AROA™

ANNUAL REPORT
2024

Unlocking regenerative
healing for every*body*

2024 HIGHLIGHTS

Total Revenue

↑ **12%** ON FY23

Product Revenue

↑ **12%** ON FY23

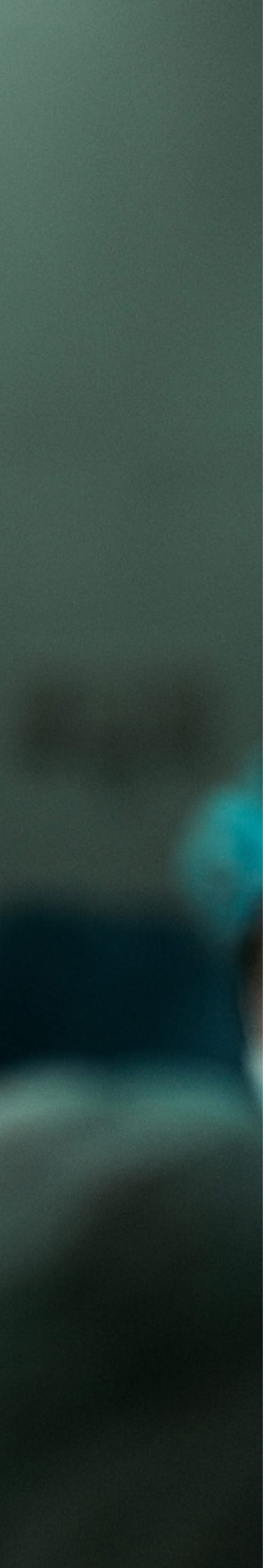
Myriad™ Product Revenue $23.3 M

↑ **73%** ON FY23

Completion of first clinical pilot study for Enivo™

Gross Margin

↑ **1%** ON FY23



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+ KEY DATES

23 July 2024
Annual General Meeting of Shareholders

30 September 2024
Financial Half Year End

26 November 2024*
Half Year Results Announcement

31 March 2025
Financial Year End

This Annual Report is dated 24 June 2024 and is signed on behalf of Aroa Biosurgery Limited by Jim McLean, Independent Chair of the Board and Brian Ward, Managing Director and CEO.

Jim McLean

Independent Chair
of the Board

Brian Ward

Managing Director
and CEO

*Indicative date

RESULTS IN BRIEF

Total Revenue

$69.1 MILLION

↑ 12% ON FY23

Product Gross Margin

85%

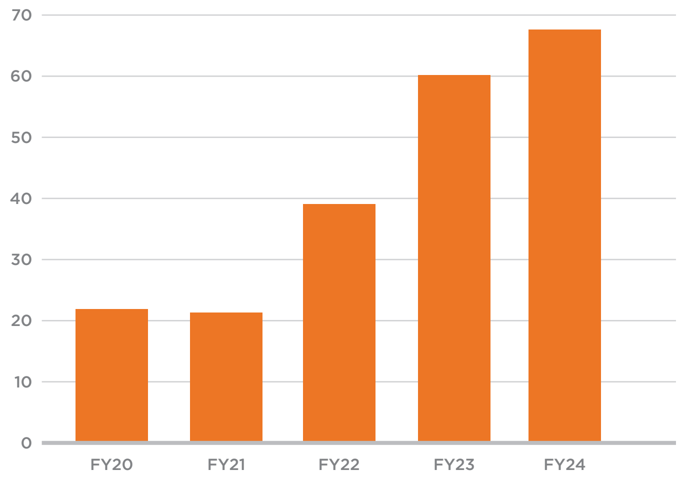
↑ 1% ON FY23

Cash Balance

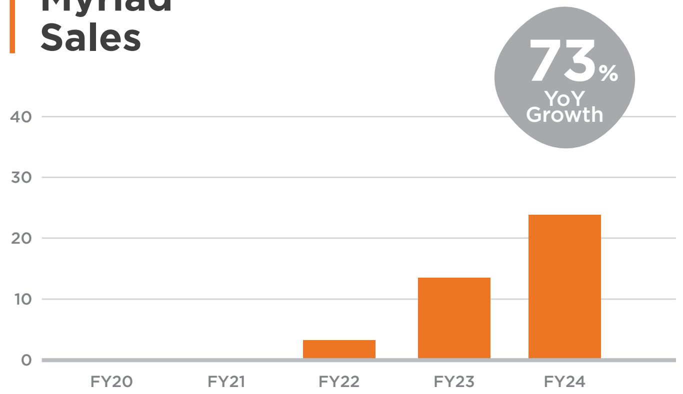
$29.5 MILLION

Total AROA Product Sales

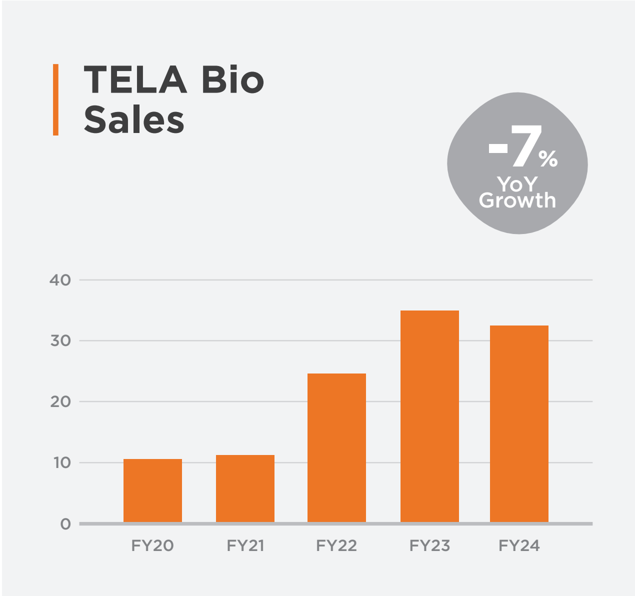
12% YoY Growth

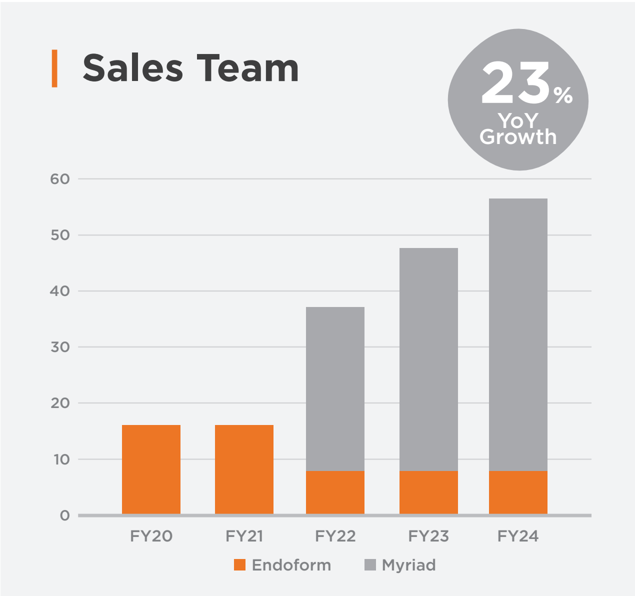


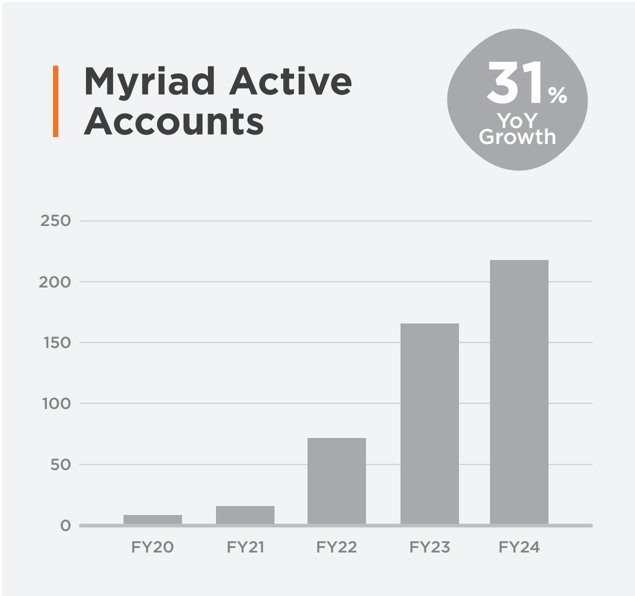
Myriad Sales




Endoform™ Sales
-2%
YoY Growth
40
30
20
10
0
FY20
FY21
FY22
FY23
FY24


TELA Bio Sales
-7%
YoY Growth
40
30
20
10
0
FY20
FY21
FY22
FY23
FY24


Sales Team
23%
YoY Growth
60
50
40
30
20
10
0
FY20
FY21
FY22
FY23
FY24
Endoform
Myriad


Myriad Active Accounts
31%
YoY Growth
250
200
150
100
50
0
FY20
FY21
FY22
FY23
FY24


Research & Development Spend % of Product Sales
15
10
5
0
23%
30%
21%
20%
17%
FY20
FY21
FY22
FY23
FY24
ENIVO
Other
Capitalised


Clinical Evidence
156
81
160
140
120
100
80
60
40
20
0
FY20
FY21
FY22
FY23
FY24
Conference Proceedings
Publications

CHAIR'S REVIEW

As AROA grows and matures, the Board remains focused on ensuring that the Company is well placed to deliver long term growth that is both sustainable and profitable.

The Company's FY24 performance reflects consistent growth across key metrics, with an increase in total revenue of 12%. On behalf of the Board, I want to thank Brian and our people for their efforts.

As expected, Myriad has contributed to strong growth, and momentum continues to build within our US sales team, with 31% year on year growth in active Myriad accounts.

AROA's cash position remains strong. We will continue to invest in building out the Company's US sales team, to drive further growth and capitalise on the market opportunities for our high-margin Myriad products.

We understand the importance of implementing sustainable business practices and remain focused on this at leadership level. Throughout FY24, the Company has made steady progress in this area, which is covered in our Sustainability Report, included within this Annual Report.

As previously announced, Darla Hutton joined the Board in March 2024. She brings over 25 years of international leadership expertise in life sciences commercial strategy, operations, sales, marketing, and data analytics, and is also experienced in guiding diversity policy. Her skills and expertise will help guide the Company's expansion in North America and beyond.

During FY24, the composition of our permanent Board committees was adjusted, including to reflect the addition of Darla. These changes as well as current membership of each Board committee, are included in this Annual Report.

“Myriad sales continue to drive consistent growth, with our US sales team delivering a strong 31% year-on-year increase in active accounts, demonstrating continued momentum for the product portfolio.”

Darla’s appointment does not increase the number of Directors, as long-standing Board Member Steve Engle retired from the Company’s Board in March 2024. Over the past nine years, Steve’s insight and knowledge have helped to shape the Company’s direction. On behalf of the Board, I would like to thank Steve for his significant contribution to AROA and wish him well in his future endeavours.

AROA has a diverse, talented team, strong corporate strategy, and the fundamentals in place to deliver long term value to shareholders. We highly value the confidence of our shareholders in AROA as the company continues to grow and reach new milestones.

J. N. McLean

Jim McLean

Independent Chair
of the Board of Directors

CEO'S REPORT

We are continuing to build clinical evidence demonstrating the efficacy of our products in specific procedures, including how they compare with standard of care and alternative products. These studies provide a basis for promotional activities, clinical engagement, and inform our commercial strategy.

We also expect to leverage that data to demonstrate the financial benefits of using Myriad within hospitals, which may include shorter hospital stays, reduced follow up surgeries, lower rates of complications and reduced product costs.

Last year brought a mix of successes and challenges for AROA.

The Myriad portfolio of products performed well, with our US sales team delivering 73% year-on-year sales growth. This growth was driven by expansion within existing accounts and growth in new accounts.

TELA Bio's OviTex/OviTex PRS sales continued to perform strongly, increasing 41% on the previous year. During the first half of FY24, TELA Bio implemented inventory management improvements to minimise obsolescence which significantly reduced stockholding from approximately 33% of revenue in FY23, to around 22% in FY24. This initially dampened TELA Bio's demand for the products, contributing to a 7% decline in AROA's full-year OviTex/OviTex PRS revenue compared to the prior year. Demand recovered in the second half to deliver a 19% increase in AROA's H2 FY24 OviTex/OviTex PRS revenue. With these adjustments now behind us, we are confident that FY25 will see a return to our previous growth trajectory. We also expect TELA Bio's optimised stock portfolio to smooth demand and bring both parties' sales into closer alignment going forward.

+ Commercial operations

As noted above, Myriad sales were the key growth driver and contributed to 34% of total product sales. This result was delivered by our expanded field sales team, which increased from ~40 in 2023 to ~50 in 2024 whilst yielding improved productivity across all categories of tenure. Sales efficiency remains a critical focus, and we will be launching further initiatives to continue that upwards trend. This includes leveraging our sales success in lower limb procedures and continuing to extend usage in

trauma, capitalising on the growing body of clinical and financial evidence that underpins our AROA ECM™ portfolio. With over 95% of US hospitals able to access AROA products through our contracts with group purchasing organisations, we are well placed for sustained growth.

+ Clinical foundations

During FY24, the Myriad Augmented Soft Tissue Regeneration Registry (MASTRR) study completed its target patient enrolments of 300. MASTRR is AROA's largest prospective study to date, evaluating Myriad Matrix™ and Myriad Morcells™ in a range of lower limb salvage, colorectal and trauma procedures. Activating each site and collecting data has been a key focus for our clinical team over the last two years. The data is currently being evaluated, and we expect to report on Myriad's use in limb salvage in 130 patients in the first half of FY25.

> "Throughout the coming year, we will focus on delivering strong top line growth, while also managing expenses to ensure profitability in FY25."

Two further studies assessing Myriad in trauma procedures are expected to be published later in FY25. One of these studies will examine the use of Myriad with negative pressure (NPWT). Recruitment for the Symphony Randomised Control Trial is also well advanced with 90 out of a total of 120 patients recruited as at 31 March 2024. Interim reporting based on the first 60 patients is expected during the last quarter of this calendar year, and final reporting in the second quarter of next calendar year.

We are continuing to build clinical evidence demonstrating the efficacy of our products in specific procedures, including how they compare with standard of care and alternative products. These studies provide a basis for promotional activities, clinical engagement, and inform our commercial strategy. We also expect to leverage that data to demonstrate the financial benefits of using Myriad within hospitals, which may include shorter hospital stays, reduced follow up surgeries, lower rates of complications and reduced product costs.

Overall, we now have 81 peer reviewed clinical publications, supporting the use of our AROA ECM products.

+ Enivo

We remain focused on activities that support commercialisation of our second technology platform, Enivo, which offers a unique opportunity to address a currently unmet market need and deliver a step change in healing outcomes.

The Enivo platform represents significant commercial potential, with an estimated total addressable market of more than US$1 billion, and it is expected to be used synergistically with AROA ECM products.

In FY24, we completed a pilot clinical study assessing the efficacy of the Enivo platform, with encouraging results. In FY25, we will focus on undertaking further clinical research necessary to support regulatory clearance.

+ Manufacturing operations

We are continuing to invest in increasing both process efficiency and our tissue manufacturing capacity. In FY24 we implemented a number of process improvements and took delivery of an additional freeze dryer, which will at least double our freeze-drying capacity. We expect to conclude the current program of expansion and upgrades in the first half of FY25.

+ FY25 outlook

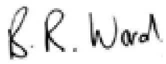
Throughout the coming year, we will focus on delivering strong top line growth, while also managing expenses to ensure profitability in FY25. As announced in May, we expect to deliver FY25 total revenue of NZ$80-87 million and a normalised EBITDA profit of NZ$2-6 million.[1]

We expect our expanded product portfolio to drive continued product revenue and gross margin growth through sales of our higher margin Myriad™ and Symphony™ products.

We are also committed to undertaking further clinical studies on the Enivo platform to advance commercialisation.

+ Concluding remarks

Delivering shareholder value remains our top priority, and we are focused on demonstrating that AROA is becoming a high growth, cashflow positive business. We have calibrated our strategy accordingly, and our passionate and driven team is united in its commitment to that outcome. AROA's shareholders are instrumental to our mission to unlock regenerative healing for everybody, and we thank you for your continued support.



Brian Ward

Founder, Managing Director and CEO

BOARD OF DIRECTORS

James McLean

BOARD RESPONSIBILITIES
Chairman and independent non-executive director and member of the Audit Committee.

TERM OF OFFICE
Apointed 10 August 2011. Last re-elected 10 August 2022.

James (Jim) is a resident of New Zealand. He has over 25 years' experience serving as chair, director, or an executive of research and technology businesses for both commercial and New Zealand Government organisations. In addition to AROA, Jim is also Chair of Prevar Limited.

He was Chair of the New Zealand Institute of Plant & Food Research and Chair of its predecessor HortResearch, as well as several private businesses and start-up companies. He served on the board of the then Foundation for Research, Science, and Technology including five years as Deputy Chair. Jim was an executive and director of Genesis Research & Development Corporation Limited during its early stages through to public listing.

Before specialising in science and technology businesses, Jim held management positions with an international manufacturing business and spent thirteen years as a partner at chartered accountants, EY. His time at EY was focused on business strategy and included two years' secondment to EY's Washington DC office.

Jim has a BSc (Hons) in Chemistry from University of Otago and a Post Graduate Diploma in Accounting from Victoria University of Wellington.

Brian Ward

BOARD RESPONSIBILITIES
Managing Director and CEO.

TERM OF OFFICE
First appointed 21 September 2007.

Brian is the founder of AROA and a resident of New Zealand. He has held senior corporate roles in life sciences and health care companies for more than 25 years. He has extensive management experience in life science companies spanning clinical, technical, sales, marketing, corporate development and strategy having worked for a number of multinationals including Baxter, Beecham and SmithKline Beecham throughout the world. He has managed investments into New Zealand technology companies for the Foundation for Research Science and Technology, served as the founding CEO of NZBio, and has sat on a number of government and industry expert panels.

Brian has been responsible for leading AROA's growth from start-up through to the present.

As CEO and a substantial shareholder in the Company, he is considered by the Board to not be an independent director.

Brian is a graduate of Massey University with a Bachelor's degree in Veterinary Science, a Member of the Royal College of Veterinary Surgeons (UK), and holds a Masters degree in Business Administration graduating with distinction.

John Diddams

BOARD RESPONSIBILITIES

Independent non-executive director and Chair of the Audit Committee and Member of the Remuneration & Nomination Committee.

TERM OF OFFICE

First appointed 21 November 2019.

Last re-elected 3 August 2023.

John is a resident of Australia and has over forty years' experience as a CFO, CEO and director of both private and publicly listed companies. John is currently the non-executive Chairman of xReality Group Limited (ASX:XRG), and is a non-executive director of Surf Lakes Holdings Limited and DIT AgTech Limited.

John has extensive knowledge and experience in the practical application of ASX Listing Rules, Australian corporations law, international accounting standards and corporate governance principles. He heads a CPA firm providing corporate advisory services to SME and mid-cap companies and has managed the listing process, secondary capital raisings and ASX listings in a number of diverse industry sectors, including oil and gas, food and retail, telecommunications, adventure tourism, biotechnology, and the dental and medical sectors.

John holds a Bachelor of Commerce from University of NSW, is a Fellow of the Australian Society of CPAs and a Fellow of the Australian Institute of Company Directors.

Darla Hutton

BOARD RESPONSIBILITIES

Independent non-executive director and Member of the Risk Committee since 1 April 2024

TERM OF OFFICE

First appointed 22 March 2024.

Darla is a resident of the US and has been a director of Aroa Biosurgery since March 2024.

She has more than 25 years of medical technology experience, including global leadership expertise in commercial strategy, operations, sales, marketing, healthcare analytics, lean and enterprise consulting.

Darla is currently Vice President, Asia Commercial Operations and Marketing at Intuitive, pioneers in the field of robotic-assisted surgery and maker of the da Vinci surgical and ION diagnostic robot systems.

Throughout her tenure at Intuitive, Darla has held commercial roles of increasing responsibility including Regional Sales Director, Vice President of Corporate Accounts-US, and Vice President Marketing, Market Access & Custom Hospital Analytics. In these roles, she has contributed to the expansion of Intuitive's commercial operations capabilities and range of global offerings. In addition, Darla has served as a member of Intuitive's Inclusion and Diversity Executive Council.

Prior to Intuitive, Darla held commercial positions at other successful medical technology, pharmaceutical, and biotech companies, including Boston Scientific and GlaxoSmithKline, and spent her early professional career in the cardiac-thoracic nursing field.

Darla holds a Bachelor of Science and Master of Science from the University of Tampa.

Philip McCaw

BOARD RESPONSIBILITIES

Non-executive director and member of the Remuneration & Nomination Committee

TERM OF OFFICE

First appointed 5 March 2008. Last re-elected 20 July 2021.

Philip (Phil) McCaw is a resident of New Zealand and is the Founding Partner of Movac, one of New Zealand's leading venture capital funds. He led the original investment round into AROA in 2008, has worked closely with the Company and has served on the Board since then. He is currently the Executive Chair and CEO of Author-IT Software Corporation, a software company that delivers component authoring solutions, enabled by AI, for the largest global pharmaceutical companies. He was also the Chair of the 2023 New Zealand Government's Startup Advisors' Council, established to help identify and address the opportunities and challenges facing high growth start-up businesses.

Phil has over 20 years' experience investing into New Zealand technology companies and helping to guide their growth. He was an early investor in Trade Me, New Zealand's leading on-line trading community, which was sold to Fairfax in 2006. Phil was also an early investor into PowerByProxi, a wireless power technology spin-out from Auckland University, which was sold to Apple in 2018.

Outside of Movac, Phil remains an active angel investor and maintains a personal angel investment portfolio. He is a strong advocate for the development of the entrepreneurial and early-stage investment eco-system in New Zealand and was the past Chair of the Angel Association of New Zealand.

Prior to starting Movac, Phil spent 10 years with Deloitte Consulting working in New Zealand and the US.

As a substantial shareholder in AROA, Phil is considered by the Board to not be an independent director.

Phil has a Bachelor of Business Studies (Senior Scholar) from Massey University.

Dr. Catherine Mohr

BOARD RESPONSIBILITIES

Independent non-executive director and member of the Risk Committee. Chair of the Remuneration & Nomination Committee since 1 April 2024

TERM OF OFFICE

First appointed 1 November 2022. Last re-elected 3 August 2023.

Catherine is a New Zealand citizen and resident of the US. She has over 30 years' experience across a diverse range of fields, including engineering, healthcare, alternative energy, aerospace and global entrepreneurship.

Her expertise spans many areas related to AROA's next stage of growth, including medtech product research and development, FDA approvals, product commercialisation and surgery technology innovation.

She has been President of the Intuitive Foundation since 2018. Prior to leading the Foundation, Catherine held senior roles at Intuitive Surgical, including Vice President of Strategy and Director of Medical Research. Intuitive Surgical is a pioneer in the robotic-assisted surgery field and developed the da Vinci surgical robotic system which is used in millions of surgical procedures across the globe every year.

Catherine is also on the board of directors for FINCA International and cofounded VeriSure, where she invented the LapCap™, the first of a new category of laparoscopic surgery enabling products.

Catherine holds a Bachelor of Science and Master of Science in Mechanical Engineering from Massachusetts Institute of Technology (MIT) and Doctor of Medicine from the Stanford University School of Medicine.

John Pinion

BOARD RESPONSIBILITIES
Independent non-executive director, Chair of the Risk Committee and member of the Audit Committee

TERM OF OFFICE
First appointed 1 February 2015. Last re-elected 20 July 2021.

John is a resident of the US. He has over 30 years of global experience leading biologic, small molecule pharmaceutical, gene therapy and device operations across Asia, Europe and the Americas. His expertise and leadership spans engineering, quality, manufacturing and translational sciences. He joined Ultragenyx in July 2015 and currently holds the role of EVP, Translational Sciences and Chief Quality Operations Officer. He provides leadership for Ultragenyx's translational sciences functions which includes Pharmacology and Toxicology, Research and Bioanalytical Development, as well as GxP Quality and Compliance and CMC Analytical QC.

As a key member of Ultragenyx's executive leadership team reporting directly to the CEO, he also contributes to ongoing business development, clinical development, commercial and strategic planning activities.

John is also an advisory board member for Celestial Therapeutics, Inc., a biopharmaceutical company focused on the development and commercialisation of next-generation novel and ground-breaking mRNA vaccines and therapeutics for the treatment and prevention of a variety of infectious diseases, rare diseases and cancers.

John has previously held operational and senior leadership roles in Genentech (subsequently Roche post Genentech acquisition, as Senior Vice President and Global Head of Quality and Compliance for Pharma Technical Operations) and Baxter International's Renal, Bioscience, Parenterals and Device divisions.

He holds a B.S. in Mechanical Engineering from West Virginia University.

Steven Engle

BOARD RESPONSIBILITIES
Independent non-executive director, Chair of the Remuneration & Nomination Committee and member of the Risk Committee until 31 March 2024.

TERM OF OFFICE
First appointed 1 April 2015. Retired 31 March 2024.

Steve is a resident of the US. He has over 20 years' executive leadership experience with public biotech companies developing breakthrough products in metabolic, autoimmune, oncologic and infectious disease areas.

Steve is the CEO and executive director of Gradalis Inc., a late-stage biopharmaceutical company focused on the development and commercialisation of novel personalized therapeutics to treat cancer. He is also the non-executive Chairman of the board of Prescient Therapeutics Ltd. (ASX: PTX), an ASX listed clinical stage oncology company, and executive Chairman of Author-it Software Corporation, a developer of authoring information solutions for pharmaceutical and biotechnology companies. Steve also runs Averigon, an advisory firm to the life science industry on matters ranging from business development to management team coaching.

He was previously CEO of CohBar, a clinical stage biotechnology company developing mitochondria-based therapeutics to treat age-related diseases and extend healthy lifespan. Prior to that, he held roles as Chairman and CEO of XOMA Corporation, a leader in the development of therapeutic antibodies and antibody technologies, and La Jolla Pharmaceutical Company, which discovered the biology of B cell tolerance, developed the first B cell toleragen for lupus patients, and received an approvable letter from the FDA. Earlier, he served as Vice President of Marketing for Cygnus, a drug delivery systems company, where he helped to gain FDA approval and launch Nicotrol for smoking cessation.

He is a former director of industry associations, BIO, BayBio and BIOCOM, and was a member of the board of the Lupus Foundation of America.

Steve holds M.S.E.E. and B.S.E.E. degrees from the University of Texas with a focus on biomedical engineering.

EXECUTIVE LEADERSHIP TEAM

Brian Ward

Chief Executive Officer, Founder and Managing Director

Brian is the founder of AROA and a resident of New Zealand. He has held senior corporate roles in life sciences and health care companies for more than 25 years. He has extensive management experience in life science companies spanning clinical, technical, sales, marketing, corporate development and strategy having worked for a number of multinationals including Baxter, Beecham and SmithKline Beecham throughout the world. He has managed investments into New Zealand technology companies for the Foundation for Research Science and Technology, served as the founding CEO of NZBio, and has sat on a number of government and industry expert panels.

Brian has been responsible for leading AROA's growth from start-up through to the present.

Brian is a graduate of Massey University with a Bachelor's degree in Veterinary Science, a Member of the Royal College of Veterinary Surgeons (UK), and holds a Masters degree in Business Administration graduating with distinction.

James Agnew

Chief Financial Officer and Joint Company Secretary

James joined AROA's management team in 2013 and has over 20 years' experience in business and finance. He has extensive experience in corporate finance, investment management, M&A, strategic and operational planning, contractual management and negotiation, international taxation and compliance, including US GAAP.

In 2011, James was a finalist in the Young Financial Manager of the year at the Annual CFO Awards.

Prior to this role, he was the VP of Finance & Operations for MXM Mobile (a division of the Meredith Corporation) based in New York, overseeing all international subsidiaries following the acquisition of The Hyperfactory Ltd (NZ high growth technology company) where he held the role of Group Financial Controller. In his earlier career, James worked in public practice providing accounting and business advisory services to a diverse range of successful New Zealand companies.

James holds a Bachelor of Laws and Bachelor of Commerce from the University of Auckland.

Dr. Barnaby May

Chief Scientific Officer

Barnaby joined AROA's management team in 2008. He completed his doctoral thesis on the design and synthesis of novel HIV protease inhibitors at the University of Canterbury, New Zealand. He subsequently undertook postdoctoral studies in 2000 at the University of California San Francisco (UCSF). During this time, he established and led a drug discovery program targeting human prion diseases, and successfully identified a compound that underwent immediate clinical studies. Barnaby developed additional related research programs in the areas of protein misfolding diseases, parasitic diseases, computational and structural biology. In 2003, he accepted an invitation to a faculty role at UCSF where he built and led a drug discovery program. This program spanned target and lead identification, high-throughput screening, medicinal chemistry, and pre-clinical pharmacokinetics. In 2004, Barnaby joined InPro Biotechnology as Scientific Director to lead product development of prion-related medical devices and diagnostics. After 8 years abroad, he returned to New Zealand in 2008 and joined AROA.

Yasmin Winchester

Vice President Quality, Regulatory and Sustainability

Yasmin joined AROA in 2014 and has held several roles in the quality space. Her role covers a wide scope, overseeing quality assurance, as well as regulatory affairs, health and safety, and sustainability. Yasmin's role is responsible for developing and implementing AROA's social and sustainability approach to achieve long-term stability and sustainability of our operations, while continuing to deliver medical devices that are safe and effective for use.

Before joining the AROA team, Yasmin held roles in Quality Assurance at Glaxo Smith Kline and Johnson & Johnson Medical.

Yasmin holds a Bachelor of Science with a major in Biology from the University of Waikato.

Rod Stanley

Chief Technology Officer

Rod joined AROA in 2013 and has over 15 years' experience in medical device design and manufacturing.

Rod is responsible for managing the technical operations of the organisation and providing technical direction related to product development, project management, manufacturing, and distribution.

Prior to joining AROA, Rod worked in development of novel polymer coatings for microfluidic devices at Industrial Research Limited. Rod's professional expertise includes chemical processing of biomaterials, and implementation of sterilisation processes.

During his time at AROA, Rod's focus has been on process design and transfer into manufacturing, redevelopment and scale-up activities for the Auckland site, as well as overseeing routine production activities.

Rod holds a Bachelor of Science and a Master of Science from the University of Otago.

SUSTAINABILITY REPORT

At AROA we are focused on contributing to a more sustainable future for everybody.

Throughout FY24 we have made steady progress towards embedding sustainable business practices into the Company.

We are pleased to provide an update on our sustainability journey through this year's Sustainability Report.

At AROA, we continue to focus on contributing to a more sustainable future for everybody. Throughout FY24, we have made steady progress towards embedding sustainable business practices into the Company.

We recognise that we are at the start of a long and very important journey and look forward to reaching key milestones over the coming years.

+ We support the following United Nations Sustainable Development Goals

SUSTAINABLE DEVELOPMENT GOALS

- GOOD HEALTH AND WELL-BEING
- QUALITY EDUCATION
- GENDER EQUALITY
- CLEAN WATER AND SANITATION
- DECENT WORK AND ECONOMIC GROWTH
- RESPONSIBLE CONSUMPTION AND PRODUCTION

+ Environmental Sustainability

Our Sustainability Actions

To guide us on our journey, we have developed a dashboard to measure key sustainability metrics, including waste to landfill, water usage, wastewater, electricity usage, and freight carbon emissions. The dashboard helps us measure our environmental impact, providing data to drive continuous improvements in our sustainability performance. Over the past financial year, we continued to collect and analyse this data, laying the groundwork for future development of reduction targets for our emissions.

Method Recycling Bins

To encourage good waste disposal habits in the workplace, in September 2023 we introduced centralised communal recycling stations containing several waste streams to separate landfill from paper and recyclable items.

Some of AROA's bike to work enthusiasts

Bike to work

Cycling to work not only has health and fitness benefits but is also an environmentally sustainable travel method.

To support and encourage this, in April 2024, AROA set up a bike shed for team members to store their bikes safely and securely. In addition to the bike shed, we have also purchased bike repair tools and safety vests to increase visibility while cycling.

Cycling to work is gaining popularity, and in 2023, we had 20 of our Auckland based team members (around 10%) participate in the Aotearoa Bike Challenge.

+ Diversity, Equity and Inclusion

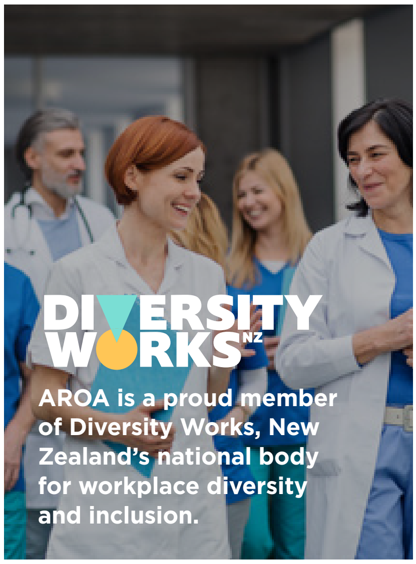
AROA is te reo Māori for understanding, and with this in mind, we are committed to fostering a diverse and inclusive culture across all levels of the Company.

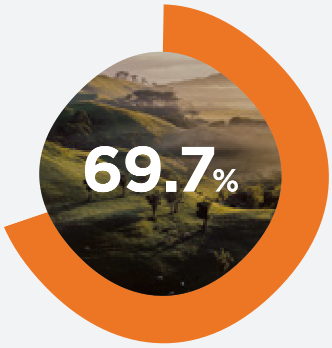
Gender diversity

AROA is committed to reaching 40:40:20 gender representation (40% women, 40% men and 20% open) by 2033. During 2023 we developed the following objectives to address gender diversity.

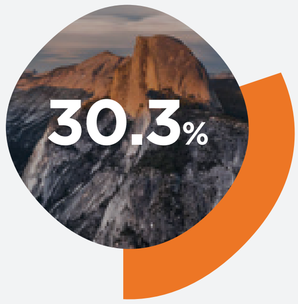
- A minimum of 30% gender diversity at Senior Leadership level by FY26
- 20% gender diversity at Board Level by FY27
- Achieve minimum of 40% gender diversity at Manager and Supervisor level by FY27
- Over the next two years, work towards achieving a minimum of 30% gender diversity in senior management by FY26

We will evaluate progress regularly and report yearly on this in the Annual Report.





Employees in New Zealand



Employees in North America

Women in our Employee Population

Ethnicities Self-identified by Team Members

Women in Senior Leadership roles

The table below shows the ratio of women to men among our Board members, executives, senior leadership, and all employees as at 31 March 2024 across New Zealand and North America.

	Women	Men	Women %	Men %
Board	2	5	29%	71%
Senior Leadership Team	4	10	29%	71%
Supervisors and Managers	16	40	29%	71%
All Employees	139	147	49%	51%

Celebrating diversity

Since establishing the AROA Women's Network in 2022, the employee-led committee has worked to foster diversity and inclusion through regular events and forums.

In line with our Diversity policy, we have created a calendar of key events and held regular, well attended employee led celebration events throughout the year which help to foster diversity and inclusion across the organisation.

KEY EVENTS

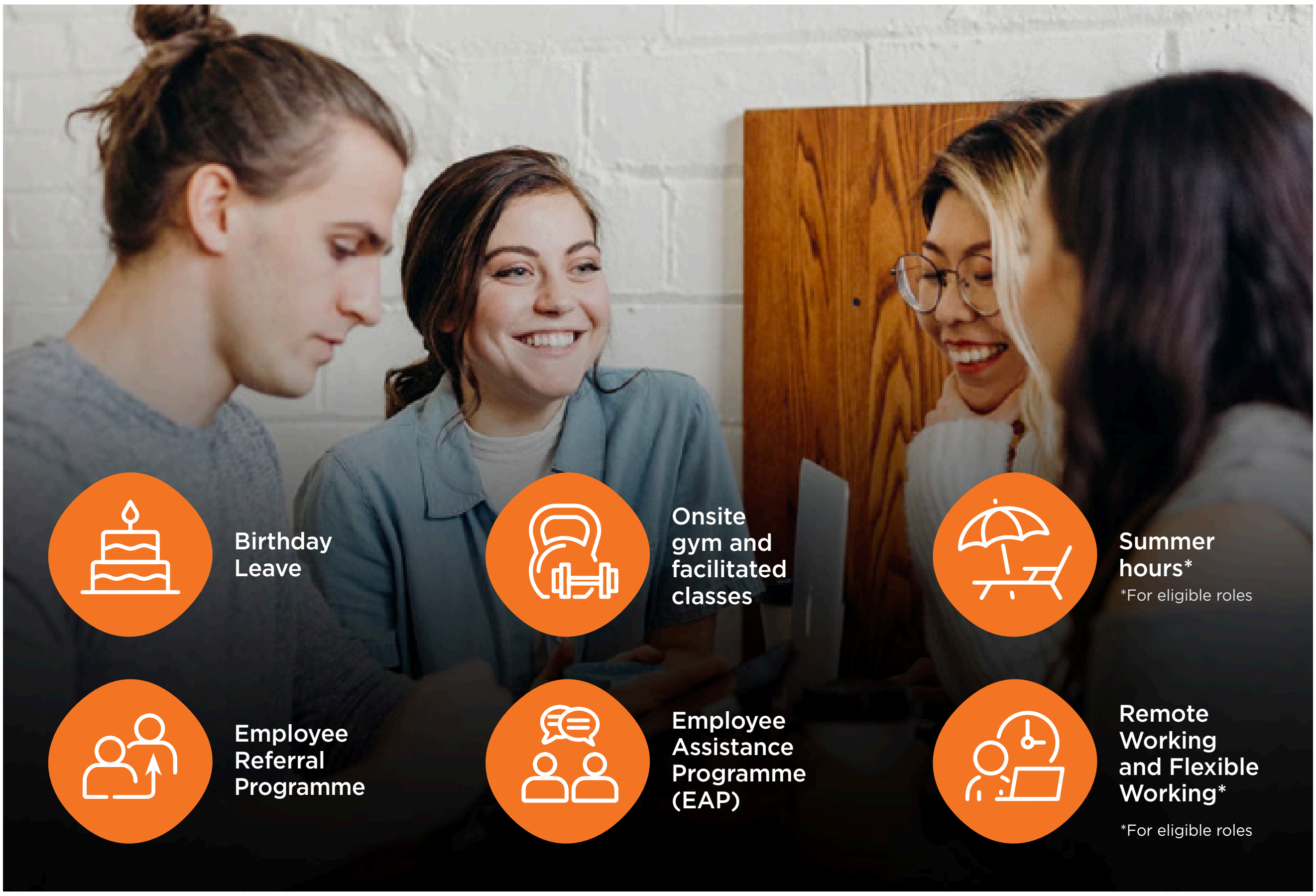
- Eid
- Diwali
- International Women's Day
- Lunar New Year
- Matariki
- Mental Health Awareness Week

International Women's Day celebrations

Team members make pedal powered smoothies during Mental Health Awareness Week

+ People and Culture

Supporting our objective of being a great place to work, AROA offers permanent team members a range of employee benefits.



We continue to review employee benefits and look forward to continuing to add to the existing offering.

Health and Safety

To support the safety and wellbeing of our people at AROA, in April 2023 we appointed our first Health and Safety Advisor.

Since this appointment, several key milestones have been reached. These include: the implementation of Health and Safety Management System, development of a Health and Safety intranet site, review and enhancement of Health and Safety policies, implementation of health and safety subcommittees for each business area, and the purchase and installation of an Automatic External defibrillator (AED) at the Auckland head office site.

Internship Programme

AROA has a proud history of supporting students in the Science and Engineering fields, with several student placements over the years. Since 2022 AROA has run a formal internship programme each year, spanning 10 weeks. In 2023, 10 engineering students participated in AROA's internship programme.

Victoria Reyes

"I liked so many things about my internship at AROA.

The culture is relaxed, and the environment is great for learning – you can approach anyone and they're willing to help."

+ Community

KidzFirst Christmas Party

Every December, Middlemore Foundation and BBM Foundation team up to give the families of more than 200 South Auckland children living with long-term health conditions a day to celebrate with entertainment, gifts, and fun.

Over 600 food parcels and 6000 gifts were provided at the popular community event.

For the second year running, AROA was proud to be a key supporter of the KidzFirst Christmas party, contributing a $10,000 donation as well as AROA team members volunteering at the event.

Fostering interest in STEM careers

At AROA, we are proud to support initiatives that foster an interest in science, technology, and Engineering (STEM) careers. During FY24, AROA developed partnerships with two purpose led organisations focused on encouraging interest and participation in STEM careers.

Robogals

Robogals is a global, student run organisation that aims to inspire and empower young women to consider studying engineering and related fields by hosting events and workshops. AROA is proud to be a gold sponsor of Robogals.

The Wonder Project

The wonder project is Engineering New Zealand's not-for-profit, free programme for schools, designed to inspire young people (rangatahi) with STEM. The Wonder Project provides hands on immersive STEM learning experiences for school aged children in New Zealand. AROA is proud to be a silver sponsor of The Wonder Project.

DIRECTORS REPORT

The Directors present their report on the Group for the financial year ended 31 March 2024.

+ AROA's activities and operations

AROA is in the business of soft tissue regeneration. During the year, the Group's principal activity was the development, manufacture and distribution of products globally to improve healing in complex wounds and soft tissue reconstruction.

Commentary on the Group's operations and activities during the year is set out in the Chair's Review and CEO's Report.

+ Financial results for the year

Normalised Profit or Loss

	FY24 NZ$000	H2 FY24 NZ$000	H1 FY24 NZ$000	FY23 NZ$000	YoY%
Product sales	67,966	36,780	31,186	60,512	12
Other revenue	1,100	415	685	1,090	1
Total revenue	**69,066**	**37,195**	**31,871**	**61,602**	**12**
Gross profit	**58,973**	**32,165**	**26,808**	**51,718**	**14**
Product gross margin %	**85%**	**86%**	**84%**	**84%**	**100 bps**
Other income	1,664	694	970	1,734	(4)
Normalised selling and administrative expenses*	(58,968)	(31,486)	(27,482)	(45,132)	31
Research and development	(9,159)	(4,057)	(5,102)	(10,612)	(14)
Total normalised operating expenses	**(68,127)**	**(35,543)**	**(32,584)**	**(55,744)**	**23**
Normalised EBIT	**(7,490)**	**(2,684)**	**(4,806)**	**(2,292)**	**236**
Add back: depreciation & amortisation	4,395	2,256	2,139	3,834	15
Normalised EBITDA	**(3,095)**	**(428)**	**(2,667)**	**1,542**	**(314)**
Normalised net finance income*	1,390	687	703	1,394	-
Normalised loss before income tax	**(6,100)**	**(1,997)**	**(4,103)**	**(898)**	**602**

*These items have been normalised by the amounts outlined within the section headed 'Reconciliation of Normalised Profit or Loss to NZ GAAP Profit or Loss'.

Product Revenue

Product revenue for the year was NZ$68.0 million representing 12% growth on the previous year (10% in constant currency). Myriad performed well, with a 73% increase to NZ$23.3 million (70% on a constant currency basis). As expected, although TELA Bio's CY23 sales increased by 41%, their focus on inventory management measures dampened demand for OviTex/OviTex PRS in FY24, to deliver product revenue of NZ$32.6 million (a 7% and 8% reduction from FY23, on a reported and constant currency basis respectively). The overall impact of these initiatives was confined, as TELA Bio's demand for the products re-aligned with their sales in H2 FY24 to deliver a 19% increase in OviTex/OviTex PRS revenue compared to H1 FY24. Endoform sales were in line with FY23, with a modest contribution from Symphony.

Ex-USA product revenue continued its strong year-on-year growth, with a 58% increase on FY23 to NZ$2.8 million (FY23 revenue was NZ$1.7m, reflecting 60% growth on the prior year).

Normalised Other Revenue

Normalised other revenue for the year was constant with FY23,[2] at NZ$1.1 million. This represents project fee income received for product development projects undertaken with TELA Bio.

Product Gross Margin %

Full-year product gross margin increased by 1%, on both a reported and constant currency basis, to 85%. This primarily resulted from sales growth of AROA's high-margin Myriad products and ongoing manufacturing efficiency improvements. Product gross margin increased from 84% during H1 FY24 to 86% in H2 FY24.

Other Income

Other income was constant with FY23, at ~NZ$1.7 million. This comprised of tax credits valued at NZ$1.7 million under the Research & Development Tax Incentive program (compared to NZ$1.6 million previously).

Normalised Operating Expenses & EBITDA

Selling and administrative expenses were NZ$59.0 million, representing a 31% increase from NZ$45.1 million in FY23. This was driven by the continued expansion of AROA's US-based sales operations, growth in aggregate commission payments to US sales staff for increased Myriad sales, and increased clinical development activities. The latter reflects a larger investment (NZ$3.6 million) into the Symphony RCT during FY24 than anticipated, due to faster patient recruitment. The Symphony RCT (n=120) is an 18-month multi-centre study assessing the product's efficacy in treating diabetic foot ulcers. The data from the study, which is expected to be published in FY25, will be an important catalyst in driving Symphony sales.

Research and development expenses were NZ$9.2 million, compared to NZ$10.6 million in FY23. This was largely due to the reduced expenditure on the Company's second platform technology (Enivo), decreasing from approximately NZ$7 million in FY23 to NZ$5 million in FY24. As previously communicated, AROA has received US Food and Drug Administration (FDA) clearance for two (of three) components of the Enivo system and is engaging with the FDA to confirm the design of clinical and pre-clinical studies to support a further clearance to commercialise the Enivo system. We will provide a further update on this in due course.

The Company capitalised NZ$2.8 million of development costs in FY24, compared with NZ$1.3 million in FY23.[3] These development costs primarily represent investments made into existing product line extensions and manufacturing process improvements, where AROA has certainty of the investments generating future economic benefits.

The Company generated a normalised EBITDA loss of NZ$3.1 million in FY24, compared to a NZ$1.5 million profit in FY23. The normalised loss before income tax was NZ$6.1 million (NZ GAAP Loss before income tax of NZ$10.4 million) compared to a loss of NZ$0.9 million in FY23 (NZ GAAP Loss before income tax of NZ$0.4 million). In the absence of the Enivo development investment in FY24, AROA would have delivered a normalised EBITDA profit of NZ$1.2 million.

Cashflows

Quarterly cashflows from operating activities progressed towards breakeven during the year, with the Company posting positive net cash inflows from operations in the fourth quarter. On a full-year basis, net cash outflows from operating activities were NZ$7.4 million (compared to previous outflows of NZ$3.8 million), resulting from the Company's increased investment into its US commercial operations and clinical development activities.

Purchases of property plant and equipment reduced from NZ$6.0 million in FY23 to NZ$3.5 million for FY24. This continued investment was into additional manufacturing capacity which is expected to be complete by Q3 FY25.

Capitalised development costs were NZ$2.8 million (compared to NZ$1.3 million in FY23) reflecting investment into product line extensions and manufacturing process improvements.

AROA ended FY24 with a strong cash balance of NZ$29.5 million, compared to NZ$44.7 million as at 31 March 2023. The Company remains debt-free.

Reconciliation to NZ GAAP profit or loss

	Reported 2024 NZ$000	Reported 2023 NZ$000
Normalised loss before income tax	**(6,100)**	**(898)**
Other revenue	-	1,759
Unrealised foreign currency (losses) / gains	(1,146)	1,333
Share based payment expenses	(3,181)	(2,578)
Loss before income tax (NZ GAAP)	**(10,427)**	**(384)**

Other Revenue

Other revenue of NZ$1.8 million in the prior year represents receipt of TELA Bio's final royalty payment to AROA pursuant to the parties' licensing agreement.

Share Based Payments

Share based payments is a non-cash expense that reflects the three-year grant of share options issued to employees between July 2020 and March 2024. During FY24, NZ$0.5 million in prior year share based payments expense was reversed through retained earnings (2023: $Nil). Share based expenses of NZ$0.6 million incurred during FY24 were subsequently reversed through retained earnings after 31 March 2024 (during FY25), as a result of performance-based share options not vesting to management.

Unrealised FX Gains

Unrealised FX gains are non-cash (losses) or gains that reflect the (loss)/gain on US$ denominated transactions that have not been completed as at the reporting date.

+ Dividends

No dividends were paid, declared or recommended during the financial year.

+ Corporate Governance Statement

AROA recognises the importance of good corporate governance and is committed to ensuring that the business maintains a high standard of corporate governance and ethical standards. The Board reviews the Company's policies and governance practices by reference to the Principles of Good Corporate Governance established by the ASX Corporate Governance Council. Please refer to AROA's Corporate Governance Statement (available at https://aroa.com/investors) for more information about how the Company's policies and practices align with these principles.

+ Indemnification and insurance of Directors and Officers

The Company has arranged, as provided for under its Constitution, insurance policies for Directors' and Officers' liability which, with a deed of indemnity entered into with each director and company secretary, are intended to ensure that to the extent permitted by applicable law, the directors and officers will not incur monetary losses as a result of actions undertaken by them in that capacity. Certain actions are specifically excluded, for example the incurring of penalties and fines which may be imposed in respect of breaches of the law.

+ Director updates

John Diddams and Dr. Catherine Mohr were re-elected and elected (respectively) as non-executive directors at the Company's annual general meeting on 3 August 2023.

Steven Engle, the Company's long-standing non-executive director retired with effect from 31 March 2024, and seasoned global commercial operations executive, Darla Hutton, was appointed to the Board from 22 March 2024.

In accordance with the Board's rotation policy, John Pinion and Philip McCaw are offering themselves up for re-election at the Company's upcoming annual general meeting on 23 July 2024. Under ASX Listing Rule 14.4, a director appointed by the board must not hold office (without election) past the next annual meeting following the director's appointment. Darla Hutton is accordingly also offering herself up for election at that meeting.

+ Board and Committee meetings

The table below shows attendances by each director at Board and Committee meetings during the financial year.

Name	Board of Directors		Audit Committee		Risk Committee		Remuneration & Nomination Committee	
	Eligible	Attended	Eligible*	Attended	Eligible*	Attended	Eligible*	Attended
Jim McLean	10	10	3	3	-	-	-	-
Brian Ward	10	10	-	3	-	2	-	3
Steve Engle	10	9	-	-	2	1	3	3
Phil McCaw	10	9	-	-	-	-	3	2
John Pinion	10	10	3	2	2	2	-	-
John Diddams	10	8	3	3	-	-	3	3
Dr. Catherine Mohr	10	9	-	-	2	2	-	-
Darla Hutton**	1	1	-	-	-	-	-	-

+ Environmental and social risks

AROA's manufacturing activities involve the controlled storage, use and disposal of hazardous materials. The Company has in place policies and procedures designed to facilitate compliance with applicable environmental regulations and to mitigate the risks associated with the Company's handling of such materials.

+ Non-audit services

AROA's auditor is BDO Auckland. The Group's statutory audit fee for the financial year ended 31 March 2024 was NZ$159,000 (2023:NZ$145,500).

During the year ended 31 March 2024, BDO Auckland, or entities associated to it, provided the following non-audit services to the Group.

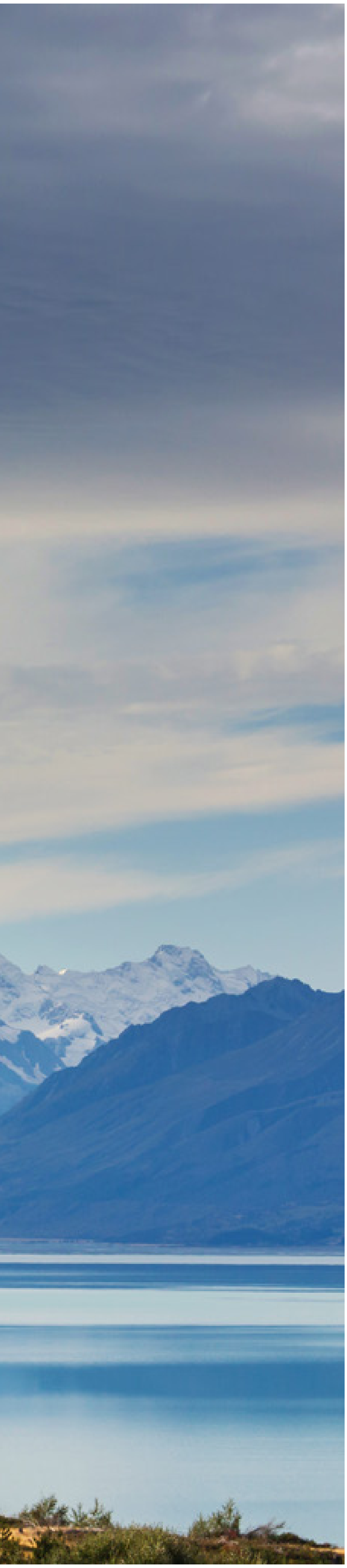
Description of services	Fees (NZ$)
Review of interim consolidated financial statements	NZ$55,000

The Board is satisfied that the services noted above do not impair BDO's independence as auditor on the basis that such services were not in conflict with BDO's audit procedures or adequate safeguards were put into place to mitigate any independence risks.

* To attend as a member of that Committee. Other than to the extent of a conflict of interest, the full Board receives a copy of each Committee's meeting papers and may attend all Committee meetings.

** Darla Hutton joined the Board from 22 March 2024

NB: Table above does not include unscheduled calls held during the year.



REMUNERATION REPORT

This Remuneration Report, which forms part of the Directors' Report, outlines our approach to remuneration for the financial year ended 31 March 2024.

+ Overview

Our remuneration and nomination policies and practices are ultimately designed to deliver shareholder value by facilitating and encouraging a high level of performance, with AROA's long-term success in mind. The Remuneration & Nomination Committee supports the Board in formulating and overseeing these policies, with input from external specialists as appropriate to ensure impartial guidance and expertise.

Remuneration is integral to building a high-growth profitable business, and this is reflected in AROA's approach. Our remuneration framework is structured to be competitive within industry, encourage a high level of performance and align our people's interests with those of our shareholders. This reinforces AROA's commitment to excellence and achievement and instils a sense of ownership amongst our people, fostering a culture of decision-making focused on generating shareholder returns.

Our remuneration programme for FY24 comprised of:

- A fixed wage or salary, and legislative superannuation. This is set at a level to attract and retain high-calibre employees and is reviewed annually taking into account individual, Company and market conditions.
- A discretionary short-term incentive (STI), providing the potential for an annual cash bonus based on pre-determined company and individual performance targets. Our STI plans are in place for those at a senior manager level and above, along with critical specialist roles.
- A discretionary long-term incentive (LTI) variable remuneration in the form of share options. Our LTI plan applies to our executive and senior management teams. We operated two LTI plans in FY24; the NZ Option Plan and the US Option Plan. Share options are issued for $nil consideration and are not quoted. Each share option entitles the holder to subscribe for one fully paid ordinary share in AROA at the specified exercise price. An overview of share options granted to the Company's directors during FY24 is provided in the section headed 'Director remuneration details: share based compensation'. For further details relating to all share options issued during the year, refer to note 18 to the consolidated financial statements.

In accordance with corporate governance best practice, the structure of our non-executive director remuneration is separate and distinct from that of our CEO and senior leadership.

The Remuneration & Nomination Committee is focused on ensuring that our compensation policies keep pace with the evolving recruitment environment, market conditions and our growing size & maturity. We undertake remuneration benchmarking exercises both formally, through participation in Aon Radford salary surveys, and informally through partnerships with recruitment agencies and industry surveys. We are continuing to refine our approach to LTI, and from FY25 will be conditioning 100% of our Executive Management Team's LTI on performance-based metrics linked to long term financial objectives and shareholder returns. We will also be shifting from share options as our sole LTI mechanism to a broader range of equity awards, including restricted shares and performance share rights. This is reflected in our equity award proposals for Darla Hutton, our newest non-executive director, as well as for our CEO's FY25 LTI. These are on the agenda for AROA's 2024 annual general meeting and will bedetailed in the accompanying Notice of Meeting.

+ Employee remuneration

Remuneration range (NZ$)	Number of employees
100,000 - 110,000	12
110,001 - 120,000	16
120,001 - 130,000	10
130,001 - 140,000	7
140,001 - 150,000	5
150,001 - 160,000	3
160,001 - 170,000	6
170,001 - 180,000	2
180,001 - 190,000	5
190,001 - 200,000	6
200,001 - 210,000	3
210,001 - 220,000	3
220,001 - 230,000	4
230,001 - 240,000	5
240,001 - 250,000	9
250,001 - 260,000	2
260,001 - 270,000	5
290,001 - 300,000	1
300,001 - 310,000	2
320,001 - 330,000	2
330,001 - 340,000	1
340,001 - 350,000	2
350,001 - 360,000	3
360,001 - 370,000	1
370,001 - 380,000	2
380,001 - 390,000	3
400,001 - 410,000	1
420,001 - 430,000	3
440,001 - 450,000	1
530,001 - 540,000	2
540,001 - 550,000	1
570,001 - 580,000	2
580,001 - 590,000	1
600,001 - 610,000	1
610,001 - 620,000	1
630,001 - 640,000	1
640,001 - 650,000	1
660,001 - 670,000	1
670,001 - 680,000	1
720,001 - 730,000	1
770,001 - 780,000	1

This table outlines remuneration totalling NZ$100,000 or more received by our employees or former employees during the financial year ended 31 March 2024. The table includes salary, wages and STI annual variable remuneration paid during the 2024 financial year. This does not include information for our CEO, who is also a director of the Company, or the share-based expense valuation of LTI.

Offshore remuneration amounts (including commission paid to US sales representatives for delivering increased Myriad sales) have been converted into New Zealand dollars.

We had previously extended an interest-free loan facility to our people (not directors) who had an interest in shares issued under a legacy employee incentive share plan that was wound up prior to AROA's admission to the ASX in July 2020. Following updates over recent years, the facility was due to expire on 28 February 2024. However, noting that the loan balance was relatively modest (~NZ$220,000) and considering factors including retention of employees, many of whom have been with us for more than eight years, the Board approved an extension of the loan term with interest charged of 6% p.a.

+ Overview of senior leadership remuneration

Please refer to the table below for an overview of the remuneration components provided to the Company's senior leadership in FY24.

Component	Description	Link to strategy & performance
Fixed remuneration	• Base salary • Legislative superannuation	Annual reviews take into account individual factors such as performance and behaviours
STI	• At-risk component paid in cash • Designed to remunerate senior leadership relative to AROA's performance targets and individual performance targets that are aligned with AROA's performance objectives • Company performance targets comprise both financial and non-financial objectives, including revenue, profitability, development, clinical, and people metrics • The targets are set at the beginning of each financial year and are approved by the Board • Performance against targets is determined by the Board at the end of each financial year after review by the Remuneration & Nomination Committee	Rewards delivery of key strategic and financial objectives in line with AROA's annual business plan.

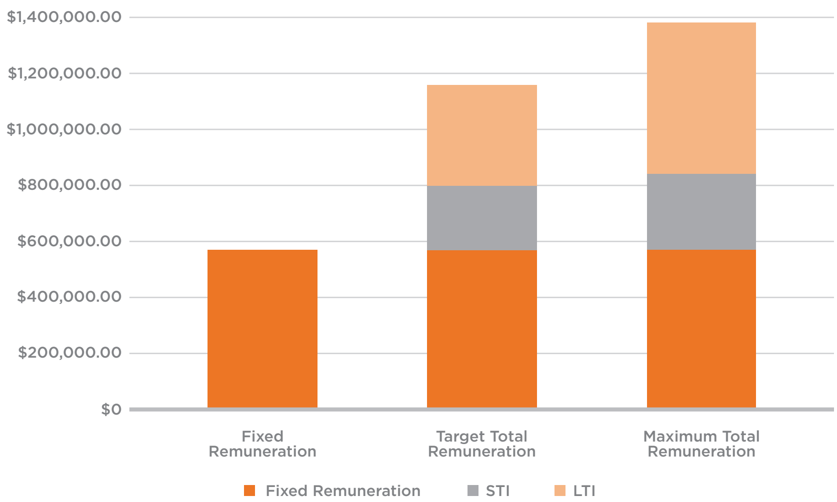
LTI	• At-risk component in the form of share options
	• Designed to align senior leadership's interests with shareholder interests over the longer term
	• Vesting is subject to continued employment (unless the Board determines otherwise), so provides a longer-term employee benefit
	• In CY22/23 the Company refined its LTI design principles, moving to an annual award structured as follows:
	    • 50/50 mix (at target value) of service and performance-based conditions; and
	    • performance conditions relate to shareholder returns (detailed below)
	This was reflected in the structure of options provided to Brian Ward from FY23, and to senior leadership from FY24.
		Rewards delivery against longer term strategy and provides alignment between shareholder and senior leadership outcomes

Current LTI performance conditions

Considering performance against these metrics, all performance options scheduled for vesting on 31 March 2024 will be forfeited. This relates to 1,826,330 share options, with an aggregate value of ~NZ$734,000.

	Performance Conditions[4]	Total % of performance options eligible to vest
Entry	50+ percentile company TSR against a comparator group comprising the top 50 (by market capitalisation) ASX-listed healthcare companies (TSR Ranking)	25%
Target	75+ percentile TSR Ranking	50%
Stretch	**1.** 75+ percentile TSR Ranking; and **2.** Threshold 20-day VWAP as at the applicable vesting date. These are as follows: • 31 March 2024 vesting, A$1.50 (112% growth on 31 March 2022 20-day VWAP) • 31 March 2025 vesting, A$1.85 (162% growth on 31 March 2022 20-day VWAP) • 31 March 2026 vesting, A$2.25 (219% growth on 31 March 2022 20-day VWAP)	100%

+ Overview of CEO remuneration



Brian Ward's remuneration structure is consistent with the senior leadership structure outlined above. His remuneration target and maximum total remuneration mix for the 2024 financial year is set out in this section. Please refer to the remainder of this report for further details. Brian does not receive additional remuneration in his capacity as a director of the Company or any other Group company.

+ Overview of non-executive director remuneration

Our non-executive directors receive cash fees, and until FY24, were also granted equity in the form of share options. Please refer to the remainder of this report for further details. To maintain objectivity in decision-making, we do not offer our non-executive directors performance-based compensation.

As approved by shareholders last year, the maximum aggregate annual cash-based remuneration payable to all our non-executive directors for their services as a director is NZ$750,000. Individual director's fees are determined based on the time commitment and responsibilities of their role, with our Board and Committee Chairs receiving a higher fee commensurate to their additional workload. Each non-executive director is also entitled to be reimbursed for all reasonable travel, accommodation and other expenses they incur for attending AROA meetings or on other company business. We do not provide our non-executive directors with superannuation arrangements or retirement allowances.

The Board sees value in promoting share ownership among our non-executive directors as it appropriately aligns their interests with those of our shareholders. As noted above, whilst we have until FY24 structured this as share options, we are with input from external specialists considering alternative structures and expect to confirm this in time for AROA's 2025 annual general meeting. In the meantime, to ensure parity with the other non-executive directors, we are proposing to issue restricted shares to Darla Hutton, our newest Board member (details will be included in the Notice of Meeting for our 2024 annual general meeting).

+ Director remuneration details

Aggregated

Our directors' remuneration (in NZ$) for the year ended 31 March 2024 is set out below.

	Short term benefits		Post-employment benefits	LTI	
	Cash salaries and fees (NZ$)*	STI (NZ$)	Superannuation (NZ$)	Share based payments expense** (NZ$)	Total (NZ$)
Jim McLean	$135,000	-	-	$77,194	$212,194
Steven Engle*****	$136,057	-	-	$17,797	$153,854
Philip McCaw	$79,214	-	-	$51,463	$130,677
John Pinion	$136,057	-	-	$51,463	$187,520
John Diddams	$107,894	-	-	$51,463	$159,357
Dr. Catherine Mohr	$111,429	-	-	$66,594	$178,023
Darla Hutton*****	$4,729	-	-	-	$4,729
Brian Ward	$583,440	***$59,618	$22,200	**** $413,361	$1,078,619
TOTAL	**$1,293,820**	**$59,618**	**$22,200**	**$729,335**	**$2,104,973**

* Fees for directors who are not based in NZ are fixed in their local currency, and converted into NZ$ here for disclosure purposes.

** These amounts reflect the non-cash accounting cost of all share options held by the relevant director during the financial year. It includes the cost of share options vesting during the financial year and the cost of share options granted during the financial year as approved by shareholders. No cash payments are made in relation to these. The amounts are calculated based on NZ IFRS 2 – Share-based Payment.

*** Brian Ward achieved 26% against target for AROA's FY24 performance. He had received discretionary annual variable remuneration of NZ$156,555 for AROA's performance in the previous financial year (representing 71% achievement against targets).

**** 625,842 performance-based share options granted to Brian Ward in FY23 did not reach their 31 March 2024 vesting conditions, so will be forfeited. The share options, with a share-based expense valuation of ~NZ$200,000 in FY24, are therefore not included in this table. The options were included in Brian's remuneration disclosure in the 2023 annual report, reflecting a share-based expense valuation of ~NZ$132,000. Share based expense remuneration of $413,361 in FY24 includes an amount of ~NZ$192,000 attributable to performance based share options due to vest on 31 March 2025 and 2026.

***** Steven Engle retired from the Board at the end of FY24 and Darla Hutton joined the Board from 22 March 2024.

NB: Table above does not include reimbursement of reasonable travel, accommodation and other expenses incurred by directors for attending AROA meetings or on other company business.

Share-based compensation

Please see below information on share options issued to our directors during the 2024 financial year. In accordance with the requirements of ASX Listing Rule 10.14, the options were issued following shareholder approval received at our 2023 annual general meeting.

	Effective grant date	Number granted	Performance hurdle (Y/N)	Exercise price per option (A$)	Vesting date	Last exercise date
Dr Catherine Mohr	14 November 2022	84,259	N	$0.87, being the volume-weighted average price of AROA shares on the five days preceding grant	31 March 2024	13 November 2027
		64,311			31 March 2025	
		62,116			31 March 2026	

+ Equity instrument disclosures

Options holdings

Please see below an overview of the share options held by each director (or their nominee) during the 2024 financial year. Further details regarding the options that vested or which were forfeited, during that year, are contained in the subsequent sections of this report.

The table does not include Darla Hutton, who joined the Board from 22 March 2024, and does not hold any share options.

	Balance as at 1 April 2023	Granted as compensation	Exercised	Forfeited	Balance at the end of the year	Vested and exercisable	Unvested
Jim McLean	361,329	-	(50,000)	-	**311,329**	141,943	169,386
Steven Engle*	1,051,620	-	(633,225)	(112,925)	**305,470**	305,470	-
Philip McCaw	254,545	-	-	-	**254,545**	141,620	112,925
John Pinion	1,051,620	-	-	-	**1,051,620**	938,695	112,925
John Diddams	193,072	-	-	-	**193,072**	80,147	112,925
Dr Catherine Mohr	-	210,686	-	-	**210,686**	84,259	126,427
Brian Ward	5,708,008	-	-	-	**5,708,008**	2,418,374	3,289,634
TOTAL	**8,620,194**	**210,686**	**(683,225)**	**(112,925)**	**8,034,730**	**4,110,508**	**3,924,222**

*In recognition of Steven Engle's valuable and long-standing contribution to the Company, the Board exercised its discretion under the share option plan rules to permit Steven, following his retirement from the Board, to retain 305,470 of his share options which had already vested. The termination date of these options remains unchanged, so they will lapse unless he exercises them prior.

FY24 option vestings

The following share options previously granted to the directors or their nominees vested in the 2024 financial year. There is no disclosure for Darla Hutton, who joined the Board from 22 March 2024 and does not hold any share options.

Director	Financial year in which granted	Number of options vested	Exercise price (A$)	Option expiry
Jim McLean	FY23	89,543	1.083	29 February 2028
Steven Engle	FY23	59,695	1.083	29 February 2028
Philip McCaw	FY23	59,695	1.083	29 February 2028
John Pinion	FY23	59,695	1.083	29 February 2028
John Diddams	FY23	59,695	1.083	29 February 2028
Dr Catherine Mohr	FY24	84,259	0.87	13 Nov 2027
Brian Ward	FY23	330,024	1.165	13 Nov 2027

FY24 option forfeitures

112,925 share options granted to Steven Engle in CY23 lapsed upon his retirement at the end of the financial year. As noted in the sub-section headed 'Current LTI performance conditions', 625,842 share options issued to Brian Ward in FY23 did not meet their 31 March 2024 vesting conditions and will be forfeited.

Shareholdings

The number of ordinary shares in the Company held by each director or their personally related parties during the 2024 financial year is set out below.

Director	Financial year in which granted	Number of options vested	Exercise price (A$)	Option expiry
Jim McLean[5]	2,777,108	50,000*	-	2,827,108
Steven Engle	226,553	633,225*	-	859,778
Philip McCaw[6]	19,751,154	-	326,000	20,077,154
John Pinion	472,500	-	-	472,500
John Diddams[7]	1,192,550	-	-	1,192,550
Dr Catherine Mohr	-	-	-	-
Darla Hutton	-	-	-	-
Brian Ward[8]	33,125,800	-	-	33,125,800

* Shares issued to Jim McLean and Steven Engle upon the exercise of 50,000 share options (exercise price of A$0.75 each) and 633,225 share options (exercise price of NZ$0.098 each) respectively. The shares were issued in accordance with the exception under ASX Listing Rule 10.16(c) as the share options were issued prior to AROA's listing on the ASX and the requisite information was disclosed in AROA's IPO Prospectus.

+ End of Remuneration Report

This Directors' Report, incorporating the Remuneration Report, is signed in accordance with a resolution of the Board.

Jim McLean

Independent Chair of the Board

DIRECTORS' RESPONSIBILITY STATEMENT

For the year ended 31 March 2024

The Directors are pleased to present the consolidated financial statements of Aroa Biosurgery Limited and the Group ("Group") for the year ended 31 March 2024.

The Directors are responsible for the preparation, in accordance with New Zealand law and generally accepted accounting practice, of financial statements which give a true and fair view of the financial position of the Group as at 31 March 2024 and the results of their operations and cash flows for the year ended 31 March 2024.

The Directors consider that the consolidated financial statements of the Group have been prepared using accounting policies appropriate to the Group's circumstances, consistently applied and supported by reasonable and prudent judgments and estimates and that all applicable New Zealand equivalents to International Financial Reporting Standards have been followed.

The Directors have responsibility for ensuring that the proper accounting records have been kept which enable, with reasonable accuracy, the determination of the financial position of the Group and enables them to ensure that the financial statements comply with the Financial Reporting Act 2013.

The Directors have responsibility for the maintenance of a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting. The Directors consider that adequate steps have been taken of safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Approved for and on behalf of the Board of Directors on 21 May 2024

J. N. M

Jim McLean - Chairman

B. R. Ward

Brian Ward – CEO

INDEPENDENT AUDITOR'S REPORT

BDO Auckland

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF AROA BIOSURGERY LIMITED

Opinion

We have audited the consolidated financial statements of Aroa Biosurgery Limited ("the Company") and its subsidiaries (together, "the Group"), which comprise the consolidated statement of financial position as at 31 March 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of movements in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

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

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) ("ISAs (NZ)"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Company or any of its subsidiaries.

Key Audit Matters

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

Recognition of revenue – TELA Bio revenue share

Key Audit Matter	How The Matter Was Addressed in Our Audit
The Group's largest customer is TELA Bio who is the Group's sales and distribution partner for abdominal wall reconstruction, hernia repair and breast reconstruction in North America and Europe. The contract with TELA Bio entitles the Group to an agreed percentage of TELA Bio's net sales. This revenue is considered to be variable consideration ("revenue share"). The consideration is variable since the quantum of TELA Bio's inventory that is eventually sold and the price that it is sold at, are uncertain.	• We evaluated Management's revenue recognition policy based on our understanding of the contract with TELA Bio and the requirements of NZ IFRS15 - *Revenue from contracts with customers*. • We obtained Management's calculations and accounting paper prepared for the revenue share accrual and evaluated the reasonableness of key inputs and assumptions. The key inputs included sales history, revenue

Recognition of revenue - TELA Bio revenue share

Key Audit Matter	How The Matter Was Addressed in Our Audit
Variable consideration to be recognised is estimated by using the expected value method. The estimation is based on information that is reasonably available to the Group which incorporates key factors including sales history, forecast revenue growth, expiry date of inventory held, and average selling prices achieved by TELA Bio. The amount of variable consideration is only recorded by the Group to the extent that it is highly probable that a significant reversal in the amount of the cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved. During the year ended 31 March 2024, Management changed their accounting estimate for the TELA Bio revenue share by revising the assumptions disclosed in Note 2 Summary of significant accounting policies of the consolidated financial statements. We consider this to be a key audit matter because of the judgement involved in determining the variable consideration and the quantum of the accrued revenue of $15.14m. Refer to Note 2 Summary of significant accounting policies – *change in accounting estimates* and Note 3 Revenue and segment information of the consolidated financial statements.	growth factors, expiry dates of inventory held, and average selling prices achieved by TELA Bio. • We obtained confirmation from TELA Bio, confirming their stock holding, sales history and the actual revenue share for their sales made in the year ended 31 March 2024. • We compared the key inputs and assumptions with those used by Management last year and considered if these are indicative of Management bias. • We considered if the amount of variable consideration estimated is only recorded by the Group to the extent that it is highly probable that a significant reversal in the amount of the cumulative revenue recognised will not occur. • We reviewed the disclosures in Notes 2 and 3 to the consolidated financial statements, including the revenue recognition policy, to the requirements of the accounting standard.

Intangible assets impairment assessment

Key Audit Matter	How The Matter Was Addressed in Our Audit
The Group has recognised goodwill, customer relationships and reacquired rights intangible assets on a historical acquisition. The goodwill of $5.54m, customer relationships of $1.85m and reacquired rights of $6.52m at 31 March 2024 are subject to an annual impairment test in accordance with NZ IAS 36 - *Impairment of Assets*. Management performed their impairment test, by considering the recoverable amount of the Cash Generating Unit ('CGU') (to which the intangible assets are allocated) using a value in use calculation. This calculation is complex and subject to key inputs and assumptions such as	• We obtained an understanding of key controls relating to the review and approval of the impairment review. • We obtained Management's impairment assessment including the value in use calculation prepared for the CGU. We evaluated and challenged the key inputs and assumptions. The key inputs included revenue growth rates, terminal growth rate, gross margins and discount rate. • We assessed the accuracy of previous forecasts to actual performance to form a view on the reliability of

Intangible assets impairment assessment

Key Audit Matter	How The Matter Was Addressed in Our Audit
discount rates and future cash flows, which inherently include a degree of estimation uncertainty and are prone to potential bias and inconsistent application and therefore considered to be a key audit matter. Refer to Note 12 Intangible assets of the consolidated financial statements.	Management's forecasting ability and to understand key differences between historical actual versus forecast performance. • We engaged our internal valuation experts to assess the methodology used by Management in their value in use calculation is in accordance with NZ IAS 36 - *Impairment of Assets*, the accuracy of the model and to assess the terminal growth rate and discount rate based on our expert's market and valuation knowledge. • We reviewed Management's sensitivity analysis performed on key inputs and assumptions to determine the extent to which any changes would affect the recoverable amount of the CGU. We also considered and tested alternative sensitivities. • We compared the carrying value of the CGU to the recoverable amount determined by the value in use calculation to identify any impairment losses. • We reviewed the disclosures in Note 12 to the consolidated financial statements, including impairment and sensitivity analysis, to the requirements of the accounting standard.

Share-based payment arrangements

Key Audit Matter	How The Matter Was Addressed in Our Audit
The Group issued options to certain employees, including Directors, under the share-based payment arrangements during the year ended 31 March 2024. The share-based payment arrangements included both market based and non-market based vesting conditions. In determining the value of the new arrangements, the Group used the services of a third-party valuation specialist. The Group also had existing share-based payment arrangements that were exercised and forfeited during the year.	• We evaluated Management's assessment on the treatment of the share-based payment arrangements in accordance with NZ IFRS 2 – *Share-based Payment*. • We agreed the terms of the share-based payment arrangements issued during the year to offer letters and rules of the share option plan. • We assessed, in conjunction with our internal valuation experts, the appropriateness of the valuation methodology used by Management's

Share-based payment arrangements

Key Audit Matter

There is judgement involved in determining the value of share-based payment arrangements and subsequent recording of the fair value as an expense over the estimated vesting period. As a result and given the magnitude of the expense in the current year, the audit of the share-based payment arrangements was considered a key audit matter.

The share-based payments expense recorded for the year ended 31 March 2024 is $3.40m resulting in a share-based reserve of $10.27m as at 31 March 2024. Details of these share-based payment arrangements are disclosed in Note 4 Employee benefit expenses and Note 18 Share based payments reserve of the consolidated financial statements.

How The Matter Was Addressed in Our Audit

specialist and the key input assumptions such as volatility rates, expected life and probability of achieving the market-based performance conditions.

- We assessed the Group's judgements i relation to the probability of achievin non-market based vesting conditions.
- We recalculated the share-based payments expense recorded in the profit or loss over the relevant vestin periods.
- We reviewed the disclosures in Note 4 and 18 in relation to the share-based payment arrangements to the requirements of the accounting standard.

Capitalisation of internally generated intangible assets

Key Audit Matter

The Group has recognised internal development costs of $2.82m as an intangible asset during the year ended 31 March 2024.

The Group incurs significant expenditure in researching and developing medical devices for wound and soft tissue repair. The Group capitalises expenditure incurred in the development of products and processes when certain criteria are met as disclosed in Note 12 to the consolidated financial statements. Costs that do not meet the criteria for capitalisation are expensed to profit or loss as incurred.

There is judgement involved in determining whether expenditure incurred can be capitalised as an intangible asset and the costs directly attributable to create, produce, and prepare the asset to be capable of operating in the manner intended by management.

We consider this to be a key audit matter because of the judgement involved in determining expenditure able to be capitalised and the quantum of the amount of the amount capitalised of $2.82m.

Refer to Note 12 intangible assets of the consolidated financial statements.

How The Matter Was Addressed in Our Audit

- We evaluated Management's assessment on the treatment of the capitalised development costs in accordance with NZ IAS 38 - *Intangibl Assets* to determine if they met the recognition criteria.
- We assessed whether expenditure capitalised was directly attributable t creating, producing, and preparing th asset to be capable of operating in th manner intended by Management.
- We agreed a sample of costs capitalised to appropriate supporting documentation.
- We reviewed the disclosures in Note 1 in relation to the internally generate intangible assets to the requirements of the accounting standard.

Other Information

The directors are responsible for the other information. The other information comprises the Aroa Biosurgery FY24 Results and FY25 Outlook, and Appendix 4E – ASX Listing Rule 4.2A (but does not include the consolidated financial statements and our auditor's report thereon) which we obtained prior to the date of this auditors report, and the Annual report, which is expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of audit opinion or 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 to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

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

When we read the annual report (but does not include the consolidated financial statements and our auditor's report thereon), if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors.

Directors' Responsibilities for the Consolidated Financial Statements

The directors are responsible on behalf of the Group for the preparation and fair presentation of the consolidated financial statements in accordance with NZ IFRS and IFRS Accounting Standards, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible on behalf of the Group for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these consolidated financial statements.

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

This description forms part of our auditor's report.

Who we Report to

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

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

BDO Auckland

BDO Auckland
Auckland
New Zealand
21 May 2024

CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2024

Consolidated Statement of Profit or Loss and other Comprehensive Income

For the year ended 31 March 2024

	Note	2024 $000	2023 $000
Revenue	3	69,066	63,360
Cost of sales		(10,093)	(9,884)
Gross profit		**58,973**	**53,476**
Other income	3	1,664	1,734
Selling and administrative expenses		(62,149)	(47,709)
Research and development expenses		(9,159)	(10,612)
Loss from operations before net financing income	4	**(10,671)**	**(3,111)**
Finance income	5	2,002	3,111
Finance expenses	5	(1,758)	(384)
Net finance income		**244**	**2,727**
Loss before income tax		**(10,427)**	**(384)**
Income tax expense	6	(201)	(12)
Loss for the year attributable to shareholders		**(10,628)**	**(396)**
Other comprehensive income			
Items that will or may be reclassified to profit or loss			
Exchange gain / (loss) arising on translation of foreign operations		836	(1,328)
Items that will or may be reclassified to profit or loss			
Changes in the fair value of equity investments at fair value through other comprehensive income	8	(557)	21
Total other comprehensive income /(loss)		**279**	**(1,307)**
Total comprehensive loss for the year attributable to shareholders		**(10,349)**	**(1,703)**
Earnings per share during the year:			
Basic earnings per share (cents)	19	(3.09)	(0.12)
Diluted earnings per share (cents)	19	(3.09)	(0.12)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

As at 31 March 2024

	Note	2024 $000	2023 $000
Current assets			
Cash and cash equivalents	7	11,522	9,540
Term deposits	7	18,000	35,134
Derivative assets		-	192
Trade and other receivables	9	13,437	14,329
Inventories	10	8,104	4,831
Prepayments		1,816	1,439
Contract assets	3(a)	15,140	11,071
Tax receivable		313	339
Financial assets at fair value through other comprehensive income	8	703	1,260
Total current assets		**69,035**	**78,135**
Non-current assets			
Property, plant, and equipment	11	15,769	14,234
Prepayments		104	126
Right of use assets	15	6,447	6,403
Intangible assets	12	19,702	17,623
Total non-current assets		**42,022**	**38,386**
Total assets		**111,057**	**116,521**
Current liabilities			
Trade and other payables	13	3,741	3,607
Derivative liabilities		1,061	
Employee benefits	14	3,708	3,745
Lease liabilities	16	1,004	559
Total current liabilities		**9,514**	**7,911**
Non-current liabilities			
Provisions		174	171
Lease liabilities	16	6,431	6,548
Total non-current liabilities		**6,605**	**6,719**
Total liabilities		**16,119**	**14,630**
Net assets		**94,938**	**101,891**
Equity			
Share capital	17	146,798	146,491
Accumulated losses		(62,152)	(51,524)
Foreign currency translation reserve		(679)	(1,515)
Equity investment reserve	8	703	1,260
Share based payment reserve	18	10,268	7,179
Total equity		**94,938**	**101,891**

On behalf of the Board 21 May 2024

J.N. McLean

Jim McLean - Chairman

B.R. Ward

Brian Ward – CEO

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Consolidated Statement of Movements In Equity

For the year ended 31 March 2024

	Note	Share Capital $000	Accumulated Losses $000	Foreign Currency Translation Reserve $000	Equity Investment Reserve $000	Share Based Payments Reserve $000	Total Equity $000
Balance as at 1 April 2023		**146,491**	**(51,524)**	**(1,515)**	**1,260**	**7,179**	**101,891**
Comprehensive income							
Loss for the year		-	(10,628)	-	-	-	(10,628)
Other comprehensive income for the year		-	-	836	(557)	-	279
Total comprehensive income for the year		**-**	**(10,628)**	**836**	**(557)**	**-**	**(10,349)**
Transactions with shareholders							
Share based payment expenses	18		-	-	-	3,404	3,404
Forfeiture of unvested employee share options	18	-	-	-	-	(223)	(223)
Employee shares exercised	17/18	196	-	-	-	(92)	104
Issue of shares to employees	17	111	-	-	-	-	111
Total transactions with shareholders		**307**	**-**	**-**	**-**	**3,089**	**3,396**
Balance as at 31 March 2024		**146,798**	**(62,152)**	**(679)**	**703**	**10,268**	**94,938**
Balance as at 1 April 2022		145,755	(51,128)	(187)	1,239	4,812	100,491
Comprehensive income							
Loss for the year		-	(396)	-	-	-	(396)
Other comprehensive income for the year		-	-	(1,328)	21	-	(1,307)
Total comprehensive income for the year		**-**	**(396)**	**(1,328)**	**21**	**-**	**(1,703)**
Transactions with shareholders							
Share based payment expenses	18	-	-	-	-	2,676	2,676
Forfeiture of unvested employee share options	18	-	-	-	-	(98)	(98)
Employee shares exercised	17/18	564	-	-	-	(211)	353
Issue of shares to employees	17	172	-	-	-	-	172
Total transactions with shareholders		**736**	**-**	**-**	**-**	**2,367**	**3,103**
Balance as at 31 March 2023		**146,491**	**(51,524)**	**(1,515)**	**1,260**	**7,179**	**101,891**

The above consolidated statement of movements in equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

For the year ended 31 March 2024

	Note	2024 $000	2023 $000
Cash flows from operating activities			
Cash receipts from sales of goods		65,247	52,408
Cash receipts from grant income, project fees, and license fees		2,763	4,167
Cash paid to suppliers and employees		(76,831)	(60,952)
Interest received		1,726	1,170
Dividend received		1	-
Interest paid		(10)	-
Income tax paid		(271)	(565)
Net cash outflow from operating activities	24a	**(7,375)**	**(3,772)**
Cash flows from investing activities			
Purchase of property, plant and equipment	11	(3,523)	(6,029)
Purchase of intangible assets	12	(644)	(250)
Capitalised development costs	12	(2,818)	(1,332)
Proceeds from term deposits	7	17,134	14,866
Net cash inflow from investing activities		**10,149**	**7,255**
Cash flows from financing activities			
Proceeds from issue of options		85	348
Proceeds from issue of shares		111	172
Lease liability – principal payments	16	(740)	(645)
Lease liability – interest payments	16	(490)	(379)
Net cash outflow from financing activities		**(1,034)**	**(504)**
Net increase in cash and cash equivalents		**1,740**	**2,979**
Effect of exchange rate fluctuations on cash and cash equivalents		242	396
Cash and cash equivalents at beginning of year		9,540	6,165
Cash and cash equivalents at end of year	7	**11,522**	**9,540**

Note: The Group has term deposits of $18,000,000 as at the reporting date (2023: $35,134,000). In line with NZ IAS 7 Statement of Cash Flows, term deposit with an initial maturity of more than three months does not become part of cash and cash equivalent and are therefore excluded in the cash and cash equivalent position in the statement of cash flows (refer to note 7).

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2024

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

1. Corporate Information

Aroa Biosurgery Limited ("the Company") together with its subsidiaries (the "Group") is a leading soft tissue regeneration company which develops, manufactures and sells medical devices for wound and soft tissue repair using its proprietary extracellular matrix (ECM) technology.

The Company is a limited liability company incorporated and domiciled in New Zealand. The address of its registered office is 64 Richard Pearse Drive, Airport Oaks, Auckland.

The consolidated financial statements of Aroa Biosurgery Limited and its subsidiaries (the "Group") for the year ended 31 March 2024 comprise the Company and its two subsidiaries, Aroa Biosurgery Incorporated and Mesynthes Nominee Limited. All subsidiary entities have a reporting date of 31 March.

Equity holding	Principal Activity	Place of Business	2024 %	2023 %
Aroa Biosurgery Incorporated	Sales & Distribution	US	100	100
Mesynthes Nominee Limited	Nominee Shareholder	NZ	100	100

Aroa Biosurgery Incorporated is a subsidiary of Aroa Biosurgery Limited and is incorporated and domiciled in the United States. The address of its registered office is 9155 Brown Deer Road #2, San Diego, California 92121. Mesynthes Nominee Limited is a subsidiary of Aroa Biosurgery Limited and is incorporated and domiciled in New Zealand. The address of its registered office is 64 Richard Pearse Drive, Airport Oaks, Auckland.

The consolidated financial statements have been prepared in accordance with the requirements of the Financial Reporting Act 2013 and the Companies Act 1993. These consolidated financial statements were authorised for issue by the Board of Directors on 21 May 2024.

2. Summary of significant accounting policies

Statement of compliance and basis of preparation

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"), other New Zealand accounting standards and authoritative notices that are applicable to entities that apply NZ IFRS, as appropriate for profit orientated entities. The consolidated financial statements also comply with International Financial Reporting Standards ("IFRS").

Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis, except for the following item (refer to individual accounting policies for details):

- Financial assets at fair value through other comprehensive income
- Derivative assets at fair value through profit or loss

Functional and presentation currency

The consolidated financial statements are presented in New Zealand dollars ($) which is the Company's functional and Group's presentation currency. All financial information is presented in New Zealand dollars rounded to the nearest thousands, except where otherwise indicated.

Use of estimates and judgements

The preparation of the consolidated financial statements in conformity with NZ IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Significant estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Estimates and judgements were made in respect of:

- TELA Bio Incorporated ("TELA Bio") accrued revenue (refer to notes 3 and "Change in accounting estimates - Tela Bio Accrued Revenue", as discussed below)
- research and development tax incentive accrual (refer to note 3)

- the likely term of leased premises, which impacts leasehold improvements assets and right of use assets capitalised (refer to notes 11, 15 and 16)
- impairment assessment of intangible assets (refer to note 12)
- the value of development expenditure capitalised (refer to note 12)
- the value of share-based payments (refer to note 18)

Change in accounting estimates - Tela Bio accrued revenue

As disclosed in note 3 (a), TELA Bio is the Group's largest customer and sales and distribution partner for abdominal wall reconstruction, hernia repair, and breast reconstruction in North America and Europe. The contract with TELA Bio entitles the Group to an agreed percentage of TELA Bio's net sales.

The consideration from TELA Bio is received from a transfer price for the products shipped to TELA Bio, with the balance of the consideration received on a quarterly true up to the agreed percentage based on TELA Bio's net sales. Using the expected value method, the Group estimates the true up on TELA Bio's inventory at the reporting date considering the expected sale of those products by TELA Bio. Having considered TELA Bio's revenue guidance for calendar year 2024, the Group updated certain assumptions such as forecast revenue growth and expiry date of inventory held used in calculating the accrued revenue for the current period.

The change in accounting estimates has resulted in a recognition of $3,561,000 in incremental accrued revenue in the current year. In accordance with NZ IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, the change in accounting estimate is recognised prospectively by including it in profit or loss in the financial year ended 31 March 2024.

Change in accounting estimates – Inventory valuation

During the year, the Company changed the allocation of overhead to inventory from hours-based cost driver to freeze-dried weight-based cost driver method, reflecting more accurate method of allocating overhead to inventory. The change in accounting estimates has resulted in an increase of inventory value by $928,000 with the corresponding credit in the cost of goods sold. In accordance with NZ IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, the change in accounting estimate is recognised prospectively by including it in profit or loss in the financial year ended 31 March 2024.

Going concern

The Group posted a net loss before tax of $10,427,000 for the year (2023: $384,000 loss). The Group posted total operating cash outflow of $6,856,000 (2023: outflow of $3,772,000).

The Directors have continued to apply the going concern assumption as the basis of the preparation of the consolidated financial statements.

In reaching their conclusion that the going concern assumption is appropriate, the Directors have considered the ability to achieve financial performance and cash flow forecasts prepared by management, and the sufficiency of the cash on hand as at the reporting date.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of the Group as at the reporting date and the results of all subsidiaries for the year then ended.

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intercompany transactions and balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

New standards, interpretations and amendments not yet effective

There are no new standards, amendments or interpretations that have been adopted or are not yet effective that have a material impact on the Group except for the below standards:

- Disclosure of Accounting Policies (Amendments to NZ IAS 1 *Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements*)

  The amendments aim to make accounting policy disclosures more informative by replacing the requirement to disclosure "significant accounting policies" with "material" accounting policy information".

The amendments also provide guidance under what circumstance, the accounting policy information is likely to be considered material and therefore requiring disclosure.

- Definition of Accounting Estimates (Amendments to NZ IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*)

  The amendments to NZ IAS 8, which added the definition of accounting estimates, clarify that the effects of a change in an input or measurement technique are changes in accounting estimates, unless resulting from the correction of prior period errors. These amendments clarify how entities make the distinction between changes in accounting estimate, changes in accounting policy and prior period errors.

- International Tax Reform – Pillar Two Model Rules (Amendment to IAS 12 *Income Taxes*)

These amendments had no effect on the consolidated financial statements of the Group.

3. Revenue and segment information

The Group is in the business of developing, manufacturing and selling soft tissue repair products. Revenue from contracts with customers is recognised when performance obligations pursuant to that contract are satisfied by the Group.

The Group has identified the following main categories of revenue:

Sales of goods

The Group's revenue primarily consists of the sale of its products. Revenue is recorded when the customer takes possession of the product. All contracts with customers are standardised and satisfy the criteria of transaction approval, identification of each party's rights, payment terms, commercial substance, and probable collection based on the customer's ability and intention to pay. Revenue is recognised at a point in time when control over the product transfers to the customer, which is assessed to be at the time of receipt of goods by the customer.

The Group also sells its products via a distributor model whereby the sales are made direct to a distributor being the customer of the Group, with the distributor permitted to resell the Aroa products to an end user. The Group has assessed these arrangements to consider that control passes to the distributor at the point the distributor takes possession of the products. The Group considers itself to be acting as principal in the sale of goods to distributors and recognise revenue on a gross basis.

All contracts with distributors are standardised and satisfy the criteria of transaction approval, identification of each party's rights, payment terms, commercial substance, and probable collection based on the customer's ability and intention to pay. Revenue is recognised at a point in time when control over the product transfers to the distributor as the customer, which is assessed to be at the time of receipt of goods by the distributor.

a. **Revenue share:** The Group's largest customer is TELA Bio who is the Group's sales and distribution partner for abdominal wall reconstruction and hernia repair and breast reconstruction in North America and Europe. The contract with TELA Bio entitles the Group to an agreed percentage of TELA Bio's net sales. This revenue is considered to be variable consideration ("revenue share"). The consideration is variable since the quantum of TELA Bio's inventory that is eventually sold and the price that it is sold at are uncertain.

The consideration from TELA Bio is received from a transfer price for the products shipped to TELA Bio, with the balance of the consideration received on quarterly true up to the agreed percentage based on TELA Bio's net sales. The Group estimates the true up on TELA Bio's inventory at the reporting date by using the expected value method. The estimation is based on information that is reasonably available to the Group which incorporates key factors including sales history, forecast revenue growth, expiry date of inventory held and average selling prices achieved by TELA Bio. The amount of variable consideration estimated is only recorded by the Group to the extent that it is highly probable that a significant amount of the cumulative revenue recognised will be received in the future. Amount receivable from Tela Bio at 31 March 2024 in relation to revenue share $15,140,000 (2023:$11,071,000), refer to note 2.

b. **Project fees:** Project fees received are recognised over time using the input method when the performance obligations are fulfilled pursuant to the project development agreement. The Company's input methods include resources consumed, labour hours expensed and costs incurred. Any project fees received, for which the requirements under the project agreement have not been completed, are carried as income in advance (liability) until all applicable performance obligations have been fulfilled.

c. **Royalties:** Royalty payment represents the payments received from TELA Bio upon achievement of cumulative net sales of the products in European territory. Royalty payments are recognised in the statement of profit or loss at a point in time upon completion of the performance obligation.

	2024 $000	2023 $000
Sales of goods (USA)	65,190	58,783
Sales of goods (Rest of the world)	2,776	1,729
Royalties (USA)	-	1,758
Project fees (USA)	1,100	1,090
Total revenue	**69,066**	**63,360**
Revenue recognised point in time	67,966	62,270
Revenue recognised over time	1,100	1,090
Total revenue	**69,066**	**63,360**

Segment information

Revenues from external customers are from sales of goods and project fees as reflected above.

The Group sells its products and services to external customers who are largely located in the United States of America (the "USA") as reflected in the sales above.

For the purpose of the internal reporting provided to the chief operating decision makers, business activities, performances and any associated assets and liabilities are reviewed as a consolidated group.

Revenues of $33,746,000 (2023: $37,898,000) are derived from a single external customer, being sales of products and services to TELA Bio, which is the Group's sales and distribution partner.

The Group held all of its non-current assets in New Zealand with an exception of the right-of-use assets of $455,000 (2023: $550,000) for the leasehold property and property, plant and equipment of $209,000 (2023: $134,000) in the USA as of the reporting date.

Other income

	2024 $000	2023 $000
Research and development tax credit income	1,628	1,673
Other income	36	61
Balance at end of the year	**1,664**	**1,734**

4. Loss from operations before net financing income

Loss from operations before net financing income includes the following:	**Note**	2024 $000	2023 $000
Auditor's fee:			
Statutory audit – BDO		163	135
Half-year review – BDO		55	55
Employee benefit expenses		45,137	37,158
Employer contributions defined contribution Superannuation scheme		2,632	1,929
Employee share-based payment expenses	18	3,404	2,578
Depreciation:			
Leasehold improvements	11	550	505
Plant and equipment	11	906	900
Furniture and fittings	11	72	64
Computer equipment	11	460	329
Right and use assets	15	1,024	807
Directors' fees (excluding share based payment expenses)	20	710	492
Insurance		1,462	1,187
Amortisation:			
Patents	12	126	74
Customer relationships	12	618	619
Reacquired rights	12	543	542
Capitalised development costs	12	96	-

5. Net finance income

Finance income and finance expenses have been accrued to the reporting date using the effective interest method.

	2024 $000	2023 $000
Finance income		
Interest received on bank balances – financial assets at amortised cost	1,800	1,315
Other finance income		
Foreign currency gains	94	463
Unrealised foreign currency gains on derivatives	-	192
Unrealised foreign currency gains	108	1,141
Total finance income	**2,002**	**3,111**
Finance expenses		
Interest expenses – lease liabilities (Note 16)	(490)	(378)
Other finance expenses		
Finance costs – make good provision	(14)	(6)
Unrealised foreign currency losses on derivatives	(1,254)	-
Total finance expenses	**(1,758)**	**(384)**
Net finance income	**244**	**2,727**

6. Income taxes

Tax expense comprises current and deferred tax. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Current tax includes any tax liability arising from the declaration of dividends.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and
- temporary differences arising on the initial recognition of goodwill;

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current and deferred tax the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they 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 tax benefit will be realised, such reductions are reversed when the probability of future taxable profits improves.

Income tax recognised in profit or loss and other comprehensive income

Reconciliation of income tax expense	2024 $000	2023 $000
Accounting loss before income tax	(10,427)	(384)
Income tax @ 28%	(2,920)	(108)
Impact of tax rates in overseas jurisdictions	(329)	(70)
Expenses not deductible for tax purposes	76	278
Tax credits received subject to tax	(21)	(84)
Income not subject to tax	-	(420)
Prior year tax over provisions	(51)	(211)
Recognition deferred tax on temporary differences and tax losses	3,446	627
Income tax expense	**201**	**12**

Major components of tax expense

	2024 $000	2023 $000
Current tax expense		
Current period	201	12
R&D tax credit	-	-
Total current tax benefit	**-**	**-**
Deferred tax (income)	-	-
Total tax expense	**201**	**12**

As at 31 March 2024, the Company has used all brought forward tax losses (2023: losses carried forward of $4,604,581). Utilisation of these tax losses is dependent upon the Group meeting the continuity of ownership provisions of the Income Tax Act 2007 and carrying forward and offsetting the net losses against net taxable income earned in subsequent years by the Group.

The Group has elected to defer expenditure relating to research and development allowed under section DB34 of the Income Tax Act 2007. As at 31 March 2024, the Group had $33,193,250 (2023: $25,524,916) of expenditure available to offset against subsequent years income subject to section EJ23 of the Income Tax Act 2007.

Deferred tax assets have been recognised to the extent they offset deferred tax liabilities. No deferred tax has been recognised on tax losses or deferred research and development expenditure in 2024 on the basis that large tax profits are not foreseeable in the year ending 31 March 2025. Total tax effected deferred tax asset not recognised at 31 March 2024 $9,752,000 (2023: $5,650,000).

	2024 $000	2023 $000
Deferred tax assets/(liabilities) recognised		
Accrued revenue	(4,239)	(3,100)
Deferred R&D expenditure	5,642	5,425
Intangible assets	(2,316)	(2,993)
Rights of use assets	(1,678)	(1,639)
Lease liabilities	1,947	1,834
Other temporary differences	13	81
Provision	631	392
Total deferred tax asset/(liability) recognised	**-**	**-**

	2024 $000	2023 $000
Deferred tax assets unrecognised (tax effected)		
Temporary differences	6,335	1,722
Deferred R&D expenditure	3,417	2,639
Unused tax losses	-	1,289
Total deferred tax asset unrecognised (tax effected)	**9,752**	**5,650**

7. Cash and cash equivalents & term deposits

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions and other short term deposits with maturities of three months or less and bank overdrafts.

	2024 $000	2023 $000
Bank balances	11,522	9,540
Total cash and cash equivalents	**11,522**	**9,540**

During the year, the Group entered into short-term deposit arrangements with BNZ and Westpac. The term deposits not yet matured as of the reporting date had an average rate of 6.05% (2023: 4.96%) per annum with a maturity of 3-12 months from the reporting date.

	2024 $000	2023 $000
Term deposits	18,000	35,134
Total term deposits	**18,000**	**35,134**

8. Financial assets at fair value through other comprehensive income

The Group classifies the following financial assets at fair value through other comprehensive income ("FVTOCI"): Equity investments in relation to the USA listed equity securities for Group's investment in TELA Bio for which the Group has elected to recognise fair value gains or losses through other comprehensive income. TELA Bio is the Group's largest customer and trading partner where the investment is held on a long term basis. The Group held 74,316 (2023: 74,316 shares) shares at a value of US$5.67 per share as at the reporting date (2023: US$10.64).

Financial assets measured at FVTOCI include the following:

	2024 $000	2023 $000
US listed equity securities		
Balance at beginning of the year	1,260	1,239
Changes in fair value through other comprehensive income	(557)	21
Balance at end of the year	703	1,260

The fair value of the listed equity securities is based on published market price (level 1 in the fair value hierarchy) and is revalued at reporting date.

9. Trade and other receivables

Trade and other receivables are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method less provision for impairment.

The Group applies the NZ IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables. To measure expected credit losses on a collective basis, trade receivables are grouped based on similar credit risk and aging. The expected loss rates are based on the Group's historical credit losses experienced over the three-year period prior to the period end. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the Group's customers.

	2024 $000	2023 $000
Trade receivables	11,446	12,225
Less: Provision for impairment of trade receivables	(309)	(580)
Net trade receivables	**11,137**	**11,645**
Other receivables	433	947
Other receivables – Research and Development Tax Incentive accrual	1,693	1,500
Trade and other receivables	**13,263**	**14,092**
GST receivable	174	237
Total current trade and other receivables	**13,437**	**14,329**

Trade receivables amounting to $11,137,000 (2023: $11,645,000) are shown net of impairment losses. Provisions have been made appropriately. Trade receivables are interest free. Trade receivables of a short-term duration are not discounted. Other receivables include an accrual of tax credit income relating to the Research and Development Tax Incentive program.

(i) Impaired receivables

As at 31 March 2024, current trade receivables with a nominal value of $309,000 (2023: $580,000) were impaired and provided for.

(ii) Past due but not impaired receivables

As at 31 March 2024, trade receivables of $2,140,000 (2023: $3,733,000) were past due but not impaired. Subsequent to the reporting date, the Group received over $1,372,000 of these past due trade receivables.

The ageing analysis of trade receivables is as follows:

	2024 $000	2023 $000
Current	8,997	7,912
1 - 30 days overdue	1,286	2,545
30 - 60 days overdue	377	309
60 - 90 days overdue	246	234
90 + days overdue	540	1,225
Total trade receivables	**11,446**	**12,225**

10. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the standard cost 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. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and costs to sell. An inventory provision is created to reflect instances where the product is expected to expire before being sold

	2024 $000	2023 $000
Raw materials	2,475	1,911
Work in progress	4,178	2,191
Finished goods	2,050	938
Provision for obsolescence	(599)	(209)
Total inventories	**8,104**	**4,831**

11. Property, plant & equipment

(i) Recognition and measurement: Items of plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

(ii) Subsequent expenditure: Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

(iii) Depreciation: For plant and equipment, depreciation is based on the cost of an asset less its residual value. Where significant components of individual assets that have a useful life that is different from the remainder of those assets, those components are depreciated separately.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. Assets under construction are not subject to depreciation.

The useful life estimate for the current year of significant items of property, plant and equipment are as follows:

Leasehold improvements	**15 years**	**Fixtures & fittings**	**3 - 10 years**
Plant & equipment	**5-10 years**	**Computer equipment & software**	**3 years**

Depreciation methods, rates and residual values are reviewed at reporting date and adjusted if appropriate.

(iv) Capital commitment

Please refer to note 24e for capital commitments.

	Leasehold Improve-ments $000	Capital Work In Progress $000	Plant and Equipment $000	Fixture & Fitting $000	Computer Equipment & Software $000	Total $000
Cost						
Balance 1 April 2023	4,618	5,726	9,322	789	1,821	22,276
Additions	9	2,978	277	16	243	3,523
Transfers in/(out)	248	(380)	132	-	-	-
Disposals	-	-	-	-	-	-
Balance 31 March 2024	**4,875**	**8,324**	**9,731**	**805**	**2,064**	**25,799**
Accumulated Depreciation						
Balance 1 April 2023	(1,581)	-	(5,098)	(320)	(1,043)	(8,042)
Depreciation	(550)	-	(906)	(72)	(460)	(1,988)
Disposals	-	-	-	-	-	-
Balance 31 March 2024	**(2,131)**	**-**	**(6,004)**	**(392)**	**(1,503)**	**(10,030)**
Net Book Value						
Balance 1 April 2023	3,037	5,726	4,224	469	778	14,234
Balance 31 March 2024	**2,744**	**8,324**	**3,727**	**413**	**561**	**15,769**

	Leasehold Improve-ments $000	Capital Work In Progress $000	Plant and Equip-ment $000	Fixture & Fitting $000	Computer Equipment & Software $000	Total $000
Cost						
Balance 1 April 2022	1,631	4,165	8,566	624	1,287	16,273
Additions	46	4,889	397	152	533	6,017
Transfers in/ (out)	2,941	(3,328)	373	13	1	-
Disposals	-	-	(14)	-	-	(14)
Balance 31 March 2023	**4,618**	**5,726**	**9,322**	**789**	**1,821**	**22,276**
Accumulated Depreciation						
Balance 1 April 2022	(1,076)	-	(4,204)	(256)	(714)	(6,250)
Depreciation	(505)	-	(900)	(64)	(329)	(1,798)
Disposals	-	-	6	-	-	6
Balance 31 March 2023	**(1,581)**	**-**	**(5,098)**	**(320)**	**(1,043)**	**(8,042)**
Net Book Value						
Balance 1 April 2022	555	4,165	4,362	368	573	10,023
Balance 31 March 2023	**3,037**	**5,726**	**4,224**	**469**	**778**	**14,234**

12. Intangible assets

Patents that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

Trademarks have finite useful lives and are measured at cost less accumulated amortisation and accumulated impairment losses.

Patent and trademark costs are amortised on a straight-line basis over the useful life.

Goodwill, customer relationships and reacquired rights are attributable to the purchase of the wound care business entered into between the Group and Hollister Incorporated. Goodwill is not amortised.

Impairment tests on goodwill and other intangible assets with indefinite useful economic lives are undertaken annually at the financial year end. Other non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount (i.e. the higher of value in use and fair value less costs to sell), the asset is written down accordingly.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the smallest group of assets to which it belongs for which there are separately identifiable cash flows; its cash generating units ("CGUs"). Goodwill is allocated on initial recognition to each of the Group's CGUs that are expected to benefit from a business combination that gives rise to the goodwill.

Impairment charges are included in profit or loss. An impairment loss recognised for goodwill is not reversed.

Customer relationships and reacquired rights are amortised on a straight-line basis in profit or loss over their estimated useful lives, from the date that they are available for use.

The estimated useful lives for the current period are as follows:

Patents and trademarks	3-21 years
Customer relationships	9 years
Reacquired rights	18 years
Capitalised development costs*	5 years

*The Group commences the amortisation when the asset is completed.

Amortisation methods, rates and residual values are reviewed at reporting date and adjusted if appropriate.

Research costs are expensed as incurred. Costs associated with maintaining product development are recognised as an expense as incurred. Costs that are directly associated with the production of identifiable and unique product developments controlled by the Group, and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets where the following criteria are met:

- it is technically feasible to complete asset so that it will be available for use;
- management intends to complete the asset and use or sell it;
- there is an ability to use or sell the asset;
- it can be demonstrated how the asset will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell it; and
- the expenditure attributable to the asset during its development can be reliably measured.

Other development expenditures that do not meet these criteria are expensed when incurred. Development costs previously recognised as expenses are not recognised as assets in a subsequent period. Development costs that have a finite useful life that have been capitalised are amortised from the commencement of the time at which they are available for use on a straight-line basis over the period of its expected benefit, not exceeding five years.

Capitalised development costs are carried at cost less accumulated amortisation and impairment losses.

Capitalised development costs are amortised over the periods the Group expects to benefit from utilising the products. The amortisation expense is included within selling and administrative expenses in profit or loss.

12. Intangible assets (continued)

	Patents & trademarks $000	Customer relationships $000	Reacquired rights $000	Goodwill $000	Capitalised development costs $000	Total $000
Cost						
Balance 1 April 2023	1,611	5,563	9,772	5,538	1,332	23,816
Additions	644	-	-	-	2,818	3,462
Balance 31 March 2024	**2,255**	**5,563**	**9,772**	**5,538**	**4,150**	**27,278**
Accumulated Depreciation						
Balance 1 April 2023	(388)	(3,091)	(2,714)	-	-	(6,193)
Amortisation	(126)	(618)	(543)	-	(96)	(1,383)
Balance 31 March 2024	**(514)**	**(3,709)**	**(3,257)**	**-**	**(96)**	**(7,576)**
Net Book Value						
Balance 1 April 2023	1,223	2,472	7,058	5,538	1,332	17,623
Balance 31 March 2024	**1,741**	**1,854**	**6,515**	**5,538**	**4,054**	**19,702**

	Patents & trademarks $000	Customer relationships $000	Reacquired rights $000	Goodwill $000	Capitalised development costs $000	Total $000
Cost						
Balance 1 April 2022	1,354	5,563	9,772	5,538	-	22,227
Additions	257	-	-	-	1,332	1,589
Balance 31 March 2023	**1,611**	**5,563**	**9,772**	**5,538**	**1,332**	**23,816**
Accumulated Depreciation						
Balance 1 April 2022	(314)	(2,472)	(2,172)	-	-	(4,958)
Amortisation	(74)	(619)	(542)	-	-	(1,235)
Balance 31 March 2023	**(388)**	**(3,091)**	**(2,714)**	**-**	**-**	**(6,193)**
Net Book Value						
Balance 1 April 2022	1,040	3,091	7,600	5,538	-	17,269
Balance 31 March 2023	**1,223**	**2,472**	**7,058**	**5,538**	**1,332**	**17,623**

On 31 March 2024, the Group tested whether goodwill has suffered any impairment. For the purpose of impairment testing, goodwill is allocated to the Group's Wound Care business, at which goodwill is monitored for internal management purposes.

The recoverable amount is determined based on value in use calculations using the method of estimating future cash flows and determining a discount rate in order to calculate the present value of the cash flows.

A discounted cash flow ("DCF") model has been based on five-year forecast cash flow projections. The key assumptions used in calculating the recoverable amount are as follows:

	2024	2023
Discount rate post tax	10.6%	10.1%
Terminal growth rate	3.5%	3.5%
Average growth rates over the forecast period	25.8%	34.4%
Average gross profit over the forecast period	89%	88%

No impairment was identified for the Wound Care business as a result of this review, nor under any reasonable possible change, in any of the key assumptions described above.

Basis of key assumptions

- **Cash flow projections**
  The cashflow projections used in the recoverable amount calculations are based on management's budget for the year ending 31 March 2025, then applicable growth rates applied to revenue and costs from year 2-5. Management has used its past experience of revenue growth, operating costs, margin and external sources of information where appropriate to determine their expectations for the future.
- **Growth rates**
  The growth rates reflect the long-term average growth rates for the product lines and health care industry (publicly available).
- **Discount rates**
  The present value of the expected cash flows is determined by applying a suitable discount rate. The discount rate was derived based on the weighted average cost of capital (WACC) for comparable entities in the healthcare industry, based on market data. The discount rates reflect appropriate adjustments relating to market risk.

13. Trade and other payables

Trade and other payables are initially recognised at fair value plus directly attributable transaction costs and subsequently at amortised cost. Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid.

	2024 $000	2023 $000
Trade payables	1,709	1,909
Accrued expenses	2,032	1,693
Other payables	-	5
Total trade and other payables	**3,741**	**3,607**

Trade payables generally have terms of 30 days and are interest free. Trade payables of a short-term duration are not discounted.

14. Employee benefits

(i) Short term employee benefits

Liabilities for wages and salaries, including non-monetary benefits and accumulating annual leave that is expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

The obligations are presented as other payables and accruals in the statement of financial position if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting date, regardless of when the actual settlement is expected to occur.

(ii) Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

	2024 $000	2023 $000
Leave and wages accrual	2,512	1,864
Bonus accrual	1,196	1,881
Employee benefits	**3,708**	**3,745**

15. Right of use assets

	2024 Properties Total $000	2023 Properties Total $000
Balance at beginning of the year	6,403	5,333
Additions during the year	1,068	1,844
Depreciation for the year	(1,024)	(807)
Modification adjustment	-	33
Balance at end of the year	**6,447**	**6,403**

16. Lease liabilities

	2024 Properties Total $000	2023 Properties Total $000
Balance at beginning of the year	7,107	5,876
Additions during the year	1,068	1,844
Interest expense	490	378
Lease payments	(1,230)	(1,024)
Modification adjustment	-	33
Balance at end of the year	**7,435**	**7,107**
Current	1,004	559
Non-current	6,431	6,548
Total	**7,435**	**7,107**

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a term of 12 months or less

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Group's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they are dependent on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability may also include:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Group if it is reasonably certain to exercise that option; and
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Group is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement, lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the Group revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at a revised discount rate. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term.

When the Group renegotiates the contractual terms of a lease with the lessor, the accounting depends on the nature of the modification:

- if the renegotiation results in one or more additional assets being leased for an amount commensurate with the standalone price for the additional rights-of-use obtained, the modification is accounted for as a separate lease in accordance with the above policy
- in all other cases where the renegotiated increases the scope of the lease (whether that is an extension to the lease term, or one or more additional assets being leased), the lease liability is remeasured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount
- if the renegotiation results in a decrease in the scope of the lease, both the carrying amount of the lease liability and right-of-use asset are reduced by the same proportion to reflect the partial or full termination of the lease with any difference recognised in profit or loss. The lease liability is then further adjusted to ensure its carrying amount reflects the amount of the renegotiated payments over the renegotiated term, with the modified lease payments discounted at the rate applicable on the modification date. The right-of-use asset is adjusted by the same amount.

For contracts that both convey a right to the Group to use an identified asset and require services to be provided to the Group by the lessor, the Group has elected to account for the entire contract as a lease, i.e. it does allocate any amount of the contractual payments to, and account separately for, any services provided by the supplier as part of the contract.

Nature of leasing activities (in the capacity as lessee)

The Group leases three properties in the jurisdictions in which it operates. In some jurisdictions it is customary for lease contracts to provide for payments to increase each year by inflation and in others to be reset periodically to market rental rates. The Group also leases certain items of plant and equipment.

As standard industry practice, the Group's property leases are subject to market rent reviews. A 1% increase in these payments would result an additional $12,000 outflow compared to the current period's cash outflow of $1,230,000 (2023: $1,024,000).

Please refer to note 21 for lease maturity analysis

17. Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects. These ordinary shares have no par value.

	2024 $000	2023 $000
Share capital at beginning of the year	**146,491**	**145,755**
Shares exercised under share option plan	196	564
Issue of shares to employees	111	172
Share capital at end of the year	**146,798**	**146,491**

# of shares	Ordinary shares 2024	Ordinary shares 2023
At beginning of year	**343,109,468**	**342,461,133**
Issue of share capital	1,098,366	648,335
At end of year	**344,207,834**	**343,109,468**

18. Share based payments reserve

Share option plan

The Group operates a share option plan for selected employees to provide an opportunity to participate in a Share Option Plan. This is an offer of options to acquire ordinary shares. Under the terms of the plan, a parcel of options was issued to employees with an exercise price equal to the market valuation of shares at the time of offer. The grant of share options is split into three tranches vesting over a three year period.

The share based payments reserve comprises the fair value of the employee share purchase plan before its classifications to share capital upon settlement.

The grant date fair value of equity-settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

Key valuation assumptions for the share option plan are:

Grant Date	6 October 2023 Performance	6 October 2023 Non-Performance	3 August 2023	1 August 2022	14 November 2022
Share price at grant date (AUD)	0.819	0.755	0.910	0.775	0.930
Valuation date	6 October 2023	6 October 2023	4 August 2023	1 March 2023	14 November 2022
Share price at valuation date (AUD)	0.76	0.76	0.90	1.10	0.93
Average exercise price (NZD)	0.97	0.97	0.92	0.64	0.94
Expected volatility*	72%	72%	69%	72%	75%
Expected life	5 years	5 years	5 years	5 years	5 years
Risk free factor	3.98%-4.06%	4.10%	3.90%	3.55%	3.24%
Valuation model	Monte Carlo	Binomial	Binomial	Binomial	Binomial
Dividend yield	0%	0%	0%	0%	0%

	2024 $000	2023 $000
Balance as at 1 April	**7,179**	**4,812**
Share based payment expense	3,404	2,676
Employee shares forfeited	(223)	(98)
Total expenses recognised in consolidated statement of profit or loss	**3,181**	**2,578**
Employee shares exercised	**(92)**	**(211)**
Balance as at 31 March	**10,268**	**7,179**

a) Aroa Biosurgery share option plan (the "Option Plan") – prior to IPO

Under the Option Plan prior to IPO, the Company granted directors, key management and certain employees, options to subscribe for ordinary shares since 2017.

Summary of options granted under the Option Plan – prior to IPO

	2024 Average exercise price per option	2024 # of options	2023 Average exercise price per option NZ$	2023 # of options
Opening balance	0.10	2,841,450	0.10	3,085,200
Exercised during the period	0.10	(1,105,725)	0.10	(243,750)
Closing balance	**0.10**	**1,735,725**	**0.10**	**2,841,450**
Vested and exercised as at 31 March	**0.10**	**1,735,725**	**0.10**	**2,841,450**

Share options outstanding at the end of the year have the following expiry dates:

Grant date	Expiry date	Share options 2024	Share options 2023
1 October 2018	01 October 2028	790,725	1,339,900
1 July 2019	01 October 2028	-	228,750
1 December 2019	30 November 2029	945,000	1,272,800
Total		**1,735,725**	**2,841,450**

b) Aroa Biosurgery share option plan (the "Option Plan") – on and after IPO

On the Group's IPO in July 2020, the share options were issued to certain employees and directors under a new share option plan. Under this plan, the Group continue to issue options to certain employees and directors.

Grants under the Option Plan comprised 25,348,855 (2023: 17,828,074) share options with various vesting conditions including non-market service conditions, market conditions and non-market performance conditions.

	2024 Average exercise price per option NZ$	2024 # of options	2023 Average exercise price per option NZ$	2023 # of options
Opening balance	1.09	17,828,074	1.07	12,901,575
Granted in August 2022	-	-	0.64	3,545,344
Granted in November 2022	0.93	50,000	0.94	2,093,580
Granted in August 2023	0.93	210,686	-	-
Granted in October 2023	0.97	8,978,601	-	-
Exercised during the year	0.81	(50,000)	1.23	(435,758)
Forfeited during the period	1.06	(1,668,506)	1.21	(276,667)
Closing balance	**0.78**	**25,348,855**	**1.09**	**17,828,074**
Vested and exercised as at 31 March	**1.09**	**11,919,471**	**1.22**	**8,964,193**

Share options – on and after IPO outstanding at the end of the year have the following expiry dates:

Grant date	Expiry date	Share options 2024	Share options 2023
24 July 2020	23 July 2025	4,885,950	4,935,950
29 September 2020	28 September 2025	1,538,200	1,683,200
22 April 2021	31 March 2026	200,000	200,000
28 June 2021	28 June 2026	2,005,000	2,295,000
9 August 2021	8 August 2026	2,925,000	3,075,000
1 August 2022	29 February 2028	3,432,419	3,545,344
14 November 2022	13 November 2027	1,712,515	2,093,580
3 August 2023	13 November 2027	210,686	-
6 October 2023	30 June 2024 - 3 August 2028	8,439,085	-
Total		**25,348,855**	**17,828,074**

19. Earnings per share

Earnings per share has been calculated based on shares and share options issued at the respective measurement dates.

	2024 '000	2023 '000
Numerator		
Loss for the year after tax ("N") in $000	(10,628)	(396)
Denominator		
Weighted average number of ordinary shares used in basic EPS ("D1")	343,825	342,917
Effects of:		
Employee share options *	24,049	18,673
Weighted average number of shares used in diluted EPS ("D2")	343,825	342,917
	Cents	**Cents**
Basic earnings per share (N/D1 x 100)	(3.09)	(0.12)
Diluted earnings per share (N/D2 x 100)	(3.09)	(0.12)

As employee share options are anti-dilutive, these were not included in the calculation of diluted earnings per share above.

20. Related parties

(i) Subsidiaries

Interests in subsidiaries are set out in Note 1.

(ii) Key management compensation

Key management includes Directors (Executive and Non-Executive) and the executive management team.

Executive Management Team	2024 $000	2023 $000
Short term employee benefits	2,239	2,421
Share based payment expenses	1,254	609
Total	**3,493**	**3,030**

Non-executive Directors	2024 $000	2023 $000
Short term employee benefits	710	492
Share based payment expenses	316	262
Total	**1,026**	**754**

(iii) Year end balances

There were no related party balance at year end other than loans provided to key management personnel for acquisition of Company shares prior to IPO of $92,000 (2023: $117,000).

(iv) Transactions with related parties

There were no other related party transactions during the year.

21. Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate and foreign exchange risks and aging analysis for credit risk.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control risk exposures within acceptable parameters whilst optimising the return on risk.

Foreign exchange risk

The Group is exposed to currency risk on sales, purchases and liabilities that are denominated in a currency other than the respective functional currency of the Company, being NZ dollars (NZD). The currency risk arises primarily with respect to sales and expenses.

The Group has certain net monetary assets/(liabilities) that are exposed to foreign currency risk. The table below summarises the Group's net exposure at reporting date to foreign currency risk, against its respective functional currency, expressed in NZ dollars.

Exposure to foreign currency risk

2024	USD $000	AUD $000	EUR $000	CAD $000
Cash and cash equivalents	1,446	-	-	-
Trade and other receivables	6,763	-	68	31
Financial assets at FVTOCI	421	-	-	-
Trade and other payables	(3,796)	(30)	(1)	(4)
Lease liabilities	(289)	-	-	-
Derivatives	27,150	-	-	-
Net exposure	**31,695**	**(30)**	**67**	**27**

2023	USD $000	AUD $000	EUR $000
Cash and cash equivalents	3,199	-	-
Trade and other receivables	7,683	-	19
Financial assets at FVTOCI	791	-	-
Trade and other payables	(796)	(24)	-
Lease liabilities	(351)	-	-
Derivatives	22,650	-	-
Net Exposure	**33,176**	**(24)**	**19**

The following significant exchange rates applied during the year:

	Average rate 2024	Average rate 2023	Closing rate 2024	Closing rate 2023
NZD/USD	**0.6101**	**0.6246**	**0.5991**	**0.6275**

Sensitivity analysis – underlying exposures

A 5% weakening/strengthening of the NZ dollar against the US dollar at 31 March 2024 would have increased/decreased equity and the net result for the period by the amounts shown below. Based on historical movements a 5% increase or decrease in the NZ dollar is considered to be a reasonable estimate. This analysis assumes that all other variables remain constant.

US dollar

The Group's net result and equity for the period would have been $2,784,000 higher on a 5% weakening of the NZ dollar (2023: $2,780,000 higher), and $2,519,000 lower on a 5% strengthening of the NZ dollar as at 31 March 2024 (2023: $2,515,000 lower).

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as from the Group's receivables due from customers. Only major banks are accepted for cash and deposit balances.

Payment and delivery terms are agreed to within each of the respective customers agreements. Aging of payments due from customers are monitored on a regular basis.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows, including interest payments in respect of financial liabilities.

At 31 March 2024	Note	Less than 3 months $000	3-12 months $000	Between 1 and 2 years $000	Over 2 years $000	Total contractual cash flows $000	Total carrying amounts $000
Financial liabilities							
Trade and other payables	13	3,741	-	-	-	3,741	3,741
Lease liabilities	16	370	1,113	1,523	6,070	9,076	7,435
Derivative liabilities		507	406	149	-	1,062	1,062
Total		**4,618**	**1,519**	**1,672**	**6,070**	**13,879**	**12,238**

At 31 March 2023	Note	Less than 3 months $000	3-12 months $000	Between 1 and 2 years $000	Over 2 years $000	Total contractual cash flows $000	Total carrying amounts $000
Financial liabilities							
Trade and other payables	13	3,607	-	-	-	3,607	3,607
Lease liabilities	16	202	1,024	1,261	6,380	8,867	7,107
Total		**3,809**	**1,024**	**1,261**	**6,380**	**12,474**	**10,714**

Capital adequacy

The Board's aim is to maintain a strong capital base to sustain future development of the business and to maintain investor and creditor confidence. The shareholder funds raised to date provide the Group a sufficient capital base to continue to grow the business.

22. Financial instruments by category

(i) Non-derivative financial liabilities

The Group recognises all other financial liabilities (including liabilities designated at fair value through profit or loss) recognised initially on the trade date, which is the date that the Group become a party to the contractual provisions of the instrument.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled Wor expire.

The Group classifies non-derivative financial liabilities into the other financial liability category. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Other financial liabilities comprise trade and other payables.

(ii) Non-derivative financial assets

The Group initially recognises financial assets at amortised cost on the date that they are originated.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group classifies non-derivative financial assets into the following categories: financial assets at fair value through other comprehensive income and financial assets at amortised cost.

(iii) Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into, and they are subsequently remeasured to their fair value. Derivatives are carried in the consolidated statement of financial position at fair value with the changes in fair value recognised in the consolidated statement of profit or loss in the finance income or expenses. The Group does not apply hedge accounting for derivative contracts.

At 31 March 2024	Note	Assets at amortised cost $000	Assets at fair value through other comprehensive income $000	Total $000
Assets as per Consolidated Statement of Financial Position				
Cash and cash equivalents	7	11,522	-	11,522
Term deposits	7	18,000	-	18,000
Trade and other receivables	9	13,263	-	13,263
Financial assets at FVTOCI	8	-	703	703
Total financial assets		**42,785**	**703**	**43,488**

At 31 March 2024	Note	Liabilities at amortised cost $000	Liabilities at fair value through profit and loss $000	Total $000
Liabilities as per Consolidated Statement of Financial Position				
Trade and other payables	13	1,709	-	1,709
Lease liabilities	16	7,435	-	7,435
Derivative liabilities		-	1,061	1,061
Total financial liabilities		**9,144**	**1,061**	**10,205**

At 31 March 2023	Note	Assets at amortised cost $000	Assets at fair value through other comprehensive income $000	Assets at fair value through profit and loss $000	Total $000
Assets as per Consolidated Statement of Financial Position					
Cash and cash equivalents	7	9,540	-	-	9,540
Term deposits	7	35,134	-	-	35,134
Trade and other receivables	9	14,092	-	-	14,092
Financial assets at FVTOCI	8	-	1,260	-	1,260
Derivative assets		-	-	192	192
Total financial assets		**58,766**	**1,260**	**192**	**60,218**

At 31 March 2023	Note	Liabilities at amortised cost $000	Total $000
Liabilities as per Consolidated Statement of Financial Position			
Trade and other payables	13	1,909	1,909
Lease liabilities	16	7,107	7,107
Total financial liabilities		**9,016**	**9,016**

(iv) Financial instruments measured at fair value

The fair value hierarchy of financial instruments measured at fair value is provided below.

	Note	2024 $000	2023 $000
Financial assets			
US listed equity securities	8	703	1,260
Derivative financial (liabilities)/assets		(1,061)	192

The fair value of the listed equity securities is based on published market price (level 1) in the fair value hierarchy) and is revalued at reporting date. The fair value of derivative assets is based on level 2 inputs.

(v) Financial instruments not measured at fair value

Financial instruments not measured at fair value includes cash and cash equivalents, trade and other receivables, trade and other payables.

Due to their short-term nature, the carrying value of cash and cash equivalents, term deposits, trade and other receivables, and trade and other payables approximates their fair value.

23. Events after the reporting date

There have been no significant events subsequent to reporting date which required disclosure in or adjustment to the consolidated financial statements.

24. Other Disclosures

a. Reconciliation of loss after income tax to cash flow from operating activities

	2024 $000	2023 $000
Loss after tax	**(10,628)**	**(396)**
Add / (deduct) non-cash items:		
Depreciation of property, plant and equipment	1,988	1,798
Depreciation of right of use assets	1,024	807
Gain on disposal of assets	-	13
Amortisation of intangibles	1,383	1,229
Share based payment expenses	3,181	2,578
Interest – lease liabilities	490	378
Unrealised currency losses / (gains)	1,897	(266)
Movement in working capital:		
Movement in provisions	3	6
Movement in tax receivable	(26)	(387)
Movement in trade and other receivables	901	(2,235)
Movement in prepayments and contract assets	(4,424)	(6,393)
Movement in inventories	(3,273)	(2,748)
Movement in trade and other payables	109	1,844
Net cash flows from operating activities	**(7,375)**	**(3,772)**

b. Reconciliation of changes in liabilities arising from financing activities.

	Note	Total lease liabilities 2024 $000	Total lease liabilities 2023 $000
At 1 April		**(7,107)**	**(5,876)**
Cash flow		1,230	1,024
Non-cash flow			
Additions during the year	16	(1,068)	(1,877)
Interest accrued during the year	16	(490)	(378)
At 31 March		**(7,435)**	**(7,107)**

c. Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at reporting date exchange rates are recognised profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined and are recognised in Other Comprehensive Income (except on impairment in which case foreign currency differences that have been recognised in Other Comprehensive Income are reclassified to profit or loss).

d. Goods and services tax (GST)

Revenues and expenses have been recognised in the financial statements exclusive of GST except that irrecoverable GST input tax has been recognised in association with the expense to which it relates. All items in the Statement of Financial Position are stated exclusive of GST except for receivables and payables which are stated inclusive of GST.

e. Capital commitments

As at 31 March 2024, the Group had equipment capital commitments of $867,500 (2023: $3,051,000).

f. Contingent liabilities

As at 31 March 2024, the Group had no significant contingent liabilities (2023: $nil).

ADDITIONAL INFORMATION

NZ Company No. 1980577

ARBN 638 867 473

+ Aroa Biosurgery Limited

Aroa Biosurgery Limited is a New Zealand incorporated company and is registered with ASIC as a foreign company. The Company is accordingly principally governed by New Zealand law, rather than Australian law. This means that the Company's general corporate activities (apart from any offering of securities in Australia and certain reporting and disclosure obligations) are not regulated under the Corporations Act by ASIC. They are instead regulated in New Zealand by New Zealand law including the Companies Act, Financial Markets Conduct Act 2013, Financial Markets Conduct Regulations 2014 and by the New Zealand Financial Markets Authority and the Registrar of Companies.

+ Stock exchange information and on-market buy-backs

The Company's shares were officially quoted on the ASX on 24 July 2020 (ASX Code: ARX). During the year ended 31 March 2024, the Company did not seek, or rely upon, any waivers from the ASX Listing Rules. There is no current on-market buy-back of the Company's shares and the Company did not undertake an on-market buy-back of its shares during the year ended 31 March 2024.

+ Ordinary shares

On 31 March 2024 and as at the date of this Annual Report, the Company only has one class of shares on issue, being ordinary shares in the Company, each conferring to the registered holder the rights set out in the Company's constitution, including the right to vote on any resolution at a meeting of shareholders. Holders of ordinary shares may vote at a meeting, in person or by proxy, representative or attorney.

The total number of ordinary shares in the Company on issue as at 31 March 2024 was 344,207,834 shares and the total number of ordinary shares in the Company on issue as at 31 May 2024 was 344,207,834 shares.

The distribution of shareholdings as at 31 May 2024 is as shown in the table below:

Size of shareholding	Number of holders	%	Number of ordinary shares	%
1 to 1,000	875	23.62	562,257	0.160
1,001 to 5,000	1,230	33.21	3,422,976	0.990
5,001 to 10,000	587	15.85	4,680,081	1.360
10,001 to 100,000	873	23.57	27,109,322	7.880
100,001 and over	139	3.75	308,433,198	89.610
TOTAL	**3,704**	**100**	**344,207,834**	**100.000**

Based on the closing market price of AROA's ordinary shares on 31 May 2024, the number of shareholdings held in less than marketable parcels is 632, representing 322,611 shares. The Company has not carried out any issues of securities approved for the purposes of Item 7 of section 611 of the Corporations Act.

+ Share options

As at 31 March 2024, there were 28,005,702* share options on issue (representing the same number of unissued ordinary shares) held by 95 holders under the NZ Option Plan and US Option Plan. Share options do not carry voting rights.

The distribution of share options as at 31 May 2024 is as shown in the table below:

Size of holding	Number of holders	%	Number of options	%
1 to 1,000	-	-	-	-
1,001 to 5,000	1	0.42	4,239	0.02
5,001 to 10,000	18	7.63	136,445	0.49
10,001 to 100,000	149	63.14	8,110,924	28.96
100,001 and over	68	28.81	19,754,094	70.54
TOTAL	**236**	**100**	**28,005,702***	**100**

*excluding the forfeited options at 31 March 2024 for accounting purposes, but not excluded from the options register.

Please refer to the Remuneration Report and note 18 to the consolidated financial statements for further details of share options outstanding.

+ Shares issued on exercise of options

The table below outlines ordinary shares issued during FY24 upon exercise of share options granted under the NZ Option Plan. No share options issued under the US Option Plan were exercised during the year.

Under the option plan rules, at the Board's discretion, options may be exercised by cashless settlement. This involves issuing a reduced number of shares to the participant generally equivalent to: (a) an amount equal to the difference between the current value of the Company's shares (being the VWAP for the five trading days immediately preceding the option exercise date) and the exercise price of the shares, multiplied by the number of options being exercised, and divided by (b) the current value of the Company's shares.

Date options exercised	Number of options exercised	Average exercise price	Number of shares issued
30/08/2023	315,000*	NZ$0.0904	281,934
06/09/2023	50,000	A$0.75	50,000
13/02/2024	157,500*	NZ$0.0979	133,207
27/03/2024	633,225*	NZ$0.10	633,225

*Share options issued prior to IPO.

+ Twenty largest shareholders

The names and holdings of the 20 largest registered shareholders in the Company as at 31 May 2024 was as follows:

Shareholder name	Shareholding	Holding as a % of total ordinary shares on issue as at the date above
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	48,251,491	14.01
MR BRIAN WARD & MRS TRACEY WARD <ARAWAI NO 2 A/C>	33,125,800	9.62
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	32,670,040	9.49
CITICORP NOMINEES PTY LIMITED	32,037,722	9.30
PHIL MCCAW <MCSYTH CAPITAL INVEST A/C>	19,597,251	5.69
RICHARD ABBOTT <JESTER 002 INVESTMENT A/C>	13,043,020	3.78
BNP PARIBAS NOMS (NZ) LTD	10,520,679	3.05
ASPIRE NZ SEED FUND LTD	10,421,614	3.02
NATIONAL NOMINEES LIMITED	8,010,852	2.32
K ONE W ONE (NO 3) LTD	5,882,550	1.70
CUSTODIAL SERVICES LIMITED <BENEFICIARIES HOLDING A/C>	4,532,679	1.31
SHARON BRYANT <OT INVESTMENT A/C>	4,372,267	1.27
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	4,138,307	1.20
MR JOHN ANTHONY DELL	3,508,864	1.01
BNP PARIBAS NOMS PTY LTD	3,387,642	0.98
UBS NOMINEES PTY LTD	3,336,270	0.96
BARNABY MAY	3,272,775	0.95
CHRISTOPHER DAVID ASTLEY MILNE	3,213,022	0.93
K ONE W ONE LTD	3,041,226	0.88
JAMES MCLEAN	2,827,108	0.82
Total Top 20 Holders	**249,191,179**	**72.4**
Total Securities	**344,207,834**	

+ Takeovers and substantial holdings

While the ASX Listing Rules apply to the Company, certain provisions of the Corporations Act do not. The Company is not subject to Chapters 6, 6A, 6B and 6C of the Corporations Act dealing with the acquisition of its shares (including takeovers and substantial holdings). The New Zealand position under the Takeovers Code (as set out in the Takeovers Regulations 2000) and the Financial Markets Conduct Act 2013 is broadly comparable to the Australian position in relation to the regulation of takeovers. The New Zealand takeovers regime, not the Australian takeovers regime, will apply to the Company as a foreign company. A 20% threshold applies (under which a person (together with their associates) is prevented from increasing the percentage of voting rights held or controlled by them in excess of that 20% threshold or from increasing an existing holding of more than 20% of the voting rights), subject to certain exceptions including, but not limited to, full and partial takeover offers, 5% creep over 12 months in the 50% to 90% range, and acquisitions with shareholder approval. Compulsory acquisitions are permitted by persons who hold or control 90% or more voting rights in a code company.

Under New Zealand law, there is no requirement for a shareholder of the Company to issue a substantial holding notice of holdings above 5%, and because the Company is a New Zealand company the Corporations Act provisions regarding substantial shareholder notices do not apply to the Company. However, a shareholder may voluntarily disclose such information if it chooses to do so and a number of New Zealand companies listed on ASX experience shareholders lodging notices similar to a substantial shareholder notice that is required under the Corporations Act notwithstanding there is no requirement to do so. Separately, the Company has undertaken to ASX that it will inform the market immediately on becoming aware of a person becoming a Substantial Holder, a movement of at least 1% of shares in which the Substantial Holder has a relevant interest and a person ceasing to be a Substantial Holder.

+ Limitations on the acquisition of AROA shares

In general, under applicable law securities in the Company are freely transferrable and the only significant restrictions or limitations in relation to the acquisition of AROA shares are those imposed by the New Zealand takeovers regime (discussed above) and if applicable, the Overseas Investment Act 2005 (NZ) and the Commerce Act 1986 (NZ).

AROA's constitution also permits the directors to (in their absolute discretion) refuse or delay the registration of any transfer of AROA shares if permitted to do so by the Companies Act or the ASX Listing Rules. This includes (without limitation) if the relevant shares are subject to a holding lock pursuant to the ASX Settlement Operating Rules or escrow.

+ Substantial shareholders

Set out below is, to the best of the Company's knowledge, details relating to all Substantial Holders in the Company as at 31 May 2024.

Shareholder name	Shareholding*	Holding as a % of total ordinary shares on issue as at 31 May 2024
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	48,251,491	14.01
MR BRIAN WARD** & MRS TRACEY WARD <ARAWAI NO 2 A/C>	33,125,800	9.62
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	32,670,040	9.49
CITICORP NOMINEES PTY LIMITED	32,037,722	9.30
PHIL MCCAW <MCSYTH CHARITABLE FUND A/C> & <MCSYTH CAPITAL INVEST A/C>***	19,597,251	5.69

*of the Substantial Holder and their "associates" (within the meaning given to that term in section 12 of the Corporations Act).

**Brian Ward also holds 3,132,525 unlisted options expiring 23 July 2025 at an exercise price of NZ$0.75 per option; 1,217,610 unlisted options expiring 13 November 2027 at a nil exercise price; 649,695 unlisted options expiring 13 November 2027 at an exercise price of AU$1.165; 453,206 unlisted options expiring 29 February 2028 at a nil exercise price; and 254,972 unlisted options expiring 29 February 2028 at an exercise price of AU$1.165.

*** The shareholding referenced above reflects holdings by the McSyth Capital Investment Trust as well as the McSyth Charitable Foundation Trust, the latter being a registered charity of which Phil is one of 2 trustees. He also holds 172,620 unlisted options expiring 29 February 2028 at an exercise price of AU$1.083 and has an interest in 81,925 unlisted options (held by the McSyth Capital Investment Trust) expiring 23 July 2025 at an exercise price of AU$0.75 per option.

+ Securities subject to voluntary escrow as at 31 May 2024

As at 31 May 2024, there were no AROA securities subject to voluntary escrow.

+ General disclosure of interests by Directors

AROA maintains an interests register in accordance with the Companies Act. The following are general disclosures of interests (pursuant to section 140(2) of the Companies Act) noted in the Company's interests register as at 1 April 2023 which remained current as at 31 March 2024.

Name	Interest
James McLean	Director, Mesynthes Nominees Limited
	Chairman, Prevar Limited
	Chairman, R J Hill Laboratories Limited
Brian Ward	Director, Green Edge Limited
Steven Engle	Non-Executive Chairman, Prescient Therapeutics Limited (ASX: PTX)
	Director, Author-IT Labs Limited, Author-IT Holdings Limited, Author IT Software Corporation Limited and Author-IT Software Corporation
	Sole Proprietor, Averigon
	CEO & Director, Gradalis Inc
Philip McCaw	Director, Mesynthes Nominee Limited
	Director, Author-IT Limited and Author IT Software Corporation Limited
	Director, Kaynemaile Ltd
	Director, Shift72 Limited
	Director, Movac Limited
	Director, Movac Fund 4 Custodial Limited
	Director, Movac Fund 5 Custodial Limited
	Director, Movac Fund 5 General Partner Limited
	Director, Movac Fund 4 General Partner Limited
	Director, CAVOM Nominee No 1 Limited
	Director, Calcium Investments Limited
	Director, Calcium Investment Trustee Limited
	Director, PJM Management Limited
John Pinion	Advisory Board Member, Celestial Therapeutics, Inc
John Diddams	Non-Executive Chairman, xReality Group Limited (ASX: XRG)
	Director, Surf Lakes Holdings Limited
	Director, DIT AgTechnologies Limited

Dr. Catherine Mohr	Director, Carta Healthcare
	Director, Avisi Therapeutics
	Director, FINCA International
	Director, Spark Acquisition

The following updates to the general disclosures of interests were made during the financial year ended 31 March 2024:

Name	Interest	Nature of update to the Company's interests register
Philip McCaw	Chief Executive Officer & Board Chair, Author-it	Added
	Chair, Startup Advisors' Council – New Zealand Government	Removed, the Council was appointed for a 12-month term which has expired
Darla Hutton	N/A	Director added to the register, but no interest to declare

Details of share dealings by the directors during the 12-month period ended 31 March 2024 are set out in the Remuneration Report.

+ Use of company information

AROA did not receive notice from any director requesting to use company information received in his capacity as a director of any Group company, which would not otherwise have been available to him.

+ Donations

Donations made during the year ended 31 March 2024 totalled NZ$10,000.

+ Subsidiary company information

All subsidiary companies in the Group are wholly owned by AROA.

The persons listed below held office as a director of the Company's subsidiaries during the year ended, and as at, 31 March 2024. They do not receive any remuneration or other benefits for their role as a director of a Company subsidiary.

Company	Directors
Aroa Biosurgery Incorporated (Delaware File number 6560549)	Brian Ward, John Pinion
Mesynthes Nominee Limited (NZBN 9429 041 350 003)	Jim McLean, Phil McCaw

Other than as disclosed in the Company's interests register, no entries were made in the interests register of any Company subsidiary during the year ended 31 March 2024.

GLOSSARY AND OTHER INFORMATION

+ Glossary

Term	Description
AROA or the Company	Aroa Biosurgery Limited NZCN 1980577, ARBN 638 867 473
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange
CC or Constant Currency	Constant currency removes the impact of exchange rate movements. This approach is used to assess the AROA group's underlying comparative financial performance without any distortion from changes in foreign exchange rates, specifically the USD. The exchange rate of US$0.62/NZ$1.00 has been used in the constant currency analysis for FY22/FY23. Unless otherwise specified, all references in this Annual Report to 'constant currency' or 'CC' are as set out here.
CEO	Chief Executive Officer
Companies Act	Companies Act 1993 (NZ)
Corporations Act	Corporations Act 2001 (Cth, Australia)
ECM	Extracellular matrix
EBIT	Earnings before interest and tax
EBITDA	Earnings before interest, tax, depreciation and amortisation
FDA	The Food and Drug Administration of the US
FY	Financial Year
GPO	Group purchasing organisation
Group	The group of companies comprising AROA, Aroa Biosurgery Incorporated (Delaware File number 6560549) and Mesynthes Nominee Limited (NZBN 9429 041 350 003)
IPO	The Company's initial public offering in July 2020 of 60,000,000 shares in the Company at a price of A$0.75 per share
LTI or Long-Term Incentive	A discretionary long-term incentive variable remuneration in the form of share options.
NZD	New Zealand Dollar

NZ GAAP	New Zealand Generally Accepted Accounting Practice
NZ IFRS	New Zealand Equivalents to International Financial Reporting Standards
NZ Option Plan	The Aroa Biosurgery Share Option Plan (NZ)
Shares	Ordinary shares in the Company
Share Plan	The Aroa Employee Incentive Share Plan 2014, which was wound up in 2020
STI or Short-term Incentive	Discretionary short-term bonus providing the potential for an annual cash bonus based on pre-determined company and individual performance targets.
Substantial Holder	Has the meaning given to it in the Corporations Act
TAM	Estimated total addressable market
TELA Bio	TELA Bio, Inc. TELA Bio is AROA's sales and distribution partner licensed for abdominal wall reconstruction/hernia and breast reconstruction indications in North America and Europe.
US	The United States of America
USD	United States Dollar
US Option Plan	The AROA Biosurgery 2021 US Share Option Plan
VWAP	The volume weighted average market price for Shares reported on the ASX

+ IP notice

+ References

[1] Guidance assumes an average NZ$/US$ exchange rate of 0.64, compared to the average rate of 0.61 in FY24, and is subject to TELA Bio delivering on its CY24 revenue guidance of US$74.5-76.5 million.

[2] The FY23 figure excludes a 'one-off' royalty payment of NZ$1.8 million received from TELA Bio.

[3] Capitalisation in line with the NZ Equivalent to International Accounting Standard 38 (NZ IAS 38).

[4] The Board reserves the right to adjust these performance conditions or vesting outcomes to ensure that the equity award recipient is neither penalised nor provided with a windfall benefit arising from matters outside their control.

[5] As a director of Mesynthes Nominee Limited, as at 31 March 2024 Jim McLean also had an interest in 1,514,775 shares held by Mesynthes Nominee Limited on bare trust for certain AROA employees until payment is received for such shares.

[6] Phil McCaw holds his interest through McSyth Capital Investment Trust, of which he is one of 3 trustees and a beneficiary. Mr McCaw also has an interest in shares held by the McSyth Charitable Foundation Trust, a registered charity of which he is one of 2 trustees. As a director of Mesynthes Nominee Limited, as at 31 March 2024 Mr. McCaw also had an interest in 1,514,775 shares held by Mesynthes Nominee Limited on bare trust for certain AROA employees until payment is received for such shares.

[7] This includes interests in shares held by John Diddams' related parties; Whitfield Investments Pty Ltd and Galdarn Pty Ltd.

[8] Brian Ward holds his interest through Arawai No. 2 Trust, of which he is one of 3 trustees and a beneficiary.

CORPORATE DIRECTORY

Directors

Jim McLean, Chair and Independent Non-Executive Director

Brian Ward, Founder, Chief Executive Officer and Managing Director

John Diddams, Independent Non-Executive Director

Darla Hutton, Independent Non-Executive Director

Philip McCaw, Non-Executive Director

Dr. Catherine Mohr, Independent Non-Executive Director

John Pinion, Independent Non-Executive Director

Joint Company Secretaries

James Agnew, Chief Financial Officer and Joint Company Secretary

Tracy Weimar, Joint Company Secretary

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New Zealand

New Zealand Legal Adviser

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Auckland CBD, Auckland 1140
New Zealand

Australian Legal Adviser

Mills Oakley
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Share Registry

Boardroom Pty Limited
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AROA™

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