Green Cross Health Limited
Group consolidated financial statements
for the year ended 31 March 2025

Contents

Green Cross Health Limited
Directors' declaration
31 March 2025

In the opinion of the Directors of Green Cross Health Limited, the financial statements and notes, on pages 7 to 32:

- 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:

Kim Ellis	C. Steele Carolyn Steele
Chair	Director
28 May 2025	28 May 2025

Independent Auditor's Report

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 7 to 32 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 the 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 provided other services to the Group in relation to tax compliance and tax 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.

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 the 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	How the matter was addressed in our audit
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, $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	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; and

The key audit matter	How the matter was addressed in our audit
plan 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 judgment about the future performance of the business units. The market capitalisation deficit that exists at balance date is an indicator of impairment.	— Reviewing the appropriateness of related disclosures in the consolidated financial statements. — 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 the 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 it 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

Green Cross Health Limited
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 11 to 32 form part of the consolidated financial statements.

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Green Cross Health Limited
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 11 to 32 form part of the consolidated financial statements.

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Green Cross Health Limited
Consolidated statement of financial position
As at 31 March 2025

	Notes	2025 $'000	2024* (Restated) $'000
ASSETS			
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 11 to 32 form part of the consolidated financial statements.

Green Cross Health Limited
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 and 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 11 to 32 form part of the consolidated financial statements.

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 judgments

The preparation of financial statements in conformity with NZ IFRS requires the Directors to make judgments, 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 judgments about carrying values of some assets and liabilities. Actual results may differ from these estimates.

In authorising the consolidated 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 judgment 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:

2 Basis of preparation of financial statements (continued)

(f) Significant estimates and judgments (continued)

(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 judgments 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 judgments 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.

(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.

2 Basis of preparation of financial statements (continued)

(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

	Notes	Pharmacy Services $'000	Medical Services $'000	Corporate $'000	Total $'000
March 2025					
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.*

4 Segment reporting (continued)

	Notes	Pharmacy Services $'000	Medical Services $'000	Corporate $'000	Total $'000
March 2024					
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 result of the acquisitions are 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**

KPMG

6 Operating performance (continued)

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.

6 Operating performance (continued)

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**

6 Operating performance (continued)

	2025 $'000	2024 $'000
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 relate 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).

	2025 $'000	2024 $'000
Numerical reconciliation between tax expense and pretax 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	11.13	8.20

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).

Diluted earnings per share	11.10	8.18

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).

Net tangible assets/(liabilities) per share	1.93	(5.48)

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.

Net assets per share	126.04	118.54

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.

	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

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 & 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.

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).

Lease liabilities	**Property $'000**	**Motor Vehicles $'000**	**Equipment $'000**	**Total $'000**
2025				
Balance as 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 as 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.

12 Leases (continued)

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.

	2025 $'000	2024 $'000
Maturity analysis of contractual undiscounted cash flows		
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.

	2025 $'000	2024 $'000
Maturity analysis of contractual undiscounted cash flows		
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.

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.

13 Intangible assets (continued)

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

		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.

	2025 $'000	2024 $'000
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

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 of 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: $200,000) 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 PSR's 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.

21 Financial instruments (continued)

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 is as follows:

	Gross receivable 2025 $'000	Impairment 2025 $'000	Gross receivable 2024 $'000	Impairment 2024 $'000
Trade receivables and contract assets				
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.

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**

	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
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**

21 Financial instruments (continued)

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, sublease 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
Other	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**