REDOX LIMITED
ABN 92 000 762 345

ANNUAL REPORT 2024
30 JUNE 2024

1000 PRODUCTS, ENDLESS POSSIBILITIES

www.redox.com

CONTENTS

ABOUT US

Redox has grown from humble beginnings to become one of the leading chemical, ingredients and raw material distributors in the world.

Bit by bit, inch by inch we expanded and re-invested in facilities and staff, exploring new industry sectors and new markets. The story of Redox has been shaped by the persistence and dedication to customer service of the Coneliano family who retain majority ownership and are still involved with daily operations.

Today we proudly serve thousands of customers from a multitude of industries across the globe.

"WE PROVIDE PRODUCTS ACROSS A VARIETY OF MARKETS FROM ANIMAL HEALTH & NUTRITION TO WATER TREATMENT, WITH A SPECIALISED TEAM APPOINTED TO EACH SEGMENT THAT HAS THE EXPERIENCE, KNOWLEDGE & TECHNICAL KNOW-HOW"

CORPORATE DIRECTORY

Directors	Ian Campbell Raimond Coneliano Renato Coneliano Mary Verschuer Garry Wayling Richard Coneliano
Company secretary	Erika Jasarevic
Notice of annual general meeting	The details of the annual general meeting of Redox Limited are: Swissotel Sydney, 68 Market Street, Sydney 2000 10 am on Wednesday 16 October 2024
Registered office	2 Swettenham Road Minto NSW 2566 Phone: 02-97333000
Principal place of business	2 Swettenham Road Minto NSW 2566 Phone: 02-97333000
Share register	Computershare Investor Services Pty Ltd Yarra Falls, 452 Johnston Street Abbotsford VIC 3067 Phone: 1300 850505
Auditor	Deloitte Touche Tohmatsu 8 Parramatta Square Level 37/10 Darcy St Parramatta NSW 2150
Solicitors	Herbert Smith Freehills Level 34, ANZ Tower, 161 Castlereagh Street Sydney NSW 2000
Bankers	Westpac Banking Corporation and HSBC Bank Australia Ltd
Stock exchange listing	Redox Limited shares are listed on the Australian Securities Exchange (ASX code: RDX)
Website	www.redox.com
Business objectives	In accordance with Listing Rule 4.10.19, the Company confirms that the Group has been utilising the cash and assets in a form readily convertible to cash that it held at the time of its admission to the Official List of ASX since its admission to the end of the reporting period in a way that is consistent with its business objectives.
Corporate Governance Statement	The Corporate Governance Statement can be found at https://redox.com.au/investor-centre

CHAIR'S LETTER

Ian Campbell
Independent Chair,
Redox

DEAR SHAREHOLDERS,

It is my pleasure to present the company's Annual Report for the 2024 financial year.

I am pleased to report your company has continued to prosper during FY24 despite significant geopolitical and macroeconomic headwinds which have affected the global chemical and ingredient distribution sector and the broader economy.

Price discovery was ongoing throughout the year as prices continued to normalise post COVID and the supply chain crunch. As a result, sales revenue eased 9.6%. However, with a focused strategy and a clear purpose, the business has continued to respond well with various improvements driving gross profit margin higher which more than offset the decline in the top line.

Against this backdrop Redox has delivered a 11.8% increase in proforma basic earnings per share versus the previous corresponding period and an enviable 19.1% underlying after tax return on invested capital.

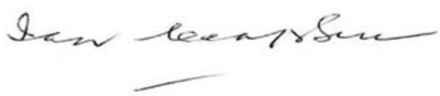
Following the company's float in July 2023 and significant injection of capital, business liquidity and our balance sheet remain strong and at FY24 our net cash position is in excess of $177m.

This provides us the opportunity of retaining maximum optionality to invest confidently in offshore expansion, conduct M&A, whilst continuing to grow organically.

Today, the Board declared a final dividend of 6.5 cents per share to be paid on 20 September 2024, resulting in fully franked dividends for the year of 12.5 cents per share. This represents a payout ratio of 73% which falls in the middle of our stated dividend policy of sixty to eighty percent of net profit after tax.

I take this opportunity of thanking Raimond for his leadership as CEO, management, staff and my fellow directors for their outstanding contribution and support in FY24. As our team look forward to the year ahead with excitement and optimism, I hope you will continue to be with us for the journey ahead.

Thank you all for your continued support.



Ian Campbell
Independent Chair

22 August 2024

CEO AND MANAGING DIRECTOR'S REPORT

Raimond Coneliano
CEO | Managing Director,
Redox

As we near our 60th year in 2025, its worth reflecting on the many challenges Redox has faced, and overcome, over the years. These include the oil crisis of the 1970’s, the fall of the Berlin Wall in 1989, the 2007-2009 GFC and more recently COVID and the supply chain crisis which followed. Through all these challenges and the more recent market turbulence and geopolitical tensions I am proud to report your company has not only demonstrated its continued resilience but has indeed flourished.

Customers continue to recognise the value Redox brings to the table, especially in turbulent times, and is exemplified by our strong financial position. In FY24 our gross profit rose to $266 million, and our gross profit margin jumped 2.6 percentage points to 23.4%. This improvement is down to our evolving product portfolio, strategic focus to increase our share of smaller transactions, diligent control of costs and margin as well as retaining relationships with the best manufacturers around the world.

We were pleased our underlying NPATFX grew 11.4% to $95m and underlying EBITDAFX margin increased 0.8 percentage points to 12.2%, which benchmarks Redox amongst the upper echelon of our listed peers globally.

These results have not come about by chance. At Redox, we have steadfastly focused on executing our strategy and controlling factors within our influence to provide customers compelling value and drive future revenue.

With our strong balance sheet and significant cash reserves we continue to look for organic and acquisition opportunities to drive future growth. During FY24 in our stronghold of Australia/New Zealand we acquired two great businesses in Optigen Ingredients and Element Raw Materials. Optigen brings a unique range of nutraceutical products and Element Raw Materials exposure to new supply sources and customers in the specialty plastics arena. In July 2024 we acquired Oleum a leading Australian distributor of surfactants and specialty chemicals. All acquisitions will help us continue to build out our product portfolio giving our clients unrivalled access to the worlds best manufacturers supported by one of the best professional sales team in the business.

Volumes sold in FY24 were strong, particularly from our North American business where we have expanded our product range, won new customers, and increased our presence. By the end of this year we will have sold in 35 States, with ‘boots on the ground’ in new markets like Arizona and Ohio, whilst establishing a new entity in Canada.

With a firm eye to the future the company continues to innovate and invest in digitalisation, primarily through our commitment to our in-house designed CRM/ERP platform Redebiz. This is truly the unsung hero of Redox and every Redox team member knows its power and the advantage it brings. We are busy improving every aspect to retain our competitive edge and increase client satisfaction.

Finally, a big thank you to the manufacturers we proudly represent, our customers who put their trust in us, our shareholders who support us and the Redox team whose diligent hard work continues to amaze and humble me.

Let’s make FY25 another successful year full of highlights to share as the company celebrates its 60th anniversary.

Sincerely,

Raimond Coneliano
CEO & MD

22 August 2024

ENVIRONMENTAL, SOCIAL & GOVERNANCE (ESG) REPORT

ENVIRONMENTAL, SOCIAL & GOVERNANCE (ESG) REPORT

Redox is committed to Corporate Social Responsibility (CSR) and believes that CSR is about demonstrable, responsible and pro-active business leadership.

The Board assumes overall responsibility for Redox's CSR policies and procedures which cover areas such as workplace diversity, human-rights, anti-bribery and anti-corruption, health, safety and environmental matters.

CSR/ESG considerations influence how Redox's business is conducted, its interactions with stakeholders, and the value that the business contributes to society.

The longevity of this ethos is shown by Redox's status as a long-term signatory to the Responsible Care® program. The program is administered by Chemistry Australia and tackles a wide range of issues including environmental protection, employee health and safety, storage and transport safety, manufacturing process safety, product stewardship and industry transparency and engagement.

In 2023, Redox obtained its latest EcoVadis certification, which ranks the quality of the Company's sustainability management system against global applicants across a range of different industries. Redox achieved a silver medal indicating a top 25 percentile ranking. We have submitted our data for FY24 and are awaiting certification.

Redox's values are centred around leadership, integrity, hard work, knowledge, service and health and safety.

Redox conducts business in a manner that is ethical, values-driven and in compliance with the laws of all countries in which it operates. Redox continues to develop its ESG strategy and intertwine it in its day-to-day business activities, influenced by Redox's values and stakeholder engagement.

Environmental Stewardship

Redox has a number of initiatives to mitigate the Company's environmental impact, including through monitoring and evaluating Redox's greenhouse gas emissions footprint, installing solar generation systems in its Australian sites and offering returnable packaging solutions and package-free bulk delivery options to its customers and suppliers.

Greenhouse gas emissions footprint

Over the past three years, Redox has engaged Carbon Neutral Pty Ltd (Carbon Neutral), an independent third-party consulting firm, to evaluate and assess the Scope 1, 2 and 3 greenhouse gas emissions associated with the Group's operations in the previous year. A summary of Carbon Neutral's assessment of Redox's greenhouse gas emissions footprint for the years ended 30 June 2022 (FY22) and 30 June 2023 (FY23) is outlined below.

ESG REPORT (CONTINUED)

Greenhouse gas emissions for Redox's FY22 and FY23 operations[1, 2]

	Description	FY22 Emissions (t CO_2-e)	FY22 % of total	FY23 Emissions (t CO_2-e)	FY23 % of total
Scope 1	Direct greenhouse gas emissions from operations owned or controlled by Redox (e.g. natural gas, fleet fuel, refrigerant leaks, stationary fuel)[3]	434	0.2%	516	0.3%
Scope 2	Indirect greenhouse gas emissions from the generation of purchased electricity consumed by Redox[3]	1,434	0.8%	1,322	0.8%
Scope 3	Other indirect greenhouse gas emissions that occur in the value chain (e.g. purchased goods and services, staff commuting, business travel, resource disposal, indirect energy, inbound and outbound freight, upstream and downstream leased assets)	173,158	99.0%	156,102	98.9%
Total emissions		**175,026**	**100.0%**	**157,940**	**100.0%**

Sources of Scope 1 greenhouse gas emissions	FY22 Emissions (t CO_2-e)	FY22 % of total	FY23 Emissions (t CO_2-e)	FY23 % of total
Fuel consumption (stationary)[4]	158	36.4%	141	27.3%
Fuel consumption (fleet)	276	63.6%	375	72.7%
Total emissions	**434**	**100.0%**	**516**	**100.0%**

Sources of Scope 3 greenhouse gas emissions[5]	FY22 Emissions (t CO_2-e)	FY22 % of total	FY23 Emissions (t CO_2-e)	FY23 % of total
Purchased goods and services	2,643	1.5%	4,287	2.8%
Upstream and downstream leased assets	3,076	1.8%	4,567	2.9%
Indirect energy	300	0.2%	312	0.2%
Freight, inbound and outbound	165,773	95.7%	143,441	91.9%
Resource disposal (waste) generated in operations	863	0.5%	2,935	1.9%
Business travel	38	-	105	-
Staff commuting	465	0.3%	455	0.3%
Total emissions	**173,158**	**100.0%**	**156,102**	**100.0%**

1 Carbon Neutral Report for Redox's FY22 operations prepared by Carbon Neutral as updated at 16 March 2023. Carbon Neutral Report for Redox's FY23 operations prepared by Carbon Neutral as at 18 January 2024.

2 Carbon Neutral has used the Greenhouse Gas Protocol to categorise greenhouse gas emissions associated with Redox's operations into 'scopes'. Due to the inherent uncertainty and limitations in measuring greenhouse gas emissions, all emissions data or references to emissions volumes (including ratios or percentages) are estimates based on available information and calculation methodologies. Greenhouse gas emissions are reported as units of carbon dioxide equivalents (CO2-e), which provides the ability to compare various greenhouse gases as a single unit.

3 To calculate Redox's scope 1 and 2 emissions, except as specified below, Carbon Neutral has used the methodology and emission factors presented by the Australian Government's Australian National Greenhouse Accounts (NGA) Factors. In calculating scope 1 emissions associated with fleet fuel consumption, Carbon Neutral used emission factors published by DBEIS (GOV, UK). In calculating scope 2 emissions associated with electricity use in locations outside of Australia, Carbon Neutral sourced the emission factor for Malaysia from the Institute for Global Environmental Strategies, the emission factor for the United States from the U.S. Environmental Protection Agency and the emission factor for New Zealand from the Ministry of Environment.

4 Fuel consumption (stationary) includes diesel and LPG fuel usage by stationary equipment such as forklifts.

5 Scope 3 emissions are difficult to estimate due to their indirect nature. To calculate Redox's scope 3 emissions, Carbon Neutral has used a variety of sources, with methodologies following the Greenhouse Gas Protocol Corporate Value Chain Accounting and Reporting Standard (Scope 3) (including applying the principles of relevance, completeness, consistency, transparency and accuracy). The scope of the report does not include the carbon generated from production or packaging of the products we sell.

ESG REPORT (CONTINUED)

During FY23 Redox experienced a normalisation of business activities caused by the pandemic. The normalisation of business activities resulted in a 53% annual increase in carbon emissions from business travel and transport fuel. This was offset by Redox incorporating Electric Vehicles into its fleet of company cars.

In this same period the methodology to calculate carbon generated from resource disposal (waste) changed, resulting in a 240% annual increase in carbon emissions.

Due to supply chain disruption and organic growth, Redox has utilised more external warehouse contractors which has caused a 48% annual increase in carbon emissions from upstream and downstream leased assets.

Annual carbon emissions from electricity decreased by 7.7%, this is a result of increased onsite solar generation.

Greenhouse gas emissions intensity vs baseline

	Baseline FY21 Emissions Intensity (t CO_2-e/EBITDA)	FY23 Emissions Intensity (t CO_2-e/EBITDA)	Change (%)
Scope 1	6.56	3.77	(43)
Scope 2	19.34	9.67	(50)
Scope 3	187.38	124.14	(34)
Total	**190.04**	**125.60**	**(34)**

Redox started the process of calculating carbon emissions in FY21, since then the business has implemented various initiatives to reduce its carbon emissions. The business is focused on growth and therefore has selected a measure which allows a comparison based on change to business scale. Carbon emissions (t CO2-e) divided by the EBITDA for that period provides an easy-to-follow metric. The emissions intensity for FY23 vs the baseline of FY21 has improved by 34%.

Solar power generation

In 2017, in consultation with its landlords, Redox commenced a long-term project to progressively fit its Australian sites with solar generation systems. Redox has since completed projects to fit out six of its seven Australian sites with photovoltaic solar generation systems, with the last one being completed in May 2023. Redox's total generation capacity is now 600kW across those six sites.

Waste management and product stewardship

As an operator of manufacturing and warehouse facilities, Redox is required to adhere to strict environmental regulations and licence conditions. The business actively seeks pragmatic opportunities to prevent or minimise its impacts on the environment, taking a risk-based approach to environmental management.

Redox has clear waste management and disposal procedures for all its managed sites. Regulatory affairs employees regularly review applicable environmental legislation and regulation changes in relation to waste management and disposal to ensure all waste is appropriately classified and managed. Hazardous waste is classified by authorised personnel and is appropriately disposed of by suppliers who are licensed to accept waste for treatment by the environmental authority in each jurisdiction.

Redox is also cognisant of its environmental responsibility to minimise the impacts of its product packaging in the waste stream.

In order to reduce the generation of waste associated with its operations, Redox offers returnable packaging solutions and package-free bulk delivery options to its customers, with a preference for the use of returnable hire pallets and pooled equipment. In many of its locations Redox utilises reconditioned drums and Intermediate Bulk Containers (IBCs) which are able to be refilled and returned multiple times. Redox also utilises pneumatic and liquid tanker deliveries which are able to facilitate deliveries without the creation of packaging waste.

Redox has been a part of the DrumMUSTER stewardship programme since 2012. The program provides an environmentally friendly way of disposing empty farming containers across rural Australia, using approved processors who divert material away from landfill for recycling. In the period January 2020 to March 2024, Redox paid levies for the collection and disposal of 27,564 x 20 litre drums and 4,730 x 200 litre drums (over 80.4 tonnes of material) in support of that programme.

ESG REPORT (CONTINUED)

Redox is also a member of The Australian Packaging Covenant Organisation (APCO) and is in the process of working towards contributing to national targets*. The business has submitted its first annual report and action plan to APCO for the reporting period January to December 2023.

*Source: APCO website, url: https://apco.org.au/

SOCIAL RESPONSIBILITY

Redox recognises its responsibility to all its stakeholders including employees, suppliers, customers, communities and shareholders.

WORKPLACE

Diversity, equity and inclusion

Redox is committed to providing equal employment opportunities, free from discrimination, with employment decisions based on job specifications, individual qualifications and business needs without regard to an employee or prospective employees' attributes. Redox also remains committed to fair employment practices and maintains a no tolerance policy for harassment and discrimination.

Redox has a Code of Conduct Policy, Harassment, Bullying and Discrimination Policy, Diversity Policy and Whistleblower Policy.

Redox acknowledges that the Company's employment register does not yet mirror the diversity seen in greater society and that the business has not as yet addressed gender diversity targets at Board level or across broader operations. This is because the Board only has five directors and its current structure only came into place as part of the IPO process which was completed on 3 July 2023. This is something the Board will seek to address. Redox recognises that the best companies are diverse at all levels and is committed to tackling any gender bias and improving its diversity in leadership.

As at 30 June 2024, Redox's workforce was split 37% females and 63% males (year ended 30 June 2023: 37% and 63% respectively). Excluding warehouse employees the workforce split was 46% females and 54% males (year ended 30 June 2023: 46% and 54% respectively).

Workforce engagement

Redox's people are of vital importance to the Group's success, and the culture they work within is fundamental to creating an engaging, safe and inclusive workplace.

Redox works with its employees to accommodate flexible working arrangements where possible and has a variety of formal and informal arrangements in place with its employees, including maternity leave, work from home arrangements and return to work procedures. Furthermore, as the business continues its global expansion, opportunities exist for Australian based team members to move overseas and to expand the Group culture into these new jurisdictions.

The Redox workforce is either covered by an award or employed via individual agreements, and performance is benchmarked and assessed on an annual basis.

Safety

Redox values its employees' health, safety and wellbeing and aspires to a zero workplace injury rate. The journey towards zero injuries is not a straight line, but the Board will not lose sight of this goal and will continue to strive for it, to make sure every employee goes home safely every day.

The Group operates two small manufacturing sites and five warehouses, of which one is a major hazard facility. The business mitigates the associated risks through rigorous safety management systems.

This year the business completed corporate health and safety audits at four of its seven managed sites. While the sites demonstrated some procedural improvement, further opportunities were identified, along with some good practice solutions which are being shared across all Group sites.

The Group continues to emphasise workforce safety training, and is currently actively recruiting additional health and safety professionals to further embed safety culture and practices across the business.

Redox is also conscious of the pressures on the mental health and wellbeing of its workforce. The business offers an Employment Assistance Program (EAP), providing a service for employees to seek confidential one-on-one assistance with professional counsellors, psychological support services, management support and critical incident response services to deal with issues such as stress, alcohol and drug abuse, gambling, relationship issues, grief and loss, depression, anxiety, people management and workplace conflict.

Redox's Lost Time Injury Frequency Rate at 30 June 2024 was 12.02 (2023 – 12.80).

Emergency response procedures

The Group has in place emergency response and major incident procedures which are documented and tested. These procedures include the following:

- Pollution Incident Response Management Plan (PIRMP), which is required under NSW environmental legislation. Redox's PIRMP was last tested at both the Minto and Girraween sites in October 2023;
- Fire safety drills, which are conducted every six months at every Redox managed site;
- IT system shutdowns: A disaster recovery test was last conducted in May 2024 and these are undertaken on an annual basis; and
- Product recalls: A Mock Product Recall was conducted in October 2023.

SUPPLY CHAIN

Ethical sourcing

Redox has implemented procedures and policies which aim to minimise ethical sourcing risks across its business operations and supply chains.

Redox has memberships with various organisations which aim to create more socially and environmentally sustainable supply chains, including Sedex, Roundtable on Sustainable Palm Oil (RSPO), Chemistry Australia and the National Association of Chemical Distributors (in the United States). This assists in seeking to ensure that Redox interacts within ethical supply chains and enables Redox to demonstrate leadership as a responsible business within the industry.

Modern slavery

Redox aims to minimise the risk of modern slavery occurring within its business operations and supply chain.

Redox's Modern Slavery Policy requires that all suppliers to the business comply with Redox's Minimum Workplace Practices Code of Conduct (MWPCC).

These minimum standards draw upon the key principles of the United Nations Universal Declaration of Human Rights, the United Nations Conventions on the Rights of the Child and International Labour Organisation Core Labour Standards.

A number of procedures have been put in place to help ensure that suppliers remain in compliance with the MWPCC, including the use of ethical sourcing declaration forms and regular periodic reviews of "blacklists" available on US customs databases.

Redox prepares a Modern Slavery Statement on an annual basis covering the 1 July to 30 June period. Each statement is filed with the Attorney – General's Department and is available on Redox's corporate website once filed.

Community

Redox has a commitment to being a responsible corporate citizen and is open to aligning with charity or community outreach programs where possible.

Philanthropy

Redox's branches are encouraged to support local community initiatives. The business has implemented a one day per annum volunteering leave programme for all employees and supports numerous charities and community and sporting associations on an ad hoc basis.

In the US, Redox is supporting the Chemical Education Foundation, which is an organisation dedicated to chemistry education and awareness for students in grades K-8, allowing for greater Science, Technology, Engineering and Mathematics exposure at an earlier age.

Furthermore, Redox continues to support a number of philanthropic initiatives at a broader corporate level including Médecins Sans Frontières in support of the work they do around the world, and RUOK, which is an Australian charity that encourages people to stay connected and have conversations that can help others through difficult times in their lives.

Tax transparency

Redox believes in paying its fair share of taxes to help support the broader community, and remains committed to tax transparent operations.

Governance

Redox's People and Safety Committee and Audit and Risk Management Committee are charged with overseeing, directing and supporting the Group's risk and compliance frameworks, with responsibilities extending to all aspects of ESG. During the year each committee met on four separate occasions. The Committees report and make recommendations on key business risks, policies and procedures to the Board.

The Board's assessment of the key business risks of Group and some related commentary are set out in the Operating and Finance Report (see pages 20 - 24).

Details concerning the Group's key remuneration strategies and policies are set out in the Remuneration Report (see pages 34 - 44).

Copies of Redox's FY24 Corporate Governance Statement and Board and Committee Charters are available on Redox's corporate website at https://redox.com/investor-centre/ along with further details of the business' overall corporate governance and CSR frameworks.

OPERATING AND FINANCIAL REVIEW

OPERATING AND FINANCIAL REVIEW

History

Redox was established in 1965 by Roland Coneliano, who utilised his contacts and personal relationships across Europe to deliver sought-after, quality products to the Australian marketplace. Since 1965, Redox has grown to become a leading supplier and distributor of chemicals, ingredients and raw materials with 17 staffed locations across four countries. This includes almost all major cities across Australia, New Zealand and Malaysia as well as a growing presence in the USA.

BUSINESS MODEL

Principal activities

Redox purchases chemicals, ingredients and raw materials from manufacturers and sells to businesses which utilise the chemicals, ingredients and raw materials as inputs into their manufacturing or production processes. The significant majority of those products are sourced outside of Australia.

Principal activities

- Sourcing, negotiating and regulatory management, which includes:
  - Accessing overseas suppliers;
  - Tracking international market pricing;
  - Obtaining bulk purchase rates;
  - Arranging international shipping and customs clearances; and
  - Negotiating regulatory requirements

- Warehousing, value-add services, testing and packaging which includes:
  - Warehousing and storage;
  - Mixing, blending and formulating;
  - Filling, packaging and labelling; and
  - Laboratory testing

- Transport facilitation to customers which includes:
  - Logistics co-ordination; and
  - Bundling and delivery

Information technology

Redox's information and technology systems include its website and integrated Enterprise Resource Planning, Customer Relationship Management, Business Intelligence and Document Management software platform, Redebiz. Redebiz facilitates all aspects of Redox's business model, from tracking market opportunities and forecasting costs to monitoring customer orders and managing Redox's regulatory and compliance obligations. Redebiz is specifically designed with the functionality to assist Redox in a variety of ways, including the navigation of multiple regulatory complexities and real-time database management across an extensive range of products, suppliers and customers.

Sales and marketing strategies

Redox's sales strategies are underpinned by a focus on collecting market information to enable sustainable revenue growth whilst simultaneously managing risk, with a focus on expansion into new products and markets and leveraging customer relationships.

Redox aims to sustainably grow revenue whilst ensuring that growth does not incur unacceptable risk – this is achieved by maximising Redox's market share through the expansion of its existing product range, whilst introducing new products when significant opportunities are identified. Pricing is tailored to market demands to deliver profitability and maintain sustainable growth.

Redox also deploys a range of marketing strategies to gain new business, which have been carefully formulated through years of in-house experience and expertise. Marketing strategies are underpinned by the market intelligence Redox has accumulated in Redebiz. This information provides Redox with extensive market information to service its broad range of suppliers and customers.

Portfolio diversification

A key component of Redox's risk management strategy is to actively seek to grow and diversify its supplier, customer and product portfolios. At 30 June 2024 the business sold over 5,000 Stock Keeping Units (SKUs), sourced from over 1,000 different suppliers, to more than 7,000 customers, across approximately 170 industries.

OPERATING AND FINANCIAL REVIEW (CONTINUED)

Group results

This Operating and Financial Review (OFR) includes financial information based on the audited financial statements prepared in accordance with International Financial Reporting Standards (IFRS).

Non-IFRS measures have also been included in this OFR including underlying EBITFX, underlying EBITDAFX and underlying NPATFX. These measures have been defined on page 20 of this report and have been included as they are used internally by management to assess the performance of Redox's business, make decisions on the allocation of its resources and assess operational and executive management, including the Executive Directors (see pages 38 - 40 of the Remuneration Report). Non-IFRS financial measures are not prescribed by Australian Accounting Standards ('AAS') and represent the profit under AAS adjusted for non-specific non-cash and significant items and have not been subject to audit or review.

All amounts are in Australian dollars.

Summary financial results	Consolidated 2024 $000	2023 $000	Change %
Revenue	1,137,328	1,257,520	(9.6%)
Cost of goods sold	(871,403)	(995,491)	(12.5%)
Gross profit	265,925	262,029	1.5%
Underlying operating expenses	(135,390)	(126,768)	6.8%
Underlying EBITFX	130,535	135,261	(3.5%)
Net finance income/(costs)	4,892	(12,954)	(137.8%)
Underlying net profit before tax	135,427	122,307	10.7%
Tax at effective tax rate	(40,655)	(37,210)	9.3%
Underlying NPATFX	94,772	85,097	11.4%
Other Information			
Gross profit margin	23.4%	20.8%	2.6pps
Underlying EBITDAFX	138,952	143,051	(2.9%)
EBITDA	132,470	136,775	(3.1%)
Listing costs	(4,532)	(2,143)	111.5%
Net unrealised losses on forward exchange contracts	(1,950)	(4,133)	(52.8%)
Effective tax rate	30.0%	30.4%	(0.4pps)
Statutory NPAT	90,236	80,730	11.8%
Dividends paid or payable in respect of statutory NPAT	65,635	49,542	32.5%
Dividends payout ratio[1]	72.7%	61.4%	18.4%
Underlying earnings per share (cents)	18.05	19.76	(8.7%)
Proforma underlying earnings per share (cents)[2]	18.05	16.21	11.4%
Basic earnings per share (cents)	17.20	18.75	(8.3%)
Proforma basic earnings per share (cents)[3]	17.20	15.39	11.8%
Total dividends paid or payable per share in respect of the twelve month period (cents)	12.50	11.50	8.7%

1 Calculated as total dividends paid or payable for the year divided by statutory net profit after tax.
2 Calculated as underlying NPATFX divided by number of ordinary shares as at 30 June 2024
3 Calculated as statutory NPAT divided by weighted average number of ordinary shares as at 30 June 2024

EARNINGS

Revenue

In the year ended 30 June 2024, revenue decreased by 9.6% to $1,137 million.

Revenue performance for FY24 was impacted by significant price deflation, destocking, geo-political uncertainty and ongoing weakness in the general economy. Price deflation was very significant in the first half of the year and stabilised over the second half of the year. Recent geo-political events have resulted in longer ocean transits, thereby reducing shipping capacity which resulted in significant delay in the arrival of goods in the second half of the year. Destocking was more pronounced in the first half than the second half of the year. Ongoing weakness in the general economy remains a headwind in the financial year 2025.

The Group had a number of significant new business wins during the year. These are expected to provide revenue growth into the 2025 financial year (FY25) as prices stabilised during the second half of the year.

In the Group's core Australia and New Zealand market, revenue declined by 10.1% to $1,052 million. Price deflation was partially offset by new product launches, share of wallet wins and volume growth generally.

In addition, the Group continued its strong growth momentum in North America, albeit similarly impacted by significant price deflation which resulted in a revenue decline of 2.5%. New customer wins and sales force expansion are expected to contribute to revenue growth in FY25.

Gross margin

Gross margin for FY24 was 23.4%, which is above the long-term historical average and 2.6 percentage points higher than FY23. The FY24 gross margin was achieved due to positive product mix improvement, larger proportion of smaller transactions and diligent margin control. An easing towards historical longer term gross profit margin is expected over FY25.

Expenses

The table below summarises the operating expenses incurred in the 2024 and 2023 financial years:

Summary financial results	Consolidated 2024 $000	Consolidated 2023 $000
Distribution and storage expenses	(51,490)	(49,228)
Administration expenses	(62,373)	(60,886)
Other expenses	(21,527)	(16,654)
Underlying operating expenses	(135,390)	(126,768)
Listing costs	(4,532)	(2,143)
Total operating expenses	(139,922)	(128,911)
Underlying operating expense as a percentage of revenue	11.9%	10.1%
Unrealised loss on forward exchange contracts	(1,950)	(4,133)

The increase in administration expenses in FY24 of $1.5 million (2.4%) is mainly due to annual salary increases and additional employees hired during the year to support volume growth offset by lower bonuses.

The increase in distribution and storage expenses of $2.3 million (4.6%) during the year is reflective of increased volume growth, increases in freight and warehouse rates and partially offset by improvement in cost efficiencies.

The increase in other costs of $4.9 million (29.3%) during the year was driven by increases in insurance costs, travel costs and property outgoings.

The ASX Listing costs incurred during both years for the initial public offering of the Company principally relate to legal, tax and accounting due diligence fees.

Unrealised (losses)/gains on forward exchange contracts relate to non-cash mark to market adjustments on Redox's open forward exchange contracts at year end. These amounts arise as Redox secures its foreign currency denominated purchasing prices by entering into forward exchange contracts on or around the date of agreeing the related purchase order. The year-end balances are determined by movements in exchange rates between the date the forward exchange contract was executed and the closing mark to market rate. The computed year-end mark to market adjustments are non-cash amounts, subject to exchange rate volatility, and are transient in nature as they are based on exchange rates at an exact point in time. Management does not therefore consider these movements to be part of underlying profitability.

Net finance costs

The funds raised at the Company's ASX listing were used to repay in full the Group's related party loan in early July 2023, with the balance of the funds raised plus an improvement in working capital resulting in a net cash of $163 million. $120 million of the cash is placed in short term deposits of between 3 to 12 months. The Group expects to deploy cash progressively on organic and inorganic growth.

The investment of net cash has generated a net finance income of $4.9 million (2023: -$13.0 million). Approximately $1.2 million of finance costs (2023: $1.4 million) relates to the recognition of interest on the Group's property lease liabilities in accordance with AASB 16. The additional $1.1 million (2023: $11.9 million) relates to interest on the Group's loan balances. The annual movement is reflective of movements in bank and loan commercial interest rates during the year, and of fluctuations in the corresponding loan balances.

Profitability

Reconciliations of the Group's EBITDA to underlying EBITDAFX, statutory NPAT to underlying NPATFX, and statutory NPAT to EBITDA are shown below:

Reconciliation of statutory NPAT to underlying NPATFX

	Consolidated	
	2024 $'000	**2023 $'000**
Statutory NPAT	90,236	80,730
Add: Statutory tax	38,709	35,301
Add: Listing costs	4,532	2,143
Add: Unrealised losses on forward exchange contracts	1,950	4,133
(Less): Tax @ 30.0% (FY23: 30.4%) (effective tax rate)	(40,655)	(37,210)
Underlying NPATFX	94,772	85,097

Reconciliation of EBITDA to underlying EBITDAFX

	Consolidated	
	2024 $'000	**2023 $'000**
EBITDA	132,470	136,775
Add: Listing costs	4,532	2,143
Add: Unrealised losses on forward exchange contracts	1,950	4,133
Underlying EBITDAFX	138,952	143,051

Reconciliation of statutory NPAT to EBITDA

	Consolidated	
	2024 $'000	**2023 $'000**
Statutory NPAT	90,236	80,730
(Less) / Add: Net finance (income)/costs	(4,892)	12,954
Add: Income tax expense	38,709	35,301
Add: Depreciation and amortisation	8,417	7,790
EBITDA	132,470	136,775

OPERATING AND FINANCIAL REVIEW (CONTINUED)

Cash flow

	Consolidated 2024 $'000	Consolidated 2023 $'000
Statutory net operating cash flow	115,886	134,743
Add: Listing costs	4,532	2,143
Underlying net operating cash flow	120,418	136,886

Underlying net operating cash flow decreased by $16 million to an inflow of $120 million in FY24 by comparison to an inflow of $137 million in FY23. This is mainly because there were less receipts from customers due to a downturn in revenue and offset by an increase in inventory lead times.

Balance sheet management

	Consolidated As at 30 June 2024 $'000	Consolidated As at 30 June 2023 $'000
Net cash / (debt)	43,069	(145,690)
Net working capital	349,832	367,920
NWC/revenue (%)	30.8%	29.3%
Return on invested capital	19.1%	21.6%

Net cash/(debt)

Redox's net cash balance at 30 June 2024 was $43 million compared to a net debt of $146 million at 30 June 2023. The Group has invested $120m in short term deposits. The Australian debt, including related party debt has been fully repaid from the funds raised at the Company's ASX listing.

Net working capital

Net working capital decreased during 2024 from $368 million at the start of the year to $350 million by year end. This has occurred due to:

- Reduction in receivables due to significant downturn in sales revenue over the last few months of the year (average debtors days has remained relatively stable); and offset by
- Inventory lead times increasing as a result of delays in international shipping and port congestion.

The net working capital to revenue percentage ratio has returned to the normal historical range of between 30%-32%, 30.8% at end of 2024 vs 29.3% at end of 2023.

Net debt/underlying EBITDAFX (core leverage)

Core leverage was reduced to zero in early July 2023 by the inflow of funds from the Company's ASX Listing and remains at zero at 30 June 2024 vs 1.0x at 30 June 2023.

The Board chose to repay debt as part of the ASX listing to ensure that the balance sheet has the financial flexibility if required to deliver future revenue growth at above historical average growth rates.

Available debt facilities of $183 million in place prior to the IPO have been retained. The Board would be comfortable operating within a 1.5x to 2.0x core leverage ratio and intends to apply free cashflow in future periods to growth opportunities.

Return on invested capital (ROIC)

The Group achieved an average ROIC of 19.1% in FY24 (21.6% in FY23). This metric would be expected to improve as the Group will deploy the available cash for investments in growing the sales revenue and profit of the Group.

Dividends

As part of Redox's ASX Listing process the Board reaffirmed its dividend policy of distributing 60%-80% of annual statutory net profit after tax. An interim dividend of 6 cents per share was paid in March 2024 (2023: 8.11 cents per share, paid in March 2023), and a final dividend of 6.5 cents per share declared subsequent to year end which is expected to be paid on 20 September 2024 (2023: 3.39 cents per share paid in May 2023). In total this represents a distribution of 12.5 cents representing 73% of the FY24 statutory NPAT (2023: 61.4%).

Acquisitions

The Group acquired the assets of Optigen Ingredients Pty Ltd on 25 August 2023, a company based in Australia which specialises in supplying ingredients to the Human Health & Nutrition fields. The Group paid cash amounting to $1.9 million which is the value of net assets acquired.

On 14 December 2023, the Group acquired the chemical trading business from Element Raw Materials Ltd (Element), an unlisted company based in New Zealand that specialises in chemical trading for corporates in Agriculture, Plastics and Green Chemistry fields. The Group has acquired net assets amounting to $1.3 million and paid cash amounting to $1.8 million which resulted in goodwill of $0.5 million.

On 2 July 2024, the Group has completed the acquisition of Oleum Holdings Pty Ltd (Oleum) a company that specialises in chemical distribution to Australian agriculture, mining, personal care and surface coatings industries. The Group has acquired the net assets of Oleum for a consideration of $11.2m. The accounting for the acquisition remains provisional as at the date of signing of the financial statements.

Outlook

Redox experienced a 9.6% revenue decline in 2024 due principally to global price deflation. The Board expects continued volume growth in line with historical averages in the 2025 financial year which will translate into strong revenue growth as the price deflation which occurred during FY24 has dissipated. Additionally, the Group has completed 3 acquisitions over the last 12 months and will continue to look at further acquisition opportunities to supplement the Group's strong organic growth.

However, some of the challenges experienced throughout the second half of FY24 and are expected to continue into FY25.

There continues to be uncertainty and volatility in relation to the broader geopolitical and macroeconomic environment. These uncertainties and others have the potential to quickly change market dynamics, customer demand and are expected to increase the competitive environment across all regions. The Board expects these uncertainties to generate further margin pressure during FY25, with margins expected to fall towards longer term averages.

Underlying operating costs for FY25 are expected to continue to increase as the business continues to grow. Pressure on salary and wages is expected to continue into FY25. The service inflation experienced in FY24 is not expected to moderate in FY25.

Non-IFRS Measures

Non-IFRS measures used in this OFR are defined as follows:

Term	Definition
Gross margin	Gross profit as a percentage of revenue
Underlying operating expenses	Operating expenses (being administration, distribution and storage and other expenses) less listing costs
Underlying EBITFX	Earnings before net finance costs, taxation, net unrealised currency movements on forward exchange contracts and listing costs
Underlying EBITDAFX	Underlying EBITFX before depreciation and amortisation
Underlying net profit before tax	Earnings before taxation, net unrealised currency movements on forward exchange contracts and listing costs
Underlying NPATFX / underlying earnings	Underlying net profit before tax less taxation at effective tax (30.0% in FY24)
Effective tax rate	Statutory income tax benefit/(expense) divided by net profit after tax
Underlying earnings per share	Underlying NPATFX divided by number of ordinary shares
Net cash/(debt)	Current loans and borrowings, plus non-current loans and borrowings, plus cash and cash equivalents
Net working capital (NWC)	The sum of trade receivables, inventory, prepayments, trade payables (including accruals), current tax liability and employee benefit provisions.
NWC/revenue (%)	Net working capital as a percentage of annual revenue
Net underlying operating profit after tax (NOPATFX)	Underlying EBITFX less taxation at effective tax rate (30.0% in FY24)
Return on invested capital (ROIC)	NOPATFX divided by average invested capital (total equity plus net debt including lease liabilities) for the financial year
Underlying net operating cash flow	Net cash from operating activities excluding listing costs cash flows
Underlying cash flows before financing	Net cash from operating activities excluding listing costs cash flows less cash flows from investing activities

Key business risks

Redox's Audit and Risk Management Committee is charged with overseeing, directing and supporting the Group's risk and compliance frameworks. The Committee reports and makes recommendations on key business risks, policies and procedures to the Board. The Group's processes for managing risk are set out in the Group's Corporate Governance statement which is available in the investor centre section of Redox's website at https://redox.com/investor-centre/

A summary of the material risks that could impact the achievement of Redox's business objectives is included below. These risks are set out in no particular order. There are interdependencies between them and so an increased exposure for one risk may elevate the exposure of other risks. Redox may be impacted by other more general risks that Australian businesses with global operations may face as well as emerging risks that are not listed below.

TRADING RISKS

Risk	Description
Customer demand may fluctuate	Redox's customers often engage with Redox on an as needed basis. There is therefore a risk that existing customers may decide not to continue their business with Redox in the future or at the same level as in prior periods. Redox's ability to retain and grow existing customer relationships and develop new ones may be impacted by changes in customer demand which is in turn impacted by various factors including underlying industry trends and economic activity. Customers may also change their demand or ordering patterns from time to time in order to adjust to changes in market conditions, consumer demand for their products, changes in product purchasing to address environmental considerations and/or ongoing operational considerations. Adverse changes in customer demand and ordering levels may in turn lead to lower sales volumes or the requirement for Redox to hold greater levels of "at-risk" inventory.
How is this risk being managed?	Redox continues to seek to diversify and grow its customer base across all industry sectors and multiple geographical jurisdictions in order to limit the exposure to individual customers and industries. Redox continues to look out for opportunities to broadening the product offerings. The business maintains a strong customer service focussed philosophy.
Redox may be unable to source products in appropriate quantity or quality	Redox is exposed to the risk that its existing suppliers may decide not to continue their business with Redox in the future or at the same level as in prior periods or may seek to increase pricing for the products or services provided to Redox, which Redox may not then be able to pass on to its customers in whole or part. There is also a risk that there are changes in the availability of suppliers' products or services due to one or more of several factors, such as climatic conditions, supply interruptions, business failure or economic or geo-political considerations. There are also risks that the quality of the products being supplied deteriorates or that certain batches are contaminated, defective, incorrectly packaged or labelled, damaged, detained or delayed en-route or otherwise and do not meet the stated specifications. Furthermore, there are risks that suppliers or other third-party providers fail to comply with packaging, import or other applicable laws or industry standards. Should any of these events occur, Redox may not be able to fulfil customer orders or it may be required to source products from alternative suppliers at higher prices than those agreed with the customer, both of which could lead to decreased profitability.
How is this risk being managed?	Redox seeks to continue to diversify and grow its supplier base across multiple jurisdictions in order to limit the Group's overall exposure to individual suppliers and geographical locations. The product management team actively works to ensure the business has multiple alternate suppliers identified and approved for many of its key product groups.

OPERATING AND FINANCIAL REVIEW (CONTINUED)

Risk	Description
The competitive landscape may change adversely	Redox competes in all its markets with many other suppliers, distributors, wholesalers, brokers, and suppliers who supply customers. Competitors could change their pricing or supply strategies which in turn could negatively impact Redox's competitiveness in the markets in which it operates and could lead to lower sales volumes, sales prices and margins for Redox.
How is this risk being managed?	Redox continues to monitor closely its competitors' strategies and activities. The business is continuing to grow its exposure to speciality chemicals and exclusive supply agreements which may not be as susceptible to competitor activities. Redox continues to seek out organic and inorganic growth opportunities in order to increase share in its existing markets.
General global economic conditions may worsen	The operating and financial performance of Redox is influenced by the general global economic conditions. An escalation in the current conflicts in Ukraine and the Middle East, or the manifestation of other geo-political risks may trigger a downturn in general economic conditions or create localised supply issues which may impact Redox's ability to source products. High inflation and rising interest rates may impact Redox's operating costs, which may not be able to be offset by corresponding increases in product prices. A prolonged downturn in general economic conditions may also impact the demand for Redox's products as customers change their demand and ordering patterns to adjust to such a downturn in economic conditions. These factors may in turn have an adverse impact on Redox's financial position and performance.
How is this risk being managed?	Redox seeks to pass on to its customers any positive or adverse cost movements. The business seeks to maintain the pricing tension in its supply sources to ensure that the business is in a position to offer competitive pricing solutions. Redox continues to seek growth opportunities in industries less exposed to demand elasticity in order to reduce its overall exposure to a general economic downturn.
Risk of inventory mismanagement	Redox manages a significant level of inventory. There is a risk that Redox may underestimate demand which could lead to loss of sales or having to pay higher prices to suppliers that cannot be passed to customers or having to sell products at lower prices to customers. Redox may also overestimate demand which could lead to obsolete inventory. Prices of Redox's products as well as transportation costs also fluctuate over time, which Redox may not necessarily be able to pass on to its customers.
How is this risk being managed?	How is this risk being managed? The business seeks to reduce its "at-risk" inventory by ensuring that for most of its inventory purchases a "back-to-back" sales order has previously been obtained, inclusive of an agreed price. Inventory purchases denominated in foreign currencies are then hedged to eliminate exchange rate risk. Product managers (buyers) are allocated specific product groups to manage and are incentivised to avoid stock losses. Purchase orders require senior executive approval.

Risk	Description
Information technology platforms may be disrupted or compromised	Redox has invested significant resources and capital in developing its information and technology systems including its website and integrated ERP/CRM system, Redebiz, which is crucial to the operation of the business. These systems are inherently susceptible to malfunctions, interruptions, damages and failures including malicious attacks from external parties which could impact Redox's operations and reputation. There is a risk that the measures taken to protect or enhance Redox's information technology systems from accidental or deliberate events may prove to be inadequate and may result in a significant disruption to Redox's systems and operations or loss of confidential or proprietary information. Key competitive advantages could be lost in the event that proprietary information stored within the Group's IT platforms are compromised. Furthermore, Redox may incur costs to rectify concerns, including system vulnerabilities or in introducing additional safeguards to minimise the risk of future events of this nature, or may suffer operational losses during any prolonged period of downtime. The ongoing development and maintenance of Redebiz relies on Redox attracting and retaining appropriate staff, this can be difficult at times and any loss of key personnel could lead to damaging interruptions or ongoing systems issues.
How is this risk being managed?	The Group maintains a disciplined approach to cyber and information security, conducting rigorous ongoing testing on its IT infrastructure and networks to ensure information stored in Redebiz and other systems is safe from both internal and external breaches. Redox has various measures in place to prevent or minimise IT disruption including, employee training, offsite real-time data back-ups, anti-virus software, best-in-class firewalls and threat detection systems, and IT disaster recovery plans. On an ongoing annual basis, the business engages third-party testing of its systems and networks to validate all facets of its security implementation, and also acts upon alerts from trusted government bodies and organisations, such as the Australian Cyber Security Centre. The Group also maintains comprehensive business interruption insurance.
Failure to comply with regulation	In each jurisdiction in which it operates, Redox must comply with a range of laws, regulations and industry standards including product quality requirements, import regulations, fair trade laws, anti-bribery and corruption legislation, sanctions legislation, food safety, drug and chemical weapons precursors, consumer protection laws, employment laws, work, health and safety laws and taxation laws. These laws, regulations and standards are constantly evolving and failure by Redox to comply with requirements may result in litigation, regulatory enquiry or investigation, fines and penalties, revocation of permits and licences, or significant reputational damage which could have an adverse effect on Redox's financial position and performance.
How is this risk being managed?	Redox's regulatory compliance processes are managed internally by its regulatory affairs team, who keep abreast of important legislative changes. The business has policies and procedures in place to enable it to monitor legislative developments related to key operational areas, including annual internal testing routines, which keeps Redox's records current and in line with evolving legislative requirements and relevant industry standards.

OPERATIONAL RISKS

Risk	Description
Risk of a significant health, safety and environmental incident occurring	Redox is required to comply with a range of health, safety and environmental regulations. Risks of accidents, injuries and potential health hazards in Redox's workplaces must be minimised in line with applicable Work, Health and Safety laws and industry standards. Redox's operations and facilities must also comply with applicable chemical handling, storage, transportation and disposal codes to prevent environmental contamination, human exposure and use of products in illegal activities. Regulatory and industry requirements are particularly rigorous for Redox's hazardous and dangerous goods distribution. There is an inherent risk of accidents, injuries and potential health hazards in Redox's workplaces, occurring from accidents, negligence or other unforeseen events, potentially resulting in injuries and substantial damages to property and the environment and breaches of applicable laws. This could lead to revocation of permits and licences, requirement for Redox to remediate any issues, civil and criminal action being brought against Redox as well as reputational damage impacting supplier and customer relationships, all of which could adversely impact Redox's financial position and performance.
How is this risk being managed?	Redox's work health and safety and environmental compliance processes are managed internally by its regulatory affairs and human resources teams. The business has strict policies and procedures in place to enable it to monitor and mitigate health, safety and environmental risks. Redox's quality management system has been certified as complying with the requirements of ISO 9001 for the procurement and sale of chemical raw materials and food ingredients, warehousing operations and the dilution and packing of chemicals.
Reliance on key personnel	Redox's Executive Management Team and employees are skilled in areas such as customer and supplier negotiation, chemical industry expertise and regulatory compliance. There is a risk that key personnel could leave the business or that competition within the labour market could increase the demand and cost for quality employees. If Redox is unable to attract or retain employees or key personnel, this may result in a loss of operational knowledge and capabilities, key supplier and customer relationships, and industry expertise, which in turn may have an adverse effect on Redox's financial position and performance.
How is this risk being managed?	Redox has implemented remuneration policies and procedures designed to motivate, reward and retain its existing personnel. Further information on the Group's remuneration policies and procedures is included in the remuneration report. Redox requires its employees to maintain up to date records within the Redebiz database of their individual daily customer and supplier communications. This ensures that key information is not lost if employees leave the business.

DIRECTORS' REPORT

DIRECTORS' REPORT

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group' or 'Redox') consisting of Redox Ltd (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2024 ('FY24').

Directors

The following persons were Directors of Redox Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Ian Campbell
Raimond Coneliano
Renato Coneliano
Mary Verschuer
Garry Wayling
Richard Coneliano (Alternate Director for Raimond Coneliano and Renato Coneliano appointed on 1 September 2023)
Robert Coneliano (resigned on 5 July 2023)

INFORMATION ON DIRECTORS

Name: **Ian Campbell**
Title: **Non-Executive Chair**
Experience and expertise:

Ian has significant expertise across the corporate sector with 30 years' experience as a Partner of Ernst & Young and predecessor firms.

Ian has served as an Independent Director and Chairman of the Audit Committee on the boards of Gloria Jeans Coffees International Pty Limited, Green's Foods Holdings Pty Limited, Bigstone Capital Pty Limited and Riskflo Associates Limited. He was also a Partner in the board search practice at Talent Partners.

He is also the Chairman of the Finance Committee of The Bridge Church Sydney.

Ian is a Member of the Australian Institute of Directors and has been an Independent Non-Executive Director of Redox since 2009.

Other current directorships: Non-Executive Director and Chair of the Audit Committee of Kip McGrath Education Centres Limited, Non-Executive Director and Chair of the Audit Committee of CVC Limited

Former directorships (last 3 years): None

Special responsibilities: Member of Audit and Risk Management Committee and People and Safety Committee

Interests in shares: 60,000 fully paid ordinary shares.

Interests in options: None

DIRECTORS' REPORT (CONTINUED)

Name: Raimond Coneliano

Title: Chief Executive Officer and Managing Director

Experience and expertise:

Raimond is the Chief Executive Officer and Managing Director after having served as a Director on the Board of Redox for ten years and sitting on the People and Safety Committee.

Raimond is a skilled negotiator and relationships expert. He has overseen the development of Redox's largest bulk product lines and brokered the Company's biggest trades over his 27+ year career. He has led the sales team through acquisitions, into new markets and products, and broken sales records.

A collaborative, cross-functional leader who takes pride in facilitating growth through his extensive industry knowledge. His passion and verve for connecting customers to our global network of suppliers while delivering industry best service shines through in every animated discussion.

Other current directorships: None

Former directorships (last 3 years): None

Special responsibilities: None

Interests in shares: 13,003,236 fully paid ordinary shares

Interests in options: 700,000 performance rights

Name: Renato Coneliano

Title: Executive Director and Marketing Director

Experience and expertise:

Renato joined Redox in 1980. He has had many roles over time including both sales and product management responsibilities, as well as Joint Managing Director in 2022. He was instrumental in developing the supply chain and identifying critical suppliers, building these relationships through extensive overseas travel.

As Marketing Director, he controls Product Management processes at Redox, controlling open positions, reducing risks, and ensuring that Redox has the market information that adds value to the supply chain. With a focus on gaining new agencies, he facilitates and assists marketing staff in seeking supply partners where shared values and common goals align for mutual benefit.

Renato has been a Director of Redox since 1986.

Other current directorships: None

Former directorships (last 3 years): None

Special responsibilities: None

Interests in shares: 63,171,503 fully paid ordinary shares (total beneficial ownership, held in own name and by an associated party)

Interests in options: 300,000 performance rights

DIRECTORS' REPORT (CONTINUED)

Name: **Mary Verschuer**
Title: **Non-Executive Director**
Experience and expertise:

Mary is an experienced Non-Executive Director and Chair with significant experience in executive leadership roles with responsibility for manufacturing, supply chain management and sales and marketing.

Mary was the President of the Minerals and Metals division for Schenck Process, a German private equity owned business, and was Vice President of the Asian division of Huhtamaki, a Finnish listed niche packaging business. Mary previously served on the board of ASX-listed Nuplex Industries Limited, a leading global resins business.

Mary currently serves as Non-Executive Chair of the board of ASX-listed MaxiPARTS. Additionally, Mary is Chair of The Infants Home, a not-for-profit provider of early education and care. Mary also mentors CEOs with the CEO Institute and Kilfinan Australia.

Mary's key qualifications include a Bachelor of Applied Science (Chemistry) from UTS, a Master of Science and Society from UNSW, a Master of Business Administration from Macquarie University, and a Master of Arts (Research Methods) from Macquarie University.

Other current directorships: Non-Executive Chair of MaxiPARTS Limited

Former directorships (last 3 years): None

Special responsibilities: Chair of People and Safety Committee and Member of Audit and Risk Management Committee

Interests in shares: 19,608 fully paid ordinary shares

Interests in options: None

Name: **Garry Wayling**
Title: **Non-Executive Director**
Experience and expertise:

Garry has over 30 years of experience in the professional services sector. Garry was an Audit Partner for 11 years with Arthur Andersen Sydney and then an Audit Partner in the Strategic Growth division at Ernst & Young until 2010.

Garry then held roles as Chief Financial Officer and Managing Director for ASX-listed resources companies. Garry was Independent Director and Chair of the Audit and Risk Committee of ASX-listed OneVue Holdings Limited, and Independent Director of its subsidiary Trustee companies. Garry was also an Independent Director and Chair of the Audit and Risk Committee of ASX-listed Inabox Group Limited. He also served 10 years as an Independent Director and Chair of the Audit and Risk Committee for Odyssey House (NSW) retiring in March 2023 at the end of his tenure.

Garry is currently an Executive Director of The Australian Olympic Foundation Limited.

Garry's key qualifications include a Bachelor of Commerce degree from UNSW, ACA and GAICD.

Other current directorships: None

Former directorships (last 3 years): None

Special responsibilities: Chair of Audit and Risk Management Committee and Member of People and Safety Committee

Interests in shares: 19,608 fully paid ordinary shares

Interests in options: None

DIRECTORS' REPORT (CONTINUED)

Name: Richard Coneliano (appointed on 1 September 2023)

Title: Alternate Director and Chief Operating Officer

Experience and expertise:

Richard began his career as a computer programmer at Redox 29 years ago, where he has made significant contributions to the Company's success. His most notable achievement has been his role, along with others, in the development of Redox's integrated ERP/CRM software platform Redebiz.

Throughout his career at Redox, Richard has held various positions, including IT Manager for 26 years, where he was instrumental in building the Company's IT infrastructure and security systems. He also led the successful integration of several acquisitions made by Redox.

Currently, Richard has responsibility for all administrative functions at Redox, with Finance, Human Resources, Information Technology, Quality Assurance and Manufacturing departments reporting into him. His vast experience in the tech industry and his passion for innovative solutions continue to drive Redox's success.

Other current directorships: None

Former directorships (last 3 years): None

Special responsibilities: None

Interests in shares: 79,596,183 fully paid ordinary shares

Interests in options: 300,000 performance rights

Name: Robert Coneliano (resigned on 5 July 2023)

Title: Non-Executive Director, Former Executive Director and Chairman

Experience and expertise:

Robert joined Redox in 1971, moving through many different parts of the business. He became a Managing Director in 2013, a role he held until November 2022.

Robert is best known as a logical, visionary leader with excellent business acumen derived from his 50 years at Redox. Under his careful guidance Redox has progressed and modernised in all facets of operation using systems, procedures, and standardisation.

Robert is a Graduate Member of the AICD and has been a Director of Redox since 1983.

Other current directorships: Not applicable as no longer a director

Former directorships (last 3 years): Not applicable as no longer a director

Special responsibilities: None

Interests in shares: Not applicable as no longer a director

Interests in options: Not applicable as no longer a director

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Interest in shares and options are stated at 30 June 2024.

DIRECTORS' REPORT (CONTINUED)

Company secretary

Erika Jasarevic

Erika joined Redox as the General Counsel in April 2020 and was since appointed Company Secretary in July 2021.

Erika earned a bachelor's degree in Political Science from Florida International University and a law degree from St. Thomas University, in the United States, before obtaining her law degree in Australia; she holds a practicing certificate in New South Wales. Erika also completed the Governance Institute of Australia Course – Meeting ASX Listing Rules Requirements in 2021.

Prior to joining Redox, Erika previously served as Corporate Counsel of JELD-WEN Australia where she advised c-suite executives and senior management on a wide array of strategic matters. She also served as Director and Solicitor of her own boutique general practice law firm for several years and practiced law in Sydney as well as the United States.

MEETINGS OF DIRECTORS

The number of meetings of the Company's Board of Directors ('the Board') and of each Board committee held during the year ended 30 June 2024, and the number of meetings attended by each Director were:

Directors Name	Full Board		People and Safety Committee[1]		Audit and Risk Management Committee[1]	
	Attended	Held	Attended	Held	Attended	Held
Ian Campbell	11	12	3	4	4	4
Raimond Coneliano	12	12	4	4	3	4
Renato Coneliano	11	12	4	4	4	4
Mary Verschuer	12	12	4	4	4	4
Garry Wayling	11	12	4	4	4	4
Richard Coneliano[2]	11	12	4	4	4	4
Robert Coneliano[3]	-	-	-	-	-	-

Held: represents the number of meetings held during the time the Director held office or was a member of the relevant committee.
1. Raimond Coneliano, Renato Coneliano and Richard Coneliano each attend the Audit and Risk Management Committee meetings and People and Safety Committee meetings as an invited guest.
2. Richard Coneliano was appointed as alternate director on 1 September 2023.
3. Robert Coneliano resigned on 5 July 2023.

Review of operations

The Group has presented a detailed operating and financial review (OFR) on pages 14 - 24 of this annual report. The disclosures in this section should be read in conjunction with the detailed management commentary set out in the OFR.

1. Principal activities

The principal activity of the Group during the financial year was wholesaling of chemicals, ingredients, plastics and other raw materials. The significant majority of those products are sourced outside Australia.

2. Business model

See the business model section on page 14 of the OFR for an overview of the Group's business model.

DIRECTORS' REPORT (CONTINUED)

3. Future strategy

Redox's strategy objectives are:

- To continue to gain market share by increasing share of wallet, winning new customers, entering into new industries and developing new product offerings;
- To expand globally by growing in North America and entering into new markets;
- To focus on supply chain through optimising service and profitability and minimising risk from point of order to point of sale;
- To leverage Redebiz by developing enhanced functionality to optimize our commerciality and protect our business; and
- To engage our people by driving accountability, enhancing safety, providing clarity, recognizing excellence and supporting growth and development.

Some of the operational and sales and marketing strategies employed to deliver these objectives are set out in the business model section on page 14 of the OFR.

4. Risk management

Redox's Audit and Risk Management Committee is charged with overseeing, directing and supporting the Group's risk and compliance frameworks. A summary of the material risks that could impact the achievement of Redox's business objectives is set out in the key business risks section on pages 20 - 24 of the OFR.

5. Review of operations

See management commentary in the Group results section on pages 15 - 20 of the OFR for an overview of the Group's results, cash flows and key balance sheet metrics for the 2024 financial year.

6. Likely developments and expected results of operations

See management commentary in the outlook and key business risk sections on pages 19 - 24 of the OFR for an overview of likely developments and expected results of operations.

Dividends

Dividends paid during the financial year were as follows:	Consolidated 2024 $'000	2023 $'000
Interim dividend for the year ended 30 June 2024 of $0.06 per ordinary share paid on 20 March 2024:		
Ordinary shares	31,505	-
Interim dividend for the year ended 30 June 2023 of $15.02* per ordinary share paid on 9 March 2023:		
B Class ordinary shares	-	300
C Class ordinary shares	-	34,635
		34,935
Final dividend for the year ended 30 June 2023 of $6.28* per ordinary share paid on 11 May 2023:		
B Class ordinary shares	-	126
C Class ordinary shares	-	14,480
	-	14,606
Final dividend for year ended 30 June 2022 of $13.85* per ordinary share paid on 5 September 2022:		
B Class ordinary shares	-	277
C Class ordinary shares	-	31,937
	-	32,214
	31,505	81,755

* Dividend per share amounts are shown prior to the impacts of share multiplication, which occurred on 13 June 2023.

On 22 August 2024, the Board declared a fully franked final dividend of 6.5 cents per share to be paid on 20 September 2024, resulting in fully franked dividends for the year of 12.5 cents per share.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Group during the financial year.

Matters subsequent to the end of the financial year

On 2 July 2024, the Group has completed the acquisition of Oleum Holdings Pty Ltd (Oleum) a company that specialises in chemical distribution to Australian agriculture, mining, personal care and surface coatings industries. The Group has acquired the net assets of Oleum for a consideration of $11.2m. The accounting for the acquisition remains provisional as at the date of signing of the financial statements.

Apart from the dividend declared, no other matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Environmental regulation

Operational licenses granted to the Group regulate the management of water, air and noise quality, storage and handling of dangerous and hazardous materials and disposal of wastes.

The Group's operations are compliant with applicable environmental laws and regulatory permissions relevant to its operations within Australia and other countries in which it operates. Where instances of non-compliance occur, the Group's procedures require that relevant government authorities are notified in accordance with statutory requirements and internal investigations are conducted to determine the cause of the non-compliance to ensure the risk of recurrence is minimised or avoided. Throughout the year there have been no material breaches of relevant environmental regulatory requirements.

REMUNERATION REPORT

REMUNERATION REPORT (AUDITED)

Dear Shareholders,

On behalf of the Board, I am pleased to present the Remuneration Report for the year ended 30 June 2024 ('FY24'). This report sets out the remuneration information for our Non-Executive Directors and Key Management Personnel ('KMP') and describes our approach to remuneration.

Our remuneration approach has been set to align with our broader business strategy to grow the business and deliver shareholder value. Through short and long-term variable reward programmes, it aims to reward Executives for delivering target financial outcomes and improved shareholder value.

Mary Verschuer
Chair, People and Safety Committee

Introduction

The Remuneration Report details the KMP remuneration arrangements for the Group, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

After listing in July 2023, the Group's approach to its remuneration strategies and practices has evolved. The purpose of this evolution is to enable the Group to compete more effectively for talent in a competitive labour market and to motivate, reward and retain senior personnel who are vital to the ongoing development and success of the business. The Group will continue in the journey of aligning to market benchmarks on remuneration strategy and practise.

In FY24, a new short-term incentive ('STI') was introduced for the Executive Directors to improve the alignment with our remuneration strategy and practice. Executives in the FY24 STI plan become entitled on achievement of 95% or above on a sliding scale of the EBITDAFX target. In addition, the Group will set the FY25 STI plan on similar terms as FY24 STI.

The Group also introduced a long-term incentive ('LTI') on 1 July 2023 (FY24 LTI plan) which is subject to performance hurdles that are tested over 3-year performance period with vesting on 1 July 2026.

This Remuneration Report (as part of the Directors' Report) complements, and should be read in conjunction with the information contained in the corresponding annual Corporate Governance Statement which is available at https://redox.com.au/investor-centre.

Key management personnel

KMP are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including all Directors.

The KMP comprise of the following Directors of the Group.

Name	Title
Ian Campbell	Non-Executive Director (Chair)
Raimond Coneliano	Chief Executive Officer and Managing Director
Renato Coneliano	Executive Director and Marketing Director
Mary Verschuer	Non-Executive Director
Garry Wayling	Non-Executive Director
Richard Coneliano (appointed on 1 September 2023)	Alternate Director and Chief Operating Officer
Robert Coneliano (resigned on 5 July 2023)	Non-Executive Director, Former Executive Director

Principles used to determine the nature and amount of executive remuneration

The Group's executive remuneration framework reflects the Board's philosophy of providing competitive remuneration relative to businesses of similar scale and complexity while rewarding strong results with appropriate incentives. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders. The Board ensures that the executive reward framework satisfies the following key criteria:

- competitiveness and reasonableness;
- acceptability to shareholders;
- performance linkage; and
- transparency.

The reward framework is designed to align executive rewards to shareholders' interests. The Board has considered that it should seek to enhance shareholders' interests by:

- having sustainable profitability as a core component of plan design;
- focusing on long term sustained growth in shareholder value, consisting of dividends and growth in share price, and delivering constant or increasing return on assets; and
- attracting and retaining high calibre executives.

Additionally, the reward framework should seek to enhance executives' interests by:

- rewarding capability and experience;
- reflecting competitive reward for contribution to growth in shareholder wealth; and
- providing a clear structure for earning rewards.

The key components of the remuneration framework are shown below.

Remuneration component	Description	Objectives	Priorities and conditions
Fixed	Includes fixed pay and superannuation	Designed to attract and retain high quality executives	Appropriate to the scale and complexity of the business and reflects the executive's role and accountabilities in implementing the Group's strategies
Short Term Incentive (STI)	A variable, at-risk cash incentive calculated by reference to current year performance	Designed to motivate delivery of the Group's profit targets	Rewards delivery of annual EBITDAFX growth, or achievement of 95% or above on a sliding scale of the EBITDAFX target capped at 110% of the EBITDAFX (FY24 STI plan)
Long Term Incentive (LTI)	An annual grant of performance rights which, if they vest on the achievement of long-term performance hurdles, give the right to acquire a number of ordinary shares in the Company at a nil exercise price	Designed to align the interests of executives with the interests of shareholders by motivating executives to drive long term growth in shareholder value	Performance tested over three years against the Company's total shareholder return relative to the performance of the S&P/ASX 300 Index. Rewards performance on a sliding scale above the 50th percentile of the comparator group

REMUNERATION REPORT (CONTINUED)

People and Safety Committee

The Board established the People and Safety Committee ('PSC'), which operates under a Charter. Its role is to assist and advise the Board on matters relating to the overall remuneration strategies and policies of the Group including the remuneration arrangements of the Directors, KMP and senior executive team. In doing so, it may take into consideration information provided by other Board committees, on a range of matters including culture, diversity, safety and environmental performance, governance, and financial and risk management.

In addition, it also receives reports on organisation capability, skills, training and development, and succession planning for critical roles.

At 30 June 2024, the PSC was comprised entirely of Non-Executive Directors – Mary Verschuer (Chair), Ian Campbell (member) and Garry Wayling (member).

The Board has delegated responsibility for implementing remuneration policies and practices to management, and the Chief Executive Officer and Managing Director may provide the PSC with insights and recommendations to assist it with its executive remuneration strategies. The Chief Executive Officer and Managing Director has delegated authority from the Board to approve the remuneration of employees outside of the senior executive team.

Additional information regarding the PSC's roles and responsibilities can be found in the Committee Charter at https://redox.com.au/investor-centre/corporate-governance/.

Non-Executive Directors' remuneration

Fees and payments to Non-Executive Directors ('NED') are set at a level to attract and retain Directors with the necessary skills and experience and to reflect the demands and responsibilities of their roles. NED fees and payments are reviewed annually by the PSC. The PSC may, from time to time, receive advice from independent remuneration consultants to ensure NED fees and payments are in line with the market and appropriate given the size and complexity of the Group's operations. The Chairman's fees are determined independently to the fees of other NEDs based on comparative roles in the external market. The Chairman is not present at any discussions relating to the determination of his own remuneration. NED fees are fixed, and the NEDs do not receive share options or other incentives.

At 30 June 2024 the approved fee pool for NEDs remuneration was $1,250,000 per annum (inclusive of superannuation).

NED fees were benchmarked in FY24 with a decision that for the FY25 year, the annual NED base fee paid by the Company would be:

- the Chairman is $240,000; and
- each of the other NEDs is $110,000

NEDs are paid committee fees of $30,000 per year for each Board committee of which they are a chair. Directors will not receive additional fees for being a member of a Board committee.

Executive remuneration

The Group aims to reward executives based on their position and responsibility, with an appropriate level and mix of remuneration which has both fixed and variable components to ensure a focus on performance, and alignment with shareholder interests.

The executive remuneration and reward framework has three components:

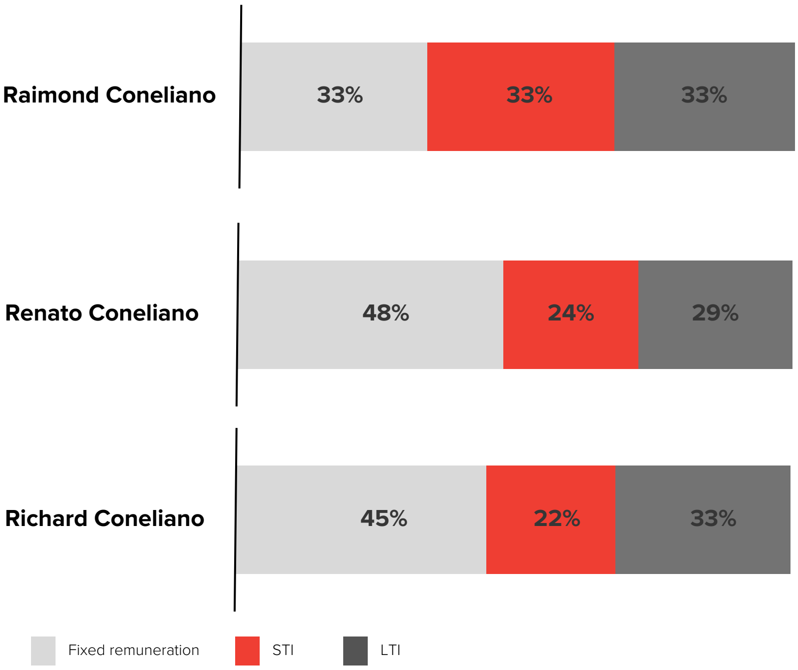
base pay and non-monetary benefits;
short-term performance incentives; and
long-term performance incentives.

The combination of these comprise the executive's total remuneration. When determining the relative split of the individual components of an executive's remuneration, the Board has sought to appropriately balance the interests of shareholders and executives with particular reference to the individual executive's role in the Company.

REMUNERATION REPORT (CONTINUED)

The Board undertook a benchmarking assessment during the year by reference to appropriate peer companies to ensure that its executive remuneration framework subsequent to the ASX listing would continue to motivate, reward and retain its existing executives. As a result, the Board determined that the remuneration structure that was set in FY23 is appropriate and no changes are required at this stage.

The proportion of remuneration linked to performance for FY25 and the fixed proportion of remuneration for FY25 are expected to be as follows:



Executive fixed remuneration

The Group's fixed remuneration strategy is designed to attract and retain high quality executives appropriate to the scale and complexity of the business, and to reflect the executive's role and accountabilities in implementing the Group's strategies.

Fixed remuneration consists of base salary, superannuation and other non-monetary benefits, and is reviewed annually by the PSC based on the executive's and relevant business unit's performance, the responsibilities and skills associated with the role, and comparable market remuneration.

Executives may receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits) where it does not create any additional costs to the Group and provides additional value to the executive.

As a result of the benchmarking exercise undertaken during the year, the following new fixed remuneration rates (inclusive of superannuation) will apply for the ongoing Executive Directors from 1 July 2024.

Name	Amount ($)
Raimond Coneliano	800,000
Renato Coneliano	500,000
Richard Coneliano	401,651

REMUNERATION REPORT (CONTINUED)

Executive incentive plans

The Company offers both short-term incentive ('STI') plans and long-term incentive ('LTI') plans to its executives, the details of which are set out below.

It is at the Board's discretion whether any grant or payment is made under the executive STI or LTI plans having regard to any matters that it considers relevant (including any adjustments for unusual or non-recurring items that the Board considers appropriate). The plans' rules provide the Board with broad clawback powers if, for example, the participant has acted fraudulently or dishonestly, or is in breach of his or her obligations to any company in the Group.

Grants under the incentive plans may be made to any executives of business. However, the Non-Executive Directors are not entitled to participate in the executive LTI plan.

The current weighting of remuneration between the executive STI and LTI plans for individual executives is considered by the Board to provide appropriate alignment with the retention of key executives and long-term share price performance.

Executive STI plans

The Group's short-term incentive strategy is designed to reward executives for the delivery of the Group's profit targets, and to reflect the executive's role in achieving those profit targets. It consists of an annual cash payment based on the level of achievement compared to the relevant profit target.

Remuneration for the key executives of the business is directly linked to the performance of the Group. All cash bonus and incentive payments are dependent on Earnings before Interest, Tax, Depreciation, Amortisation and Foreign exchange differences ('EBITDAFX') targets being met. The PSC is of the opinion that the continued improved results can be attributed in part to the adoption of performance-based compensation and is satisfied that this improvement will continue to increase shareholder wealth if maintained over the coming years.

FY24 STI plan

For the year ended 30 June 2024, Raimond Coneliano and Renato Coneliano participated in the STI plan. Performance was measured on a sliding scale based on EBITDAFX against target EBITDAFX. Payment entitlements were based on EBITDAFX achieved compared to the target as set out below.

In the year ended 30 June 2024 targets were not met and STIs are not payable.

Performance	Entitlement as a % of maximum STI
EBITDAFX for the year is below 95% of the target	0%
EBITDAFX for the year is between 95% and target	Based on a sliding scale from 0% to 50%
EBITDAFX for the year exceeds the target by less than 10%	Based on a sliding scale from 50% to 100%
EBITDAFX for the year exceeds the target by more than 10%	100%

Richard Coneliano participated in the STI plan for which the performance was measured on the annual growth of EBITDAFX. Payment entitlement was 3.33% of total annual increase in EBITDAFX from the preceding financial year, with each Executive who participated in the plan receiving a pro rata share of their fixed remuneration.

FY25 STI plan

For the year ended 30 June 2025, Raimond Coneliano, Renato Coneliano and Richard Coneliano will participate in a STI plan. Performance will be measured on a sliding scale based on EBITDAFX against target EBITDAFX. Payment entitlements will be based on EBITDAFX achieved compared to the target as set out below.

Performance	Entitlement as a % of maximum STI
EBITDAFX for the year is below 95% of the target	0%
EBITDAFX for the year is between 95% and target	Based on a sliding scale from 0% to 50%
EBITDAFX for the year exceeds the target by less than 10%	Based on a sliding scale from 50% to 100%
EBITDAFX for the year exceeds the target by more than 10%	100%

Executive LTI plan

In June 2023 the Board implemented an LTI plan. The LTI plan is designed to assist in the motivation, retention and reward of senior executives and to align the interests of executives with the interests of shareholders by providing an opportunity for executives to receive an equity interest in the Company.

The LTI plan rules provide flexibility for the Company to grant options, performance rights or restricted shares as incentives, subject to the terms of individual offers and the satisfaction of vesting conditions determined by the Board from time to time.

FY24 LTI plan

On 1 July 2023, the Company issued the following performance rights pursuant to the LTI plan:

- $700,000 to Raimond Coneliano, being 117% of fixed annual remuneration;
- $300,000 to Renato Coneliano, being 60% of fixed annual remuneration; and
- $300,000 to Richard Coneliano, being 75% of fixed annual remuneration.

FY25 LTI plan

The Board approved on 26 June 2024, the following performance rights pursuant to the LTI plan to be granted on 16 October 2024, subject to shareholder approval:

- $800,000 to Raimond Coneliano, being 100% of fixed annual remuneration;
- $300,000 to Renato Coneliano, being 60% of fixed annual remuneration; and
- $300,000 to Richard Coneliano, being 75% of fixed annual remuneration.

The number of performance rights to be granted to each executive will be calculated by dividing the executive's LTI award (described above) by the volume weighted average price (VWAP) of the Company's shares traded on the ASX on the five trading days up to and including the date on which the performance condition is tested.

A performance right entitles the participant to acquire shares on vesting at nil exercise price, subject to the satisfaction of vesting conditions. The Board has determined to use performance rights because they create share price alignment between executives and shareholders but do not provide the executives with the full benefits of share ownership (such as dividend and voting rights) unless and until the performance rights vest.

The performance rights will be performance tested from 1 July 2023 to 30 June 2026 (FY24 LTI plan) and from 1 July 2024 to 30 June 2027 (FY25 LTI plan) against the Company's total shareholder return (TSR) relative to the performance of the S&P/ASX 300 Index (TSR Comparator Group) over the performance period. The performance rights vesting percentages will be calculated by ranking the Company's TSR performance relative to the TSR Comparator Group over the relevant performance period, as provided in the table below:

TSR Rights	Threshold Award	Target Award	Maximum Award
TSR relative to TSR of TSR Comparator Group	At or below the 50th percentile	Above the 50th percentile	At or above the 75th percentile
Vesting (as % of maximum)	0%	50%	100%

REMUNERATION REPORT (CONTINUED)

The Board believes relative TSR is an appropriate hurdle, as it links executive reward to the Company's relative share performance which is consistent with creating shareholder value relative to the Company's peer group.

The S&P/ASX 300 Index is considered an appropriate peer group as a comparator group for relative TSR performance, as it represents a meaningful statistical sample and an appropriate group of alternative potential investments for shareholders with which to compare the Company's performance.

Use of remuneration consultants

During the financial year ended 30 June 2024, the Group did not engage remuneration consultants on a formal basis to review its existing remuneration policies or to provide recommendations on how to improve both the STI and LTI plans.

Details of remuneration

Details of the remuneration of KMP of the Group are set out in the following tables.

2024	Short-term benefits Salary and fees $	Bonus $	Non-monetary $	Post-employment benefits Superannuation $	Long-term benefits Long service leave $	Share-based payments Equity-settled[3] $	Total $	Proportion of remuneration performance related %
Non-Executive Directors:								
Ian Campbell	179,365	-	-	19,730	-	-	199,095	-
Mary Verschuer	108,108	-	-	11,892	-	-	120,000	-
Garry Wayling	108,108	-	-	11,892	-	-	120,000	-
Robert Coneliano[1]	2,125	-	-	748	-	-	2,873	-
Executive Directors:								
Raimond Coneliano	576,015	-	2,125	21,692	8,417	111,720	719,969	-
Renato Coneliano	444,101	-	62,179	21,221	6,975	47,880	582,356	-
Richard Coneliano[2]	379,320	-	-	23,191	5,288	47,880	455,679	
	1,797,142	-	64,304	110,366	20,680	207,480	2,199,972	-

1. Represents remuneration from 1 July 2023 until resignation on 5 July 2023. Robert Coneliano is not a KMP since his resignation on 5 July 2023 as a Non-Executive Director.
2. Richard Coneliano was appointed as an alternate director to Raimond Coneliano and Renato Coneliano on 1 September 2023. Richard Coneliano's remuneration is disclosed from 1 July 2023 to 30 June 2024.
3. Share-based payments Equity-settled represents the amortisation of the fair value of performance rights granted to date, calculated in accordance with accounting standards using Monte-Carlo simulation model.

REMUNERATION REPORT (CONTINUED)

2023	Short-term benefits Salary and fees $	Bonus $	Non-monetary $	Post-employment benefits Superannuation $	Long-term benefits Long service leave $	Share-based payments Equity-settled $	Total $	Proportion of remuneration performance related %
Non-Executive Directors:								
Ian Campbell	192,279	-	-	8,534	-	-	200,813	-
Mary Verschuer[1]	5,198	-	-	546	-	-	5,744	-
Garry Wayling[1]	5,198	-	-	546	-	-	5,744	-
Robert Coneliano[2]	84,187	-	-	-	-	-	84,187	-
Executive Directors:								
Raimond Coneliano	435,709	51,111	14,624	20,411	6,236	-	528,091	10.0%
Renato Coneliano	387,529	51,381	47,016	33,557	6,286	-	525,769	10.0%
Robert Coneliano[2]	181,586	-	135,165	10,061	2,496	-	329,308	-
Malcolm Perrins[3]	317,098	40,615	-	34,118	4,698	-	396,529	10.0%
Richard Coneliano[3]	299,576	36,314	-	11,492	4,123	-	351,505	10.0%
Kenneth Perrins[3]	304,316	42,890	27,282	36,056	5,288	-	415,832	10.0%
	2,212,676	222,311	224,087	155,321	29,127	-	2,843,522	

1. Mary Verschuer and Garry Wayling were appointed as Non-Executive Directors on 13 June 2023. The table therefore shows their directors' fees for the 17 day period to 30 June 2023. Prior to their appointment, both served as independent advisors to the Board and its governance committees throughout the year and were paid an annual fee of $120,000 each in their advisory capacities.
2. Robert Coneliano's remuneration reflects 153 days of service as an Executive Director, and 212 days of service as a Non-Executive Director.
3. From 1 July 2022 to 13 June 2023, which was their date of resignation as a Director.

Executive service agreements

All aspects of the executives' terms and conditions of employment are formalised in service agreements. These agreements provide for the provision of performance related incentive payments where applicable. All service agreements with executives comply with the requirements of Part 2 D.2 of the Corporations Act (regarding termination benefits).

The executives' overall remuneration packages were determined having regard to relevant market data.

Key provisions in the ongoing executive service agreements of the Executive Directors are set out below:

Name **Title**	**Raimond Coneliano** **Chief Executive Officer and Managing Director**
Fixed annual remuneration	$800,000, inclusive of superannuation. ($600,000 inclusive of superannuation for the year ended 30 June 2024)
Short-term incentive (STI)	Eligible to participate in the Company's STI arrangements on the following basis: • For the year ended 30 June 2024, eligible to receive a cash payment under the terms of the FY24 STI plan as described in the section above. • From 1 July 2024, eligible to receive a cash payment of up to 100% of fixed annual remuneration in cash as an incentive under the FY25 STI plan as described in the section above.
Long-term incentive (LTI)	Eligible to participate in the Company's LTI plan on the following basis: • From 1 July 2023, eligible to receive up to $700,000 of performance rights (subject to vesting)under the terms of the FY24 LTI plan as described in the section above, being 117% of fixed annual remuneration. • From 1 July 2024, eligible to receive up to $800,000 of performance rights (subject to vesting)under the terms of the FY25 LTI plan as described in the section above, being 100% of fixed annual remuneration.
Notice period, termination and termination payments	Employment may be terminated by either party upon giving 12 months' notice. In either event, the Company may make payment in lieu of notice. In the event of serious misconduct or other circumstances warranting summary dismissal, the Company may terminate the employment contract immediately without payment in lieu of notice.
Non-solicitation/ restrictions of future activities	Following termination of employment, Raimond would be subject to post-employment non-competition and non-solicitation restraints that apply across Australia for a period of 12 months.

REMUNERATION REPORT (CONTINUED)

Name Title	**Renato Coneliano** **Executive Director and Marketing Director**
Fixed annual remuneration	$500,000, inclusive of superannuation. ($500,000 inclusive of superannuation for the year ended 30 June 2024)
Short-term incentive (STI)	Eligible to participate in the Company's STI arrangements on the following basis: • For the year ended 30 June 2024, eligible to receive a cash payment under the terms of the FY24 STI plan as described in the section above. • From 1 July 2024, eligible to receive a cash payment of up to 50% of fixed annual remuneration in cash as an incentive under the FY25 STI plan as described in the section above.
Long-term incentive (LTI)	Eligible to participate in the Company's LTI plan on the following basis: • From 1 July 2023, eligible to receive up to $300,000 of performance rights (subject to vesting) under the terms of the FY24 LTI plan as described in the section above, being 60% of fixed annual remuneration. • From 1 July 2024, eligible to receive up to $300,000 of performance rights (subject to vesting) under the terms of the FY25 LTI plan as described in the section above, being 60% of fixed annual remuneration.
Notice period, termination and termination payments	Employment may be terminated by either party upon giving six months' notice. In either event, the Company may make payment in lieu of notice. In the event of serious misconduct or other circumstances warranting summary dismissal, the Company may terminate the employment contract immediately without payment in lieu of notice.
Non-solicitation/ restrictions of future activities	Following termination of employment, Renato would be subject to post-employment non-competition and non-solicitation restraints that apply across Australia for a period of 12 months.

Name Title	**Richard Coneliano** **Alternate Director and Chief Operating Officer**
Fixed annual remuneration	$401,651, inclusive of superannuation. ($401,651 inclusive of superannuation for the year ended 30 June 2024)
Short-term incentive (STI)	Eligible to participate in the Company's STI arrangements on the following basis: • For the year ended 30 June 2024, eligible to receive a cash payment under the terms of the FY24 STI plan as described in the section above. • From 1 July 2024, eligible to receive a cash payment of up to 50% of fixed annual remuneration in cash as an incentive under the FY25 STI plan as described in the section above.
Long-term incentive (LTI)	Eligible to participate in the Company's LTI plan on the following basis: • From 1 July 2023, eligible to receive up to $300,000 of performance rights (subject to vesting) under the terms of the FY24 LTI plan as described in the section above, being 75% of fixed annual remuneration. • From 1 July 2024, eligible to receive up to $300,000 of performance rights (subject to vesting) under the terms of the FY25 LTI plan as described in the section above, being 75% of fixed annual remuneration.
Notice period, termination and termination payments	Employment may be terminated by either party upon giving six months' notice. In either event, the Company may make payment in lieu of notice. In the event of serious misconduct or other circumstances warranting summary dismissal, the Company may terminate the employment contract immediately without payment in lieu of notice.
Non-solicitation/ restrictions of future activities	Following termination of employment, Richard would be subject to post-employment non-competition and non-solicitation restraints that apply across Australia for a period of 12 months.

REMUNERATION REPORT (CONTINUED)

Share-based compensation

Issue of shares

There were no shares issued to KMP as part of compensation during the year ended 30 June 2024 and 30 June 2023.

Performance Rights

The terms and conditions of performance rights over ordinary shares affecting remuneration of Executive Directors is disclosed in 'Executive LTI Plan' section above.

Details of performance rights over ordinary shares granted, vested and lapsed for Executive Directors as part of compensation during the year ended 30 June 2024 are set out below:

Name	Grant date	Expiry date	Number of rights granted	Fair value of rights Granted* $	Value of rights vested $	Number of rights lapsed	Value of rights lapsed $
Non-Executive Directors:							
Raimond Coneliano	01/07/2023	30/06/2026	350,000	335,160	-	-	-
Renato Coneliano	01/07/2023	30/06/2026	150,000	143,640	-	-	-
Richard Coneliano	01/07/2023	30/06/2026	150,000	143,640	-	-	-

Additional information

The earnings of the Group for the five years to 30 June 2024 are summarised below:

Name	2024 $'000	2023 $'000	2022 $'000	2021 $'000	2020 $'000
Sales revenue	1,137,328	1,257,520	1,081,816	796,341	718,467
EBITDA	132,470	136,775	138,300	81,965	53,973
EBITDAFX	134,420	140,908	132,242	73,885	59,425
Profit after income tax	90,236	80,730	88,024	47,577	33,160

The factors that could be considered to affect total shareholders return ('TSR') are summarised below:

Name	2024	2023	2022	2021	2020
Share price at financial year end ($)[1]	3.06	-	-	-	-
Total dividends declared (cents per share)[2]	12.50	11.50	12.27	5.84	5.33
Basic earnings per share (cents per share)	17.20	18.75	20.44	11.05	7.70
Diluted earnings per share (cents per share)	17.19	18.75	20.44	11.05	7.70

1. The Company did not list on the ASX until after the previous year end, and there were no share sales or transfers made during the previous five years preceding the previous financial year. As such there was no reliable market price at the end of the previous year for the Company's shares.
2. Based on 430,570,044 shares on issue at 30 June 2023, after dividing factor of 185.119 for impact of share multiplication, which occurred in June 2023. Actual dividends per share paid based on the pre-multiplication number of shares were: 2023: interim - $15.02 per share, final - $6.28 per share. 2022: interim - $8.86 per share, final - $13.85 per share.

REMUNERATION REPORT (CONTINUED)

Additional disclosures relating to KMP

Shareholding

The number of shares in the Company held during the financial year by KMP of the Group, including their personally related parties, is set out below:

	Balance at the start of the year	Additions	Disposals	Sell down on IPO	Balance at the end of the year
Ordinary shares					
Ian Campbell	-	60,000	-	-	60,000
Raimond Coneliano	11,886,864	4,367,247	-	(3,250,875)	13,003,236
Renato Coneliano	78,964,378	-	-	(15,792,875)	63,171,503
Mary Verschuer	-	19,608	-	-	19,608
Garry Wayling	-	19,608	-	-	19,608
Richard Coneliano[1]	16,100,729	67,778,738	-	(4,283,284)	79,596,183
Robert Coneliano[2]	67,754,680	-	-	(13,550,899)	54,203,781
	174,706,651	72,245,201	-	(36,877,933)	210,073,919

1. Appointed as alternate director on 1 September 2023.
2. Shares held at the date of resignation.

On 5 February 2024 the following Executive Directors (and their related parties) received shares pursuant to the settlement of Silvia Coneliano's deceased estate:

- Raimond Coneliano – 4,367,247 ordinary shares
- Richard Coneliano – 67,778,740 ordinary shares.

Performance rights holding

The number of performance rights over ordinary shares in the Company held during the financial year by each Executive Director of the Group is set out below:

	Balance at the start of the year	Granted	Vested	Expired/ forfeited/ other	Balance at the end of the year
Performance rights over ordinary shares					
Raimond Coneliano	-	350,000	-	-	350,000
Renato Coneliano	-	150,000	-	-	150,000
Richard Coneliano	-	150,000	-	-	150,000
	-	650,000	-	-	650,000

No performance rights over ordinary shares were vested, expired or exercised during the year. Each performance right over ordinary share carries a fair value of $0.96 at the grant date.

Loans to KMP and their related parties

There were no loans to KMP during the year ended 30 June 2024 and 30 June 2023.

Other transactions with KMP and their related parties

The Group leases a number of its commercial properties from Ceneda Investments Pty Ltd (Ceneda Investments) under commercial terms at market rates. Ceneda Investments is a related entity of the Company, and all of the Company's Executive Directors during the year are indirect shareholders of Ceneda Investments.

The details of the related parties transactions and balances are set out in note 31 to the financial statements.

There were no other transactions or balances with KMP or their related parties

This concludes the remuneration report, which has been audited.

DIRECTORS' REPORT (CONTINUED)

Social contribution

There were no unissued ordinary shares of Redox Ltd under option outstanding at the date of this report.

Shares issued on the exercise of options

There were no ordinary shares of Redox Ltd issued on the exercise of options during the year ended 30 June 2024 and up to the date of this report.

Shares under performance rights

Unissued ordinary shares of Redox Limited under performance rights at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under rights
01 July 2023	30 June 2026	$0.00	800,000

No person entitled to exercise the performance rights had or has any right by virtue of the performance right to participate in any share issue of the Company or of any other body corporate.

Shares issued on the exercise of performance rights

There were no ordinary shares of Redox Limited issued on the exercise of performance rights during the year ended 30 June 2024 and up to the date of this report.

Indemnity and insurance of directors, officers and auditor

During the financial year, the Group paid a premium in respect of a contract insuring the Directors and Executive Officers of the Group against any liability incurred in their role as Director or Executive Officer to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium. The Company has not otherwise, during or since the end of the financial year, indemnified or agreed to indemnify an Officer or auditor of the Group or of any related body corporate against a liability incurred as such by an Officer or auditor.

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

Non-audit services

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 28 to the financial statements.

The Directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The Directors are of the opinion that the services as disclosed in note 28 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor;
- all non-assurance services have been approved by Those Charged with Governance as set out in APES 110 Code of Ethics for Professional Accountants (including Independence Standards) issued by the Accounting Professional & Ethical Standards Board (APES 110); and
- all the services comply with the general principles relating to auditor independence as set out in APES 110, including not assuming management responsibilities or reviewing or auditing the auditor's own work, and ensuring threats to independence are either eliminated or reduced to an acceptable level.

Officers of the Company who are former partners of Deloitte Touche Tohmatsu

There are no officers of the Company who are former partners of Deloitte Touche Tohmatsu.

DIRECTORS' REPORT (CONTINUED)

Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this Directors' report.

This report is made in accordance with a resolution of Directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the Directors

Ian Campbell
Director

Raimond Coneliano
Director

22 August 2024
Sydney

AUDITOR'S INDEPENDENCE DECLARATION

Deloitte Touche Tohmatsu
ABN 74 490 121 060
8 Parramatta Square
10 Darcy Street
Parramatta NSW 2150
Australia

Phone: +61 2 9840 7000
www.deloitte.com.au

22 August 2024

The Board of Directors
Redox Limited
2 Swettenham Rd
Minto NSW 2566

Dear Board Members

Auditor's Independence Declaration to Redox Limited

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Redox Limited.

As lead audit partner for the audit of the financial report of Redox Limited for the year ended 30 June 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

• The auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

• Any applicable code of professional conduct in relation to the audit.

Yours faithfully

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Andrew Heather

Andrew Heather
Partner
Chartered Accountants

Consolidated statement of profit or loss and other comprehensive income
For the year ended 30 June 2024

	Note	Consolidated 2024 $'000	2023 $'000
Revenue	5	1,137,328	1,257,520
Cost of sales		(871,403)	(995,491)
Gross profit		265,925	262,029
Net unrealised loss on forward exchange contracts		(1,950)	(4,133)
Distribution and storage expenses		(51,490)	(49,228)
Administration expenses		(62,373)	(60,886)
Other expenses		(26,059)	(18,797)
Total expenses		(139,922)	(128,911)
Operating profit		124,053	128,985
Finance income	7	7,209	295
Finance costs	7	(2,317)	(13,249)
Profit before income tax expense		128,945	116,031
Income tax expense	8	(38,709)	(35,301)
Profit after income tax expense for the year attributable to the owners of Redox Limited		90,236	80,730
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		83	2,167
Other comprehensive income for the year, net of tax		83	2,167
Total comprehensive income for the year attributable to the owners of Redox Limited		90,319	82,897
		Cents	**Cents**
Basic earnings per share	9	17.20	18.75
Diluted earnings per share	9	17.19	18.75

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 30 June 2024

	Note	Consolidated 2024 $'000	2023 $'000
Assets			
Current assets			
Cash and cash equivalents	10	56,664	35,028
Trade and other receivables	11	186,287	210,780
Inventories	12	279,971	279,990
Derivative financial instruments	20	559	2,529
Other current assets	15	130,269	4,182
Total current assets		653,750	532,509
Non-current assets			
Property, plant and equipment	13	11,036	9,571
Right-of-use assets	14	30,945	34,813
Intangibles	16	558	-
Deferred tax	8	6,093	2,966
Total non-current assets		48,632	47,350
Total assets		702,382	579,859
Liabilities			
Current liabilities			
Trade and other payables	17	103,642	106,169
Borrowings	18	13,595	47,072
Lease liabilities	19	6,331	5,768
Income tax	8	10,101	10,550
Employee benefits	21	9,413	8,816
Total current liabilities		143,082	178,375
Non-current liabilities			
Borrowings	18	-	133,646
Lease liabilities	19	27,116	31,378
Employee benefits	21	914	1,498
Total non-current liabilities		28,030	166,522
Total assets		171,112	344,897
Net assets		531,270	234,962
Equity			
Issued capital	22	239,565	2,326
Reserves	23	5,045	4,707
Retained profits		286,660	227,929
Total equity		531,270	234,962

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

Consolidated statement of changes in equity
For the year ended 30 June 2024

Consolidated	Issued capital $'000	Reserves $'000	Retained profits $'000	Total equity $'000
Balance at 1 July 2022	2,326	2,540	228,954	233,820
Profit after income tax expense for the year	-	-	80,730	80,730
Other comprehensive income for the year, net of tax	-	2,167	-	2,167
Total comprehensive income for the year	-	2,167	80,730	82,897
Transactions with owners in their capacity as owners:				
Dividends paid (note 24)	-	-	(81,755)	(81,755)
Balance at 30 June 2023	2,326	4,707	227,929	234,962

Consolidated	Issued capital $'000	Reserves $'000	Retained profits $'000	Total equity $'000
Balance at 1 July 2023	2,326	4,707	227,929	234,962
Profit after income tax expense for the year	-	-	90,236	90,236
Other comprehensive income for the year, net of tax	-	83	-	83
Total comprehensive income for the year	-	83	90,236	90,319
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs (note 22)	237,239	-	-	237,239
Share-based payments (note 36)	-	255	-	255
Dividends paid (note 24)	-	-	(31,505)	(31,505)
Balance at 30 June 2024	239,565	5,045	286,660	531,270

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

Consolidated statement of cash flows
For the year ended 30 June 2024

	Note	Consolidated 2024 $'000	2023 $'000
Cash flows from operating activities			
Receipts from customers		1,275,931	1,376,186
Payments to suppliers and employees		(1,121,663)	(1,198,457)
Interest received		4,606	295
Interest and other finance costs paid	7	(2,317)	(4,785)
Income taxes paid		(40,671)	(38,496)
Net cash from operating activities	35	115,886	134,743
Cash flows from investing activities			
Payment for purchase of business, net of cash acquired	33	(1,815)	-
Payments for property, plant and equipment	13	(3,825)	(3,111)
Payments for term deposits		(120,000)	-
Proceeds from disposal of property, plant and equipment		386	306
Net cash used in investing activities		(125,254)	(2,805)
Cash flows from financing activities			
Proceeds from issue of shares	22	241,004	-
Share issue transaction costs		(5,378)	-
Repayment of borrowings	35	(33,477)	(61,690)
Repayment of related party loans	35	(133,646)	-
Proceeds from related party loans	35	-	11,952
Repayment of lease liabilities	35	(6,118)	(5,553)
Dividends paid	24	(31,505)	(81,755)
Net cash from/(used in) financing activities		30,880	(137,046)
Net increase/(decrease) in cash and cash equivalents		21,512	(5,108)
Cash and cash equivalents at the beginning of the financial year		35,028	40,597
Effects of exchange rate changes on cash and cash equivalents		124	(461)
Cash and cash equivalents at the end of the financial year	10	56,664	35,028

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 30 JUNE 2024

Note 1. General information

The financial statements comprise of Redox Limited (the 'Company' or 'parent') and the entities it controlled (together the 'Group' or 'Redox') at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Redox Limited's functional and presentation currency.

Redox Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

2 Swettenham Road
Minto NSW 2566
Australia

A description of the nature of the Group's operations and its principal activities is included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 22 August 2024. The Directors have the power to amend and reissue the financial statements.

Note 2. Material accounting policy information

The accounting policies that are material to the Group are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted the following new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

- AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates
- AASB 2021-5 Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- AASB 2023-2 Amendments to Australian Accounting Standards – International Tax Reform – Pillar Two Model Rules

The adoption of AASB 2021-2 and AASB 2021-5 did not have any significant impact on the financial performance or position of the Group. In relation to AASB 2023-2, as at the date of approval of these financial statements, the tax legislation has not been substantively enacted. For the year ended 30 June 2024, the Group does not fall within the scope of the Pillar Two tax legislation, however management anticipates that the Group may fall within the scope of this legislation in the year ended 30 June 2025. Management is actively monitoring and assessing the impact of this legislation on the financial statements of the Group. The Group has applied the mandatory exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

NOTE 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, derivative financial instruments which are at fair value.

Critical accounting estimates

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

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in note 32.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries and its New Zealand branch (refer to note 34) as at 30 June 2024 and the results of all subsidiaries for the year then ended.

Subsidiaries are all those 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 to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group 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.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM are responsible for the allocation of resources to operating segments and assessing their performance.

Foreign currency translation

Foreign currency transactions

Foreign currency transactions are translated into the Company's functional currency using the average exchange rates prevailing at the reporting date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency translation reserve in equity.

The foreign currency translation reserve is recognised in profit or loss when the foreign operation or net investment is disposed.

NOTE 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Revenue recognition

The Group recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Sale of goods

Revenue from the sale of goods is recognised when (or as) a performance obligation is satisfied, i.e. when ‘control’ of the goods or services underlying the particular performance obligation is transferred to the customer.

The only performance obligation of the Group is from the sale of the goods and accordingly, revenue is recognised for this performance obligation at the point in time when control over the corresponding good is transferred to the customer.

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties.

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

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset.

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

An income tax benefit will arise for the financial year where an income tax loss is incurred and, where permitted to do so, is carried-back against a qualifying prior period’s tax payable to generate a refundable tax offset.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- when the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- when the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

NOTE 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

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

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Current and non-current classification

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

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

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

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

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 - 60 days.

The Group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Inventories

Stock in hand is stated at the lower of cost and net realisable value on a 'weighted average cost' basis. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

Stock in transit is stated at the lower of cost and net realisable value. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date, with the movement recognised in profit or loss.

Derivatives are classified as current or non-current depending on the expected period of realisation.

NOTE 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (except work in progress) over their expected useful lives at the following rates:

Buildings	2.5% - 4%
Plant and equipment	7.5% - 40%
Furniture and fittings	5% - 13%
Motor vehicles	12.5% - 20%
Computer and office equipment	20% - 40%

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

NOTE 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Finance costs

All finance costs are expensed in the period in which they are incurred.

Employee benefits

Short-term employee benefits

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

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Share-based payments

Equity-settled share-based compensation in the form of performance rights have been provided to employees. The fair value of the performance rights determined by using Monte-Carlo simulation model using the assumptions noted in the table included in note 36. The cost of equity-settled share-based compensation are recognised as an employee benefit expense over the vesting period with a corresponding increase in equity. The vesting period represents the time over which specified criteria is to be fulfilled in order for the recipient to become fully entitled to the instrument. The amount recognised as an expense each period is adjusted to reflect the actual number of performance rights that are expected to vest.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques used to measure fair value are those that are appropriate in the circumstances and which maximise the use of relevant observable inputs and minimise the use of unobservable inputs.

Issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. All other costs associated with the IPO have been expensed to the statement of profit or loss.

NOTE 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Dividends

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

Business combinations

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the Group assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the Group's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Business combinations are initially accounted for on a provisional basis. The Group retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the Group receives all the information needed to determine fair value.

Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of Redox Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

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

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

NOTE 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

New Accounting Standards and Interpretations not yet mandatory or early adopted

Certain Australian Accounting Standards and Interpretations have recently been issued or amended but are not yet effective and have not been adopted by the Group for the year ended 30 June 2024. These amendments are not expected to have a significant impact on the financial statements of the Group on adoption.

The amendments that may have some relevance to the Group are as follows:

	Effective for annual reporting period beginning on or after
AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current	1 January 2024
AASB 18 Presentation and Disclosure in Financial Statements	1 January 2027

Note 3. Critical accounting judgements, estimates and assumptions

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

Valuation of Inventories

Inventories are valued at lower of cost or net realisable value. The Group assesses the net realisable value of each product at least twice a year for those products which have been in the warehouse for at least 12 months. This involves assessing the value of the inventory at the current market value taking into account the cost to completion, selling and transportation. When assessing the likelihood of the inventories being obsolete, it takes into account the condition, ageing, expiry (if applicable), sales history of the product and current marketability of the product.

Lease term

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

Note 4. Operating segments

Identification of reportable operating segments

The Group operates in one segment, based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers) in assessing performance and in determining the allocation of resources.

Redox manages its operations as a single business operation and there are no parts of the business or geographical locations that qualify as separate operating segments under AASB 8 Operating Segments. The Directors assess the financial performance of Redox on an integrated basis only and accordingly, Redox is managed on the basis of a single segment.

Refer to note 5 for information on revenue from the Group's product lines and geographic regions.

NOTE 4. OPERATING SEGMENTS (CONTINUED)

Major customers

During the year ended 30 June 2024 approximately 6.3% (2023: 7.4%) of the Group's external revenue was derived from sales to top 5 customers.

Note 5. Revenue

	Consolidated	
	2024 $'000	2023 $'000
Sale of goods	1,137,328	1,257,520

Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

	Consolidated	
	2024 $'000	2023 $'000
Major product lines		
Chemicals, ingredients, plastics and raw materials	1,135,369	1,255,678
Other	1,959	1,842
	1,137,328	1,257,520
Geographical regions*		
Australia	965,154	1,063,335
New Zealand	86,559	107,121
United States Of America	77,907	76,014
Others	7,708	11,050
	1,137,328	1,257,520
Timing of revenue recognition		
Goods transferred at a point in time	1,137,328	1,257,520

*Aggregated revenue from customers located outside of Australia, based on the country where the sale was made, was $172,174,000 (2023: $194,185,000).

Note 6. Expenses

	Consolidated 2024 $'000	2023 $'000
Profit before income tax includes the following specific expenses:		
Depreciation		
Property, plant and equipment	2,128	1,900
Right-of-use assets	6,289	5,890
Total depreciation	8,417	7,790
Impairment		
Net (reversal)/allowance for expected credit losses	(488)	364
Net gain on disposal		
Net gain on disposal of property, plant and equipment	(152)	(53)
Leases		
Short-term lease payments	115	78
ASX listing costs		
Advisor fees	4,532	2,143
Employee benefits expense		
Employee benefits	55,784	53,869
Post-employment benefits	15	1,005
Share based payment expense	255	-
Total employee benefits expense	56,054	54,874

Note 7. Finance (income)/costs (net)

	Consolidated 2024 $'000	2023 $'000
Finance income		
Interest income	(7,209)	(295)
Finance costs		
Interest and finance charges on loans	1,053	11,875
Interest and finance charges on lease liabilities	1,264	1,374
Total finance costs	2,317	13,249
Finance (income)/costs (net)	(4,892)	12,954

Note 8. Income tax

	Consolidated 2024 $'000	Consolidated 2023 $'000
Income tax expense		
Current tax	41,836	37,460
Deferred tax - origination and reversal of temporary differences	(3,127)	(2,159)
Aggregate income tax expense	38,709	35,301
Deferred tax included in income tax expense comprises:		
Increase in deferred tax assets	(3,127)	(2,159)
Numerical reconciliation of income tax expense and tax at the statutory rate		
Profit before income tax expense	128,945	116,031
Tax at the statutory tax rate of 30%	38,684	34,809
Tax effect amounts which are not deductible in calculating taxable income:		
Sundry items	332	(103)
	39,016	34,706
Adjustments recognised for prior periods	(80)	862
Utilisation of tax losses in foreign jurisdiction	(647)	(44)
Tax rate differential in foreign jurisdiction	(209)	(213)
Other	629	(10)
Income tax expense	38,709	35,301

	Consolidated 2024 $'000	Consolidated 2023 $'000
Deferred tax balances		
Deferred tax balances comprises temporary differences attributable to:		
Amounts recognised in statement of financial position:		
Property, plant and equipment	(1,147)	(1,431)
Accruals and provisions	3,064	1,238
Accrued employee provisions	2,989	3,073
Unrealised foreign exchange losses/(gains)	447	(605)
Leases	740	691
Deferred tax asset	6,093	2,966
Movements:		
Opening balance	2,966	807
Credited to profit or loss	3,127	2,159
Closing balance	6,093	2,966

	Consolidated 2024 $'000	Consolidated 2023 $'000
Income tax		
Current tax liability	10,101	10,550

Note 9. Earnings per share

	Consolidated 2024 $'000	2023 $'000
Profit after income tax attributable to the owners of Redox Limited	90,236	80,730
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	524,564,973	430,570,044
Adjustments for calculation of diluted earnings per share:		
Performance rights	261,438	-
Weighted average number of ordinary shares used in calculating diluted earnings per share	524,826,411	430,570,044
	Cents	Cents
Basic earnings per share	17.20	18.75
Diluted earnings per share	17.19	18.75

Note 10. Cash and cash equivalents

	Consolidated 2024 $'000	2023 $'000
Current assets		
Cash on hand	11	11
Cash at bank	56,653	35,017
	56,664	35,028

Note 11. Trade and other receivables

	Consolidated 2024 $'000	2023 $'000
Current assets		
Trade receivables	186,517	211,498
Less: Allowance for expected credit losses	(230)	(718)
	186,287	210,780

Allowance for expected credit losses

The Group has recognised a net reversal of $488,000 (2023: net expense of $364,000) in profit or loss in respect of the expected credit losses for the year ended 30 June 2024.

NOTE 11. TRADE AND OTHER RECEIVABLES (CONTINUED)

The ageing of the receivables and allowance for expected credit losses provided for above are as follows:

	Expected credit loss rate		Carrying amount		Allowance for expected credit losses	
	2024	2023	2024	2023	2024	2023
Consolidated	%	%	$'000	$'000	$'000	$'000
Not overdue	-	-	108,453	131,926	-	-
0 to 30 days overdue	-	-	68,880	70,046	-	2
31 to 60 days overdue	-	-	5,663	5,365	26	10
61 to 90 days overdue	1%	2%	1,280	1,728	16	28
91 to 120 days	7%	55%	568	199	42	109
Over 120 days	9%	25%	1,673	2,234	146	569
			186,517	211,498	230	718

The Group has maintained trade credit insurance for its debtor balances throughout 2024 and 2023.

Movements in the allowance for expected credit losses are as follows:

	Consolidated	
	2024	2023
	$'000	$'000
Opening balance	718	354
Additional provisions recognised	525	745
Reversal of provisions recognised	(1,013)	(381)
Closing balance	230	718

Note 12. Inventories

	Consolidated	
	2024	2023
	$'000	$'000
Current assets		
Inventory on hand - at cost	167,734	190,864
Inventory in transit - at cost	112,237	89,126
	279,971	279,990

During the year ended 30 June 2024, the Group wrote down inventories by $2,925,000 (2023: $4,356,000). These amounts were recognised in inventories in the statement of financial position. The cost of inventories recognised as an expense during the year in respect of continuing operations was $868,478,000 (2023: $990,066,000). The inventory is expected to sell within the next 12 months.

Note 13. Property, plant and equipment

	Consolidated 2024 $'000	2023 $'000
Non-current assets		
Buildings - at cost	1,353	999
Less: Accumulated depreciation	(980)	(774)
	373	225
Plant and equipment - at cost	11,514	11,029
Less: Accumulated depreciation	(7,627)	(7,057)
	3,887	3,972
Furniture and fittings - at cost	6,353	6,092
Less: Accumulated depreciation	(4,261)	(3,966)
	2,092	2,126
Motor vehicles - at cost	4,050	3,366
Less: Accumulated depreciation	(1,208)	(1,099)
	2,842	2,267
Computer and office equipment - at cost	3,759	3,211
Less: Accumulated depreciation	(2,606)	(2,230)
	1,153	981
Work in progress- at cost	689	-
	11,036	9,571

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Buildings $'000	Plant and equipment $'000	Furniture and fittings $'000	Motor vehicles $'000	Computer and office equipment $'000	Work in progress $'000	Total $'000
Balance at 1 July 2022	234	3,568	2,290	2,075	435	-	8,602
Additions	168	1,010	226	822	885	-	3,111
Disposals	-	(39)	(6)	(197)	(11)	-	(253)
Exchange differences	-	-	2	9	-	-	11
Depreciation expense	(177)	(567)	(386)	(442)	(328)	-	(1,900)
Balance at 30 June 2023	225	3,972	2,126	2,267	981	-	9,571
Additions	354	543	303	1,299	637	689	3,825
Disposals	-	(4)	(4)	(224)	(2)	-	(234)
Exchange differences	1	-	-	-	1	-	2
Depreciation expense	(207)	(624)	(333)	(500)	(464)	-	(2,128)
Balance at 30 June 2024	373	3,887	2,092	2,842	1,153	689	11,036

Note 14. Right-of-use assets

	Consolidated 2024 $'000	2023 $'000
Non-current assets		
Buildings - right-of-use	58,494	56,095
Less: Accumulated depreciation	(27,549)	(21,282)
	30,945	34,813

NOTE 14. RIGHT-OF-USE ASSETS (CONTINUED)

The Group leases buildings for its offices and warehouses under agreements of between 1 to 10 years with, in some cases, options to extend. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated. The average remaining lease term is 4 years (2023: 5 years).

For AASB 16 Lease disclosures refer to:

- note 6 for depreciation on right-of-use assets and short-term leases;
- note 7 for interest on lease liabilities;
- note 19 for lease liabilities and total cash outflow for leases;
- note 25 for maturity analysis of lease liabilities; and
- consolidated statement of cash flows for repayment of lease liabilities.

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Buildings $'000
Balance at 1 July 2022	37,821
Additions/modification	2,871
Exchange differences	11
Depreciation expense	(5,890)
Balance at 30 June 2023	34,813
Additions/modification	2,419
Exchange differences	2
Depreciation expense	(6,289)
Balance at 30 June 2024	30,945

Aggregated non-current assets located outside of Australia were $569,000 (2023: $1,537,000)

Note 15. Other current assets

	Consolidated 2024 $'000	Consolidated 2023 $'000
Current assets		
Prepayments	7,645	4,182
Term deposits (maturity over 3 months)	122,624	-
	130,269	4,182

Note 16. Intangibles

	Consolidated 2024 $'000	Consolidated 2023 $'000
Non-current assets		
Goodwill - at cost	558	-

NOTE 16. INTANGIBLES (CONTINUED)

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

Consolidated	Goodwill $'000
Balance at 1 July 2023	-
Goodwill through business combinations (note 33)	558
Balance at 30 June 2024	558

Goodwill arose on the acquisition of Element business during the year ended 30 June 2024. Management has identified the Group as one cash generating unit (CGU) to which goodwill is allocated for impairment testing. Management has performed an impairment test as at 30 June 2024. In determining the recoverable amount, the "fair value less costs to sell" approach has been used. Based on this impairment test there is no impairment on goodwill for the year ended 30 June 2024. Any reasonably possible changes in the key assumptions on which the recoverable amount is based would not cause the aggregated carrying amount to exceed the aggregated recoverable amount.

Note 17. Trade and other payables

	Consolidated	
	2024 $'000	2023 $'000
Current liabilities		
Trade payables	96,404	97,741
Sundry payables and accrued expenses	7,238	8,428
	103,642	106,169

The standard term of payment to our suppliers is 30 days from end of month. The directors consider that the carrying amount of trade payables approximates to their fair value.

Note 18. Borrowings

	Consolidated	
	2024 $'000	2023 $'000
Current liabilities		
Trade finance	13,595	47,072
Non-current liabilities		
Loan from related party (note 31)	-	133,646
	13,595	180,718

Refer to note 25 for further information on financial instruments.

NOTE 18. BORROWINGS (CONTINUED)

Trade finance

The trade finance facilities are renewed on an annual basis.

Loan from related party

The loan from Ceneda Pty Ltd was repaid in full on 5 July 2023.

Financing arrangements

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

	Consolidated 2024 $'000	Consolidated 2023 $'000
Total facilities		
Trade finance/multi-option facilities	183,249	183,277
Used at the reporting date		
Trade finance/multi-option facilities	13,595	47,072
Unused at the reporting date		
Trade finance/multi-option facilities	169,654	136,205

Note 19. Lease liabilities

	Consolidated 2024 $'000	Consolidated 2023 $'000
Current liabilities		
Lease liability	6,331	5,768
Non-current liabilities		
Lease liability	27,116	31,378
	33,447	37,146

The Group had total cash outflows for leases of $7,382,000 during the year ended 30 June 2024 (2023: $6,927,000).

Refer to note 25 for maturity analysis of lease liabilities.

Note 20. Derivative financial instruments

	Consolidated 2024 $'000	Consolidated 2023 $'000
Current assets		
Forward foreign exchange contracts	559	2,529

Refer to note 26 for further information on fair value measurement.

Note 21. Employee benefits

	Consolidated	
	2024 $'000	2023 $'000
Current liabilities		
Annual leave	4,186	4,132
Long service leave	5,227	4,684
	9,413	8,816
Non-current liabilities		
Long service leave	914	1,498
	10,327	10,314

Amounts not expected to be settled within the next 12 months

The current provision for employee benefits includes all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances.

Note 22. Issued capital

	Consolidated			
	2024 Shares	2023 Shares	2024 $'000	2023 $'000
Ordinary shares - fully paid (i)	525,081,428	-	239,565	-
B Class ordinary shares - fully paid (ii)	-	3,702,381	-	20
C Class ordinary shares - fully paid (iii)	-	426,867,663	-	2,306
	525,081,428	430,570,044	239,565	2,326

Movements in ordinary share capital

Details	Date	Shares	Issue price	$'000
Balance	1 July 2023	-		-
Balance	30 June 2023	-		-
Conversion of B class ordinary shares	3 July 2023	3,702,381	$0.00	20
Conversion of C class ordinary shares	3 July 2023	426,867,663	$0.00	2,306
Issue of shares	3 July 2023	94,511,384	$2.55	241,004
Share issue transactions costs, net of tax		-		(3,765)
Balance	30 June 2024	525,081,428		239,565

Movements in B Class ordinary share capital

Details	Date	Shares	Issue price	$'000
Balance	1 July 2022	20,000		20
Issue of shares[1]	13 June 2023	3,682,381	$0.00	-
Balance	30 June 2023	3,702,381		20
Conversion to ordinary shares	3 July 2023	(3,702,381)	$0.00	(20)
Balance	30 June 2024	-		-

NOTE 22. ISSUED CAPITAL (CONTINUED)

Movements in C Class ordinary share capital

Details	Date	Shares	Issue price	$'000
Balance	1 July 2022	2,305,909		2,306
Issue of shares[1]	13 June 2023	424,561,754	$0.00	-
Balance	30 June 2023	426,867,663		2,306
Conversion to ordinary shares	3 July 2023	(426,867,663)	$0.00	(2,306)
Balance	30 June 2024	-		-

1.On 13 June 2023 the Company undertook a share multiplication in preparation for its ASX listing, with shareholders receiving 185.119 shares for every share held previously.

Ordinary shares

(i) Ordinary shares entitle the holder to participate in any dividends declared and any proceeds attributable to shareholders should the Company be wound up in proportions that consider both the number of shares held and the extent to which those shares are paid up. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital. On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

(ii) B Class ordinary shares entitled the holder to vote, to receive dividends as declared by the Board of Directors and to participate in capital on winding up.

(iii) C Class ordinary shares entitled the holder to vote when B Class ordinary shares are no longer in existence. C Class ordinary shares continue to receive dividends as declared by the Board of Directors and to participate in capital on a winding up.

On 3 July 2023, all B and C class shares were converted to ordinary shares.

Share buy-back

There is no current on-market share buy-back.

Capital risk management

The Group's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

The Group is not subject to any externally imposed capital requirements.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current Company's share price at the time of the investment.

The capital risk management policy remains unchanged from the 2023 Annual Report.

Note 23. Reserves

	Consolidated 2024 $'000	Consolidated 2023 $'000
Foreign currency translation reserve	4,790	4,707
Share-based payments reserve	255	-
	5,045	4,707

Foreign currency translation reserve

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars.

Share-based payments reserve

The reserve is used to recognise the value of equity benefits provided to senior executives as part of their remuneration.

Movements in reserve

Movement in reserve during the current and previous financial year are set out below:

Consolidated	Foreign currency translation $'000	Share-based payments $'000
Balance at 1 July 2022	2,540	-
Foreign currency translation	2,167	-
Balance at 30 June 2023	4,707	-
Foreign currency translation	83	-
Share-based payments*	-	255
Balance at 30 June 2024	4,790	255

*On 1 July 2023, the Company issued performance rights pursuant to the long-term incentive plan to senior executives of the Company.

Note 24. Dividends

Dividends

Dividends paid during the financial year were as follows:

	Consolidated	
	2024 $'000	**2023 $'000**
Interim dividend for the year ended 30 June 2024 of $0.06 per ordinary share paid on 20 March 2024:		
Ordinary shares	31,505	-
Interim dividend for the year ended 30 June 2023 of $15.02* per ordinary share paid on 9 March 2023:		
B Class ordinary shares	-	300
C Class ordinary shares	-	34,635
	-	34,935
Final dividend for the year ended 30 June 2023 of $6.28* per ordinary share paid on 11 May 2023:		
B Class ordinary shares	-	126
C Class ordinary shares	-	14,480
	-	14,606
Final dividend for year ended 30 June 2022 of $13.85* per ordinary share paid on 5 September 2022:		
B Class ordinary shares	-	277
C Class ordinary shares	-	31,937
	-	32,214
	31,505	81,755

*Dividend per share amounts are shown prior to the impacts of share multiplication, which occurred on 13 June 2023.

On 22 August 2024, the Board declared a fully franked final dividend of 6.5 cents per share to be paid on 20 September 2024, resulting in fully franked dividends for the year of 12.5 cents per share.

Franking credits

	Consolidated	
	2024 $'000	**2023 $'000**
Franking credits available for subsequent financial years based on a tax rate of 30%	34,579	20,076

The above amounts represent the balance of the franking account as at the end of the financial year, adjusted for:

- franking credits that arise from the payment of the amount of income tax at the reporting date.
- franking debits that arise from the payment of dividends recognised as a liability at the reporting date.
- franking credits that arise from the receipt of dividends recognised as receivables at the reporting date.

Note 25. Financial instruments

Financial risk management objectives

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses derivative financial instruments such as forward foreign exchange contracts to hedge certain risk exposures. Derivatives are exclusively used for hedging purposes, i.e. not as trading or other speculative instruments. 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, foreign exchange and other price risks and ageing analysis for credit risk.

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the Group and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the Group's operating units. Finance reports to the Board on a monthly basis.

The Group’s exposure to market risk is mainly arising from interest rate risk, foreign currency risk, operating expenditure risk and price risk (sales and margin).

MARKET RISK

Foreign currency risk

The Group undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

In order to protect against exchange rate movements, the Group has entered into forward foreign exchange contracts. These contracts are hedging highly probable forecasted cash flows for the ensuing financial year.

The carrying amounts of the Group’s significant foreign currency denominated net monetary assets/(liabilities) and impact on profit is set out below:

	Assets		Liabilities		Net exposure		Impact on profit*	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Euros	-	-	(1,310)	(1,390)	(1,310)	(1,390)	(193)	(207)
US dollars	13,044	13,257	(47,421)	(40,256)	(34,377)	(26,999)	(4,569)	(3,702)
New Zealand dollars	9,145	14,887	777	(604)	9,922	14,283	838	1,193

*Sensitivity - impact on profit**

The table above details the Group’s sensitivity to a 10 per cent increase in currency units against the relevant foreign currencies. 10 per cent represents finance’s assessment of the reasonably possible change in foreign exchange rates.

The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 10 per cent change in foreign currency rates. The sensitivity analysis includes external loans as well as loans to foreign operations within the Group where the denomination of the loan is in a currency other than the currency of the lender or the borrower. A positive number indicates an increase in profit and other equity where currency units strengthens 10 per cent against the relevant currency. For a 10 per cent weakening of currency units against the relevant currency, there would be a comparable impact on the profit and other equity, and the balances would be negative.

Price risk

The Group is not exposed to any significant price risk. Any contractual obligations in the supply of goods to customers will have reciprocal contractual obligations from our suppliers.

NOTE 25. FINANCIAL INSTRUMENTS (CONTINUED)

Interest rate risk

The Group's main interest rate risk arises from long-term borrowings. Borrowings obtained at variable rates expose the Group to interest rate risk. Borrowings obtained at fixed rates expose the Group to fair value interest rate risk.

As at the reporting date, the Group had the following variable rate borrowing:

Consolidated	2024 Weighted average interest rate %	2024 Balance $'000	2023 Weighted average interest rate %	2023 Balance $'000
Term deposit	5.12%	120,000	-	-
Trade finance	6.81%	(13,595)	5.33%	(47,072)
Net exposure to cash flow interest rate risk		106,405		(47,072)

An analysis by remaining contractual maturities is shown in 'liquidity and interest rate risk management' below.

Sensitivity

A 2 per cent increase or decrease is used when reporting interest rate risk internally and represents finance's assessment of the reasonably possible change in interest rates. If interest rates had been 2 per cent higher/lower and all other variables were held constant, there would be a $2,128,000 (2023: $941,000) impact on the Group's profitability.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

In order to minimise credit risk, the Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group uses other publicly available financial information and its own trading records to rate its major customers. In addition, the Group manages its credit risk by insuring its receivables via trade credit insurance policy with a reputable insurance company.

The Group evaluates the risk of default on individual debts at the reporting date on an account by account basis. To support the evaluation process the Group takes into account both qualitative and quantitative information including recent sales experience, historical collection rates of individual accounts and forward-looking information that is available. Forward looking information taken into account includes future industry volatility expectations from industry expert reports and governmental bodies, and multiple external sources of future economic information pertaining to the individual debtor's industry sector.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The concentration of credit risk is limited due to the fact that the customer base is large and unrelated. As such the Group has no significant credit risk with any single customer or group of customers.

NOTE 25. FINANCIAL INSTRUMENTS (CONTINUED)

Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Board, which has established an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. Details of additional undrawn facilities that the Group has at its disposal to further reduce liquidity risk are set out in note 18. These facilities have remained in place subsequent to the repayment of all bank borrowings pursuant to the Company's ASX listing.

Remaining contractual maturities

The following tables detail the Group's remaining contractual maturity for its financial instrument liabilities and lease liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 2024	Weighted average interest rate %	1 year or less $'000	Between 1 and 5 years $'000	Over 5 years $'000	Remaining contractual maturities $'000
Non-derivatives					
Non-interest bearing					
Trade and other payables	-	103,642	-	-	103,642
Interest-bearing - variable					
Trade finance	6.81%	13,710	-	-	13,710
Lease liability	3.95%	7,381	28,961	65	36,407
Total non-derivatives		124,733	28,961	65	153,759

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Consolidated - 2023	Weighted average interest rate %	1 year or less $'000	Between 1 and 5 years $'000	Over 5 years $'000	Remaining contractual maturities $'000
Non-derivatives					
Non-interest bearing					
Trade and other payables	-	106,169	-	-	106,169
Interest-bearing - variable					
Trade finance	5.33%	47,386	-	-	47,386
Lease liability	3.88%	6,954	27,352	6,800	41,106
Interest-bearing - fixed rate					
Loan from related party*	8.78%	11,734	157,114	-	168,848
Total non-derivatives		172,243	184,466	6,800	363,509

*The Company elected to repay the entire balance of the related party loan in early July 2023 out of proceeds raised pursuant to the ASX listing.

Note 26. Fair value measurement

Fair value hierarchy

The following tables detail the Group's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3: Unobservable inputs for the asset or liability

Consolidated - 2024	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Assets				
Forward foreign exchange contracts	-	559	-	559
Total assets	-	559	-	559

Consolidated - 2023	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Assets				
Forward foreign exchange contracts	-	2,529	-	2,529
Total assets	-	2,529	-	2,529

There were no transfers between levels during the financial year.

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

Valuation techniques for fair value measurements categorised within level 2

Derivative financial instruments have been valued using values derived from adjusted quoted prices. This valuation technique maximises the use of observable market data where it is available and relies as little as possible on entity specific estimates.

Note 27. Key management personnel disclosures

Compensation

The aggregate compensation made to Directors and other members of key management personnel of the Group is set out below:

	Consolidated	
	2024 $	2023 $
Short-term employee benefits	1,861,446	2,659,074
Post-employment benefits	110,366	155,321
Long-term benefits	20,680	29,127
Share-based payments	207,480	-
	2,199,972	2,843,522

Note 28. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Deloitte Touche Tohmatsu, the auditor of the Company:

	Consolidated 2024 $	2023 $
Audit services		
Audit or review of the financial statements – financial year ended 30 June 2023*	100,000	410,000
Audit or review of the financial statements – financial year ended 30 June 2024	498,000	-
	598,000	410,000
Other services		
Tax services	15,000	49,144
Other non-audit services	-	792,332
	15,000	841,476
	613,000	1,251,476

*Fees incurred in financial year ended 30 June 2024 relates to additional time incurred in auditing the financial year 2023 financial statements.

Other non-audit services principally comprises amounts paid in connection with the provision of services associated with the Company's ASX listing.

Note 29. Contingent liabilities

Contingent liabilities for current and previous period are set out below:

	Consolidated 2024 $'000	2023 $'000
Bank guarantees	3,368	3,376
Surrendered bills of lading	2,144	6,712
Documentary letters of credit	1,341	2,688
IPO underwriting costs and management fee	-	8,964
	6,853	21,740

The bank guarantees are provided to relevant government authorities for access to the deferred GST scheme. No contingent liability has been recognised for litigation as it is unlikely to have any material impact on the financial result of the Group. Litigation risk is mitigated via the Group's terms and condition of sales and various insurance policies.

IPO underwriting costs and management fee of $8,964,000 was payable to the Company's lead IPO advisors contingent upon the IPO occurring. This occurred on 3 July 2023 and the amount crystalised on that date.

Note 30. Commitments

The Group had no capital commitments as at 30 June 2024 and 30 June 2023.

Note 31. Related party transactions

Parent entities

Redox Limited is the parent entity.

NOTE 31. RELATED PARTY TRANSACTIONS (CONTINUED)

Subsidiaries

Interests in subsidiaries are set out in note 34.

Key management personnel

Disclosures relating to key management personnel are set out in note 27 and the remuneration report included in the Directors' report.

Transactions with related parties

The following transactions occurred with related parties:

	Consolidated 2024 $	2023 $
Other expenses:		
Interest expense on related party loan	-	8,463,451
Lease expense to related party	7,140,708	6,734,808

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties

The following balances are outstanding at the reporting date in relation to loans with related parties:

	Consolidated 2024 $	2023 $
Non-current borrowings:		
Loan from related party*	-	133,645,877

*Refer to note 35 for reconciliation of loan from related party.

The Group leases a number of its commercial properties from Ceneda Investments Pty Ltd (Ceneda Investments) under commercial terms at market rates. Ceneda Investments is a related entity of the Company, and all of the Company's Executive Directors during the year are indirect shareholders of Ceneda Investments.

The Group had a loan from Ceneda Pty Ltd (Ceneda) a related entity of the Company, and all of the Company's Executive Directors during the year are indirect shareholders of Ceneda.

Note 32. Parent entity information

Set out below is the supplementary information about the parent entity:

Statement of profit or loss and other comprehensive income

	Parent 2024 $'000	2023 $'000
Profit after income tax	91,773	79,579
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income	91,773	79,579

NOTE 32. PARENT ENTITY INFORMATION (CONTINUED)

Statement of financial position

	Parent 2024 $'000	2023 $'000
Total current assets	613,573	492,974
Total non-current assets	64,158	65,406
Total assets	677,731	558,380
Total current liabilities	121,122	160,826
Total non-current liabilities	27,800	166,344
Total liabilities	148,922	327,170
Net assets	528,809	231,210
Equity		
Issued capital	239,565	2,326
Foreign currency translation reserve on translation of NZ Branch	(185)	(277)
Retained profits	289,429	229,161
Total equity	528,809	231,210

Contingent liabilities

The parent entity contingent liabilities at 30 June 2024 and 30 June 2023 are disclosed in note 29.

Capital commitments - Property, plant and equipment

The parent entity had no capital commitments for property, plant and equipment as at 30 June 2024 and 30 June 2023.

Material accounting policy information

The accounting policies of the parent entity are consistent with those of the Group, as disclosed in note 2, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity.

Note 33. Business combinations

Acquisition of Element Raw Materials Ltd

On 14 December 2023, the Group acquired the chemical trading business from Element Raw Materials Ltd (Element), an unlisted company based in New Zealand that specialises in chemical trading for corporates in Agriculture, Plastics and Green Chemistry fields. The Group has acquired net assets amounting to $1,257,000 and paid cash amounting to $1,815,000 which resulted in goodwill of $558,000. The acquisition has been accounted for using the acquisition method as at 30 June 2024. The consolidated financial statements include the results of Element from the acquisition date.

The acquired business contributed revenue and net profit before tax amounting to $1.6m and $0.1m respectively to the Group for the period from 14 December 2023 to 30 June 2024. If the acquisition had taken place at the beginning of the year, revenue and profit before tax contribution will be $3.5m and $0.4m respectively.

NOTE 33. BUSINESS COMBINATIONS (CONTINUED)

Details of the acquisition are as follows:

	Fair value $'000
Trade receivables	377
Inventories	938
Trade payables	(58)
Net assets acquired	1,257
Goodwill	558
Acquisition-date fair value of the total consideration transferred	1,815
Representing:	
Cash paid to vendor	1,815

Acquisition of Oleum Holdings Pty Ltd

On 2 July 2024, the Group has completed the acquisition of Oleum Holdings Pty Ltd (Oleum) a company that specialises in chemical distribution to Australian agriculture, mining, personal care and surface coatings industries. The Group has acquired the net assets of Oleum for a consideration of $11.2m. The accounting for the acquisition remains provisional as at the date of signing of the financial statements.

Note 34. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries and its New Zealand branch (Redox Ltd New Zealand Branch) in accordance with the accounting policy described in note 2:

Name	Principal place of business / Country of incorporation	Ownership interest 2024 %	Ownership interest 2023 %
Redox Chemicals Sdn Bhd	Malaysia	100%	100%
Redox Inc	USA	100%	100%
Redox Ingredientes Mexico, S.A de C.V	Mexico	100%	100%
Redox UK Ltd*	UK	100%	100%
Redox Investments Pty Ltd*	Australia	100%	100%
Redox Ingredients Pte. Ltd.	Singapore	100%	100%

*Dormant during the year.

Note 35. Cash flow information

Reconciliation of profit after income tax to net cash from operating activities

	Consolidated 2024 $'000	2023 $'000
Profit after income tax expense for the year	90,236	80,730
Adjustments for:		
Share-based payment expense	255	-
Net gain on disposal of property, plant and equipment	(152)	(53)
Depreciation	8,417	7,790
Finance (income)/costs - non-cash	(2,624)	6,401
Allowance for expected credit losses	(488)	350
Unrealised loss on forward foreign exchange contracts	1,950	4,133
Unrealised foreign exchange (gain)/loss	(39)	2,594
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	25,358	(7,086)
Decrease in inventories	957	58,354
Increase in deferred tax assets	(1,514)	(2,159)
Increase in prepayments	(3,464)	(1,492)
Decrease in trade and other payables	(2,570)	(14,802)
Decrease in provision for income tax	(449)	(1,037)
Increase in employee benefits	13	1,020
Net cash from operating activities	115,886	134,743

Non-cash investing and financing activities

	Consolidated 2024 $'000	2023 $'000
Additions to right-of-use assets	2,419	2,871

Changes in liabilities arising from financing activities

Consolidated	Trade finance $'000	Loan from related party $'000	Lease liability $'000	Total $'000
Balance at 1 July 2022	108,762	113,230	39,828	261,820
Net cash (used in)/from financing activities	(61,690)	11,952	(5,553)	(53,228)
Additions/modification	-	-	2,871	2,871
Non-cash interest	-	8,464	-	6,401
Balance at 30 June 2023	47,072	133,646	37,146	217,864
Net cash used in financing activities	(33,477)	(133,646)	(6,118)	(173,241)
Additions/modification	-	-	2,419	2,419
Balance at 30 June 2024	13,595	-	33,447	47,042

Note 36. Share-based payments

During the financial year ended 30 June 2024, the Group has granted performance rights under Long Term Incentive Plan ('LTIP') to senior executives of the Group. The plan enables the Group to offer performance rights to senior executives to obtain shared in Redox Ltd at no cost contingent upon performance conditions being met. The performance rights will be performance tested from 1 July 2023 to 30 June 2026 against the Company's total shareholder return ('TSR') relative to the performance of the S&P/ASX 300 Index (TSR Comparator Group) over the performance period.

Set out below are summaries of performance rights granted under the plan:

2024 Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
01/07/2023	30/06/2026	$0.00	-	800,000	-	-	800,000
			-	800,000	-	-	800,000

No performance rights over ordinary shares were vested, expired or exercised during the year.

For the performance rights granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
01/07/2023	30/06/2026	$2.42	$0.00	31.27%	4.50%	3.79%	$0.960

Note 37. Events after the reporting period

The Group has completed the acquisition of Oleum Holdings Pty Ltd on 2 July 2024 as detailed in note 33.

Apart from the dividend declared (refer note 24), no other matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

Redox Limited Consolidated entity disclosure statement as at 30 June 2024

Entity name	Entity type	Place formed / Country of incorporation	Ownership interest %	Tax residency
Redox Chemicals Sdn Bhd	Body corporate	Malaysia	100%	Australia
Redox Inc	Body corporate	USA	100%	USA
Redox Ingredientes Mexico, S.A de C.V	Body corporate	Mexico	100%	Mexico
Redox UK Ltd*	Body corporate	UK	100%	UK
Redox Investments Pty Ltd*	Body corporate	Australia	100%	Australia
Redox Ingredients Pte. Ltd.	Body corporate	Singapore	100%	Singapore

*Dormant during the year.

DIRECTORS' DECLARATION
30 JUNE 2024

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

The Directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of Directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the Directors

Ian Campbell
Director

Raimond Coneliano
Director

22 August 2024
Sydney

INDEPENDENT AUDITOR'S REPORT

Deloitte Touche Tohmatsu
ABN 74 490 121 060
8 Parramatta Square
10 Darcy Street
Parramatta NSW 2150
Australia

Phone: +61 2 9840 7000
www.deloitte.com.au

Independent Auditor's Report to the Members of Redox Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Redox Limited (the "Company") and its subsidiaries (the "Group") which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the directors' declaration and the Consolidated Entity Disclosure Statement.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- Giving a true and fair view of the Group's financial position as at 30 June 2024 and of their financial performance for the year then ended; and
- Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Key Audit Matters

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

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Deloitte.

Key Audit Matter	How the scope of our audit responded to the Key Audit Matter

Revenue recognition
 	
As disclosed in Note 5 the Group recognised $1,137 million of revenue for the year ended 30 June 2024.
 	
In line with AASB 15 *Revenue from Contracts with Customers*, the Group recognizes revenue when a performance obligation is satisfied by transferring control over a promised good.
 	
This leads to an increased risk relating to the recording of revenue and sales cut-off not being recorded in the proper accounting period.
 	
We consider revenue recognition to be a key audit matter due to:
 	
• The number of transactions that occur during the year;
• The volume of transactions that occur close to year-end; and
• The elevated level of manual involvement in determining revenue cut-off.
	Our audit procedures included, but were not limited to:
	
	• Obtaining an understanding of the material revenue streams and the appropriateness of the Group's principles for determining revenue recognition in accordance with the criteria in the relevant accounting standards;
	• Assessing the design and implementation of key manual controls over the recognition and measurement of revenue;
	• Performing substantive testing of revenue transactions for material revenue streams through a combination of audit techniques, including:
	    ◦ Performing advanced software driven substantive analytical procedures using historical revenue and cost of sales data to predict revenue;
	    ◦ Assessing the reliability and relevance of historical data used in the predictive models;
	    ◦ Reviewing the appropriateness of management's adjustments to the predicted results and the rationale behind those adjustments; and
	    ◦ Assessing revenue cut off by testing revenue recognised pre and post year end against a sample of despatch or delivery documents to confirm appropriate timing of recognition of revenue in accordance with shipping terms.
	
	We also assessed the adequacy of the disclosures in Note 2 and Note 5 to the financial statements.

Inventory existence and valuation
 	
As disclosed in Note 12 the Group has total inventories of $279 million as at 30 June 2024, representing 40% of the Group's total assets.
 	
Inventories are held at 8 Redox leased warehouses and around 240 third party warehouse locations in Australia and around the world.
 	
Inventories are valued at the lower of cost and net realisable value. The Group determines the cost of inventories by including the invoiced purchase price, foreign currency conversion and additional costs of transport, storage and overhead allocations.
	Our audit procedures included, but were not limited to:
	
	• Understanding the Group's processes and controls for inventory existence, costing and the measurement of inventory provisions;
	• Testing the operating effectiveness of the group's automated control over the calculation of the weighted average cost of inventories;
	• Evaluating, on a sample basis, the existence of inventory by:
	    ◦ Attending stocktakes at a sample of Redox leased warehouses and third-party warehouse locations to observe the stocktake process and the condition of inventory.
	    ◦ At these stocktakes, tracing items recorded in the inventory system to their warehouse physical location or from the physical location to the inventory system;

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Deloitte.

Given the high number of locations, the magnitude of inventory recognised in the Group's consolidated financial report and the determination of the cost of inventory, inventory existence and valuation is considered a key audit matter.	∘ Testing the recording of stocktake results to the general ledger and testing inventory movements from count date to year end; ∘ Confirming inventory quantities held by third party warehouse providers to the inventory system; and ∘ Agreeing inventory recognised as goods in transit to supplier invoices, shipping documents and receiving documents (where applicable). • Assessing the valuation of inventory by: ∘ Assessing the application of inventory costing methodologies for compliance with Australian Accounting Standards, including testing on a sample basis the purchases of inventory throughout the period to supplier invoices and tracing amounts into the inventory system including other direct costs and overhead allocations; ∘ Testing the appropriateness of the overhead allocations in accordance with Australian Accounting Standards; ∘ Assessing whether inventory is recorded at the lower of cost and net realisable value by testing a sample of inventory items to the most recent sales price less costs to sell; and ∘ Obtaining an understanding of, and assessing the Group's methodology for identifying and calculating any required impairment for inventory. We also assessed the adequacy of the disclosures in Note 2 and Note 12 to the financial statements.
IT systems The IT systems across the Group are complex and there are varying levels of integration. These systems are vital to the ongoing operations of the business and to the integrity of the financial reporting process and as a result the assessment of IT systems forms a key focus of our external audit.	In conjunction with our IT specialists, our procedures included but were not limited to: • Obtaining an understanding of the IT environment and the identification of key processes and controls, including testing the design and implementation of the relevant IT controls; • Performing inquiries with management on the status of the deficiencies identified; • Where we identified design and operating effectiveness matters relating to IT systems relevant to our audit we varied the nature, timing and extent of our substantive procedures; In addition, we manually tested the accuracy and completeness of system reports generated by the Group's various IT systems used for the purpose of our substantive testing.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Deloitte.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report 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. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible:

- For the preparation of the financial report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group in accordance with Australian Accounting Standards; and
- For such internal control as the directors determine is necessary to enable the preparation of the financial report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group 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 has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is 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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Deloitte.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group's audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 34 to 44 of the Directors' Report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of Redox Limited, for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001.*

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Deloitte.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Andrew Heather

Andrew Heather
Partner
Chartered Accountants
Sydney, 22 August 2024

SHAREHOLDER INFORMATION 30 JUNE 2024

The shareholder information set out below was applicable as at 13 August 2024.

Distribution of equitable securities

Analysis of number of equitable security holders by size of holding:

	Ordinary shares Entity Number of holders	Ordinary shares % of total shares issued	Performance rights over ordinary shares Number of holders	Performance rights over ordinary shares % of total performance rights issued
1 to 1,000	446	0.04	-	-
1,001 to 5,000	380	0.21	-	-
5,001 to 10,000	293	0.46	-	-
10,001 to 100,000	428	2.08	-	-
100,001 and over	52	97.21	4	100.00
	1,599	100.00	4	100.00
Holding less than a marketable parcel	24	-	-	-

Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities are listed below:

	Number held	Ordinary shares % of total shares issued
Richard Coneliano	70,492,961	13.43
Robert Coneliano	53,157,673	10.12
J P Morgan Nominees Australia Pty Limited	46,752,875	8.90
Citicorp Nominees Pty Limited	44,017,579	8.38
Claudia Walters	41,869,854	7.97
Renato Coneliano	32,048,549	6.10
Catherine Coneliano	31,122,954	5.93
Kenneth Perrins	23,275,062	4.43
HSBC Custody Nominees (Australia) Limited	22,131,722	4.21
Christopher Perrins	18,615,606	3.55
Cassandra Shoukry	14,317,153	2.73
Raimond Coneliano	13,003,236	2.48
Malcolm Perrins	10,381,291	1.98
UBS Nominees Pty Ltd	9,061,914	1.73
Judith Coneliano	8,441,428	1.61
Peta-Lee Gaida	5,903,469	1.12
Shaun Gaida	5,903,283	1.12
David Vannucci	5,903,283	1.12
National Nominees Limited	4,861,126	0.93
Alexander Coneliano	4,551,612	0.87
Ivana Coneliano	4,551,612	0.87
Laura Coneliano	4,551,612	0.87
Selina Coneliano	4,551,612	0.87
Tania Coneliano	4,551,612	0.87
	484,019,078	92.19

Unquoted equity securities

	Number on issue	Number of holders
Performance rights over ordinary shares issued	800,000	4

Substantial holders

Substantial holders in the Company are set out below:

	Number held	Ordinary shares % of total shares issued
Richard Coneliano	70,492,961	13.43
Robert Coneliano	53,157,673	10.12
Walters Claudia	41,869,854	7.97
Renato Coneliano	32,048,549	6.10
Catherine Coneliano	31,122,954	5.93

	Number held	Performance Rights over ordinary shares % of total Performance rights issued
Raimond Coneliano	350,000	43.75
Renato Coneliano	150,000	18.75
Richard Coneliano	150,000	18.75
Kenneth Perrins	150,000	18.75

Voting rights

The voting rights attached to ordinary shares are set out below:

Ordinary shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

There are no other classes of equity securities.

Performance rights

Performance rights have no voting rights.

Securities subject to voluntary escrow

Class	Expiry date	Number of shares
Ordinary shares	22 August 2024	90,779,377
Ordinary shares	31 August 2025	276,563,815
		367,343,192

REDOX