	-	1,388
Additions	5	815	9,994
Disposals		(618)	(291)
Closing cost		**163,804**	**163,607**
Total intangible assets		**165,947**	**165,937**

Intangible assets accounting policy

Intangible assets recognised by the Group are stated at cost less accumulated amortisation and any impairment losses with the exception of goodwill (see below).

Intangible assets acquired in stages are not amortised until the asset is ready for its intended use.

Other intangible assets represent franchisee store rebranding costs and have an indefinite life.

Subsequent expenditure is capitalised if future economic benefit will flow to the Group and the requirements of the standard are met. All other costs are recognised in the profit and loss as expenditure when incurred.

13. Intangible assets (continued)

Any resulting gain or loss on disposal of an intangible asset is recognised in the profit and loss in the period in which the intangible asset is disposed.

Intangible assets disclosed in the financial statements relate to trademarks and other indefinite life intangible assets. Indefinite life intangible assets are tested annually for impairment.

Goodwill accounting policy

Goodwill arises on the acquisition of businesses. Goodwill represents the excess of the purchase consideration over the fair value of the net identifiable tangible and intangible assets at the time of acquisition.

Goodwill is allocated to the relevant cash generating units (CGU) expected to benefit from the acquisition and tested for impairment annually, or earlier at any interim reporting dates if there are indicators of impairment.

The value of each CGU is determined by its value in use. If the recoverable amount is less than the carrying amount of the CGU then an impairment loss is recognised in profit and loss and the carrying amount of the asset is written down.

The relative value of the goodwill allocated to the relevant cash generating unit is included in the determination of any gain or loss on disposal.

Impairment testing

Discounted cash flow (DCF) models have been based on three-year forecast cash flow projections. The budget for the year-ending 31 March 2026 is the basis for the first year's projections and projections for subsequent periods have been based on this plus growth. Terminal cash flows are projected to grow in line with the New Zealand long-term inflation rate.

The discount rate was a post-tax measure (discount rate pre-tax 12.80%) based on the rate of 10-year government bonds issued by the government in the relevant market and in the same currency as the cash flows, adjusted for a risk premium to reflect both the increased risk of investing in equities generally and the systematic risk of the specific CGU.

Impairment test assumptions 2025	Pharmacy services	Medical services
Discount rate – post tax	9.97%	9.97%
Terminal growth rate	2.30%	2.30%
Carrying amount of goodwill allocated to the unit ($'000)	86,888	76,916
Carrying value of other intangible assets with indefinite useful lives ($'000)	2,048	-

Impairment test assumptions 2024	Pharmacy services	Medical services
Discount rate – post tax	9.69%	9.69%
Terminal growth rate	3.50%	3.50%
Carrying amount of goodwill allocated to the unit ($'000)	86,637	76,970
Carrying value of other intangible assets with indefinite useful lives ($'000)	2,048	-

For the purpose of impairment testing, goodwill is allocated to the Group's operating divisions which represent the lowest level within the Group at which the goodwill is monitored for internal management purposes. Goodwill is allocated across all operations within a division that have similar economic characteristics and collectively benefit from acquisitions that increase the Group's portfolio.

Sensitivities

No impairment was identified for Pharmacy Services and Medical Services as a result of this review, nor under any reasonable possible change, in any of the key assumptions described above.

14. Deferred tax asset

The movement in deferred tax asset and liability during the year is made up of the following:

	Opening $'000	Net additions $'000	Recognised in profit and loss $'000	Closing $'000
Group – 2025				
Property, plant and equipment	2,926	-	326	3,252
Provisions and accruals	3,127	-	(91)	3,036
Tax losses	2,541	-	(486)	2,055
Right-of-use assets	(27,184)	(3,826)	4,052	(26,958)
Lease liabilities	30,567	3,826	(3,503)	30,890
	11,977	**-**	**298**	**12,275**
Group – 2024				
Property, plant and equipment	3,037	-	(111)	2,926
Provisions and accruals	2,941	-	186	3,127
Tax losses	2,779	-	(238)	2,541
Right-of-use assets	(24,863)	(6,303)	3,982	(27,184)
Lease liabilities	27,797	6,303	(3,533)	30,567
	11,691	**-**	**286**	**11,977**

15. Equity accounted group investments

	Notes	2025 $'000	2024 $'000
The movement in equity accounted investments comprises:			
Opening carrying amount		6,816	7,147
Investment in associates and joint ventures		127	323
Share of net earnings		1,590	1,198
Dividends	22	(1,075)	(1,852)
		7,458	**6,816**
There are no individually material associates or joint ventures.			
Amount of goodwill within the carrying amount of equity accounted group investments:			
Opening carrying amount		1,366	1,366
Closing carrying amount		**1,366**	**1,366**

Summary associate and joint venture financial information

The aggregate results of the associates and joint venture financial position and current year's profit are as follows:

	Assets $'000	Liabilities $'000	Revenue $'000	Net profit after tax $'000
As at and for the year ended 31 March 2025	14,809	6,202	56,333	3,541
As at and for the year ended 31 March 2024	12,749	5,463	44,322	3,169

15. Equity accounted group investments (continued)

Investments in associates and joint ventures accounting policy

An associate is an investee over which the Group has significant influence, which is the power to participate in the financial and operating policy decisions of the investee but not to control or jointly control those policies.

A joint venture is a joint arrangement in which the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Joint control is the contractually agreed sharing of control of the arrangement which only exists when a decision about the relevant activities require the unanimous consent of the parties sharing control.

The results and assets and liabilities of associates and joint ventures are incorporated into the financial statements of the Group using the equity method of accounting. Under the equity method, the initial investment in the Group financial statements is measured at cost and adjusted thereafter for the Group's share of profit and loss and other comprehensive income of the associate and joint venture. Any goodwill arising on the acquisition of an associate or joint venture investment is included in the carrying amount of the investment net of dividends received. Where the Group's share of losses of the associate or joint venture exceeds the Group's interest in that associate or joint venture, the Group discontinues recognising its share of losses unless it has a legal or constructive obligation to continue doing so. The equity method is discontinued where the Group ceases to exert significant influence or joint control over the investee.

Accounting policies adopted by associates and joint ventures are generally consistent with those of the Group. Where a material difference does exist, appropriate adjustments are applied to ensure congruence with the policies of the Group, the most significant of these being the recognition of deferred tax.

16. Trade and other payables and income taxes payable

	2025 $'000	2024* (Restated) $'000
Trade payables	35,452	32,429
Payable to non-controlling interest	4,503	4,518
Contract liabilities	4,312	4,228
Accrued expenses	15,473	16,520
Employee entitlements	9,648	9,608
	69,388	**67,303**
Income taxes payable	**685**	**937**

Employee entitlements accounting policy

Employee entitlements for salaries, bonuses, long service, alternate and annual leave are provided for and recognised as a liability when benefits are earned by employees but not paid at the reporting date.

** Comparative information has been restated, refer Note 24.*

17. Borrowings

	2025 $'000	2024 $'000
Current	1,855	2,573
Non-current	22,581	32,372
	24,436	**34,945**

The Group's primary lenders are BNZ and Bank of China (the lenders).

The Group's interest rate on outstanding loans is calculated based on BKBM or cost of funds plus a margin. The current interest rate is between 4.84% and 7.74% (2024: 6.59% - 9.72%). A 0.5% increase/decrease in the effective interest rate would result in a decrease/increase in after tax profit and equity of $87,970.

Green Cross Health Limited and all its wholly-owned subsidiaries provided guarantees and indemnities in favour of the lenders covering all loans held by the Parent company. Loans provided by BNZ to partnership subsidiaries are covered by a General Security Agreement over the individual business assets.

At balance date, the Group has undrawn banking facilities of $42.0m (2024: $32.5m). The debt facilities held with both BNZ and Bank of China mature in December 2027.

Borrowings and advances accounting policy

Borrowings are initially recognised at fair value, including directly attributable transaction costs. Subsequent to initial recognition, borrowings are measured at amortised cost using the effective interest method.

18. Operating cash flow reconciliation

	2025 $'000	2024 $'000
Profit for the year	20,743	15,553
Add non-cash items:		
Depreciation, amortisation and impairment	19,361	21,239
Other non-cash items	143	1,288
Add changes in working capital:		
Receivable and accruals movement	3,070	675
Inventory	(2,722)	1,516
Payable and accruals movements	2,085	(2,561)
Tax movement	(550)	(2,221)
Add items classified as cash flows from investing and financing activities:		
Loss on disposal of Community Health division	-	276
Interest expense	2,137	2,467
Interest expense - leases	8,374	7,725
Net cash inflow from operating activities	**52,641**	**45,957**

19. Shares on issue

	2025 '000	2024 '000
Shares authorised and on issue		
Opening number of shares	143,462	143,285
Shares issued – fully paid	141	177
Shares issued – partly paid	-	-
Shares cancelled – partly paid	-	-
	143,603	**143,462**
Shares held as treasury stock	-	-
Performance share rights	440	367
	144,043	**143,829**

All ordinary shares carry equal rights in terms of voting, dividend payments and distribution upon winding up.

Share capital

Incremental costs directly attributable to the issue of ordinary shares, share options and share capital are recognised as a deduction from equity.

20. Share-based payments

Performance Share Rights

Performance Share Rights (PSRs) were offered to some senior executives, commencing 1 April 2019. Under the scheme PSRs are issued to participants which give them the rights to receive ordinary shares in the Company after a three year period, subject to certain vesting and other conditions being met. The fair value is measured at grant date and amortised over the vesting period. The vesting of the PSRs is subject to the Company achieving performance hurdles relating to the growth of its earnings per share and return on capital employed over a three year measurement period. There is no exercise price for these performance rights and there is no right to dividends during the vesting periods.

Vesting is contingent upon audited financial statements, therefore PSRs which meet the vesting criteria will vest in the financial year following the end of the PSR period.

The shares granted during the current financial period have a fair value of $214,800 (2024: $220,000) which is calculated using the weighted average price of shares through the NZX over the one month period prior to the date of the Company's results announcement for the financial year ended 31 March 2024 (2024: 31 March 2023).

The total expense recognised in the year to 31 March 2025 in relation to the PSRs was $174,267 (2024: $100,000). 141,509 PSRs were vested during the year.

PSRs granted are summarised as below:

Grant Date	PSR Period	PSRs granted	PSRs vested	PSRs forfeited	PSRs end of period
28/06/2021	01/04/2021 - 31/03/2024	188,679	(141,509)	(47,170)	-
27/06/2022	01/04/2022 - 31/03/2025	167,338	-	(53,244)	114,094
26/06/2023	01/04/2023 - 31/03/2026	148,677	-	(37,169)	111,508
27/11/2024	01/04/2023 - 31/03/2026	5,947	-	-	5,947
27/11/2024	01/04/2024 - 31/03/2027	207,965	-	-	207,965
Total		**718,606**	**(141,509)**	**(137,583)**	**439,514**

21. Financial instruments

The Group is party to financial instruments as part of its normal operations. Financial instruments include cash and cash equivalents, borrowings, trade and other receivables and trade and other payables.

Financial instruments are initially recognised at their fair value less transaction costs, and subsequently measured at their amortised cost. A financial instrument is recognised if the Group becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Group's contractual rights to the cash flows from the financial assets expire or if the Group transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset. Financial liabilities are derecognised if the Group's obligations specified in the contract expire or are discharged or cancelled.

Financial assets and financial liabilities are recognised at amortised cost.

Risk management policies are used to mitigate the Group's exposures to credit risk, liquidity risk and market risk that arise in the normal course of operations.

Credit risk

The Group's maximum credit risk resulting from a third party defaulting on its obligations to the Group is represented by the carrying amount of each financial asset on the statement of financial position. The Group is not exposed to any material concentrations of credit risk other than its exposure within the retail pharmacy and government sectors. The Group monitors credit limits on a monthly basis. All credit facilities to external parties are provided on normal trade terms (unsecured, to a maximum of 45 days). At any one time, the Group generally has amounts owed to and amounts owed by the same counterparty, although no legal right of set-off exists. The Parent company holds direct debit authorities for amounts payable under the contractual terms of its franchise agreements. The Parent regularly monitors the credit ratings issued, and any qualifications to those ratings, to the financial institutions (and those of the ultimate parent financial institution) used by the Group.

The status of trade receivables and contract assets at reporting date as follows:

Trade receivables and contract assets	Gross receivable 2025 $'000	Impairment 2025 $'000	Gross receivable 2024 $'000	Impairment 2024 $'000
Not past due	24,088	-	24,994	-
Past due 0 - 30 days	640	-	1,329	-
Past due 31-120 days	1,114	(700)	1,919	-
Past due more than 120 days	1,297	(1,267)	1,748	(1,748)
Total	**27,139**	**(1,967)**	**29,990**	**(1,748)**

The Group's exposure to credit risk for trade receivables, which includes contract assets with the government is influenced mainly by the individual characteristics of each customer. The creditworthiness of a customer or counterparty is determined by a number of qualitative and quantitative factors. Qualitative factors include external credit ratings (where available), payment history and strategic importance of customer or counterparty. Quantitative factors include transaction size, net assets of customer or counterparty, and ratio analysis on liquidity, cash flow and profitability.

The Group's cash balances is held with a number of banks with the level of exposure to credit risk considered minimal with low levels of cash held.

21. Financial instruments (continued)

Liquidity risk

Liquidity risk represents the Group's ability to meet its contractual obligations. The Group evaluates its liquidity requirements on an ongoing basis. In general, the Group generates sufficient cash flows from its operating activities to meet its obligations arising from its financial liabilities and has credit lines in place to cover potential shortfalls. The following table sets out the contractual cash flows for financial liabilities that are settled on a gross cash flow basis:

	Carrying value $'000	Contractual cash flows $'000	Less than one year $'000	Between one year and two years $'000	Between two years and five years $'000
2025					
Borrowings	24,436	27,685	2,847	2,490	22,348
Trade and other payables	55,428	55,428	55,428	-	-
Total non-derivative liabilities	**79,864**	**83,113**	**58,275**	**2,490**	**22,348**
2024					
Borrowings	34,945	39,933	2,727	3,480	33,726
Trade and other payables	53,467	53,467	53,467	-	-
Total non-derivative liabilities	**88,412**	**93,400**	**56,194**	**3,480**	**33,726**

Market Risk

Refer to note 17 for details of the interest rates for the Group loans and borrowings, which are the most significant financial instruments.

Capital management

The Group's capital includes share capital and retained earnings. The Group is not subject to any externally imposed capital requirements.

The allocation of capital between its specific business segments' operations and activities is, to a large extent, driven by the optimisation of the return achieved on the capital allocated. The process of allocating capital to specific business segment operations and activities is undertaken independently of those responsible for the operation.

The Group's policies in respect of capital management and allocation are reviewed regularly by the Board of Directors.

The carrying amount of the Group's on-balance sheet financial instruments including trade and other receivables, cash and cash equivalents, borrowings and trade payables, closely approximate their fair values as at 31 March 2025 and 31 March 2024. The assessment of fair value relating to borrowings was determined by reference to observable market data (level 2).

22. Related parties

The Group has commercial franchise agreements with stores relating to marketing levies and franchise fees. The Group also enters into transactions on behalf of the stores which are on-charged. These transactions comprise items such as training courses, supplier agreements, central advertising campaigns, loyalty card costs, and IT related costs. The Parent performs business support services, based on agreed terms, for some of the stores and medical centres.

The Parent has shareholder agreements with the other shareholders of the associates. The agreements set out the return on investment/profit sharing arrangements relating to these investments.

Related party transactions for the group	Transaction value		Balance outstanding	
	2025 $'000	2024 $'000	2025 $'000	2024 $'000
Franchise fees and on-charged costs to equity accounted investments	176	178	23	23
Management service charges and on charged costs to equity accounted investments	1,048	1,108	79	248
Dividend income	1,075	1,852	-	-
Costs paid to equity accounted investments	(39)	(35)	-	-
Receivable from other related parties	-	-	3,198	3,220

Key management personnel remuneration

The Group provides compensation to key management personnel which comprises the Directors, the Group CEO and the CFO. Key management compensation comprised:

	2025 $'000	2024 $'000
Remuneration and Directors fees	1,532	1,559
Short term employee benefits	315	73
Long term incentives (Note 20)	174	100
	2,021	**1,732**

23. Subsequent events

On 28 May 2025, Green Cross Health Limited declared a final dividend of 2.75 cents per qualifying ordinary share amounting to $3.9m, which will be fully imputed at 28%. The dividend record date is 6 June 2025 and payment will occur on 23 June 2025.

No adjustment is required to these consolidated financial statements in respect of these events.

24. Prior period restatement

Following the enhancement of reporting, an error was identified in determining the value of contract liabilities. The error related to the activity data used in the calculation of the contract liabilities being overstated. This resulted in a prior period restatement to adjust the balance of contract liabilities.

The following tables reconcile the impact on key line items in the Group's statement of financial position from restatements. There is no impact on the Group's statement of comprehensive income and statement of cash flows.

	As at 1 April 2023 Audited $'000	Adjustments $'000	As at 1 April 2023 Restated $'000
Consolidated statement of financial position			
Total assets	**401,007**	**-**	**401,007**
Trade payables and accruals	74,656	(4,792)	69,864
Income taxes payable	1,531	1,341	2,872
Others	122,815	-	122,815
Total liabilities	**199,002**	**(3,451)**	**195,551**
Retained earnings	100,065	3,451	103,516
Others	101,940	-	101,940
Total equity	**202,005**	**3,451**	**205,456**

	As at 31 March 2024 Audited $'000	Adjustments $'000	As at 31 March 2024 Restated $'000
Consolidated statement of financial position			
Income taxes refundable	404	(404)	-
Others	382,882	-	382,882
Total assets	**383,286**	**(404)**	**382,882**
Trade payables and accruals	72,095	(4,792)	67,303
Income taxes payable	-	937	937
Others	144,583	-	144,583
Total liabilities	**216,678**	**(3,855)**	**212,823**
Retained earnings	62,875	3,451	66,326
Others	103,733	-	103,733
Total equity	**166,608**	**3,451**	**170,059**


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Governance

Group entities

For the year ended 31 March 2025

The current Green Cross Health Limited group structure comprises 160 companies.
The group entities are as follows:

Legal Parent	Holding %	Activity
Green Cross Health Limited		Franchisor and Investment
Controlled entities		
280 Queen Street (2005) Limited	43.9	Pharmacy
Albany Pharmacy Limited	49.0	Non-trading
Alexandra Pharmacy (2013) Limited	48.5	Pharmacy
Amcal Chemists (N.Z.) Limited	100.0	Non-trading
Apollo Medical Limited	100.0	Medical Centre
Apollo Pharmacy (2014) Limited	49.6	Pharmacy
Bay of Plenty Pharmacies Limited	100.0	Non-trading
Bayfair Pharmacy (2010) Limited	48.6	Pharmacy
Bayfair Pharmacy Limited	100.0	Non-trading
Baymed Group (2013) Limited	100.0	Medical Centre
Birkenhead Pharmacy (2011) Limited	48.5	Pharmacy
Botany Downs Pharmacy Limited	25.0	Pharmacy
Browns Bay Pharmacy (2018) Limited	48.5	Pharmacy
Cambridge Pharmacies 2020 Limited	49.0	Pharmacy
Care Chemist Limited	100.0	Non-trading
Care Chemist Pakuranga (2008) Limited	49.0	Pharmacy
Centre City Pharmacy (2004) Limited	46.4	Pharmacy
Chemist Express Limited	49.0	Pharmacy
Chemists (N.Z) Limited	100.0	Non-trading
Christchurch Pharmacy (2015) Limited	49.0	Pharmacy
Coastlands Pharmacy (2018) Limited	100.0	Non-trading
Darfield Medical Centre Limited	45.0	Medical Centre
Davies Corner Pharmacy Limited	25.0	Pharmacy
Discovery Pharmacy (2016) Limited	49.0	Pharmacy
Dispensaryfirst Limited	100.0	Non-trading
Drury Surgery Limited	100.0	Medical Centre
Endeavour Pharmacy (2016) Limited	49.0	Pharmacy
Fairfield Medical Limited	70.0	Medical Centre
Fred Thomas Pharmacy (2015) Limited	49.0	Pharmacy
Gain Health Centre Limited	50.0	Medical Centre
Glenfield Mall Pharmacy Limited	48.5	Pharmacy
Green Cross Health Direct Limited	100.0	Non-trading
Green Cross Health Distribution Limited	100.0	Non-trading
Green Cross Health Investments Limited	100.0	Non-trading
Green Cross Health Medical Limited	100.0	Investment
Green Cross Health Medical Solutions Limited	100.0	Services to medical centres
Green Cross Health Primary Limited	100.0	Medical Centre
Green Cross Health Workplace Limited	100.0	Health Services
Guthries Pharmacy Limited	49.0	Non-trading

Controlled entities	Holding %	Activity
Harbour City Pharmacy (2011) Limited	48.7	Pharmacy
Hastings Pharmacy (2013) Limited	49.5	Pharmacy
Hawkes Bay Pharmacies Limited	49.0	Pharmacy
Helensville Pharmacy (2008) Limited	48.5	Pharmacy
High Street Health Hub Limited	100.0	Medical Centre
Highland Park Pharmacy (2009) Limited	48.5	Pharmacy
Hurstmere Pharmacy (2008) Limited	49.0	Pharmacy
Hutt Valley Pharmacies 2014 Limited	48.5	Pharmacy
J-Mall Pharmacy Limited	49.0	Pharmacy
Karori Pharmacies (2020) Limited	49.6	Pharmacy
Knox Pharmacy 2010 Limited	48.5	Pharmacy
Lake Taupo Pharmacy (2008) Limited	48.5	Pharmacy
Levin Pharmacy (2005) Limited	100.0	Non-trading
Levin Pharmacy (2021) Limited	49.0	Pharmacy
Life Pharmacy Albany Limited	49.0	Pharmacy
Life Pharmacy Centre Place (2009) Limited	100.0	Non-trading
LPL Pharmacy Investments Limited	100.0	Non-trading
Life Pharmacy Sylvia Park Limited	49.0	Pharmacy
Life Pharmacy Trustee Company Limited	100.0	Non-trading
Life Pharmacy Wall Street Dunedin Limited	49.1	Pharmacy
Manawatu Pharmacies Limited	49.0	Pharmacy
Manners Pharmacy (2016) Limited	49.0	Non-trading
Manukau Pharmacy (2011) Limited	49.1	Pharmacy
Marshlands Family Health Centre Limited	100.0	Medical Centre
Medplus Lake Road Limited	100.0	Medical Centre
Moorhouse Pharmacy 2003 Limited	25.0	Pharmacy
Motueka Medical (2013) Limited	100.0	Medical Centre
Napier X Ray Limited	44.0	Medical Centre
Neptune Pharmacy (2017) Limited	49.0	Pharmacy
New Lynn Pharmacy (2015) Limited	48.8	Pharmacy
New Plymouth Pharmacy (2015) Limited	25.0	Pharmacy
Northlands Pharmacy (2003) Limited	49.6	Pharmacy
Onehunga Medical 2012 Limited	100.0	Medical Centre
Onehunga Medical Pharmacy (2022) Limited	49.6	Pharmacy
Onerahi Pharmacy Limited	25.0	Pharmacy
Palms Pharmacy (2013) Limited	49.0	Pharmacy
Parklands Pharmacy (2015) Limited	49.0	Pharmacy
Peak Primary Limited	100.0	Non-trading
Pharmacy 277 Limited	49.1	Pharmacy
Pharmacy B102 Limited	48.5	Pharmacy
Pharmacy G101 Limited	49.0	Pharmacy

Group entities

(continued)

Controlled entities	Holding %	Activity
Pharmacy J104 Limited	100.0	Non-trading
Pharmacy K103 Limited	49.0	Pharmacy
Pharmacy L105 Limited	100.0	Non-trading
Pharmacy Management Limited	100.0	Investment
Pharmacy N106 Limited	49.0	Pharmacy
Pharmacy Store Holdings Limited	100.0	Investment
Pharmacybrands Limited	100.0	Non-trading
Pharmacybrands On-line Limited	100.0	Non-trading
Plimmer Steps Pharmacy (2018) Limited	49.0	Non-trading
Queen Street Pharmacy (2015) Limited	49.0	Non-trading
Radius Medical Limited	100.0	Non-trading
Radius Medical Solutions Limited	100.0	Non-trading
Radius Medical Whakatane Properties Limited	100.0	Non-trading
Radius Pharmacy Greenmeadows Limited	49.0	Pharmacy
Radius Pharmacy Limited	100.0	Franchisor and Investment
Radius Pharmacy Napier Limited	48.8	Pharmacy
Radius Pharmacy Riccarton Limited	49.5	Pharmacy
Radius Pharmacy Te Rapa Limited	48.8	Pharmacy
Radius Pharmacy Upper Hutt Limited	49.5	Pharmacy
Radius Pharmacy Waikanae Limited	48.5	Pharmacy
Radius Pharmacy Wanganui Limited	49.1	Pharmacy
Radius Ti Rakau Limited	100.0	Medical Centre
Riccarton Mall Pharmacy 2000 Limited	49.0	Pharmacy
Richmond Health Centre Limited	100.0	Medical Centre
Richmond Road Medical Centre Limited	100.0	Medical Centre
Royal Oak Post Shop Limited	37.7	Non-trading
RPG Medicine Management Limited	49.0	Pharmacy
Russell Street Pharmacy Hastings (2015) Limited	48.5	Pharmacy
Shirley Pharmacy Limited	100.0	Non-trading
Shore City Pharmacy (2010) Limited	48.5	Pharmacy
Shore City Pharmacy Limited	100.0	Non-trading
Silverstream Health Centre Limited	100.0	Medical Centre
Smart Pharmacy Limited	100.0	Non-trading
St Heliers Health Centre Limited	75.0	Medical Centre
St Lukes Pharmacy Holdings Limited	49.0	Pharmacy
Stokes Valley Pharmacy (2009) Limited	48.5	Pharmacy
Sunset Family Doctors Servco Limited	100.0	Medical Centre
The Doctors (Coastcare) Limited	100.0	Medical Centre
The Doctors (Hastings) Limited	71.2	Medical Centre
The Doctors (Huapai) Limited	100.0	Non-trading
The Doctors Normans Road Limited	100.0	Non-trading
The Doctors (Massey Medical) Limited	100.0	Medical Centre
The Doctors (Napier) Limited	44.0	Medical Centre

Controlled entities	Holding %	Activity
The Doctors Papakura Limited	100.0	Medical Centre
The Doctors (New Lynn) Limited	53.7	Medical Centre
The Doctors (Whangaparaoa) Limited	100.0	Medical Centre
The Doctors Whakatipu Limited	75.0	Medical Centre
Total Health Doctors Limited	100.0	Medical Centre
Tower Junction Pharmacy Limited	48.5	Pharmacy
Trident Pharmacy (2017) Limited	49.0	Pharmacy
Upper Hutt Health Centre Pharmacy Limited	25.0	Pharmacy
Upper Riccarton Pharmacy Limited	100.0	Non-trading
Waihi Medical Centre Limited	100.0	Medical Centre
Waimauku Doctors Limited	100.0	Medical Centre
Waiuku Medical Pharmacy (2010) Limited	48.5	Pharmacy
Waiuku Pharmacy (2005) Limited	100.0	Non-trading
Waiuku Pharmacy (2016) Limited	48.5	Pharmacy
Walls & Roche Royal Oak Pharmacy Limited	37.7	Pharmacy
Wellington Pharmacy (2016) Limited	49.0	Pharmacy
West City Pharmacy (2010) Limited	48.5	Pharmacy
Whakatane Pharmacies 2021 Limited	49.4	Pharmacy
Willis Street Pharmacy Limited	25.0	Pharmacy
Woodham Road Healthcare Limited	100.0	Medical Centre
Joint venture entities		
Pharmacies Instore Limited	50.0	Non-trading
Associate entities		
Accident and Medical Centre Quaymed Limited	22.3	Medical Centre
Albany Family Medical Centre Limited	50.0	Medical Centre
Aramoho Health Centre Limited	30.9	Medical Centre
Brookfield Pharmacy 2024 Limited	24.4	Non-trading
Bester McKay Family Doctors Limited	25.0	Medical Centre
Huapai Pharmacy (2017) Limited	25.1	Pharmacy
Katikati Pharmacies 2024 Limited	24.4	Non-trading
Mount Wellington Family Health Centre Limited	33.3	Medical Centre
Pilldrop Software Limited	25.0	Pharmacy
Plimmerton Medical Centre Limited	25.0	Medical Centre
Te Puna Manawa O Tarawera (GP) Limited	25.0	Medical Centre
Team Medical at Kapiti Limited	48.8	Medical Centre
The Doctors (Green Lane) Limited	30.0	Medical Centre
The Doctors (Mangere) Limited	33.9	Medical Centre
Vercoe Brown & Associates Limited	50.0	Medical Centre
Investments		
Unichem Export Limited	1.0	Wholesale

Governance

Board of Directors

As at 31 March 2025

John (Andrew) Bagnall, Non-Executive Director

Andrew Bagnall holds a Commerce Degree from Otago University and a MBA from Michigan State University. Andrew was a significant investor in Life Pharmacy Limited and following the merger with Pharmacybrands Limited (later renamed Green Cross Health Limited) has continued to hold a shareholding in the merged entity.

In Andrew's earlier career, he was a leading figure in the New Zealand travel industry establishing and managing Gullivers Travel Group which became the major distributor of wholesale and retail travel services in New Zealand. Gullivers Travel Group was eventually listed on the New Zealand and Australian stock exchanges (ASX) and was subsequently sold to ASX listed S8. Andrew was also involved in co-developing one of New Zealand's first commercial retirement villages. Andrew now runs his own private investment company, Segoura, which manages investments in various businesses. Andrew is also a Director of PowerShield Limited and he maintains a keen interest in sports car racing.

Andrew was appointed as a Non-Executive Director of the Company in August 2009.

John Bolland, Non-Executive Director

John Bolland has more than 25 years' experience in private equity, senior management and corporate finance. This includes 14 years with Ernst & Young, where he had Partner level responsibility in Corporate Finance and Audit & Business Advisory. John holds a Bachelor of Commerce from the University of Auckland and is a Member of Chartered Accountants Australia & New Zealand and a Harvard Allumni. John is also a Director of PowerShield Limited and Stellar Library GP Limited.

John was appointed as a Non-Executive Director of the Company in August 2009.

Craig Brockliss, Non-Executive Director

Craig Brockliss is currently CEO of the Wilton Capital Group of companies and has more than 20 years' experience in business, property and private equity investing. Wilton has significant investment interests in New Zealand, the United States and in the United Kingdom.

Wilton Capital has its origins in the pharmaceutical logistics markets in New Zealand and Australia before diversifying into other investments in 2001. Wilton is currently the third largest shareholder in Green Cross Health.

Craig holds a Bachelor of Commerce and a Bachelor of Laws from the University of Auckland and worked for Ernst and Young prior to joining the Wilton Group in 2001.

Craig was appointed as a Non-Executive Director of the Company in April 2022.

Kim Ellis, Chair

During his business career Kim had wide Chief Executive experience and was best known for his 13 years at the helm of Waste Management NZ Ltd, culminating in the company's sale in 2006. During his tenure he led 40 acquisitions and built a successful business in Australia.

Earlier roles encompassed a number of market sectors including health, manufacturing, distribution, transport, property, agriculture and fashion. Since 2006 Kim has been active in governance and is currently Chair of New Zealand Social Infrastructure Fund Limited and consultant to Envirowaste Services. Kim holds first class honours degrees in Chemical Engineering and Economics.

Kim was appointed as Independent Chair of the Company in December 2019.

Ken Orr, Independent Director

Ken Orr has had over 30 years as a community pharmacist and is currently a partner in a group of pharmacies in Northland and a Director of North Haven Hospice. Ken was a former President of the NZ Pharmacy Guild, which represents the business interests of community pharmacies. Ken was a forming Director of Manaia PHO and now serves on the Audit, Risk & Finance Committee of Mahitahi Hauora that leads primary health care in Northland.

Ken joined the Board in September 2009 as an alternate Director and was appointed as an Independent Director of the Company in March 2012.

Peter Merton, Non-Executive Director

Peter Merton, an Otago University Pharmacy graduate, has been involved in the pharmaceutical industry in New Zealand and overseas since the early 1980s.

His involvement with the Company goes back to the late 1990s, and he played an active part in the initial industry consolidation when Amcal and Unichem brands merged to form Pharmacybrands Limited, later renamed Green Cross Health Limited.

Following the merger of Life Pharmacy Limited (LPL) with Pharmacybrands Limited in 2009 Peter assumed the role of Chair of the Group, a role he held until December 2019 when he became a Non-Executive Director. He is also a significant shareholder in the Company through his interest in Cape Healthcare Limited. Peter has previously held the roles of Chief Executive of the Propharma/Healthcare Logistics businesses and Director of EBOS Group Limited.

Carolyn Steele, Independent Director

Carolyn Steele is a Director of WEL Networks Limited, Oriens Capital GP 2 Limited, Property for Industry, ANZ Bank New Zealand Limited and Vulcan Steel Limited. Until 2016, Carolyn was a Portfolio Manager at Guardians of New Zealand Superannuation, the Crown entity managing the New Zealand Superannuation Fund. Prior to joining the Guardians in 2010, Carolyn spent ten years in investment banking at Forsyth Barr and Credit Suisse/First NZ Capital.

Carolyn was appointed as an Independent Director of the Company in June 2017.


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Corporate governance

For the year ended 31 March 2025

Corporate governance and the role of the Board of Directors

The Board understands the importance of good corporate governance in maximising the value of the Company. Accordingly, the Board is working to ensure compliance with applicable regulatory requirements and best practice, including the NZX Corporate Governance Code.

The Board is responsible for the strategic direction and objectives of the Company and sets the policy framework within which Green Cross Health must operate. The Group CEO is appointed by the Board and has delegated authority for the day-to-day operations of Green Cross Health.

NZX Corporate Governance Code

The Company has reviewed the NZX Corporate Governance Code dated 31 January 2025 and is in compliance with the majority of its recommendations.

Compliance with the Principles of the Code is as follows:

Principle 1: Ethical standards

Directors should set high standards of ethical behaviour, model this behaviour and hold management accountable for these standards being followed throughout the organisation.

The Company has established a Code of Ethics to govern its conduct. The code addresses ethical issues, establishes compliance standards and procedures, provides mechanisms to report unethical behaviour and provides for disciplinary actions. The Code of Ethics is available on the Company's website (www.greencrosshealth.co.nz/governance).

The Company has procedures in place to ensure that gifts received by employees and Directors do not result in inappropriate influence on decision making, and that conflicts of interest are disclosed and managed.

The Board has adopted a Protected Disclosure Policy to ensure that people can raise concerns regarding actual or suspected wrongdoing with regard to ethical, clinical, professional and legal standards without fear of reprisal or feeling threatened by doing so.

The Board has issued guidelines to prevent insider trading to all Directors, deemed Directors, officers and other restricted persons of Green Cross Health. All Directors, deemed Directors, officers and other restricted persons of Green Cross Health must formally apply to the CFO for consent to trade the Company's securities before undertaking any sales or purchases. The Board reviews all consents granted at each Board meeting. The Directors, deemed Directors, officers and other restricted persons of Green Cross Health are obliged to complete and submit disclosure notices to the NZX within five days of any trades being settled.

Key policies are published on the Company's website in addition to being available on the Company's intranet for employees to access and included in employee induction.

The Company did not make donations to any political party in the year.

Principle 2: Board composition and performance

To ensure an effective Board, there should be a balance of independence, skills, knowledge, experience and perspectives.

Board charters and management responsibility

The Board operates under a written Charter and delegates authority to senior management, including the Group CEO to run the day-to-day operations of the Company.

NZX Corporate Governance Code (continued)

Principle 2: Board composition and performance (continued)

Director terms of appointment

The Company has signed written terms of appointment for all Directors. New Directors are provided terms of appointment as they are appointed. Directors are not required to hold shares in the Company as part of their appointment.

Board composition and structure

As at 31 March 2025, the Company's Board structure consisted of four Directors associated with the three major shareholders (who collectively hold 73% of the Company) and three independent Directors, including an independent Chair.

The non-independent Directors associated with the three major shareholders are John (Andrew) Bagnall, Peter Merton, John Bolland and Craig Brockliss. As at 31 March 2025, the independent Directors were Kim Ellis, Ken Orr and Carolyn Steele. The factors listed in table 2.4 of the NZX Corporate Governance Code were considered in determining Director independence. None of those factors applied to Kim Ellis or Carolyn Steele. While Ken Orr has served on the Board since 2009 (over 12 years) and is a franchise partner, the Board has carefully considered the effect of his tenure and business relationship on his independence and determines he remains independent. He brings a wealth of sector experience, an enquiring mind and acts independently.

The independent Directors are selected to ensure that the appropriate skills and experience required are available to the Company. The table below sets out the Board's skills matrix:

Capabilities	Director expertise
Industry: retail, pharmacy, healthcare	👤 👤
Financial expertise	👤 👤
M&A, divestments, corporate finance	👤 👤 👤
Risk management	👤 👤 👤 👤
People and culture	👤 👤 👤
Health and safety	👤 👤
Governance	👤 👤 👤 👤 👤 👤 👤
Climate	👤 👤 👤
Legal and regulatory	👤 👤 👤

In response to recommendation 2.8 of the NZX Corporate Governance Code recommending Boards have a majority of Independent Directors, and Green Cross Health not being compliant with this recommendation for the reporting period, the Board is of the view that the existing Board structure appropriately reflects the shareholding structure of the Company and represents the best interests of all shareholders. The Board does not believe any alternative governance practices are required in respect to Board membership.

In accordance with NZX Listing Rules, Directors must not hold office (without re-election) past the third annual meeting following the Director's appointment or three years, whichever is longer. In addition, a Director appointed by the Board must not hold office (without re-election) past the next annual meeting following the Director's appointment.

The Board holds regular scheduled meetings and follows procedures that ensure all Directors have the necessary information to participate in an informed discussion on all agenda items and effectively carry out their duties. The Group CEO, CFO and key senior managers attend appropriate sections of Board meetings.

Chair and CEO

The Company complies with the recommendation that it should have an independent Chair of the Board. The Company complies with the recommendation that the Chair is not the CEO.

Director training

Directors are tasked with undertaking appropriate training to remain current on how to best perform their duties as Director of an issuer. When common training requirements arise, training is coordinated for Directors.

Director, Board and Committee performance

Directors are expected to understand the Company's operations and determine the professional development that they require to undertake their duties. Senior management present to the Board on a regular basis on key matters affecting the Company, enabling Directors to ask for further information and explanation as required.

The Board, led by the Chair, reviews Board (including Nominations Committee) and Director performance biennially against the Board Charter in light of the Company's changing operating conditions and makes improvements to Board processes and meetings when required changes in Board focus are identified. The last review was conducted in October 2024.

The Committees (other than the Nominations Committee) annually review their performance against the Committee Charters and report back to the Board.

Diversity policy

The Company and the Board confirm the commitment and core responsibilities to building diversity and inclusion of thought within the Company.

The Company is committed to attracting, developing and retaining a diverse, talented group of individuals whose collective thoughts and contributions will help the Company to be the best healthcare company in New Zealand.

The Board is proud of the wide-ranging ethnic, cultural and gender diversity across the Group that reflects the evolving makeup of New Zealand society. The Company believes that this diversity better enables the Group to meet the needs of its stakeholders, including customers, patients, clients, suppliers, funding agencies, employees and shareholders.

The Company's Diversity Policy is published on its website (www.greencrosshealth.co.nz/governance). The following table sets out a quantitive breakdown of the gender balance of the Directors and key management personnel of the Group as at 31 March 2025:

	Directors		Key management personnel	
As at 31 March 2025				
Female	1	14%	2	100%
Male	6	86%	0	0%
Total	**7**		**2**	
As at 31 March 2024				
Female	1	14%	2	100%
Male	6	86%	0	0%
Total	**7**		**2**	

Governance

NZX Corporate Governance Code (continued)

Principle 3: Board committees

The Board should use Committees where this will enhance its effectiveness in key areas, while still retaining Board responsibility.

Board Committees

For the year ended 31 March 2025, the Board had the following Committees:

- Audit and Risk Committee.
- Nominations Committee.
- Remuneration Committee.
- Investment Committee.

These Committees operated under written Charters. Charters for all Committees are reviewed biennially and are available on the Company's website (www.greencrosshealth.co.nz/governance). The Committees (other than the Nominations Committee) annually review their performance against written Charters and report to the Board.

Directors who are not members of Committees are welcome to attend meetings if they wish. The Company complies with the recommendation that management only attends Committee meetings at the invitation of the Committee.

Further detail on the Committees is as follows:

Audit and Risk Committee

The Committee comprises two independent Directors and one non-independent Director, all of whom are non-executive Directors. The Audit and Risk Committee Chair is an independent Director and not the Chair of the Board. All Audit and Risk Committee members are financially literate, with at least one member having a financial background. In response to recommendation 3.1 of the NZX Corporate Governance Code recommending one member of the Audit and Risk Committee should be both independent and have an adequate accounting or financial background, the Board is satisfied that the Chair meets this requirement.

The Group CEO and the CFO attend as ex-officio members and external auditors by invitation of the Chair. The Audit and Risk Committee also meet privately with the external auditors, that is, without management in attendance.

The Committee's responsibilities include:

- Reviewing the scope and outcome of the external audit.
- Reviewing the annual and half yearly financial statements prior to approval by the Board.
- Approving the public releases of financial information.
- Assessing the performance of financial management and monitoring of material corporate risk assessments and internal controls.
- Reporting the proceedings of each meeting to the Board.
- Making recommendations to the Board on the appointment of the external auditors, their independence and their fees.
- Reviewing non-audit services provided by the external auditor.
- Monitoring of material corporate risk and the internal controls instituted.
- Monitoring of ESG related risks and opportunities.

The compositon of the Committee was Carolyn Steele (Chair), John Bolland and Kim Ellis.

Nominations Committee

This Committee comprises four non-independent Directors together with three independent Directors, who meet as required to:

- Advise the Board on Director appointments, giving attention to the mix of skills, experience, independence of Director candidates and other qualities required.
- Facilitate ongoing Director training and development.
- Facilitate the regular evaluation of the Board, its Committees and the Directors.

Remuneration packages are reviewed annually. Market data is used as a basis for establishing competitive remuneration.

The Nominations Committee's performance is review biennially by the Board against its written Charter, contemporaneously with the Board's self-review.

The composition of the Nominations Committee was Kim Ellis (Chair), John (Andrew) Bagnall, John Bolland, Craig Brockliss, Peter Merton, Ken Orr and Carolyn Steele.

In response to recommendation 3.4 of the NZX Corporate Governance Code recommending the Nominations Committee have a majority of independent Directors, and Green Cross Health not being compliant with this recommendation for the reporting period, the Board is of the view that the Nominations Committee appropriately reflects the experience required to carry out its responsibilities and an alternative governance practice was not necessary.

Remuneration Committee

This Committee comprises one independent Director and two non-independent Directors, who meet as require to:

- Recommend to the Board the appointment and terms of employment of the Group CEO and CFO.
- Review and evaluate the performance of the Group CEO and CFO against KPIs including making remuneration recommendations to the Board.
- Approve the appointment, and the conditions and terms of employment of the Group CEO's direct reports (excluding the CFO).
- Review and advise the Board on succession plans for the Group CEO and direct reports.
- Make recommendations to the Board with respect to non-executive and independent Director remuneration.

Remuneration packages are reviewed annually. Market data is used as a basis for establishing competitive remuneration.

The composition of the Remuneration Committee was John Bolland (Chair), Kim Ellis and Peter Merton.

In response to recommendation 3.3 of the NZX Corporate Governance Code recommending the Remuneration Committee have a majority of independent Directors, and Green Cross Health not being compliant with this recommendation for the reporting period, the Board is of the view that the Remuneration Committee appropriately reflects the experience required to carry out its responsibilities and an alternative governance practice was not necessary.

NZX Corporate Governance Code (continued)

Principle 3: Board committees (continued)

Investment Committee

This Committee comprises three independent Directors and two non-independent Directors. The Investment Committee Chair is not the Chair of the Board. All other Directors are entitled to attend the meetings.

The Group CEO and CFO attend as ex-officio members. All Investment Committee members are financially literate.

The Committee's responsibilities include:

- Reviewing potential acquisition proposals, approving small acquisitions and making recommendations to the Board for larger acquisitions.
- Reviewing and approving capital expenditure as needed.

The composition of the Committee was Ken Orr (Chair), John Bolland, Kim Ellis, Peter Merton and Carolyn Steele.

Control transaction protocols

The Board has a Control Transaction Protocol to be followed if a control transaction offer is made for the Company. In the event of a control transaction, the Board will immediately establish an appropriately constituted Committee to deal with matters arising from the transaction, including:

- Preparing the Company's response to the transaction.
- Engaging an independent advisor to advise on the merits of the transaction.
- Making a recommendation to shareholders.

Board and Committee meeting attendance

The following table outlines the number of Board and Committee meetings attended by Directors during the course of the 2025 financial year:

	Board	Audit and Risk Committee	Renumeration Committee	Nominations Committee	Investment Committee
Meetings Held	8	4	3	1	1
John (Andrew) Bagnall	7	1*		1	
John Bolland	8	4	3	1	1
Craig Brockliss	6			1	
Kim Ellis	8	4	3	1	
Peter Merton	7		3	1	1
Ken Orr	8			1	1
Carolyn Steele	8	4		1	1

** Attended as an observer.*

Principle 4: Reporting and disclosure

The Board should demand integrity in financial and non-financial reporting, and in the timeliness and balance of corporate disclosures.

The Board has a written continuous disclosure policy.

The Company complies with the recommendation that Board and Committee Charters, Code of Ethics and other key governance documents are available on the Company's website. The interim and audited Annual Reports are also available on the website (www.greencrosshealth.co.nz/investors).

The Board has members with financial reporting knowledge and experience that enable the Board to be satisfied that financial matters are adequately disclosed in the Company's reporting. Some non-financial disclosures, such as the Company's approach to risk management including health and safety, are included within this Annual Report. The Board considers this level of disclosure appropriate.

The Audit and Risk Committee has delegated authority from the Board to assist the Board with fulfilling its responsibility in respect of ESG matters. Significant risks resulting from climate change are reported to the Audit and Risk Committee. These risks are summarised in the Climate-related disclosures that are provided elsewhere in this Annual Report.

Principle 5: Remuneration

The remuneration of Directors and Executives should be transparent, fair and reasonable.

The Director fee pool was last approved in 2015 and is currently capped at $500,000. Directors' fees are informally benchmarked against market precedents. Retirement benefits and share options are not available for Directors. Further disclosure of the details of Directors' fees is included in the Other Annual Report Disclosures published in this Annual Report.

The Company has a remuneration policy for Directors, Officers and all employees of the Company, which outlines its remuneration practices. The remuneration policy is available on the Company's website (www.greencrosshealth.co.nz/governance).

The Company has disclosed details of the remuneration arrangements for the Group CEO. Please refer to Group CEO Remuneration under Other Annual Report Disclosures for the year.

The Company operates a share-based incentive scheme for some senior executives, which is disclosed further in Note 20 to the Financial Statements.

Principle 6: Risk management

Directors have a sound understanding of the material risks faced by the issuer and how to manage them. The Board regularly verifies that the issuer has appropriate processes that identify and manage potential and material risks.

The Board is responsible for risk management and internal control and has a framework for identifying, assessing, controlling, monitoring and reporting on the key risks to the Company's people, assets, reputation and business objectives.

The Board satisfies itself that adequate external insurance cover is in place appropriate to the Company's size and risk profile.

The Audit and Risk Committee has responsibility for ensuring that the Company's risk management framework, policies and procedures are effective and appropriate. The Company maintains a comprehensive risk register and management reports to the Board regularly on health and safety issues and progress on objectives. Risk reporting software is used to facilitate reporting by employees, capture risks, and escalate them within the Company as required. The nature of many of the Company's activities, including dispensing of drugs, operating retail stores and providing medical treatment makes managing health and safety risks a significant area of focus within the Group. Management reviews the highest risk rated incidents at least nine times a year, ensuring corrective and preventative actions are in place. There were no serious injuries within the year.

NZX Corporate Governance Code (continued)

Principle 6: Risk management (continued)

The Company is exposed to substantially the same economic, environmental and social risks as similar businesses operating in the same sectors in New Zealand. These risks include:

- Competitive pressure from traditional and disruptive competitor business models.
- Impacts from wider economic downturn.
- Labour cost escalation through Government policy changes and labour shortages in particular areas.
- Regulatory changes.
- Changes to Government and wider health sector funding models.

Principle 7: Auditors

The Board ensures the quality and independence of the external audit process with the Audit Committee charter providing a framework for management of the relationship with the external auditor.

The Audit and Risk Committee is tasked with ensuring that the external audit process is independent and of high quality, including approving any non-audit services provided by the audit firm. The Committee has procedures for sustaining communication with the audit firm, ensuring that the ability of the audit firm to carry out its statutory role is not impaired and approving the level of non-audit services provided by the audit firm.

The Committee is also responsible for ensuring that the audit firm or lead audit partner is rotated at least every five years. The lead audit partner was rotated prior to the 2022 external audit.

The Company does not have an internal audit function but via the Audit and Risk Committee and the Company's external audit process, looks to maintain and improve risk management and internal controls.

The external auditor attends the Annual Meeting and is available to answer any questions from shareholders.

Principle 8: Shareholder rights and relations

The Board should respect the rights of shareholders and foster constructive relationships with shareholders that encourage them to engage with the issuer.

The Company maintains a website (www.greencrosshealth.co.nz) where investors and interested stakeholders can access financial and operational information and key Corporate Governance information about the Company.

Information is available through the Annual Reports. The Board ensures that shareholders are informed of major developments affecting the Company. Any material information affecting the Company during the intervening period is announced to the financial markets via the New Zealand Stock Exchange (NZX) and the Company website under the Board's policy for continuous disclosure.

Directors and Officers of the Company attend the Annual Meeting and are available to answer questions from shareholders.

Communications from the Company are available electronically through the Company's share registrar, Computershare.

The Company fully complies with the following recommendations:

- Shareholders have the right to vote on major decisions.
- One vote per share.


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ENVIROCARE

Independent assurance report

Toitū Verification

To the shareholders of Green Cross Health Limited

Conclusion

Emissions - Limited Assurance

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the gross GHG emissions, additional required disclosures of gross GHG emissions, and gross GHG emissions methods, assumptions and estimation uncertainty, defined in the climate statement and table below:

+ do not comply with the audit criteria; and

+ do not provide a true and fair view of the emissions of Green Cross Health Limited for the year ended 31 March 2025.

Basis of verification opinion

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

Scope of the assurance engagement

We have undertaken a verification engagement relating to gross GHG emissions, additional required disclosures of gross GHG emissions, and gross GHG emissions methods, assumptions and estimation uncertainty on the climate statements as indicated in the table below for the year ended 31 March 2025. Additionally, our assurance engagement does not extend to targets of which details may be referenced within the table below. The scope of emissions and level of assurance are disclosed below.

Green Cross Health Limited's climate statements provides information about the greenhouse gas emissions of the organisation for the defined measurement period and is based on historical information. This information is stated in accordance with the requirements of Greenhouse Gas (GHG) Protocol: A Corporate Accounting and Standard (2004).

Document	Assurance scope included (Pages/Section)	Excluded - No assurance (Pages/Section)
Annual Report	73-74 (Metrics)	1-73, 74 (Targets), 75-83

TOITŪ ENVIROCARE

Key matters

Key matters are those matters that, in our professional judgement, were of most significancein our assurance engagement of the GHG disclosures. These matters were addressed in the context of our assurance engagement and in forming our opinion. We do not provide a separate conclusion on these matters.

Key matter	How key matters have been addressed	Findings for key audit matters
Electricity – Accuracy and Completeness Electricity emissions represent a material source in the greenhouse gas inventory. The Green Cross Health organisational structure includes a large number of sites with varying classifications (support office, medical practices and pharmacy stores) and different ownership arrangements, which creates complexity in verifying alignment with the organisational boundary and consolidation methodology. This complexity increases the risk of incomplete inclusion of relevant sites and potential misstatement in the calculation of associated electricity emissions. Furthermore, supplier-specific electricity consumption data was not available for all sites, necessitating the use of estimates and assumptions. These factors required significant auditor attention due to their potential impact on the accuracy and completeness of reported electricity-related emissions and the overall audit risk.	We reviewed Green Cross Health's organisational structure and assessed alignment with the financial control consolidation methodology. This included reconciling the organisational and emission boundary to the financial control consolidation structure and assessing sites across classifications and ownership types. We verified inclusion, classification, and control to ensure completeness and accurate boundary definition application. We performed a detailed review of the model developed by Green Cross Health to analyse electricity usage across all sites under financial control. Our procedures included confirming that all sites included in the emissions inventory were within the entity's financial control and performed a reconciliation of ICP's to site listing. We evaluated the accuracy of data transfer from energy suppliers through detail retracing of site-level records and confirmed consistency. We also reviewed the estimation methodologies applied to sites without supplier data, assessing their allocation based on business type and confirming the methodologies were applied consistently and appropriately. Supplier data was not available for the last month of the reporting period and thus was calculated based on the previous 11 months consumption. To mitigate the risk posed by this, additional procedures were performed to extrapolate expected consumption. We confirmed no significant changes in business operations and benchmarked this consumption. We noted no material variation and conclude that the reported values remain appropriate and aligned with the level of assurance awarded.	Not Applicable
Disclosures - completeness of disclosures to align to GHG Protocol requirements and NZCS Standards. Requirements for Climate Reporting Entities using the GHG Protocol and Aotearoa New Zealand Climate disclosure standards have become more rigorous in terms of compliance requirements. Hence the audit risk around completeness and compliance to these standards have been elevated.	We assessed the entity's climate-related disclosures for completeness and compliance with the relevant requirements of NZ CS1, NZ CS2, and NZ CS3. We identified key disclosure elements required under the GHG Protocol and NZCS and assessed whether all material information was appropriately included. Additional focus was placed on the accuracy of emissions methodology, assumptions, and data sources. Where gaps or inconsistencies were noted, we engaged with management to obtain further clarification and re-reviewed updates made to disclosures. We also reviewed management's internal review processes and consulted relevant guidance to evaluate whether all material disclosures were included in the report.	As a result of our work, we noted areas where climate-related disclosures were required to be enhanced to more clearly align with the requirements of the Aotearoa New Zealand Climate Standards. These included improvement in the consistency of comparative GHG emissions, clarification in relation to the consolidation approach and emission factor sources applicable, and to provide more transparent explanations around estimation methods, assumptions, uncertainty, exclusions, and the use of adoption provisions for completeness. We discussed these matters with management, and additional disclosures were made in the final version of the climate related disclosures to address these points and improve overall clarity to achieve fair presentation. These matters contributed to our view that this area was of most significance in our audit.

Other matters

Other matters that have not been disclosed in the climate statements, that in our judgement are relevant to the intended users:

Comparative information

+ The comparative GHG disclosures and its' restatement (that is GHG disclosures for the period ended 31 March 2024) have not been the subject of an assurance engagement undertaken in accordance with New Zealand Standard on Assurance Engagements 1: Assurance Engagements over Greenhouse Gas Emissions Disclosures ('NZ SAE 1'). These disclosures and the restatement are not covered by our assurance conclusion.

Responsible party's responsibilities

Green Cross Health Limited is responsible for the preparation of the GHG disclosure in accordance with Aotearoa New Zealand Climate Standards (NZ CSs)- issued by External Reporting Board (XRB) and the GHG Protocol: A Corporate Accounting and Standard (2004) . This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and fair presentation of a GHG disclosure that is free from material misstatement, whether due to fraud or error.

Inherent uncertainity

As disclosed in the "Metrics & targets" section on page 73 of the Green Cross Health Annual Report for the year ended 31 March 2025, GHG quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

Responsibilities of verifiers

Our responsibility as verifiers is to express a verification opinion to the agreed level of assurance on the Climate statements, based on the evidence we have obtained and in accordance with the NZ SAE 1 Assurance Engagements over Greenhouse Gas Emissions Disclosures, issued by the External Reporting Board (XRB) and ISO 14064-3:2019. We conducted our verification engagement as agreed in the pre-audit engagement letter, which defines the scope, objectives, criteria and level of assurance of the verification.

The International Standard ISO 14064-3:2019 requires that we comply with ethical requirements and plan and perform the verification to obtain the agreed level of assurance that the GHG emissions are free from material misstatements. We are not permitted to prepare the GHG statement as this would compromise our independence.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the ISO 14064-3:2019 Standards will always detect a material misstatement when it exists. The procedures performed on a limited level of assurance vary in nature and timing from, and are less in extent compared to reasonable assurance, which is a high level of assurance.

Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of the information we audited.

Existence of relationships

Other than in our capacity as assurance practitioners, and the provision of the assurance for this engagement, we have no relationship with, or interests, in the responsible party.

Independence and quality management standards applied

This assurance engagement was undertaken in accordance with NZ SAE 1 Assurance Engagements over Greenhouse Gas Emissions Disclosures issued by the External Reporting Board (XRB). NZ SAE 1 is founded on the fundamental principles of independence, integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. We have also complied with the following professional and ethical standards and accreditation body requirements:

+ ISO 14065: 2020 - General principles and requirements for bodies validating and verifying environmental information;

+ ISO 14066: 2023 - Greenhouse gases - Competence requirements for teams validating and verifying environmental information;

+ ISO 17029: 2019 - Conformity assessment - General principles and requirements for validation and verification bodies;

+ IAF MD4:2023 - For the Use of Information and Communication Technology (ICT) for Auditing/Assessment Purposes;

+ Joint Accreditation System of Australia and New Zealand Accreditation Requirements.

Verification strategy

Our verification strategy used a combined data and controls testing approach. Evidence-gathering procedures included but were not limited to:

- activities to inspect the completeness of the inventory;
- assessment of the consolidation boundary and approach;
- interviews of personnel to confirm operational behaviour and standard operating procedures;
- recalculation of fuel records to confirm accuracy of source data into calculations;
- detailed examination of supplier provided electricity records to confirm accuracy of source data into calculations;
- assessment of electricity estimates to confirm reasonableness of model methodology and its application;
- recalculation of emissions;
- reviewing of emission factors for accuracy and appropriateness; and
- evaluating the overall presentation of disclosures.

The data examined during the verification were historical in nature.

Verification level of assurance

GHG protocol categories

GHG scope	tCO2e	Level of assurance
Scope 1	156	Limited
Scope 2	438	Limited
Total inventory	**594**	

Responsible party's greenhouse gas assertion (claim)

Green Cross Health Limited has measured its greenhouse gas emissions in accordance with the GHG Protocol in respect of the operational emissions of its organisation as it pertains to its organisational boundary for Scope 1 and Scope 2 only.

Other information

The responsible party has a duty for the provision of Other Information. The Other Information may include Climate Related Disclosures around governance, strategy and risk management, targets, The Company (and its related sub-sections), Financials (and its related sub-sections) and Governance (and its related sub-sections) but does not include the information we verified, and our auditor's opinion thereon. We have not performed any procedures with respect to the excluded information and, therefore, no conclusion is expressed on it. Our responsibility is to read and review the Other Information, and consider whether the Other Information is materially inconsistent with the information we verified, or our knowledge obtained during the verification.

	Verified by	Independent reviewer	Engagement leader
Name	Tom Worley	Ana Tatana	Lesna Morar-Nunco
Position	Verifier, Toitū Envirocare	Independent reviewer	Toitū Envirocare
Signature			

Date verification audit:	**Date opinion expressed:**	**Location:**
15 April 2025	13 June 2025	Auckland

Climate-related disclosures

As at 31 March 2025

Statement of compliance

Green Cross Health is a climate-reporting entity under the Financial Markets Conduct Act 2013 and has complied with Aotearoa New Zealand Climate Standards. The year ended 31 March 2025 is the second reporting period for Green Cross Health under the Aotearoa New Zealand (ANZ) Climate Standards:

- ANZ Climate Standard 1: Climate-related Disclosures (NZ CS 1)
- ANZ Climate Standard 2: Adoption of ANZ Climate Standards (NZ CS 2)
- ANZ Climate Standard 3: General Requirements for Climate-related Disclosures (NZ CS 3).

Green Cross Health has elected to use the following adoption provisions available in NZ CS 2:

- Adoption Provision 2: Anticipated financial impacts, which provides an exemption from disclosing the anticipated financial impacts of climate-related risks and opportunities.
- Adoption Provision 4: Scope 3 Greenhouse Gas (GHG) emissions, which provides an exemption from disclosing scope 3 GHG emissions.
- Adoption Provision 5: Comparatives for Scope 3 GHG emissions, which provides an exemption from disclosing comparatives for scope 3 GHG emissions.
- Adoption Provision 6: Comparatives for metrics, which permits an entity to provide one year of comparative information for each metric.
- Adoption Provision 7: Analysis of trends, which provides an exemption from disclosing an analysis of the main trends evident from a comparison of each metric from previous reporting periods to the current reporting period.
- Adoption Provision 8: Scope 3 GHG emissions assurance, which allows Scope 3 GHG emissions to be excluded from the scope of the assurance engagement.

Important notice

These statements contain certain projections and forward-looking statements and opinions which are based on historical experience, internal business data, external sources and various other factors that Green Cross Health believes to be reasonable in the circumstances. In particular, these statements contain disclosures that rely on early and evolving assessments of current and forward-looking information, incomplete and estimated data and Green Cross Health's related judgements, opinions and assumptions. Green Cross Health has sought to provide accurate information, but it cautions reliance being placed on statements that are necessarily subject to significant risks, uncertainties and/or assumptions. Climate change is an evolving challenge, with high levels of uncertainty and significant data challenges, particularly over long-term horizons. Green Cross Health gives no representation, guarantee, warranty or assurance about its future business performance, or that the outcomes expressed or implied in any forward-looking statement made in this document will occur. Nothing in this report should be interpreted as capital growth or earnings advice or guidance, or as any other legal, financial, tax or other advice or guidance.

Governance

Overview

The Board is ultimately responsible for the oversight of climate-related risks and opportunities. The Board's responsibilities are set out in the Board Charter (available on the Company's website) and include:

- ensuring adequate procedures are in place and in use to identify the principal risks of the Company's business and that appropriate systems are implemented to manage these risks;
- being actively engaged in directing and approving the strategic planning of the Company;
- reviewing and approving the corporate plan, the operating budget, and reviewing the overall performance (including ESG) against what has been approved.

The Board ensures that appropriate skills and competencies are available to provide oversight of climate-related risks and opportunities. Refer to page 56 of the Annual Report for the Board's skills matrix.

The Audit and Risk Committee has delegated authority from the Board to assist the Board with fulfilling its responsibility in respect of financial reporting, ESG reporting, audit, regulatory conformance and risk management. The Audit and Risk Committee charter can be found on the Company's website. The Audit and Risk Committee meets at least three times a year. After each meeting, the Audit and Risk Committee provides an update to the Board.

Climate-related metrics are not incorporated into remuneration policies.

Audit and Risk Committee's role

The Audit and Risk Committee is responsible for overseeing the management of climate-related risks as part of its overall responsibility in assisting the Board with risk management.

The Company has a risk management register and framework which the Audit and Risk Committee oversees and reviews at least once a year. Outcomes of this review, along with the full risk register, are reported to the Board to ensure the Board has up to date information regarding all risks, including climate-related risks and opportunities, when developing and overseeing implementation of the Company's strategy.

The Audit and Risk Committee is responsible for reviewing metrics and targets suggested by management for managing climate-related risks and opportunities and recommending appropriate metrics and targets to the Board for approval. The Audit and Risk Committee is responsible for monitoring progress against climate-related targets and providing relevant updates to the Board.

The Audit and Risk Committee is authorised by the Board to obtain independent professional advice and to arrange for the attendance at meetings, at the Company's expense, of outside parties with relevant experience and expertise if it considers this necessary.

Mangement's role

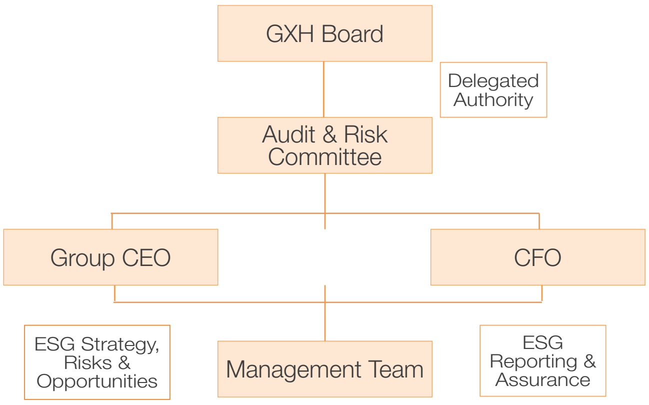
The Company's senior management team meets regularly, and represents the various business functions from Finance, Operations, Clinical, Supply Chain, Merchandising, Procurement, Property, People and Marketing. Climate risks and opportunities are considered as part of business decisions, and in setting business strategy over the short, medium, and long term.

Climate-related disclosures (continued)

Mangement's role (continued)

The Group CEO is responsible for managing climate-related strategy, risks and opportunities and recommending metrics and targets to the Audit and Risk Committee for endorsement to the Board. The CFO is responsible for managing climate-related reporting and assurance.

The Group CEO and CFO attend all Audit and Risk Committee meetings by standing invitation and report on climate-related matters at those meetings.



Risk management

The Audit and Risk Committee is responsible for assisting the Board with risk management and has a framework for identifying, assessing, monitoring and reporting on the key risks.

The Audit and Risk Committee is responsible for ensuring that the Company's risk management framework, policies and procedures are effective and appropriate. Management maintains a comprehensive risk register and reports on this to the Audit and Risk Committee at least once per year. Risks are ranked based on likelihood and severity of impact to the Company. Climate-related risks are subject to the same level of scrutiny and prioritisation as other types of financial and non-financial risk.

Climate-related risk features as part of the risk register. To inform the risk register, the Company maintains a separate climate-related risks and opportunities register detailing multiple scenarios. The framework is based on the National Climate Change Risk Assessment (NCCRA) which enables a broad range of risks to be systematically compared. Consideration is given to the short-term (0-3 years), medium-term (3-10 years) and long-term (beyond 10 years) impacts as part of the review. Currently scopes 1 and 2 are considered in the value chain. The climate-related risks and opportunities register is reviewed at least annually by Management and is used as an input into the risk register review with the Audit and Risk Committee.

Strategy

During the year, the Company reviewed its climate risk assessment to understand how climate change is currently impacting the business and how it may do so in the future, and to identify if any new risks or opportunities need to be considered.

The following scenario analysis was undertaken:

1. A first scenario of a 1.5˚C increase in global temperatures by 2100 was assessed, with climate-related risks and opportunities reviewed;
2. A second scenario of a 2.0˚C increase in global temperatures by 2100 was assessed, with climate-related risks and opportunities reviewed;
3. A third scenario of a 3.0˚C increase in global temperatures by 2100 was assessed, with climate-related risks and opportunities reviewed.

These three scenarios were selected as being most relevant to the sectors in which the Company operates and are in use by a number of other companies, both nationally and internationally. The scenario analysis considers sector-relevant assumptions underlying emissions reduction pathways over time, including environmental, socioeconomic and macroeconomic assumptions. Assumptions that are less relevant to the sectors in which the Company operates, such as carbon sequestration from afforestation and nature-based solutions, are not included in the scenario analysis.

A description of the three scenarios is summarised in the table below.

		Scenario One	Scenario Two	Scenario Three
	Assumption	**Orderly scenario (1.5˚C warming)**	**Disorderly scenario (2.0˚C warming)**	**Hot house scenario (3.0˚C warming)**
Environmental	Extreme rainfall	11 days per annum	11 days per annum (with increased storm activity)	>11 days per annum (with intense storm events)
	Extreme heat (>25˚C)	20+ more extreme heat days	20+ more extreme heat days	30+ more extreme heat days
	Sea level rise	0.22 metres	0.22 metres	0.32 metres
Policy	Carbon price	$277 NZD per tonne	$369 NZD per tonne	$35 NZD per tonne
Social	Population increases	16% increase in New Zealand population, 7% global population increase	22% increase in New Zealand population, 16% global population increase	26% increase in New Zealand population, 8% global population increase
Technology	Renewable energy	100% renewable energy on New Zealand grid by 2030	100% renewable energy on New Zealand grid by 2035	>90% renewable energy on New Zealand grid by 2030

Source: Thinkstep-anz who has relied on IPCC, NIWA, Stats NZ data, and Retail Sector Scenarios developed by Aotearoa Circle.

In each scenario, all risks and opportunities were assessed using the Company's risk framework which considers the likelihood and severity of impact to the Company. The scenario analysis was conducted as a standalone analysis by Management. No modelling was undertaken. Oversight of the process was provided by the Audit and Risk Committee.

The Company identified physical[1] and transitional[2] risks and opportunities related to climate change which may have a current or future impact.

These have been categorised into the short-term (0-3 years), medium-term (3-10 years) and long-term (beyond 10 years). During strategic planning and when making decisions regarding capital allocation, the Company considers all three timeframes.

1 Physical risks and opportunities - relate to physical impacts of climate change. E.g. Higher temperatures, flooding, rising sea levels etc.

2 Transitional risks and opportunities - relate to the process of transitioning away from reliance on fossil fuels and toward a low-carbon economy. E.g. reputation, regulatory etc.

Climate-related disclosures (continued)

Strategy (continued)

A summary of relevant climate-related risks and opportunities identified by the Company, along with the anticipated impacts of those risks and opportunities, is provided in the table below:

	Risk / opportunity	Primary climate-related uncertainties	Anticipated impact	Risk mitigation	Time frame*	Current financial impact	Scenario likelihood rating		
							1	2	3
Physical Risk	Flooding: frequency and magnitude	Relative sea-level rise, changes in extremes: high intensity and persistence of rainfall	Temporary site closures, equipment or stock damage	The geographic dispersion of the Company's operations mitigates this risk. Management ensures all buildings are fit for purpose through maintenance activities and adequate insurance cover is in place for business interruption	S/M/L	Immaterial	Low	Low	Low
Transitional Risk	Markets	Access to markets	Supply chain disruption causing shortages to medicines or retail products	The Company's products for resale are sourced from multiple providers (who in turn source from various countries), and products are sold throughout New Zealand, all reducing supply chain risk. The Company holds stock within pharmacies as well as at its third-party distribution centre, again providing a buffer from disruption	M/L	Immaterial	Low	Low	Low
Transitional Risk	Financial	Insurance	Challenges to maintain insurance coverage	Insurance broker is engaged to ensure adequate cover is maintained	M/L	Immaterial	Low	Low	Low
Physical Opportunity	International influence	Immigration increase	Easier to attract new staff leading to lower personnel costs with more resources available		M/L	Immaterial	Med	Med	Med
Physical Opportunity	Climate seasonality	Higher temperatures	Increase in tropical diseases/ other medical conditions lead to increased demand for products or services		L	Immaterial	Low	Low	Low
Transitional Opportunity	Products / Services	Population growth	Additional demand for medicines and products resulting in increased revenue		L	Immaterial	High	High	High

** Timeframe defined as S (short-term of 0-3 years), M (medium-term of 3-10 years) and L (long-term of beyond 10 years).*

For information on the Company's current business model and strategy please refer to 'The Company' section of this Annual Report. The current business planning and strategy considers and incorporates impacts of all physical and transitional risks and opportunities. Significant investment proposals contain analysis of risks and opportunities, including any climate-related risks and opportunities.

Metrics & targets

Metrics

Carbon emissions[3] for Scope 1 and Scope 2 are reported for the financial year ended 31 March 2025. The base year for carbon reporting is 2025. The carbon emissions have been measured using the Greenhouse Gas Protocol (GHG Protocol) as guidance (WBCSD/WRI, 2015). Sources used for the Company's emission calculations are as follows:

- NZ Ministry for the Environment (MfE) 2024 emission factors. MfE 24 uses The Intergovernmental Panel on Climate Change (IPCC)'s Fifth Assessment Report (AR5);
- BraveTrace 2023/24 National Supply Factor.

The Company has reported Scope 1 and 2 GHG emissions using the financial control consolidation approach capturing emissions from all subsidiaries. Emissions from associates and licensee facilities have been excluded as these entities are not under the Company's financial control.

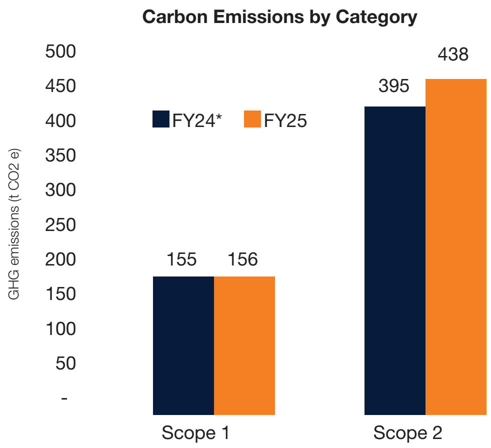
Scope 1 emissions relate to fuel usage resulting from consumption of petrol and diesel. The emissions were quantified based on activity data measured in litres multiplied by the relevant emissions factor. Activity data from fuel suppliers was extrapolated for one month due to data not being available. The emissions factor was sourced from the MFE 2024 guide, converting usage by fuel type to tonnes of CO2e. Refrigerants used in buildings are immaterial and were excluded from Scope 1 emissions.

Scope 2 emissions relate to electricity usage. The emissions were quantified based on activity data measured in kilowatt-hours multiplied by the relevant emissions factor. Activity data from energy suppliers was extrapolated for one month due to data not being available. Where data was not available for a site, electricity consumption was estimated using the average consumption per square metre as the most appropriate method. The emissions factor was sourced from the BraveTrace 2023/24 National Supply Factor, converting usage to tonnes of CO2e. The location-based method was used, with no exclusions identified.

Scope 3 emissions are exempt from disclosure as the Company has elected to use Adoption Provision 4 available in NZ CS 2.

GHG quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors, the values needed to combine emissions of different gases and estimation methods used to quantify activity data. The effects of these estimation methods are unlikely to be significant.

Toitū Envirocare has provided limited assurance on reported Scope 1 and 2 GHG emissions for the period ending 31 March 2025.



	FY24*	FY25
Scope 1, tCO2e	155	156
Scope 2, tCO2e	395	438
Total Scope 1 and 2, tCO2e	**550**	**594**
Scope 1 and Scope 2 emissions intensity (tCO2e per $million revenue)	1.092	1.135

[3] Scope 1 - Emissions from Company vehicles, Scope 2 – emissions from electricity.
** FY24 emissions have been restated for activity data accuracy and are not subject to an assurance engagement.*

Climate-related disclosures (continued)

Metrics (continued)

The Company considers the measures above to be sufficient for measuring and managing climate-related risks and opportunities and does not use any other industry-based metrics or key performance indicators. The Company considers all of its of business assets and activities are potentially vulnerable to physical and transitional risks and opportunities, therefore all were considered in the scenario analysis. Currently, no material asset or capital deployment is directly linked to climate-related activities. The Company does not use an internal emissions price. No carbon offsets were purchased in the period. Management remuneration is not linked to climate-related risks and opportunities.

Targets

The Company, based on current size, has set an absolute target of a 20% reduction in Scope 1 and 2 emissions by 2035. The base year is 2025, given this is the first year emissions calculations have been subject to external assurance. This target has not been validated by an external party as being in line with limiting global warming to 1.5 degrees and is independent of offsets. No interim targets have been set. As Scope 2 emissions are the largest contributor to this metric, Green Cross Health is significantly dependent on the decarbonisation of New Zealand's electricity grid. Reporting of performance against the target will commence from FY26.

The climate-related disclosures were authorised for issue and on behalf of the Directors on 13 June 2025.

Kim Ellis
Chair

Carolyn Steele
Director


Medicines
FEEL GOOD PAY LESS
Clear Eyes
12.99 ea
FEEL GOOD PAY LESS
FEEL GOOD PAY LESS
health wellness specialist
HUB

Other disclosures

For the year ended 31 March 2025

The total annual Directors' remuneration approved for each financial year is capped at $500,000 (last approved in 2015). The Directors holding office during the year ended 31 March 2025 and the remuneration paid or payable to the Directors is as follows:

Directors	Total Fees $
John (Andrew) Bagnall	35,000
John Bolland*+#	67,500
Craig Brockliss	60,000
Kim Ellis*+#	120,000
Peter Merton+#	35,000
Kenneth Orr#	65,000
Carolyn Steele*#	70,000
Total	**452,500**
Payment allocations	
Independent Chair	120,000
Non-Executive Directors	35,000
Independent Directors	60,000
Chair of Audit & Risk Committee	7,500
Chair of Investment Committee	5,000
Chair of Remuneration Committee	5,000
Directors on Investment Committee	2,500

** Audit & Risk Committee member.*
+ Remuneration Committee member.
 # Investment Committee member.

Group CEO remuneration

The Group CEO's package consists of a base salary, a Short Term Incentive (STI) and a Long Term Incentive (LTI). The target STI is calculated as 25% of current base salary and is based on quantitative criteria set annually for each financial year. The LTI is a maximum of 25% of current base salary and is structured as a performance share rights scheme. Rights vest based on achievement of an earnings per share and return on capital employed target over a three-year period, provided the Group CEO remains employed on the vesting date.

Employee remuneration

The number of employees or former employees of the Group, not being Directors of Green Cross Health Limited, who received remuneration and other benefits in their capacity as employees, the value of which exceeded $100,000 for the year ended 31 March 2025 is set out below:

Employee annual remuneration bands	2025	2024
$100,000 - $109,999	90	78
$110,000 - $119,999	56	44
$120,000 - $129,999	39	36
$130,000 - $139,999	35	37
$140,000 - $149,999	26	27
$150,000 - $159,999	18	19
$160,000 - $169,999	23	28
$170,000 - $179,999	20	15
$180,000 - $189,999	9	19
$190,000 - $199,999	16	12
$200,000 - $209,999	13	20
$210,000 - $219,999	13	10
$220,000 - $229,999	11	8
$230,000 - $239,999	13	7
$240,000 - $249,999	9	10
$250,000 - $259,999	14	3
$260,000 - $269,999	9	5
$270,000 - $279,999	8	9
$280,000 - $289,999	2	4
$290,000 - $299,999	1	1
$300,000 - $309,999	7	3
$310,000 - $319,999	1	1
$320,000 - $329,999	0	2
$330,000 - $339,999	1	0
$340,000 - $349,999	1	3
$350,000 - $359,999	1	0
$370,000 - $379,999	1	0
$380,000 - $389,999	2	0
$390,000 - $399,999	1	0
$400,000 - $409,999	1	2
$410,000 - $419,999	2	0
$450,000 - $459,999	0	1
$460,000 - $469,999	1	0
$510,000 - $519,999	0	1
$550,000 - $559,999	1	0
$890,000 - $899,999	1	0
$1,010,000 - $1,019,999	0	1
Former employees included in the above bands	38	43

Governance

Donations

The Group made donations to the value of $10,362.

Directors' shareholding and trades

The following table summarises:

(a) the number of shares in the Company held by Directors at 31 March 2025; and

(b) disclosures made by Directors, in accordance with section 148(2) of the Companies Act 1993, of acquisitions and dispositions of relevant interests in shares in the Company during the year.

Directors	Holding 1 Apr 2024	Cancelled	Issued	Net trades in the period	Interest ceased	Holding 31 Mar 2025
J A Bagnall (i)	45,935,821	-	-	-	-	45,935,821
C Brockliss (ii)	12,699,087	-	-	-	-	12,699,087
P M Merton (iii)	45,840,983	-	-	-	-	45,840,983
K A Orr (iv)	414,065	-	-	-	-	414,065
C M Steele (v)	50,000	-	-	-	-	50,000

(i) J A Bagnall is a Director of LPL Trustee Limited and therefore holds a relevant interest of 45,935,821 fully paid ordinary shares (shares are legally owned by LPL Trustee Limited).

(ii) C Brockliss is a Director of Wilton Asset Management Limited and therefore holds a relevant interest in 11,956,070 fully paid ordinary shares. Beneficial owner of 629,300 fully paid ordinary shares via shares held on bare trust by Wilton Asset Management Limited for Oscar Holdings Limited. Beneficial owner of 113,717 fully paid ordinary shares via ownership in Oscar Holdings Ltd.

(iii) P M Merton is a Director of Cape Healthcare Limited and a trustee of the Pentz Trust which is a 49% shareholder of Cape Healthcare Limited. P M Merton has a relevant interest in the 45,840,983 fully paid ordinary shares owned by Cape Healthcare Limited.

(iv) K A Orr holds a beneficial interest of 414,065 fully paid ordinary shares (shares are legally owned by Orrs Pharmacies Limited).

(v) C M Steele has a relevant interest in 50,000 fully paid ordinary shares.

Directors' insurance

Green Cross Health Limited has insured all its Directors against liabilities to other parties that may arise from their positions as Directors. The insurance does not cover liabilities arising from criminal actions.

General disclosure of interest by Directors

(section 140(2) of the Companies Act 1993)

The Directors of the Company named below have made a general disclosure of interest by a general notice disclosed to the Board and entered in the Company's interest register. General notices of interest were given by these Directors during the financial year ended 31 March 2025:

John (Andrew) Bagnall – LPL Trustee Limited (Director and Shareholder), Segoura Limited (Director and Shareholder), Plan B Limited (Shareholder), Waiaro Investments Limited (Director and Shareholder), Stellar Library GP Limited (Director and Shareholder), Powershield Limited (Director) and major Shareholder or Director of various unlisted or privately controlled companies.

John Bolland – Segoura Limited (Consultant), Stellar Library GP Limited (Director), Powershield Limited (Director) and Shareholder or Director of various unlisted or privately controlled companies.

Craig Brockliss - Oscar Holdings Limited (Director and Shareholder), Wilton Asset Management Limited (Director).

Kim Ellis – NZ Social Infrastructure Fund (Chair) and Envirowaste Services (Consultant).

Peter Merton – Cape Healthcare Limited (Director and Shareholder).

Kenneth Orr – Orrs Pharmacies Limited (Director and Shareholder), Orrs Kaipara Pharmacies Limited (Director and Shareholder), Orrs Maungaturoto Pharmacy Limited (Director and Shareholder), Orrs Rust Ave Pharmacy Limited (Director and Shareholder), Orrs Cameron Pharmacy Limited (Director and Shareholder), Orrs Ruakaka Pharmacy Limited (Director and Shareholder), Orrs Tui Pharmacy Limited (Director and Shareholder), Orrs Kaikohe Pharmacies Limited (Director and Shareholder), North Haven Hospice (Director).

Carolyn Steele – WEL Networks Limited (Director), Oriens Capital GP 2 Limited (Director), Property for Industry (Director), Vulcan Steel Limited (Director) and ANZ Bank New Zealand Limited (Director).


Unichem


the doctors
bayfair
the doctors
bayfair
Lives Together
NZ'S LARGEST STOCKIST OF

Shareholder information

Shares and shareholding

The Company's ordinary shares are listed on the NZX using the ticker code, GXH. As at 31 March 2025 the Company had on issue 143,602,598 equity securities (as defined by the Financial Markets Conduct Act 2013) being 143,602,598 fully paid ordinary shares.

The 20 largest registered holders of quoted equity securities as at 31 May 2025 were as follows:

Name	Holding	%
LPL TRUSTEE LIMITED	45,935,821	31.96
CAPE HEALTHCARE LIMITED	45,840,983	31.90
JBWERE (NZ) NOMINEES LIMITED <NZ RESIDENT A/C>	12,880,153	8.96
FNZ CUSTODIANS LIMITED	4,922,423	3.43
NEW ZEALAND DEPOSITORY NOMINEE LIMITED <A/C 1 CASH ACCOUNT>	2,962,277	2.06
CUSTODIAL SERVICES LIMITED <A/C 4>	2,469,378	1.72
GANET INVESTMENTS LIMITED	1,627,979	1.13
CITIBANK NOMINEES (NEW ZEALAND) LIMITED - NZCSD <CNOM90>	1,092,106	0.76
THOMAS LAI & CAROLYN PAMELA LAI & KATHLEEN YEE <THOMAS & CAROLYN LAI FAMILY A/C>	994,985	0.69
FRANCES ANN VUKSICH	850,000	0.59
ELIZABETH ANN MCAULAY & ARTHUR HECTOR MCAULAY	760,927	0.53
PIERRE GORDON PIERCE COTTER	537,050	0.37
RACHAEL MAREE NEWFIELD	532,070	0.37
JAMES STEVE BEGOVIC & KERRY ELLWYN BEGOVIC & KATHERINE MARINA PALIN <BEGOVIC FAMILY A/C>	500,000	0.35
ORRS PHARMACIES LIMITED	414,065	0.29
HSBC NOMINEES (NEW ZEALAND) LIMITED - NZCSD <HKBN90>	377,267	0.26
FNZ CUSTODIANS LIMITED <DRP NZ A/C>	375,120	0.26
SEAJAY SECURITIES LIMITED	314,496	0.22
MASSEY PHARMACY LIMITED	305,168	0.21
JEDI INVESTMENTS LIMITED	300,000	0.21

Shares and shareholding (continued)

Substantial product holders

The following persons are deemed to be substantial product holders in accordance with section 274 (1) of the Financial Markets Authority Act 2013:

Name	Holding	%
LPL TRUSTEE LIMITED	45,935,821	31.96
CAPE HEALTHCARE LIMITED	45,840,983	31.90
WILTON ASSET MANAGEMENT LTD	12,585,370	8.76

Shareholding spread

Green Cross Health Limited's shareholding spread as at 31 May 2025 is as follows:

Size of holding	Holders	%	Securities	%
1 - 999	343	21.56	149,966	0.10
1,000 - 9,999	799	50.22	2,650,226	1.84
10,000 - 99,999	389	24.45	10,809,555	7.52
100,000 - 499,999	46	2.89	8,200,793	5.71
500,000 - 999,999	6	0.38	4,175,032	2.91
1,000,000 and over	8	0.50	117,731,120	81.92
Total	**1,591**	**100.00**	**143,716,692**	**100.00**

Company directory

Registered office

Green Cross Health Limited
Millennium Centre
Ground Floor, Building B
602 Great South Road
Ellerslie, Auckland 1051
Telephone: +64 9 571 9080

Board

K Ellis
Independent Chair

J A Bagnall
Non-Executive Director

J B Bolland
Non-Executive Director

C Brockliss
Non-Executive Director

P M Merton
Non-Executive Director

K A Orr
Independent Director

C M Steele
Independent Director

Officers

Rachael Newfield Group CEO

Kalpana Goundar CFO / Company Secretary

Auditor

KPMG
KPMG Centre
18 Viaduct Harbour Avenue
Auckland Central
Auckland 1010

Bankers

Bank of New Zealand
80 Queen Street
Auckland Central
Auckland 1010

Bank of China
66 Wyndham Street
Auckland Central
Auckland 1010

Websites

www.greencrosshealth.co.nz
www.lifepharmacy.co.nz
www.unichem.co.nz
www.livingrewards.co.nz
www.pilldrop.co.nz
www.thedoctors.co.nz
www.thedoctorsonline.co.nz

Investor relations

For investor relations enquiries:
Telephone: +64 9 571 9088
Email: investor.relations@gxh.co.nz

Share registrar

Computershare Investor Services Limited
Private Bag 92119
Auckland, 1142
Level 2, 159 Hurstmere Road
Takapuna, Auckland 0622

Managing your shareholding online:

To change your address, update your payment instructions and to view your registered details including transactions, please visit: www.investorcentre.com

General enquiries can be directed to:

enquiry@computershare.co.nz
Telephone: +64 9 488 8700
Facsimile: + 64 9 488 8787

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