ASX Announcement

Australian Clinical Labs Limited
ABN 94 645 711 128
Registered Office:
1868-1892 Dandenong Road
Clayton VIC 3168
Australia

clinicallabs.com.au

Tuesday, 26 August 2025

ACL FY25 FINANCIAL RESULTS

The following announcements to the market are attached:

- ✓ Appendix 4E
- ✓ FY25 financial statements and statutory reports
- FY25 financial results announcement
- FY25 investor presentation

– ENDS –

This announcement was authorised for release to ASX by the Board of ACL. For further information regarding this announcement, please contact:

Company Secretary
Eleanor Padman
Company Secretary
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About Australian Clinical Labs

ACL is a leading Australian private provider of pathology services. Our NATA accredited laboratories perform a diverse range of pathology tests each year for a range of clients including doctors, specialists, patients, hospitals and corporate clients. ACL is one of the largest private hospital pathology businesses nationally. ACL is focused on its mission of combining talented people, and medical and scientific leadership, with innovative thinking and technologies to empower decision making that saves and improves patients' lives.

ASX Listing Rule 4.3A

Current reporting period:	Financial year ended 30 June 2025
Previous reporting period:	Financial year ended 30 June 2024

Results for announcement to the market		Percentage change %	30 June 2025 $'m
Statutory			
Total revenue from ordinary activities	Up	6.4%	741.3m
Profit attributable to members of Australian Clinical Laboratories Limited	Up	35.5%	32.4m
Underlying[1]			
Total revenue from ordinary activities	Up	6.4%	741.3m
Profit attributable to member of Australian Clinical Laboratories Limited	Up	7.9%	33.6m

Earnings per share		Percentage change %	30 June 2025 Cents per share
Statutory			
Basic earnings per share	Up	42.5%	17.15c
Diluted earnings per share	Up	42.1%	17.05c
Underlying[1]			
Basic earnings per share	Up	13.4%	17.78c
Diluted earnings per share	Up	13.1%	17.68c

1 Underlying profit excludes the impact of non-recurring items. A reconciliation between Statutory profit and Underlying profit is contained in our ASX investor presentation.

Dividends	Amount per security	Franked amount per security
FY2025		
Final dividend	9.00c	9.00c
Interim dividend	3.50c	3.50c
FY2024		
Final dividend	9.00c	9.00c
Interim dividend	3.00c	3.00c

Record date for determining entitlements to the final dividend	2 September 2025
Payment date	23 September 2025

The dividend reinvestment plan will remain suspended for the FY2025 final dividend.

Appendix 4E

Preliminary Final Report

Commentary on results for the period

For an explanation of the results refer to the ASX and media release and Annual Financial Report.

Net tangible assets per ordinary security	30 June 2025	30 June 2024
Net tangible assets per ordinary security	$0.03	$0.06
Net asset backing per ordinary security	$0.88	$0.88

Table above includes right-of-use assets and liabilities recognised in accordance with AASB 16 *Leases*.

This report is based on the Annual Financial Report which has been audited. Additional Appendix 4E disclosure requirements can be found in the Annual Financial Report attached, which contains the Directors' Report, the audited Remuneration Report, the Directors' Declaration and the consolidated financial statements.

Financial Report **2025**

For the year ended 30 June 2025

AUSTRALIAN Clinicallabs

Australian Clinical Labs (ACL) is a leading private provider of pathology services in Australia. ACL has laboratories and pathology collection centres in all Australian States and Territories (except Tasmania) and is one of the largest private hospital pathology businesses nationally.

Contents

Directors' Report

for the year ended 30 June 2025

The Directors of Australian Clinical Labs Limited (referred to as 'the Company') present their Report for the financial year ended 30 June 2025 (referred to as 'the year' or 'FY25') accompanied by the Financial Report of Australian Clinical Labs Limited and the entities it controlled (referred to as 'Clinical Labs', 'ACL' or 'the Group') from time to time during the year.

Pursuant to the requirements of the *Corporations Act 2001* (Cth) (Corporations Act), the Directors' Report is as follows:

1. Directors

The following persons were Directors of the Company during the year (or, where indicated, during part of the year) and/or up to the date of this Report:

Directors	Position	Date Appointed/Resigned
Current		
Stephen Roche	Chair Independent Non-Executive Director	Appointed Chair 26 August 2025 Appointed 20 June 2025
Melinda McGrath	Chief Executive Officer and Executive Director	
Mark Haberlin	Interim Chair Independent Non-Executive Director	Interim Chair – 1 May 2025 to 25 August 2025
Christine Bartlett	Independent Non-Executive Director	
Dr Leanne Rowe AM	Independent Non-Executive Director	
Sarah Butler	Independent Non-Executive Director	Appointed 1 February 2025
Grant Jeffery	Independent Non-Executive Director	Appointed 1 February 2025
Former		
Michael Alscher	Chair	Resigned 30 April 2025
Nathanial Thomson	Non-Executive Director	Resigned 25 October 2024
Andrew Dutton	Independent Non-Executive Director	Resigned 25 October 2024

1. Directors cont.

Stephen Roche

Chair (from 26 August 2025)
Independent Non-Executive Director
(from 20 June 2025)

Stephen joins the ACL Board with a wealth of strategic and operational experience across several industry sectors including healthcare, retail, building materials and fast-moving consumer goods. Stephen has over 15 years' experience as a director of public companies, not-for-profits and private family offices, having held executive roles as the Managing Director and CEO of Australian Pharmaceutical Industries Limited and Bridgestone Australia & New Zealand.

Stephen is currently the Chair of Baby Bunting Group Limited (ASX: BBN), a Non-Executive Director of GWA Group Limited (ASX: GWA) and a Director of the Adelaide Football Club.

Stephen was formerly a Non-Executive Director of Myer Family Investments Ltd and the Blackmores Group Ltd (ASX: BKL). He also established and was Chair of the Priceline Sisterhood Foundation from 2015, before retiring in 2018. The foundation, with its mission of creating positive health outcomes and support for women, became the official charity for all Wesfarmers Health businesses from 2025.

Melinda McGrath

Chief Executive Officer
and Executive Director

Melinda has been the Chief Executive Officer and Executive Director of ACL's predecessor corporate vehicle, Clinical Laboratories Pty Ltd since 2015. Melinda was appointed an Executive Director of ACL on 19 December 2020. Melinda has more than 30 years' experience in healthcare with over 25 years of experience in chief executive roles and over 15 years of experience in pathology CEO roles.

Melinda has led the organisation's restructure and transformation, building ACL's scale and operational performance improvement over the past seven years, overseeing the integration of Healthscope's Australian pathology business, St John of God Health Care's pathology business, Perth Pathology, SunDoctors and MedLab Pathology. She has also driven the establishment of one performance oriented culture across the organisation, via one unified integrated pathology system.

Melinda was Chief Executive Officer of QML Pathology (part of Healius/Primary Healthcare) from 2008 to 2015, where she developed five QML brands and established Tasmania Medical Laboratories. Prior to that, Melinda held various transformative chief executive roles at private regional and tertiary referral hospitals in Queensland including The Sunshine Coast Private Hospital, St Andrew's War Memorial Hospital and St Stephens Private Hospital.

Melinda has held board member positions at Metro North Hospitals and Health Service including Royal Brisbane, Prince Charles, Redcliffe, Caboolture and related health services and a superannuation fund, UC Super.

Melinda holds a Bachelor of Human Movement Studies Degree and a Bachelor of Arts Degree from the University of Queensland, a Master of Business Administration from the University of Central Queensland, and a Certificate in Governance Practice from the Governance Institute of Australia.

1. Directors cont.

Mark Haberlin

Independent Non-Executive Director
Interim Chair (from 1 May 2025 to 25 August 2025)
Chair – Audit and Risk Committee

Mark has been a Non-Executive Director of ACL since 28 April 2021.

Mark has over 25 years of audit, risk management, capital transactions and mergers and acquisitions experience across industries including healthcare, real estate and financial services.

Mark is the Lead Independent Director and Chair of the Audit and Risk Committee of Abacus Property Group. Previously, Mark was an independent Non-Executive Director and the Chair of the Audit and Risk Committee of Laybuy Group Holdings Limited, the Chair of PwC Australia and PwC's Public Reporting Panel, as well as a Director of the European Australia Business Council and PwC Asia Pacific.

Mark holds a Bachelor of Science (Civil Engineering) (Honours) from Imperial College London and qualified as a Chartered Accountant in the United Kingdom.

Christine Bartlett

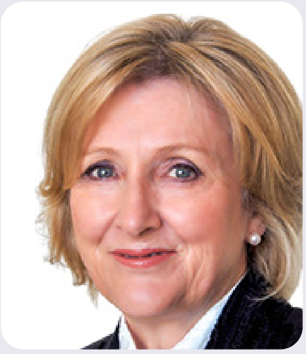
Independent Non-Executive Director
Chair – Remuneration and Nomination Committee
Member – Audit and Risk Committee

Christine was appointed as a Non-Executive Director on 23 August 2023. Christine is an experienced Non-Executive Director, with extensive executive experience gained through chief executive officer and senior executive roles with National Australia Bank Limited, IBM and Jones Lang LaSalle. Christine has held roles with national and global responsibilities and has a strong commercial perspective, particularly in fostering innovation and leveraging new emerging technologies.

Christine is currently the Chair of CEDA and a Non-Executive Director of Mirvac Limited, TAL Life Limited and Reliance Worldwide Corporation Limited.

Christine is a member of the UNSW Australian School of Business Advisory Council, Chief Executive Women and the Australian Institute of Company Directors. Christine holds a Bachelor of Science from the University of Sydney and has completed senior executive management programs at INSEAD.

Christine has previously held Non-Executive Director roles with iCare NSW, Clayton Utz, GBST Holdings Limited, The Smith Family and Sigma Healthcare Limited.



Dr Leanne Rowe AM

Independent Non-Executive Director
Member – Remuneration and Nomination Committee

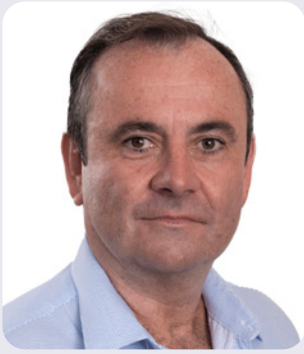
Leanne has been a Non-Executive Director of ACL since 28 April 2021.

Leanne is a clinical professor and medical practitioner with over 30 years of clinical experience in the public and private health systems across acute care, aged care, mental health and community health.

Leanne is currently a Non-Executive Director of Bupa ANZ Group and a Presiding Member for Medical Panels Victoria. She has previously served on a wide range of boards, including as a Chair of Nexus Hospitals, the Royal Australian College of General Practitioners and Barwon Health (Acting); and as a Non-Executive Director of Japara Healthcare, Medibank Private, I-Med Radiology, the Medical Indemnity Protection Society and Beyond Blue.

Leanne is a former Deputy Chancellor of Monash University and has been awarded a Doctor of Laws (Honoris Causa) for her services. Leanne has also received a Member of the Order of Australia for her services to medicine.

Her other qualifications include a Doctor of Medicine Degree (MD), Bachelor of Medicine and Bachelor of Surgery Degree (MB BS), Fellowship of the Australian College of General Practitioners (FRACGP), and Fellowship of the Australian Institute of Company Directors (FAICD).



Sarah Butler

Independent Non-Executive Director
(from 1 February 2025)
Member – Remuneration and Nomination Committee

Sarah has extensive experience in health, insurance, government, consumer and technology industries with a long career in strategy consulting with Booz & Company and subsequently at PwC. Sarah has worked as a strategic advisor in more than 30 countries, including five years spent living and working in China and Asia.

Sarah is currently a Non-Executive Director of Lumonus (global healthtech), Insurance Manufacturers of Australia (being a joint venture of IAG and RACV) and The George Institute for Global Health, where she is also the Chair of the People Committee.

Sarah is a member of Chief Executive Women and a graduate of the Australian Institute of Company Directors. Sarah holds a MA & BA (Hons) in Natural Sciences (Chemistry) from the University of Cambridge.

Grant Jeffery

Independent Non-Executive Director
(from 1 February 2025)
Member – Audit and Risk Committee

Grant has wide-ranging experience in healthcare, aerospace and security services, across public and private companies, having held multiple CEO roles across international businesses based in New York, Singapore, California and Sydney. Prior to his corporate career, Grant served as an Officer in the Royal Australian Air Force for 10 years holding leadership roles across various functional disciplines.

Grant is currently the Chair and Non-Executive Director of Brighter Life Group and an Executive Director of BGI Advisory Services as well as a Board advisor to Dokotela.

Grant holds a Bachelor Electrical and Electronics Engineering from the University of NSW, Graduate Diploma in Technology Management from Deakin University, and has completed executive management training at IMD Business School, Lausanne.

Former Directors

Michael Alscher

Non-Executive Director and Chair
(resigned 30 April 2025)

Member – Audit and Risk Committee
(resigned 30 April 2025)

Nathanial Thomson

Non-Executive Director
(resigned 25 October 2024)

Member – Remuneration and Nomination Committee
(resigned 25 October 2024)

Andrew Dutton GAICD

Independent Non-Executive Director
(resigned 25 October 2024)

Chair – Remuneration and Nomination Committee
(resigned 25 October 2024)
Member – Audit and Risk Committee
(resigned 25 October 2024)

2. Directorships of Other Listed Companies

The following table shows, for each Director, all directorships of companies that were listed on the ASX, other than the Company, from 30 June 2020, and the period for which each directorship has been held:

Director	Listed Entity	Period Directorship Held
Stephen Roche	Baby Bunting Group Limited GWA Group Limited Blackmores Group Limited	September 2021 – present October 2022 – present September 2021 – August 2023
Melinda McGrath	–	–
Mark Haberlin	Abacus Property Group	November 2018 – present
Christine Bartlett	Mirvac Limited Reliance Worldwide Corporation Limited Sigma Healthcare Limited	December 2014 – present November 2019 – present March 2016 – December 2023
Dr Leanne Rowe AM	Japara Healthcare Limited Doctor Care Anywhere Group PLC	July 2019 – November 2021 September 2020 – November 2021
Sarah Butler	–	–
Grant Jeffery	–	–

3. Meetings of Directors and Board Committees

The number of meetings of the Board and each of the Board Committees held during the year ended 30 June 2025, and the number of meetings attended by each Director are shown below.

From time to time, Directors attend meetings of Committees of which they are not currently members, however, only attendances by Directors who are members of the relevant Committee are shown below:

	Board of Directors		Audit and Risk Committee		Remuneration and Nomination Committee	
Directors	**Eligible**	**Attended**	**Eligible**	**Attended**	**Eligible**	**Attended**
Current						
Stephen Roche	1	1	–	–	–	–
Melinda McGrath	16	15	–	–	–	–
Mark Haberlin	16	16	5	5	–	–
Christine Bartlett	16	16	5	5	4	4
Dr Leanne Rowe AM	16	15	–	–	4	4
Sarah Butler	8	7	–	–	1	1
Grant Jeffery	8	8	2	1	–	–
Former						
Michael Alscher	12	12	4	4	2	1
Nathanial Thomson	5	3	–	–	1	1
Andrew Dutton	5	3	1	–	1	–

Further meetings occurred during the year on specific issues, including meetings of the Chair with the CEO and meetings of Non-Executive Directors with management.

4. Directors' Relevant Interests in Shares

The following table sets out the relevant interests that each Director and their immediate family has in the Company's ordinary shares as at the date of this report:

Director	Ordinary Shares	Performance Rights
Stephen Roche	–	–
Melinda McGrath	2,923,331	633,582
Mark Haberlin	47,500	–
Christine Bartlett	20,000	–
Dr Leanne Rowe AM	5,000	–
Sarah Butler	–	–
Grant Jeffery	–	–

5. Company Secretary

Eleanor Padman was appointed Company Secretary on 28 April 2021. Eleanor is a corporate lawyer, governance and sustainability expert with more than 25 years' experience gained in the UK and Australia. During the last 10 years Eleanor has held the roles of General Counsel, Company Secretary and Head of Risk and Compliance at various ASX-listed companies. Eleanor established her own boutique advisory business in 2019 and provides corporate governance services to ACL, as well as acting as Company Secretary to the Board and its Committees. Eleanor combines multi-disciplinary technical abilities with a strong commercial approach and a focus on promoting good corporate governance. Eleanor is a Fellow of the Governance Institute of Australia, a Graduate of the Australian Institute of Company Directors and also holds Company Secretary and Non-Executive Director positions for various private companies.

Eleanor holds a Bachelor of Modern Languages (First Class Honours) from the University of Oxford, a Graduate Diploma in Law and Postgraduate Diploma in Legal Practice from the University of Law, London (formerly the College of Law) and a Graduate Diploma in Applied Corporate Governance from the Governance Institute of Australia. Eleanor is currently studying a Masters in Sustainability at the University of Sydney.

6. Principal Activities

During the year the principal continuing activity of the Group was the provision of pathology diagnostic services.

7. Operating and Financial Review

Key financial highlights in the financial year ended 30 June 2025 compared to the financial year ended 30 June 2024 include:

- Total Revenue of $741.3m up $44.9m (+6.4%) on FY24.
- Underlying Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA[1]) of $204.0m up 6.8% on FY24.
- Underlying Earnings Before Interest and Tax (EBIT[1]) of $68.0m up 8.7% on FY24.
- Underlying EBIT[1] Margin of 9.2%, up 20 basis points on FY24.
- Statutory EBIT of $66.1m up $13.2m on FY24.
- Underlying Net Profit After Tax (NPAT[1]) of $34.0m up 7.7% on FY24.
- Statutory NPAT of $32.8m up $8.6m on FY24.
- Free cash flow before interest, tax and financing of $70.8m up 30.2% on FY24.
- Declared a final fully franked dividend of 9 cps (9 cps for FY24).

1 Underlying figures are calculated excluding certain non-recurring revenue and expenses (Insurance proceeds – EBITDA/EBIT $0.9m and NPAT $0.7m, Other – EBITDA/EBIT $2.8m and NPAT $1.9m).

7. Operating and Financial Review cont.

Underlying EBIT grew by 8.7% driven by a combination of organic growth, as well as other operational efficiency initiatives implemented during the period. Operational improvements were seen in our laboratory operations, leveraging ACL's single Laboratory Information System (LIS) and our collection centre productivity improved as we improved the matching of patient flow to operating times.

As in the prior year, ACL has continued to apply a judicious and disciplined approach to network expansion and bidding for commercial contracts in FY25 to preserve profitability margins. This activity resulted in ACL reducing the overall number of collection centres by 34, whilst increasing our total revenue by 6.4%, growing MBS outlays by 7.8%[2], which was ahead of the broader market and also improving margin as discussed above.

The business continues to demonstrate efficient cash management with free cash flow up on FY24, which has allowed ACL to return $19.1m to shareholders by way of an on-market buy-back. ACL achieved a conversion of EBITDA to operating cash flow of 113.6% underscoring ACL's continued ability to generate cash for shareholders. In addition to the buy-back, ACL paid $24.9m in dividends, repaid borrowings of $13.0m, completing the year in a $20.5m net debt position (excluding lease liability) (FY24 $28.9m).

FY25 Operations

ACL is one of the largest providers of pathology services in Australia by revenue, with operations in Victoria, New South Wales, Western Australia, South Australia, Queensland and the Northern Territory with a heritage of hospital based pathology and the skills to deliver time-critical and complex hospital pathology, as well as the scale to efficiently provide community pathology.

ACL's network at 30 June 2025 comprises:

- ~4,700 scientists, collectors and support staff
- 50 accredited laboratories
- 1,288 collection centres
- 29 specialist skin cancer clinics

ACL continues to embed operational efficiency as a core element of its business-as-usual activities, driven by a targeted KPI enhancement program. This persistent approach has enabled ACL to slightly increase its margin in FY25, despite continued cost pressures across the industry, especially in labour and collection centre rents.

Throughout FY25, ACL sustained its operational focus on:

- Capitalising on our unified LIS to further centralise key functions and enhance productivity of our back-office support structures to achieve best in class laboratory productivity, which saw overall laboratory efficiency improve by 12.3% on a panels per FTE basis.
- Innovation through investment in digital technology, artificial intelligence (AI) and machine learning to support testing efficiencies across certain pathology modalities and reduced labour and logistics costs. Driving procurement benefits by taking advantage of our scale, especially in high volume tests.

8. Significant changes in State of Affairs

There was no other significant change in the state of affairs of the Group during the year.

2 ACL growth excluding SunDoctors and Queensland and non-Medicare commercial work and adjusted for working days.

9. Business Strategies and Future Developments

The Board and the Executive Management Team are focused on delivering against a growth strategy that will drive expansion in ACL's core community and hospital pathology market, entry into strategic adjacencies and continue to improve operating efficiency. ACL's growth and strategic development is focused on the following five initiatives to drive increased shareholders returns:

1. Disciplined network expansion
   - ACL will continue to invest in sustainable and profitable collection centre network expansion and hospital services growth, with a focus on high value specialist inpatient and outpatient services
   - Look to add complementary non-Medicare additions to network including Clinical Trials and Skin Cancer Clinics
2. Strategic new business
   - ACL is focused on developing a pipeline of new tests and service opportunities through investments in partnerships to support growth
   - ACL will look to invest in new high volume test development, specialist genetics testing and continue to focus on the commercialisation of recently accredited tests for Melanoma
3. Strategic acquisitions
   - ACL continues to actively explore strategic acquisition opportunities for the business with key targets including domestic pathology, SunDoctor clinics, strategic investments aligned to competitive advantage as well as international and adjacent pathology
4. Revenue initiatives
   - ACL continues to focus on the improvement and digitisation of billing process to recover unpaid patient testing
   - Various initiatives to support the growth of non-MBS tests
   - Application of AI to manual billing practices
5. Operational improvement and restructuring
   - ACL will continue to scope and implement it's 'Lab of the Future' program leveraging the one lab information system enhancing its automated, borderless, national lab network
   - AI automation of operations and diagnostics/clinical practice

10. Key Risks and Uncertainties

ACL is subject to risks both specific to ACL and ACL's business activities, as well as general risks.

Government policy and regulation may change

ACL seeks to provide affordable pathology services to its patients. This is facilitated through bulk-billing the vast majority of its services to patients and receiving reimbursements through the Australian Government's Medicare Benefits Schedule (MBS). The MBS is subject to continual review and change, with the included services and prices being determined by the Federal Government.

Any changes to the MBS or any other Government funding initiatives, including a reduction in fees or tests that will be covered by the MBS, could lead to a reduction in revenue for ACL and may adversely affect ACL's ability to provide testing and demand for ACL's services.

The nature, timing and impact of future changes to laws, government policies and regulations are not predictable and are beyond ACL's control. Failure by ACL to comply with applicable laws, regulations and other professional standards and accreditation may lead to enforcement actions that disrupt ACL's operations and result in it being subject to fines, penalties, damages and disruption to its operations.

ACL monitors legislative and regulatory developments and engages proactively with key stakeholders to manage this risk.

10. Key Risks and Uncertainties cont.

A failure of technical, process or people controls may contribute to a significant Cyber Security or Data related incident

ACL is heavily dependent on technology for the delivery of the services it provides its customers. Any information technology system is potentially vulnerable to interruption and/or damage from a number of sources, including but not limited to, computer viruses, cyber security attacks and other security breaches, power, systems, internet and data network failures, and natural disasters.

ACL is committed to preventing and reducing cyber security risks. ACL has information security and data protection policies and standards framework established in accordance with the National Institute of Standards and Technology (NIST). ACL implements and operates IT security in-house with the assistance of partners and common IT security technologies to protect, detect and respond to security concerns. ACL conducts routine testing of systems and works closely with third-party security specialists to implement its security roadmap.

Clinical care and patient safety

ACL acknowledges the inherent risks associated with its practice in the healthcare space that could lead to an adverse impact on quality of clinical care and/or patient safety in the course of ACL providing pathology and associated services.

The organisation manages this risk with a detailed clinical governance framework that includes quality assurance procedures, annual credentialing and qualification review, clinical review processes and professional development for all disciplines. ACL's laboratories are all accredited by the National Association of Testing Authorities (NATA) and our pathologists are Fellows of the Royal College of Pathologists Australasia and registered with the Australian Health Practitioner Regulation Agency (AHPRA).

ACL maintains a zero appetite for critical safety incidents, emphasising its commitment to patient safety and is dedicated to maintaining high levels of patient satisfaction.

ACL may be unable to recruit and retain key personnel

The successful operation of ACL's business relies on its ability to recruit and retain experienced and high-performing management, pathologists, scientists, and IT and operating staff. Relationships with certain referrers may be heavily reliant on particular ACL personnel (especially pathologists and scientists), such that their departure from the business could have an adverse impact on ACL's relationship with the referrer. There is significant competition to recruit these personnel, which can lead to increased labour costs.

ACL's focus on diagnostic excellence through its centres of excellence and commitment to continuing professional education for staff and referrers, including training the next generation of pathologists and scientists, help to attract and retain a professional workforce. ACL's unified pathology system also provides flexibility to its national workplace.

ACL is subject to labour agreement negotiations and Fair Work Commission (FWC) determinations

The majority of ACL's employees have terms and conditions of employment governed by enterprise agreements or modern awards which periodically require classification assessment, renegotiation or renewal. Any such classification assessment, renegotiation or renewal may result in increased direct and indirect labour costs for ACL, and issues may also arise during the processes which lead to strikes or other forms of industrial action that could disrupt ACL's operations. This could adversely impact on the financial performance and reputation of ACL.

The FWC is currently reviewing gender-based undervaluation in modern awards, including awards that cover ACL employees. This review aims to address historical gender-based assumptions that have led to lower pay in female-dominated industries.

In addition, any deterioration in the relationship with employees or unions could potentially lead to reputational damage, loss of key employees, increased direct and indirect labour costs or the inability for ACL to undertake the level of services it anticipates in the future.

ACL is currently in negotiations relating to two enterprise agreements. ACL has managers and staff dedicated to negotiating workplace agreements and ensuring staff engagement.

Pay and Entitlements

Paying employees correctly and ensuring they are paid correct entitlements is essential to maintaining trust and the company's reputation. ACL regularly reviews and enhances baseline controls across the end-to-end pay process. Where possible, automated procedures are utilised to reduce the risk of manual errors. Industrial instruments are proactively reviewed, and management are responsible for staying abreast of changes to industrial relations legislation and ensuring all leaders understand and comply.

ACL's exposure to international developments may impact its operations

ACL sources testing supplies such as reagents and equipment from international markets. Prices of these supplies and equipment are subject to change driven by, among other factors, foreign exchange rates, market demand and supply, and scientific and technological advancements. ACL is unable to pass on cost increases as a substantial portion of ACL's revenue is derived from the MBS with almost all community pathology being bulk-billed under the MBS and some private hospital contracts linked to services in the MBS. Any adverse movements in testing supplies and equipment may increase ACL's costs of business and may have a material adverse impact on ACL's performance.

ACL manages supply price risk by entering into long-term fixed price arrangements with major suppliers for consumable products and by sourcing consumables locally in Australia. ACL remains vigilant in actively monitoring international developments, and managing supply costs and disruptions. For example, ACL has successfully managed the surge in demand for COVID-19 testing with no material operational disruptions.

Another pandemic may impact ACL's business

Pandemic risks, such as COVID-19, pose business continuity risk to ACL. There is the risk from lockdowns across communities in response to a pandemic that the volume of routine pathology testing may be adversely impacted.

There is a risk that staff and laboratories are adversely impacted by a pandemic which limits ACL's ability to provide testing facilities. ACL staff may be front-line personnel providing collection services to customers potentially infected. Notwithstanding policies and procedures in place to mitigate such risks, there is a risk that staff in key operational roles are infected, impacting ACL's operations.

11. Matters Subsequent to the End of the Financial Year

Since the end of the financial year, the Directors are not aware of any matter or circumstance not otherwise dealt with in these financial statements that has significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.

12. Dividends

In respect of the full year ended 30 June 2025, a final dividend of 9 cents per share (100% franked) has been declared with a record date of 2 September 2025 and payable 23 September 2025, bringing total dividends for FY25 to 12.5 cents per share (100% franked). This represented a dividend payout ratio of 72% of FY25 Underlying NPAT, which is consistent with ACL's policy of paying out 50% to 70% of Underlying NPAT as a dividend.

The dividend reinvestment plan will remain suspended for the FY2025 final dividend.

13. Share Rights and Options

Information on Australian Clinical Labs Performance Rights and Service Rights is disclosed in Note 21 – Share-Based Payments.

14. Remuneration Report

The Remuneration Report which forms part of this Directors' Report is presented separately from page 16.

15. Indemnification and Insurance of Directors and Officers

The Company's Constitution provides that the Company may indemnify current and former Directors, alternate Directors, Executive Officers, Officers and auditors of the Company on a full indemnity basis and to the extent permitted by the law against all liabilities and losses incurred as an officer of the Group, except to the extent covered by insurance. Further, the Company's Constitution permits the Company to maintain and pay insurance premiums for Director and officer liability insurance, to the extent permitted by law.

Consistent with (and in addition to) the provisions in the Company's Constitution outlined above, the Company has also entered into deeds of access, indemnity and insurance with all Directors and certain Officers of the Company which provide indemnities against losses incurred in their role, subject to certain exclusions, including to the extent that such indemnity is prohibited by the *Corporations Act 2001* (Cth) or any other applicable law.

During the financial period, the Company paid insurance premiums for a Directors' and officers' liability insurance contract that provides cover for the current and former Directors, alternate Directors, Secretaries, Executive Officers and Officers of the Company and its subsidiaries. The Directors have not included details of the nature of the liabilities covered in this contract or the amount of the premium paid, as disclosure is prohibited under the terms of the contract.

The Group's auditor is Pitcher Partners (Melbourne) (Pitcher Partners). No payment has been made to indemnify Pitcher Partners during or up to the date of this report. No premium has been paid by the Group in respect of any insurance for Pitcher Partners. No Officers of the Group were Partners or Directors of Pitcher Partners whilst Pitcher Partners conducted audits of the Group.

16. Proceedings on behalf of the Company

There are no proceedings brought or intervened in, or applications to bring or intervene in proceedings, on behalf of the Group by a member or other person entitled to do so under section 237 of the Corporations Act.

17. Environmental Regulation

The operations of the Group are not subject to any site-specific environmental licences or permits which would constitute particular or significant environmental regulation under the laws of the Australian Government or an Australian Territory.

ACL, through its internal policy and processes, is committed to managing operations in an environmentally sustainable manner to maximise resource efficiency in relation to the consumption of energy and natural resources and minimise waste.

ACL will release the FY25 Environmental, Social and Governance statement in conjunction with the Annual Report.

18. Non-Audit Services

There is no person who has acted as an officer of the Group during the year who has previously been a partner at Pitcher Partners when that firm conducted Clinical Labs' audit.

During the year Pitcher Partners did not provide any non-audit services.

19. Auditor's Independence Declaration

AUSTRALIAN CLINICAL LABS LIMITED
ABN: 94 645 711 128

AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF
AUSTRALIAN CLINICAL LABS LIMITED

In accordance with section 307C of the *Corporations Act 2001*, I declare to the best of my knowledge and belief in relation to the audit of the financial report of Australian Clinical Labs Limited for the year ended 30 June 2025, there have been:

(i) No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation the audit; and

(ii) No contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* in relation the audit.

This declaration is in respect of Australian Clinical Labs Limited and the entities it controlled during the year.

S D WHITCHURCH
Partner

Date: 25 August 2025

PITCHER PARTNERS
Melbourne

Pitcher Partners. An independent Victorian Partnership ABN 27 975 255 196. Level 13, 664 Collins Street, Docklands, VIC 3008
Pitcher Partners is an association of independent firms. Liability limited by a scheme approved under Professional Standards Legislation.
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20. Rounding Amounts

The Company is an entity of a kind referred to in ASIC Corporations (Rounding in Financial/Directors’ Report) Instrument 2016/191, dated 24 March 2016, and in accordance with that Instrument, amounts in this report and the Financial Report are rounded off to the nearest thousand dollars or, in certain cases, to the nearest dollar.

Some numerical figures included in this report have been subject to rounding adjustments. Any differences between totals and sums of components in tables or figures contained in this report are due to rounding.

21. Annual General Meeting

ACL will be holding its AGM on 23 October 2025.

Signing of Directors’ Report

Signed in accordance with a resolution of the Directors made pursuant to section 298(2) of the *Corporations Act 2001*.
On behalf of the Directors.

Mark Haberlin
Chair

25 August 2025

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Remuneration Report

Letter from the Chair of the Remuneration and Nomination Committee

Dear Shareholders,

On behalf of the Board of Australian Clinical Labs (ACL), I am pleased to present the 2025 Remuneration Report.

ACL is one of the largest providers of pathology services in Australia by revenue with a heritage of hospital-based pathology and the skills to deliver time-critical and complex hospital pathology, as well as the scale to efficiently provide community pathology.

In FY25, ACL continued to demonstrate the medical excellence and operational discipline required to deliver results in a complex operating and macro-economic environment. ACL had to navigate a recovering but ultimately still subdued pathology sector, an inflationary cost environment and ongoing regulatory pressures, particularly in relation to pricing.

Led by our highly committed and experienced CEO and management team, our people continued to provide high quality services to our doctor and patient community around Australia. Our strategy continues to focus on sustainable and profitable collection centre network expansion and hospital services growth at margin accretive rates.

In September 2024, Crescent Capital sold its 30.12% shareholding in ACL, which it had held since the time of our IPO. This not only significantly changed the profile of our shareholders, it was followed by the orderly retirement of Crescent Capital's nominated directors, Chair Michael Alscher and Nathaniel Thomson. The Board wishes to acknowledge the tremendous strategic guidance provided by those directors, and Crescent Capital, to ACL.

FY25 performance

ACL's business performed to expectations this year, improving margins despite continuing industry cost pressures. As in FY24, ACL has continued to apply a judicious and disciplined approach to network expansion and bidding for commercial contracts in FY25 to preserve profitability margins. ACL continues to embed operational efficiency as a core element of its business-as-usual activities, driven by a targeted KPI enhancement program. This persistent approach has enabled ACL to slightly increase its margin in FY25, despite continued cost pressures across the industry, especially in labour and collection centre rents. Our FY25 result of revenue of $741.3m (up 6.4% on FY24) and Underlying EBIT of $68.0m (up 8.7% on FY24), was in line with guidance.

The business continues to demonstrate efficient cash management with free cash flow up on FY24, which has allowed ACL to return $19.1m to shareholders by way of an on-market buy-back. ACL achieved a conversion of EBITDA to operating cash flow of 113.6% underscoring ACL's continued ability to generate cash for shareholders. In addition to the buy-back, ACL paid $24.9m in dividends, reduced borrowings by $13.0m, completing the year in a $20.5m net debt position (FY24 $28.9m).

During FY25, ACL delivered a total shareholder return of 15%, outperforming the S&P/ASX 200 Healthcare Index's return of -5%.

FY25 remuneration outcomes

Of our Key Management Personnel (KMP) only our CEO and Managing Director participated in our short-term variable remuneration (STVR) and long-term variable remuneration (LTVR) programs that were available for vesting this year. Our CFO was appointed in the second half of FY25 and did not participate in the STVR.

The STVR program achieved its gateway requirement by recording an Underlying EBITDA Margin (pre AASB 16) of 9.3%. As the gate opened, the CEO's STVR outcome was assessed at 85% of target. The FY23 LTVR grant was tested against the sole indexed total shareholder return (iTSR) measure, which was assessed as below the threshold level of performance for the period, resulting in nil LTVR rights vesting in FY25.

Further detail on our STVR and LTVR outcomes can be found in Section 4.

Remuneration framework and changes for FY25 and FY26

New contract for our Managing Director in FY25

Following the announcement that Crescent Capital had sold its 30.12% shareholding in ACL and in light of the impending departure of its two nominee Directors, coupled with the resignation of the CFO James Davison late in FY24, the Board was focused on securing the continued services of our CEO and Managing Director, Melinda McGrath to continue to lead ACL through this time of significant change, both for ACL and our industry. As announced on 14 October 2024, we extended the term of our

CEO and Managing Director through until 30 August 2026.

As part of that contract extension, the Board increased her fixed remuneration to $1,500,000. The Board provided this material increase in recognition of the fact that Melinda had not received an increase since ACL joined the ASX in 2021. The actual amount was set with reference to the level of fixed remuneration offered by our closest competitor to its CEO. The Board also agreed a one-off service based two-year incentive worth $1 million a year for our CEO and Managing Director to provide an additional incentive to commit to a further two-year term. This incentive was in lieu of an FY25 and FY26 LTVR grant. In addition, the Board increased Melinda's STVR opportunity to 100% of fixed salary at Target and 150% at Stretch. The Board was also mindful that our LTVR arrangements have not vested over recent years, which the Board considers a function of the timing and industry environment during our listing and that those still outstanding are highly unlikely to vest. This was the reason the normal LTVR grant was not put to shareholders at last year's AGM.

Other remuneration changes for FY25 and FY26

For the remainder of our executive team, including the CFO, our executive remuneration framework is designed to provide market competitive opportunities to attract and retain key executives with appropriate experience and expertise, while ensuring a majority of the opportunity for our executive team is performance-based through the combination of our STVR and LTVR.

The STVR motivates executives to achieve annual earnings, earnings margin and individual KPIs set in line with our budgets and business plans. As a result of concerns raised regarding the use of a single financial performance measure (EBITDA) in our STVR, the Board approved the introduction of EBITDA margin and individual KPIs as two additional measures within our STVR plan for FY25 and beyond. In addition, we introduced an underlying EBITDA gate that needs to be achieved before any STVR is payable.

The LTVR aligns the majority of rewards to achieving longer-term performance targets, being relative total shareholder return and EPS growth, designed to underpin growth in shareholder value, while a smaller component is service-based to encourage long-term retention. In order to address concerns over the weighting of the service component in the LTVR, the Board has committed to reducing the weighting of the service component from 34% to 20% for the FY26 LTVR grant and onwards. The remaining 80% for FY26 will be performance based with 50% weighting on EPS and 30% weighting on rTSR. As noted above, the CEO will not participate in the FY26 LTVR grant.

At the 2024 AGM, ACL received a 'first strike' against its 2024 Remuneration Report. The Board has engaged with our investors to understand their primary concerns. The Board has considered that feedback in light of the needs of the business to ensure our remuneration framework remains fit for purpose. The Board is mindful of offering competitive packages while aligning a significant portion of that package to performance outcomes against measures that contribute towards achieving ACL's strategic objectives and our shareholders' expectations.

Our detailed response to the concerns raised in relation to our 2024 remuneration and the changes we implemented for FY25 and are proposing for FY26 is outlined in Section 1 below.

KMP changes during the year

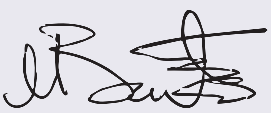
During the year, Andrew Dutton and Crescent Capital's nominees, Nathaniel Thomson and our Chair Michael Alscher, all retired from the Board. Again, I would like to take this opportunity to thank Michael, Nathaniel and Andrew for their contributions to ACL.

As announced to the market, Sarah Butler and Grant Jeffrey joined the Board on 1 February 2025 as additional Independent Non-Executive Directors. Sarah and Grant will stand for election at the forthcoming AGM.

On 20 June 2025, ACL announced to the market its appointment of Stephen Roche, as a new Independent Non-Executive Director to the Board. Stephen will further transition to the role of Chair of the Board on 26 August 2025. I would also like to acknowledge and thank Mark Haberlin who was appointed as Interim Chair of the Board following Michael's departure and the appointment of Stephen to this role.

In addition, Matthew Cordingley joined the Company as CFO on 3 February 2025.

On behalf of the Board, I thank shareholders for their ongoing support of the Company.



Christine Bartlett
Chair, Remuneration and Nomination Committee

Remuneration Report cont.

Report Structure

The remuneration report is divided into the following sections:

Section	Overview
1. Response to first strike	Following engagement with key stakeholders and considering the needs of our business, we set out the key concerns raised with the Board and our response.
2. Key Management Personnel for FY25	Details of the Directors and Executives who are subject to the disclosure requirements of this report including Key Management Personnel (KMP).
3. Remuneration overview	An overview of remuneration structures for FY25.
4. FY25 Remuneration outcomes	A summary of the FY25 outcomes including both the STVR and LTVR programs for KMP.
5. The Australian Clinical Labs remuneration strategy, policy and framework	This section provides details of the elements of the remuneration framework, including market positioning, variable remuneration principles, and terms of variable remuneration.
6. FY26 Remuneration highlights	This section includes a summary on key areas for the proposed FY26 framework and provides a summary of the proposed changes.
7. Statutory disclosures	This section provides the statutory disclosures not addressed by preceding sections of the report, including statutory remuneration tables, changes in equity, KMP service agreements, related party loans/ transactions, and the engagement of external remuneration consultants.

1. Response to First Strike

At the 2024 AGM, we received a 'first strike' against our remuneration report (with more than 25% of votes cast against the adoption of the report). Following engagement with key stakeholders and considering the needs of our business, we set out the key concerns raised with the Board and our response.

Concern	Response
High CEO pay	Concerns were raised that the quantum of Melinda McGrath's updated package was high relative to ACL's market capitalisation and industry peers. Melinda is a highly experienced and uniquely qualified CEO for ACL. Since her appointment, she has been integral in leading the transformation of our organisational structure, investment in technology and scaling of our operations to deliver superior efficiency and operating leverage. Following the announcement that Crescent Capital had sold its 30.12% shareholding in ACL and in light of the impending departure of its two nominee Directors, coupled with the resignation of the CFO James Davison late in FY24, the Board was focused on securing the continued services of our CEO and Managing Director, to lead ACL through this time of significant change, both for ACL and our industry. As announced on 14 October 2024, we extended the term of our CEO and Managing Director through until 30 August 2026. As part of that contract extension, the Board increased her fixed remuneration to $1,500,000. The Board provided this material increase in recognition of the fact that Melinda had not received an increase since ACL joined the ASX in 2021. The actual amount was set with reference to the level of fixed remuneration offered by our closest competitor to its CEO. Providing Melinda with a package that was competitive with that being offered to the CEO of our closest competitor as we both navigate the challenges of the Australian pathology market, was important to securing her services over the next two years in a challenging environment.
Use of a single STVR measure	Proxy advisors raised concerns that our KMP STVR bonuses were based entirely on performance against a solitary underlying EBITDA measure, and that our use of underlying EBITDA excluded some material costs. We use EBITDA pre AASB 16 within our STVR plan because it includes the material rental costs associated with our network of collection centres, and as such we view it as the best measure of profitability for the business. Using a measure such as EBITDA which excludes interest, tax and depreciation and amortisation charges, which focuses on operational earnings (rather than financing and past investment decisions), aims to assess management's operational performance in the current year. In order to address the concern raised and to align with the needs of our business, we introduced EBITDA margin and individual KPIs as two additional measures within our STVR plan for FY25 and beyond. In addition, we introduced an underlying EBITDA % gate that needs to be achieved before any STVR is payable. This is based off an underlying EBITDA % pre AASB 16 and thus takes into account the rental costs associated with our network of collection centres. Further details on our STVR can be found in Section 5.

Remuneration Report cont.

1. Response to First Strike cont.

Concern	Response
Greater disclosure regarding STVR measures and achievement	We have enhanced our STVR disclosures in this report, including disclosing the targets for FY25. Details on our FY25 STVR outcomes can be found in Section 4.
Service-based cash award to the CEO in place of an LTVR	Our CEO and MD, Melinda was offered a $2.0m two-year service-based cash award as part of her contract extension in September 2024 in lieu of a regular three-year performance based LTVR grant in both FY25 and FY26. This amount will be paid if she continues in her role until the end of her current contract in August 2026. This award has been made to align with the two-year extension to Melinda's contract. It was offered as an incentive to remain in her role as CEO, which she has held for 10 years, during a period of significant change for ACL, following the sale of Crescent Capital's significant shareholding and the departure of its nominees on the Board, and for our industry as we emerged from the COVID-19 pandemic. The award was offered in cash given Melinda has built and maintained a significant personal shareholding in ACL.
Insufficiently challenging targets in the initially proposed equity LTVR grant	Queries were raised as to the challenging nature of the proposed EPS growth range for the FY25 LTVR of 4-10% compound annual growth given analyst consensus for the three-year performance period. Concern was also raised at the heavy weighting of the service-based component (34%). The Board viewed 4-10% compound growth as sufficiently challenging given uncertainty regarding pathology use levels returning to longer-term averages, the Federal Government's Medicare Benefits Schedule (MBS) rebate for pathology tests dictating revenue and that COVID-19 levels of earnings growth are not realistic expectations of management in the current environment. Pathology in Australia is funded through the MBS, but most items have not been indexed to keep pace with inflation or rising labour costs since 1999. In the 2024–25 Federal Budget, the Government agreed to resume indexation for only one-third of pathology items, while introducing $356m in cuts, impacting many tests frequently used by women. The cumulative funding shortfall from the indexation freeze is estimated at approximately $13.8 billion. We set our LTVR growth targets for EPS at the beginning of FY25 with consideration of our long-range corporate plan which forecasts growth in the pathology industry over the next three years, our peers' growth expectations, our expectations around Government approved changes to pathology charging and our forecasts of cost pressures. The 4-10% compound growth targets were viewed as challenging as it represents a sustainable level of growth in a more stable cycle for the industry. To address concerns over the weighting of the service component in the LTVR, the Board has committed to reducing the weighting of the service component from 34% to 20% for the FY26 LTVR grant and onwards. The remaining 80% for FY26 will be performance-based with 50% weighting on EPS and 30% weighting on rTSR. The CEO will not participate in the FY26 LTVR grant.

Concern	Response
Discounting the allocation price for the LTVR based on dividends foregone	We have committed to changing the allocation methodology to face value for the FY26 LTVR grant and onwards to align with standard market practice.

2. Key Management Personnel for FY25

This Report covers KMP of ACL, which are defined as those who have the authority and responsibility for planning, directing and controlling the activities of ACL.

Name	Position	Date Appointed/Resigned
Non-executive KMP		
Current		
Stephen Roche	Board Chair Independent Non-Executive Director	Chair appointment 26 August 2025 Member appointment 20 June 2025
Dr Leanne Rowe AM	Independent Non-Executive Director	
Mark Haberlin	Interim Board Chair Independent Non-Executive Director	Chair – 1 May to 25 August 2025
Christine Bartlett	Independent Non-Executive Director	
Sarah Butler	Independent Non-Executive Director	Appointed 1 February 2025
Grant Jeffery	Independent Non-Executive Director	Appointed 1 February 2025
Former		
Michael Alscher	Board Chair	Resigned 30 April 2025
Nathanial Thomson	Non-Executive Director	Resigned 25 October 2024
Andrew Dutton	Independent Non-Executive Director	Resigned 25 October 2024
Executive KMP		
Current		
Melinda McGrath	Chief Executive Officer and Executive Director	
Matthew Cordingley	Chief Financial Officer	Appointed 3 February 2025
Former		
James Davison	Chief Financial Officer	Resigned 26 April 2024

Remuneration Report cont.

3. Remuneration Overview

CEO remuneration structure

The following diagram outlines the CEO's remuneration structure for FY25.

Component		FY25	FY26	FY27
Fixed	100% Cash	Base salary, superannuation and other benefits		
Short-Term	100% Cash	40% EBITDA(i) 40% EBITDA(i) Margin 20% Strategic Objectives	Payment in FY26	
Long-Term	100% Cash	100% based on retention	100% based on retention	100% based on retention
				Payment at end of contract

(i) EBITDA refers to Underlying EBITDA pre AASB 16.

The table above represents the components of the FY25 remuneration, being:

- Fixed component payable during the year.
- Short-Term payable in FY26 based on achievement of EBITDA (40% weighted), EBITDA Margin (40% weighted) and strategic objectives (20% weighted).
- Long-Term based on retention payable at end of contract with pro-rata payment from 30 March 2025 until 30 August 2026.

During the year, the CEO's contract of employment was extended from 1 September 2024 to 30 August 2026. She did not participate in the three-year FY25 LTVR grant and will not participate in the FY26 LTVR grant. Taking into consideration her strong performance, the Board's desire to retain her services during this challenging time for the industry, and the low levels of vesting of our historical and on-foot LTVR, the CEO was granted a two-year service-based LTI which aligns with the period of her fixed term contract.

3. Remuneration Overview cont.

Executive KMP remuneration structure

Matthew Cordingley commenced at the Company as CFO in February 2025. Given he commenced very late in the financial year, he did not participate in the FY25 STVR program. The diagram below outlines his FY25 remuneration structure.

<table>
<tr><th colspan="2">Component</th><th>FY25</th><th>FY26</th><th>FY27</th><th>FY28</th><th>FY29</th></tr>
<tr><td>Fixed</td><td>100% Cash</td><td>Base salary, superannuation and other benefits</td><td>One-off sign-on bonus payable after probation</td><td></td><td></td><td></td></tr>
<tr><td>Long-Term</td><td>100% Rights</td><td colspan="3">33% rTSR
33% EPG CAGR
34% Retention</td><td colspan="2">Exercisable within two years of vesting date</td></tr>
</table>

(i) EBITDA refers to Underlying EBITDA pre AASB 16.

The table above represents the components of the FY25 remuneration, being:

- Fixed component payable during the year, with sign-on bonus payable after probation.
- Short-Term payable component is not applicable for FY25.
- Long-Term exercisable in FY28 based on relative TSR (33% weighted), Earnings Per Share Compound Annual Growth Rate (33% weighted) and retention (34% weighted), all measured from FY25 to FY27.

Matthew was also provided a sign-on bonus of $523,000 to compensate him for the possibility of foregone incentives with his previous employer and provide a compelling incentive to join our organisation. The sign-on bonus is to be paid following the successful completion of his probation period in August. In the event that the CFO resigns or is terminated for cause within 24 months of receiving the bonus, the bonus will be subject to full or partial repayment (clawback) on a pro-rata basis, calculated from the date of termination.

4. FY25 Remuneration Outcomes

The Board views the outcomes of remuneration for FY25 performance as appropriately aligned with stakeholders interests generally, given the performance against annual objectives and progress towards strategic objectives made by the executive team. The table below highlights some of our key financial results over the past five financial years, overlayed with some of our KMP remuneration outcomes.

	2021	2022	2023	2024	2025
Share Price as at 30 June ($)	3.40	4.59	3.44	2.51	2.78
Total full-year dividends (cents)	Nil*	53.00	14.00	12.00	12.50
LTVR vesting outcome (% max)	n/a	n/a	0%	0%	0%

*Pre IPO dividend of 14.25 cents not included in table above given it was prior to listing on the ASX.

Remuneration Report cont.

4. FY25 Remuneration Outcomes cont.

FY25 Short-Term Variable Remuneration (STVR) outcome

The STVR plan is designed to reward executives for the achievement against annual performance objectives set by the Board at the beginning of the performance period. The payment of the STVR is dependent on delivery of performance against a range of metrics. The metrics and outcomes of assessment against those metrics are summarised below:

Chief Executive Officer

Metric/Measure	Actual	Gate	Achieved/Failed
Gate			
Underlying EBITDA Margin (pre AASB 16)	9.3%	8.0%	Achieved

Metric/Measure	Weight	STVR opportunity $ (target)	STVR opportunity as a % of Fixed Remuneration (target)	STVR achieved $	% STVR target achieved	% STVR target forfeited
Underlying EBITDA (pre AASB 16)						
This metric is viewed as one of the primary financial drivers of shareholder value creation under the current strategy.	40%	600,000	40%	450,139	75%	25%
Underlying EBITDA Margin (pre AASB 16)						
This metric is viewed as one of the primary financial drivers of shareholder value creation under the current strategy.	40%	600,000	40%	551,610	92%	8%
Strategic objectives						
Strategic objectives are specific to the employee and are determined and approved by the Remuneration and Nomination Committee to align with Company goals and strategy. Objectives for FY25 were set on leadership and development, enhancing stakeholder management and strategic growth goals.	20%	300,000	20%	270,000	90%	10%
TOTAL		1,500,000	100%	1,271,749	85%	15%

The CFO did not participate in the FY25 STVR plan.

4. FY25 Remuneration Outcomes cont.

FY23 Long-Term Variable Remuneration (LTVR) outcome

The FY23 LTVR grant was tested over a three-year measurement period from FY23 to FY25. Over the measurement period our indexed total shareholder return (iTSR) was below the threshold level of performance, and as a result none of the FY23 LTVR Rights will vest.

FY25 Total remuneration outcome

The following outlines 'achieved' total remuneration, including the portions of maximum variable remuneration that were awarded or vested, and portions that were forfeited or lapsed as the result of performance assessments:

Name	Role	Year	Fixed Pay (incl. Super)	STVR Awarded	LTVR Vested	Achieved Total Remuneration Package ($)	Total Remuneration Package vs max (%)
Melinda McGrath	CEO and Executive Director	FY25	$1,512,874	1,271,749	$0	2,784,623	63%
		FY24	$912,781	$314,967	$0	$1,227,748	56%
Matthew Cordingley	CFO	FY25	$740,250	$0	$0	$740,250	100%

Note: The CFO Fixed Pay above includes the sign-on bonus of $523,000 to compensate him for the possibility of foregone incentives with his previous employer and provide a compelling incentive to join our organisation.

5. The Australian Clinical Labs Remuneration Strategy, Policy and Framework

Executive remuneration – Fixed Pay (FP), Total Remuneration Package (TRP) and the variable remuneration framework

FY25 Fixed Pay

When negotiating an extension to the CEO's term in October 2024, which was following the announcement that Crescent Capital had sold its major shareholding in ACL and in light of the impending departure of its two nominee Directors, coupled with the departure of the CFO James Davison late in FY24, the Board was very mindful of securing an extension of our CEO's commitment to lead ACL to ensure a degree of continuity through this time of significant change, both for ACL and the post-COVID pathology industry. Accordingly, the Board benchmarked her fixed pay to the amount paid to its CEO by our closest competitor, being $1,500,000. The Board was of the opinion that this was in the best interests of shareholders.

Our new CFO, Matthew Cordingley, was also appointed during the year, effective 3 February 2025, with a fixed annual remuneration of $523,000 inclusive of superannuation. In addition, Matthew also received a sign-on bonus payable on completion of his probationary period for 100% of his fixed pay. The payment is to be settled in cash post year end and subject to clawback clauses.

General Policy

Fixed Pay comprises base salary plus any other fixed elements such as superannuation, allowances, benefits and fringe benefits tax for example. In general, Fixed Pay is intended to be positioned at P50 of market benchmarks for comparably designed roles.

Total Remuneration Package is intended to be composed of an appropriate mix of remuneration elements including Fixed Pay, Short-Term Variable Remuneration and Long-Term Variable Remuneration. The Target TRP (TTRP), being the TRP value at target/expected performance is generally intended to fall between P50 and P75 of market benchmarks.

Remuneration Report cont.

5. The Australian Clinical Labs Remuneration Strategy, Policy and Framework cont.

Short-Term Variable Remuneration plan

A description of the STVR structure for FY25 is set out below, noting that the CFO didn't participate in the plan for FY25.

Description	Overview
Purpose	To provide at-risk remuneration and incentives that reward executives for performance against annual objectives set by the Board at the beginning of the financial year. Objectives selected are designed to support long-term value creation for shareholders, and link to the long-term strategy on an annual basis.
Measurement Period	The financial year of the Company.
Opportunity	The target value is 100% of Fixed Pay for the CEO, with a maximum/Stretch of 150% of Fixed Pay.
Outcome Metrics and Weightings	The STVR is dependent on meeting Group performance objectives. The metrics for FY25 are Underlying EBITDA (pre AASB 16) (40% weighting), Underlying EBITDA margin (pre AASB 16) (40% weighting) and strategic goals (20% weighting). These metrics were selected because they are viewed by the Board as the primary drivers of value creation for the business, they measure the core operating and financial performance having reflected all operating costs.
Gate	STVR is subject to a gate of 8% Underlying EBITDA Margin (pre AASB 16) to ensure the plan is only payable where acceptable returns are delivered recognising market context.
Settlement	Awards are determined following auditing of accounts after the end of the financial year.
Service Condition	STVR is subject to the participant remaining employed on the last day of the financial year unless otherwise determined by the Board.
Malus and Clawback	The STVR is currently subject to malus and clawback clauses.
Board Discretions	The Board has discretion to modify the awards payable to participants regardless of any performance outcome or gate, to ensure that outcomes are appropriate to the circumstances that prevailed over the Measurement Period.
Corporate Actions	The Board has discretion to determine the treatment of unpaid STVR in the case of major corporate actions such as a change in control, delisting, major return of capital or demerger.

5. The Australian Clinical Labs Remuneration Strategy, Policy and Framework cont.

Long-Term Variable Remuneration (LTVR) plan

A description of the LTVR structure for FY25 is set out below, noting that the CEO didn't participate in the grant for FY25 and will not participate in FY26.

Description	Overview
Purpose	To provide at-risk remuneration and incentives that reward executives for performance against long-term value creation objectives set by the Board at the beginning of the financial year and to align the interests of executives with the interests of shareholders.
Measurement Period	Three financial years including the financial year of grant (i.e. FY25 to FY27).
Opportunity	The target value is 40% of Fixed Pay for the CFO, with a maximum/stretch of 60% of Fixed Pay.
Instrument	The Awards that may be offered under the LTVR Plan consist of Performance and Service Rights for the CFO.
Price and Exercise Price	The Price is nil, because it forms part of the remuneration of the participant. The Exercise Price is nil.
Allocation Method	The number of Rights issued was determined by dividing the maximum value of LTVR by the Volume Weighted 20-day Average Market Price for ACL shares preceding the date of grant.
Performance Metrics and Weightings	The LTVR is broken into three difference tranches of rights being: • 33% Relative Total Shareholder Return (rTSR) • 33% Earnings Per Share Compounding Annual Growth Rate (EPS CAGR) • 34% Service Rights **rTSR Performance Rights** The vesting of such Performance Rights will be determined by comparing the Company's TSR over the Measurement Period with the TSR of the ASX 300 Ex-Financials and Resources Index. TSR is calculated as a percentage growth in shareholder value based on share price growth and dividends, assuming that they are reinvested into Shares. During periods of nil dividends being declared, TSR is equal to change in share price. The vesting scale for this performance vesting metric is as follows:

Performance Level	Company's TSR compared to ASX 300 Ex- Financials and Resources	% of Tranche Vesting
Stretch	>= 75th Percentile	100%
	>50th Percentile and <75th Percentile	Pro rata
Target	= 50th Percentile	50%
Below Target	< 50th Percentile	Nil

This metric was selected as it provides a direct link between executive remuneration and shareholder return relative to relevant peer originations.

Equity grants are tested against the performance measures set. If the performance hurdles are not met at the vesting date, Performance Rights lapse.

Remuneration Report cont.

5. The Australian Clinical Labs Remuneration Strategy, Policy and Framework cont.

Description	Overview
	EPS CAGR Performance Rights The vesting of such Performance Rights will be determined by comparing the Company's EPS movement over the Measurement Period. EPS is calculated as the net income divided by the weighted average number of shares. It is calculated over a specific period which for the purpose of this Invitation is the Measurement Period and based on weighted average number of shares in line with financial statements, which will be annualised and expressed as a Compound Annual Growth Rate (CAGR).
	EPS growth will be measured by the difference between the EPS of FY25 and the EPS of FY27. The vesting scale for this performance vesting metric is as follows:

Performance Level	EPS Growth (CAGR)	% of Tranche Vesting
Stretch	= 10%	100%
	>4% Percentile and <10%	Pro rata
Target	= 4%	50%
Below Target	< 4%	Nil

Description	Overview
	This metric was selected as it's the broadest measure of earnings growth and a standard measure on company performance. Equity grants are tested against the performance measures set. If the performance hurdles are not met at the vesting date, Performance Rights lapse. **Service Rights** The vesting of Service Rights will be determined by the continued service over the Measurement Period. This metric was selected to encourage stability with the recent changes to the Board. Equity grants convert to shares following completion of the Measurement Period.
Gate	rTSR Performance Rights are subject to a gate of TSR for ACL being positive for the Measurement Period to ensure the grant does not vest when shareholders are losing value. There are no gates in place for EPS CAGR and Service Rights.
Settlement	The Rights are 'Indeterminate' which may be settled in the form of a Company Share (including a Restricted Share), or cash equivalent, upon valid exercise.
Term	Rights must be exercised within five years of the Grant Date, otherwise they lapse.
Service Condition	In addition to the performance conditions, continued service during the full Measurement Period is a requirement in order for any Rights to become eligible to vest.
Malus and Clawback	The LTVR plan includes malus and clawback clauses which will result in forfeiture of unvested Rights in a range of circumstances, including material misstatements resulting in overpayment, the participant joining a competitor or being involved in actions that are deemed to have harmed other stakeholders.
Board Discretions	The Board has discretion to modify vesting to participants regardless of any performance outcome or gate, to ensure that outcomes are appropriate to the circumstances that prevailed over the Measurement Period.

5. The Australian Clinical Labs Remuneration Strategy, Policy and Framework cont.

Description	Overview
Corporate Actions	In the case of a Change in Control, unvested Rights will vest in the proportion that the elapsed portion of the Measurement period bears to the full Measurement period. The Board, in its discretion, may determine that none, some or all of the remaining unvested Rights also vest. Any Rights that remain unvested following exercise of the Board's discretion will lapse. In the case of a major return of capital or demerger, the Board has discretion to bring forward vesting or to alter the number of Rights or the Exercise Price or to alter Vesting Conditions to ensure that the outcome is fair to participants. This is because following such an event the share price is likely to be materially different from the basis of the grant, and performance conditions set may be unable to be met.

Melinda McGrath – CEO – Special one-off contract extension arrangements

As previously discussed, the CEO's contract of employment was extended during the year for a two-year period from 1 September 2024 to 30 August 2026. As part of the discussions, it was agreed that Melinda would not participate in the three-year FY25 or FY26 LTVR grants (as they extend beyond her current contractual term).

However, in order to retain her services during this time of significant change for the Company and the broader industry, the CEO was granted a two-year all cash service-based award that aligns with the period of her extended contract. At the conclusion of her two-year contract, she will be entitled to a payment equal to $2m in total. There is a graduated payment schedule between $1m and $2m if the CEO resigns with effect between 1 March 2026 and 30 August 2026.

Non-Executive Director (NED) fee policy

The following outlines the principles that Australian Clinical Labs applies to governing NED remuneration:

Principle	Comment
Fees are set by reference to key considerations	Fees for Non-Executive Directors are based on the nature of the Directors' work and their responsibilities, taking into account the nature and complexity of the Company and the skills and experience of the Director. Non-Executive Directors' fees are recommended by the Nomination and Remuneration Committee and determined by the Board. External consultants may be used to source the relevant data and commentary or to obtain independent recommendations given the potential for a conflict of interest in the Board setting its own fees.
Remuneration is structured to preserve independence whilst creating alignment	To preserve independence and impartiality, Non-Executive Directors are not entitled to any form of variable remuneration payments and the level of their fees is not set with reference to measures of the Company's performance. Non-Executive Directors are encouraged to hold shares in the Company, however they do not receive equity as part of their remuneration.
Aggregate Board Fees	The total amount of fees paid to Non-Executive Directors is within the aggregate amount disclosed in the Company Constitution of $1,500,000 per annum.

The following outlines the Board Fees applicable as at the end of FY25:

Role/Function	Chair	Member
Base Board Fee	$181,636	$121,091
Audit Committee	$15,136	$10,091
Remuneration and Nomination Committee	$15,136	$10,091

Note: Fees are expressed as inclusive of superannuation. Non-Executive Directors are also reimbursed for their reasonable out-of-pocket expenses that are incurred in the discharge of their role.

Remuneration Report cont.

5. The Australian Clinical Labs Remuneration Strategy, Policy and Framework cont.

Other elements of the KMP remuneration governance framework

The following outlines the other elements that together with the foregoing form the KMP remuneration governance framework:

- The Remuneration and Nomination Committee Charter, which outlines the roles and responsibilities of the committee. This is available for inspection on the Company website.
- The Securities Trading Policy, which outlines under what circumstances and when trading in ACL securities by KMP and other nominated employees may be permitted or prohibited.
- External Remuneration Consultant (ERC) Engagement Policy which is intended to ensure the independence of any recommendation received regarding KMP remuneration, and which supports the Board's published statements regarding such recommendations. In addition to the requirements outlined in the Corporations Act, it requires the ERC to notify the Board if management makes contact with the ERC on remuneration matters outside of interactions approved or supervised by the Board, such as the provision of factual information for benchmarking purposes.

6. FY26 Remuneration Highlights

There has been further refinement to the framework for FY26. The table below highlights this refinement and also key areas of the framework for FY26:

Change	Response
No additional LTVR grant for the CEO	The CEO will not be eligible for any further LTVR grants for FY26. This is due to the special one-off contract extension that was put in place during FY25, and as such, no additional grants will be issued in FY26.
CFO to participate in STVR	The CFO didn't participate in the STVR in FY25 due to timing of commencement in H2. In FY26, the CFO will take part in the STVR plan with the target value being 40% of Fixed Pay and a maximum/stretch of 60% of Fixed Pay.
Measurement criteria for STVR	The measurement criteria will continue to focus on Underlying EBITDA (pre AASB 16) and Underlying EBITDA Margin (pre AASB 16) as these are the most appropriate financial metrics that include all material costs in measuring core operating and financial performance.
LTVR Service Rights proportion reduced	ACL has acknowledged feedback surrounding Service Rights, however it is important to note that we have a stable and highly experienced executive team which is not easily replaceable. For FY26 the Board propose to amend the current LTI structure by reducing the service component from 34% to 20%. In conjunction with this, rTSR will also reduce from 33% to 30%, whilst EPS CAGR will increase from 33% to 50%. This adjustment will better balance the structure between service and performance metrics, aligning more closely with external expectations while continuing to support executive remuneration.
Change Board remuneration	On 26 August 2025, Stephen Roche will be appointed Chair of the Board. From this date going forward, the Board Fees will be:

Role/Function	Chair	Member
Base Board Fee	$250,000	$120,000
Audit Committee	$15,000	$10,000
Remuneration and Nomination Committee	$15,000	$10,000

7. Statutory Disclosures

The following table outlines the statutory remuneration of executive KMP. These disclosures have been calculated in accordance with the Australian Accounting Standards:

			Fixed Pay					Variable Remuneration						Total for Year	Other Statutory Items	
						Total Fixed Pay		Cash STVR[i]		Rights LTVR[ii]		Cash LTVR[iii]				
Name	Role(s)	FY	Salary	Super	Other Benefits[iv]	Amount	% of TRP	Amount	% of TRP	Amount	% of TRP	Amount	% of TRP	Statutory Total Remuneration Package (TRP)	Change in Accrued Leave	Termination Benefits
Current																
Melinda McGrath	Chief Executive Officer and Executive Director	FY25	$1,470,068	$29,932	$12,874	$1,512,874	38%	$1,271,749	32%	$271,757	7%	$880,003	22%	$3,936,384	($20,439)	$0
		FY24	$872,508	$27,399	$12,874	$912,781	58%	$314,967	20%	$353,934	22%	$0	0%	$1,581,682	($21,347)	$0
Matthew Cordingley	Chief Financial Officer	FY25	$202,283	$14,966	$523,000	$740,250	98%	$0	0%	$17,346	2%	$0	0%	$757,595	$14,465	$0
		FY24	$0	$0	$0	$0	0%	$0	0%	$0	0%	$0	0%	$0	$0	$0
Former																
James Davison	Chief Financial Officer	FY25	$0	$0	$0	$0	0%	$0	0%	$0	0%	$0	0%	$0	$0	$0
		FY24	$604,629[v]	$25,116	$171,705	$801,450	121%	$0	0%	($141,369)	(21%)	$0	0%	$660,080	($346,178)	$0

(i) Note that the STVR value reported in this table is the STVR that was accrued during the reporting period. This will be paid following the release of the full year results.

(ii) Note that the LTVR value reported in this table is the amortised accounting charge of all grants that have not lapsed or vested as at the start of the reporting period. Where a market-based measure of performance is used such as TSR, no adjustments can be made to reflect actual LTVR vesting.

(iii) Note that the LTVR value reported in this table is the cash LTVR that was accrued during the reporting period for Melinda McGrath. This is expected to be paid in FY27 following completion of her two-year service contract.

(iv) Other benefits include items such as car parking, car allowances, FBT, cash payment for trading restriction imposed, etc. Included in this number is a one-off cash sign-on bonus for Matthew Cordingley of $523k subject to the completion of his probationary period.

(v) Note that the salary number for James Davison for FY24 includes annual leave and long service leave paid out on conclusion of employment as highlighted in the change in accrued leave balance.

Remuneration Report cont.

7. Statutory Disclosures cont.

Non-executive Director KMP statutory remuneration of FY25

The following table outlines the statutory and audited (A-IFRS) remuneration of NEDs ($, except where otherwise indicated):

Name	Role(s)	Year	Cash Board Fees	Committee Fees	Superannuation	Total
Current						
Mark Haberlin	Board Chair	FY25	$117,652	$13,575	$15,091	$146,318
		FY24	$109,091	$13,636	$13,500	$136,227
Christine Bartlett	Non-Executive Director	FY25	$108,602	$21,075	$14,913	$144,590
		FY24	$93,846	$6,818	$11,073	$111,738
Dr Leanne Rowe AM	Non-Executive Director	FY25	$108,602	$9,050	$13,530	$131,182
		FY24	$109,091	$9,091	$13,000	$131,182
Sarah Butler	Non-Executive Director	FY25	$45,251	$2,263	$5,464	$52,977
		FY24	$0	$0	$0	$0
Grant Jeffery	Non-Executive Director	FY25	$45,251	$2,263	$5,464	$52,977
		FY24	$0	$0	$0	$0
Stephen Roche	Non-Executive Director	FY25	$2,911	$0	$349	$3,260
		FY24	$0	$0	$0	$0
Former						
Michael Alscher	Board Chair (Non-Independent)	FY25	$150,000	$8,333	$0	$158,333
		FY24	$144,692	$8,038	$0	$152,731
Darren McKennay	Board Chair (Non-Independent)	FY25	$0	$0	$0	$0
		FY24	$35,308	$1,962	$0	$37,269
Nathanial Thomson	Non-executive Director (Non-Independent)	FY25	$38,152	$3,179	$0	$41,332
		FY24	$120,000	$10,000	$0	$130,000
Andrew Dutton	Non-Executive Director	FY25	$35,087	$7,310	$4,876	$47,272
		FY24	$109,091	$22,727	$14,500	$146,318

7. Statutory Disclosures cont.

KMP equity interests and changes during FY25

Movements in equity interests held by executive KMP during the reporting period, including their related parties, are set out below. All equity interests are granted by the listed entity unless otherwise specified:

		Number Held at 1 July 2024	Granted FY25		FY25 Forfeited	Number Held at 30 June 2025	Forfeited since 30 June 2025
Name	**Instrument**	**Number**	**Date Granted**	**Number**	**Number**	**Number**	**Number**
Melinda McGrath	Shares	2,923,331	–	–	–	2,923,331	–
	Rights	880,834	–	–	(247,252)	633,582	–
Matthew Cordingley	Shares	–	–	–	–	–	–
	Rights	–	2/04/2025	78,961	–	78,961	–
TOTALS		**3,804,165**	**n/a**	**78,961**	**(247,252)**	**3,635,874**	–

Movements in equity interests held by non-executive KMP during the reporting period, including their related parties, are set out below:

Name	Instrument	Number Held at 1 July 2024	FY25 Sold	Number Held at 30 June 2025
		Number	Number	Number
Current				
Dr Leanne Rowe AM	Shares	5,000	–	5,000
Mark Haberlin	Shares	47,500	–	47,500
Christine Bartlett	Shares	20,000	–	20,000
Former				
Michael Alscher	Shares	280,502	(280,502)	–
Andrew Dutton	Shares	81,897	–	81,897

Remuneration Report cont.

7. Statutory disclosures cont.

The following outlines the accounting values and potential future costs of equity remuneration granted for executive KMP:

Equity Grants Name	Tranche	Grant Type	Number	Vesting Conditions	Grant Date	Fair Value Each At Grant Date	Total Fair Value at Grant Date	Value Expensed in FY25	Max Value to be Expensed in Future Years
Melinda McGrath	FY23 – Target	LTVR Rights	119,046	iTSR	13/03/2023	3.78	449,994	68,868	–
	FY23 – Stretch	LTVR Rights	119,046	iTSR	13/03/2023	3.78	449,994	61,155	–
	FY24 –Target	LTVR Rights	197,745	iTSR	19/12/2023	2.28	450,858	84,522	93,177
	FY24 – Stretch	LTVR Rights	197,745	iTSR	19/12/2023	2.28	450,858	57,213	63,071
Matthew Cordingley	FY25 – rTSR	LTVR Rights	29,388	rTSR	2/04/2025	3.52	103,555	5,323	53,689
	FY25 – EPS CAGR	LTVR Rights	29,388	EPS CAGR	2/04/2025	3.52	103,555	7,128	71,897
	FY25 – Service	LTVR Rights	20,185	Service	2/04/2025	3.52	71,126	4,896	49,382
TOTALS	**n/a**	**n/a**	**712,543**	**n/a**	**n/a**	n/a	**2,079,940**	**289,105**	**331,216**

Note: Rights granted under the LTVR in FY23 didn't meet the performance targets and as such will be forfeited post year-end.

All rights granted in FY24 will expire in FY28 and may only be exercised after vesting which is expected to occur after release of the year ended 30 June 2026 results. All rights granted in FY25 will expire in FY29 and may only be exercised after vesting which is expected to occur after release of the year ended 30 June 2027 results.

The total fair value at grant date differs from the total value expected to be expensed through the profit and loss due to the measure of the plan using the Monte Carlo/Black-Scholes valuations for accounting purposes, which is different to the valuation at grant date.

7. Statutory disclosures cont.

KMP Service Agreements

Executive KMP Service Agreements

The following outlines current executive KMP service agreements:

				Period of Notice	
Name	Position Held at Close of FY25	Employing Company	Duration of Contract	From Company	From KMP
Melinda McGrath	Chief Executive Officer and Executive Director	Clinical Laboratories Pty Ltd	2 years	6 months	6 months
Matthew Cordingley	Chief Financial Officer	Clinical Laboratories Pty Ltd	No fixed term	6 months	6 months

Non-Executive Directors service agreements

Non-Executive Directors are appointed under a service agreement. The service agreements stipulate that Non-Executive Directors' fees are inclusive of superannuation and that Non-Executive Directors are not eligible for any termination benefits or other contractual or statutory entitlements (other than superannuation) following termination of their office.

Other statutory disclosures

Loans to KMP and their related parties

During the financial year and to the date of this report, the Company has not made any loans to Directors.

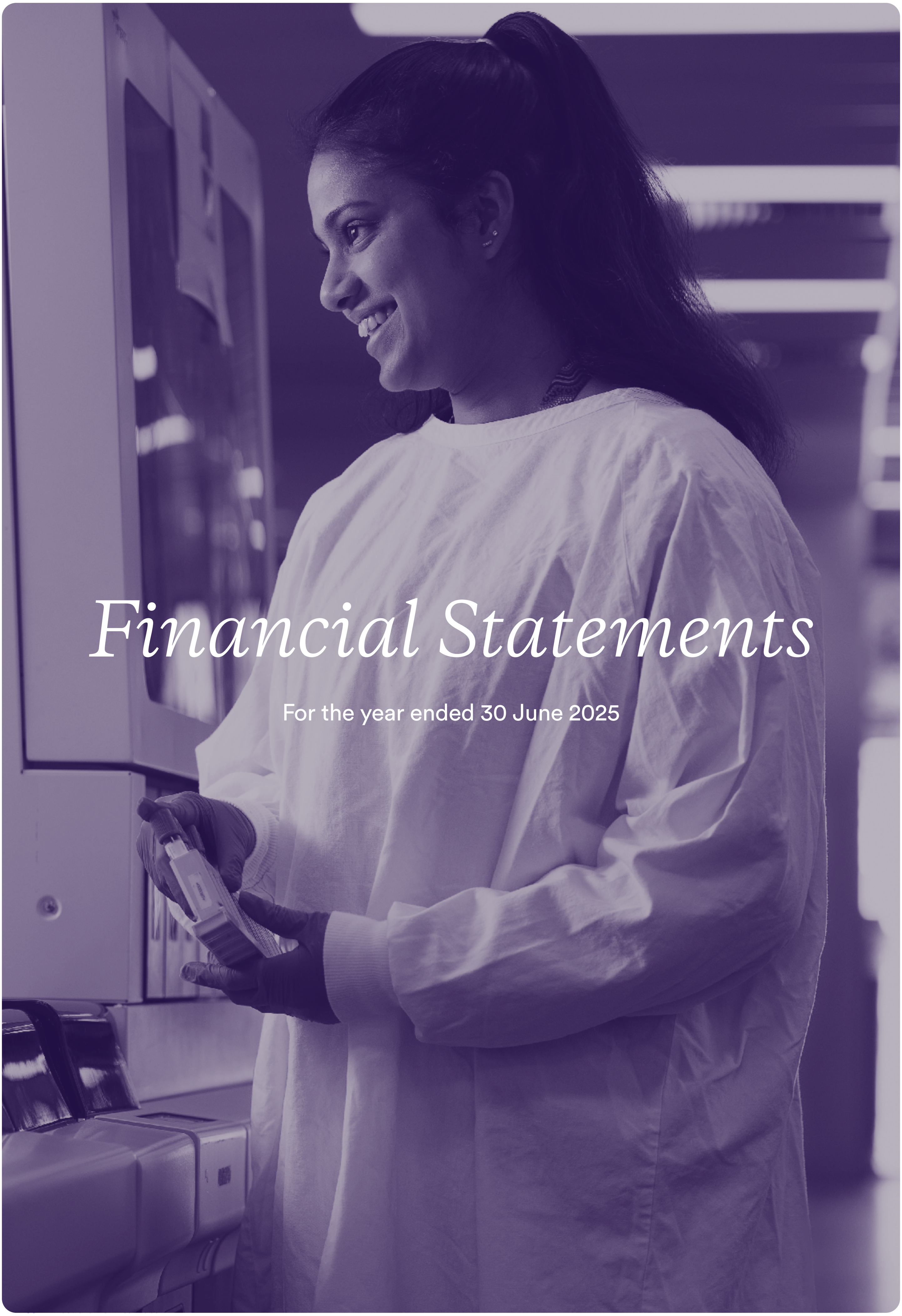
There were no other loans to any other KMP.

There are no loan balances outstanding as at 30 June 2025 with any related parties.

Other transactions with KMP

Certain Directors and KMP, or their personally-related entities (Related Parties), hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. A number of these entities transacted with the Company in the FY25 reporting period. The terms and conditions of the transactions were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions with unrelated entities on an arm's-length basis.

There were no transactions which occurred with entities controlled by Related Parties.



Financial Statements

For the year ended 30 June 2025

Consolidated statement of profit or loss

for the year ended 30 June 2025

	Note	2025 $'000	2024 $'000
Revenue	3	741,269	696,368
Other income	3	1,216	1,175
Total		**742,485**	**697,543**
Consumables		(128,249)	(119,320)
Labour costs		(318,992)	(303,529)
Property costs	4(b)	(13,378)	(12,105)
Repairs and maintenance		(9,791)	(7,414)
Healius transaction costs		–	(4,653)
Acquisition, restructuring and other insurance-related expenses		(3,084)	(6,169)
Other operating expenses		(66,813)	(63,021)
Depreciation	4(a)	(13,125)	(13,528)
Depreciation of right-of-use assets	4(a)	(122,688)	(114,671)
Amortisation of intangible assets		(229)	(228)
Total operating costs		**(676,349)**	**(644,638)**
Earnings before interest and tax		**66,136**	**52,905**
Net finance costs	5	(17,957)	(16,539)
Profit before income tax		**48,179**	**36,366**
Income tax expense	6	(15,359)	(12,122)
Profit for the year		**32,820**	**24,244**
Net (profit) attributable to non-controlling interests		(390)	(310)
Net profit to members of Australian Clinical Labs Limited		**32,430**	**23,934**

Earnings per share

		Cents per share	Cents per share
Basic earnings per share from continuing operations	22	17.15	12.03
Diluted earnings per share from continuing operations	22	17.05	12.00

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

Consolidated statement of other comprehensive income

for the year ended 30 June 2025

	2025 $'000	2024 $'000
Profit for the year	32,820	24,244
Other comprehensive income		
Items that may be reclassified subsequently to profit and loss		
Exchange differences on translation of foreign operations	142	(24)
Other comprehensive income for the year, net of tax	142	(24)
Total comprehensive income for the year	**32,962**	**24,220**
Total comprehensive income attributable to:		
Members of Australian Clinical Labs Limited	32,572	23,910
Non-controlling interests	390	310
	32,962	**24,220**

The above statement of other comprehensive income should be read in conjunction with the accompanying notes.

Consolidated statement of financial position

as at 30 June 2025

	Note	2025 $'000	2024 $'000
Current Assets			
Cash and cash equivalents	26(a)	21,442	26,136
Trade and other receivables	7	72,797	81,434
Inventories	8	15,624	16,826
Other assets	9	10,202	9,205
Total Current Assets		**120,065**	**133,601**
Non-Current Assets			
Plant and equipment	10	36,858	41,906
Right-of-use assets	11	233,255	239,798
Intangible assets	12	165,209	164,944
Other assets	9	2,483	2,068
Deferred tax assets	13	16,968	10,743
Total Non-Current Assets		**454,773**	**459,459**
Total Assets		**574,838**	**593,060**
Current Liabilities			
Trade and other payables	14	51,571	53,006
Lease liabilities	15	108,599	104,709
Provisions	16	47,241	46,210
Deferred consideration		49	95
Current tax liabilities	17	8,536	3,236
Other liabilities		411	447
Total Current Liabilities		**216,407**	**207,703**
Non-Current Liabilities			
Trade and other payables	14	880	–
Lease liabilities	15	139,810	149,126
Borrowings	18	41,968	55,064
Provisions	16	3,695	3,402
Deferred consideration		97	–
Total Non-Current Liabilities		**186,450**	**207,592**
Total Liabilities		**402,857**	**415,295**
Net Assets		**171,981**	**177,765**
Equity			
Issued capital	19	775,524	791,762
Reserves	20	(770,708)	(773,288)
Retained earnings		166,538	159,054
Total Parent Entity Interest		**171,354**	**177,528**
Non-Controlling Interest		627	237
Total Equity		**171,981**	**177,765**

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 2025

2025	Issued capital $'000	Reserves $'000	Retained earnings $'000	Total $'000	Non-controlling interest $'000	Total $'000
Opening balance at 1 July 2024	**791,762**	**(773,288)**	**159,054**	**177,528**	**237**	**177,765**
Profit for the year	–	–	32,430	**32,430**	390	**32,820**
Exchange differences on translation of foreign operations	–	142	–	**142**	–	**142**
Total other comprehensive income for the year net of tax	**–**	**142**	**–**	**142**	**–**	**142**
Total comprehensive income for the year	**–**	**142**	**32,430**	**32,572**	**390**	**32,962**
Transactions with owners in their capacity as owners						
Share-based payments (Note 21)	–	3,443	–	**3,443**	–	**3,443**
Dividend declared and paid	–	–	(24,946)	**(24,946)**	–	**(24,946)**
Allocation of treasury shares (Note 19)	1,005	(1,005)	–	**–**	–	**–**
Share buy-back net of transaction costs (Note 19)	(17,243)	–	–	**(17,243)**	–	**(17,243)**
Closing balance at 30 June 2025	**775,524**	**(770,708)**	**166,538**	**171,354**	**627**	**171,981**

2024	Issued capital $'000	Reserves $'000	Retained earnings $'000	Total $'000	Non-controlling interest $'000	Total $'000
Opening balance at 1 July 2023	**792,140**	**(774,964)**	**155,241**	**172,417**	**254**	**172,671**
Profit for the year	–	–	23,934	**23,934**	310	**24,244**
Exchange differences on translation of foreign operations	–	(24)	–	**(24)**	–	**(24)**
Total other comprehensive income for the year net of tax	**–**	**(24)**	**–**	**(24)**	–	**(24)**
Total comprehensive income for the year	**–**	**(24)**	**23,934**	**23,910**	**310**	**24,220**
Transactions with owners in their capacity as owners						
Share-based payments (Note 21)	–	3,064	–	**3,064**	–	**3,064**
Dividend declared and paid	–	–	(19,949)	**(19,949)**	–	**(19,949)**
Dividend paid to minority interest in controlled entities	–	–	–	**–**	(388)	**(388)**
Acquisition of minority interests	–	–	(172)	**(172)**	61	**(111)**
Acquisition of treasury shares (Note 19)	(1,742)	–	–	**(1,742)**	–	**(1,742)**
Allocation of treasury shares (Note 19)	1,364	(1,364)	–	**–**	–	**–**
Closing balance at 30 June 2024	**791,762**	**(773,288)**	**159,054**	**177,528**	**237**	**177,765**

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 2025

	Note	2025 $'000	2024 $'000
Cash flows from operating activities			
Receipts from customers and government grants		734,166	694,676
Payment to suppliers and employees		(518,884)	(508,755)
Cash provided by operations		**215,282**	**185,921**
Interest received	5	410	501
Interest and costs of finance paid		(18,463)	(16,673)
Income tax paid		(14,428)	(10,157)
Net cash provided by operating activities	**26(b)**	**182,801**	**159,592**
Cash flows from investing activities			
Proceeds from sale of plant and equipment		99	325
Purchase of plant and equipment		(8,411)	(6,505)
Payments for business combinations (net of cash acquired)		(583)	(1,067)
Net cash used in investing activities		**(8,895)**	**(7,247)**
Cash flows from financing activities			
Principal portion of lease payments		(121,676)	(113,060)
Share buy-back	19(b)	(19,120)	–
Payments for treasury shares	19(d)	–	(1,742)
Repayment of borrowings		(44,000)	(25,000)
Proceeds from borrowings		31,000	14,000
Dividends paid		(24,946)	(19,949)
Dividend paid to minority interest in controlled entities		–	(388)
Net cash used in financing activities		**(178,742)**	**(146,139)**
Net (decrease)/increase in cash and cash equivalents		**(4,836)**	**6,206**
Foreign exchange differences on cash holdings		142	(25)
Cash and cash equivalents at the beginning of the year		26,136	19,955
Cash and cash equivalents at the end of the year	**26(a)**	**21,442**	**26,136**

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

Note 1: Summary of Material Accounting Policies

The principal accounting policies adopted in the presentation of the financial report are set out below. These policies have been consistently applied to all periods presented, unless otherwise stated.

(a) Basis of preparation

The general purpose financial report has been prepared in accordance with Australian Accounting Standards, interpretations issued by the Australian Accounting Standards Board (AASB), all other applicable authoritative pronouncements of the AASB and the *Corporations Act 2001*.

The financial report includes financial statements for the Consolidated Group ('the Group') consisting of Australian Clinical Labs Limited ('Parent Company' or 'Company') and its subsidiaries. Australian Clinical Labs Limited is a for-profit entity domiciled in Australia.

The financial report was authorised for issue by the Directors on 25 August 2025.

Compliance with IFRS

The financial report of the Group complies with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The Parent Company financial information included in Note 28 also complies with IFRS.

Basis of measurement

The financial report has been prepared on the basis of historical cost except for the revaluation of financial assets and liabilities at fair value through profit or loss. Cost is based on the fair values of the consideration given in exchange for assets.

Where applicable, comparatives may be restated in line with current year presentation.

Going concern

As at 30 June 2025, the Group recorded a deficiency in net current assets of $96.3m (2024: $74.1m). This has been caused by AASB 16 *Leases*, whereby $108.6m (2024: $104.7m) of lease liability has been recognised as current, however the corresponding right-of-use asset is non-current. Excluding the current portion of the lease liability, the Group has a current asset surplus of $12.3m (2024: $30.6m).

The Directors have concluded that the Group will be able to pay its debts as and when they fall due with consideration of the above factors, profitability and operating cash flows of the Group. Accordingly, the financial report has been prepared on a going concern basis.

(b) Basis of consolidation

The financial report incorporates the assets and liabilities of all subsidiaries controlled by Australian Clinical Labs Limited as at 30 June 2025 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 it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consistent accounting policies are employed in the preparation and presentation of the consolidated financial statements.

When control of an entity is obtained during a financial year, its results are included in the statement of profit and loss from the date on which control commences. Where control of an entity ceases during a financial year its results are included for that part of the year during which control existed.

Non-controlling interests in the results and equity of controlled entities are shown separately in the statement of profit and loss, statement of comprehensive income, statement of financial position and statement of changes in equity.

All inter-company balances and transactions between entities in the economic entity, including any unrealised profits or losses, have been eliminated on consolidation.

Changes in ownership interests

The Group treats transactions with minority interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and minority interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to minority interests and any consideration paid or received is recognised directly in equity.

Note 1: Summary of Material Accounting Policies cont.

(c) Business combination

A business combination is a transaction or other event in which an acquirer obtains control of one or more businesses and results in the consolidation of the assets and liabilities acquired. Business combinations are accounted for by applying the acquisition method unless it is a common control acquisition.

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. Deferred consideration payable is measured at its acquisition-date fair value. Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. At each reporting date subsequent to the acquisition, contingent consideration payable is measured at its fair value with any changes in the fair value recognised in profit or loss unless the contingent consideration is classified as equity, in which case the contingent consideration is carried at its acquisition-date fair value.

Goodwill is recognised initially at the excess of: (a) the aggregate of the consideration transferred, the amount of the non-controlling interest, and the acquisition date fair value of the acquirer's previously held equity interest (in case of step acquisition); over (b) the acquisition date amount of the identifiable assets acquired and liabilities assumed.

If the net fair value of the acquirer's interest in the identifiable assets acquired and liabilities assumed is greater than the aggregate of the consideration transferred, the fair value of the non-controlling interest, and the acquisition date fair value of the acquirer's previously held equity interest, the difference is immediately recognised as a gain in profit or loss. Acquisition-related costs are expensed as incurred.

Common control acquisition

A common control acquisition is a transaction whereby the direct ownership changes as a result of a restructure, however there is ultimately no change in control over the assets.

Common control acquisitions are recognised in accordance with Australian Accounting Standards and are presented as a continuation of the pre-existing entity.

(d) Foreign currency translation and balances

Functional and presentation currency

The financial statements for each entity within the Group are measured using the currency of the primary economic environment in which that entity operates (the functional currency). The consolidated financial statements are presented in Australian dollars which is the Group's functional currency.

Transactions and balances

Foreign currency monetary items that are outstanding at the reporting date (other than monetary items arising under foreign currency contracts where the exchange rate for that monetary item is fixed in the contract) are translated using the spot rate at the end of the financial year. All resulting exchange differences arising on settlement or restatement are recognised as revenue or expenses for the financial year.

Foreign subsidiaries

Subsidiaries that have a functional currency different to the presentation currency of the consolidated Group are translated as follows:

- Assets and liabilities are translated at the closing rate on reporting date;
- Income and expenses are translated at actual exchange rates or average exchange rates for the period, where appropriate; and
- All resulting exchange differences are recognised in other comprehensive income.

Note 1: Summary of Material Accounting Policies cont.

(e) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates or other similar allowances.

Rendering of services

Revenue from the provision of services is recognised when the related services are completed. Revenue is accrued at balance date for services which are completed but yet to be invoiced.

Clinic revenue

Clinic revenue represents support services provided to doctors (enabling them to treat patients), in consideration for a percentage share of billings as determined by each doctor's medical services agreement. Revenue is recognised in the period in which doctors' services are rendered to patients.

(f) Other income

Government grant income is only recognised when there is reasonable assurance that the Group will comply with the conditions attaching to them, and the grant will be received.

(g) Income tax

Income tax expense or benefit represents the sum of the tax currently payable and deferred tax.

Current tax

The current tax payable is based on taxable profit for the year. Taxable profit differs from 'profit before income tax' as reported in the consolidated statement of profit or loss because of items of income or expense that are taxable or deductible in other periods and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting year.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial report and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures except where the Group is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with these investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax for the year

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items that are recognised outside profit or loss (whether in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss. In the case of a business combination, the tax effect is included in the accounting for the business combination.

Note 1: Summary of Material Accounting Policies cont.

Tax consolidation

Australian Clinical Labs Limited and its wholly-owned Australian controlled entities have implemented the Australian tax consolidation legislation on 6 November 2020.

Australian Clinical Labs Limited and subsidiaries in the tax-consolidated group have entered into a tax funding agreement such that each entity in the tax-consolidated group recognises the assets, liabilities, expenses and revenues in relation to its own transactions, events and balances only. This means that:

- the parent entity recognises all current and deferred tax amounts relating to its own transactions, events and balances only;
- the subsidiaries in the tax consolidated group recognise current or deferred tax amounts arising in respect of their own transactions, events and balances; and
- current tax liabilities and deferred tax assets arising in respect of tax losses, are transferred from the subsidiaries in the tax consolidated group to the head entity as inter-company payables or receivables.

The tax-consolidated group also has a tax sharing agreement in place to limit the liability of subsidiaries in the tax-consolidated group arising under the joint and several liability requirements of the tax consolidation system, in the event of default by the parent entity to meet its payment obligations.

(h) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and on-demand deposits. Cash equivalents are short-term, highly liquid investments, that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(i) Inventories

Inventories represent medical and laboratory supplies. They are measured at the lower of cost and net realisable value.

(j) Plant and equipment

Each class of plant and equipment is carried at cost less, where applicable, any accumulated depreciation and accumulated impairment losses.

- Plant and equipment is measured on the cost basis.
- Leasehold improvements are measured on the cost basis.

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets, but excluding freehold land is depreciated over their useful lives to the Group, commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful lives of the improvements. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual accounting period, with the effect of any changes recognised on a prospective basis.

The ranges of depreciation rates used for each class of depreciable assets are:

Class of property, plant and equipment	Depreciation rate
Leasehold improvements	2% to 100%
Plant and equipment	5% to 50%

The gain or loss on disposal of all fixed assets is determined as the difference between the carrying amount of the asset at the time of disposal and the proceeds on disposal, and is included in operating profit before income tax of the Group in the year of disposal.

(k) Leases

At the commencement date of a lease (other than leases of 12 months or less and leases of low value assets), the Group recognises a lease asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

Note 1: Summary of Material Accounting Policies cont.

Lease assets

Lease assets are initially recognised at cost, comprising the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date of the lease, less any lease incentives received, and any initial direct costs incurred by the Group, unless those costs are incurred to produce inventories.

Subsequent to initial recognition, lease assets are measured at cost (adjusted for any re-measurement of the associated lease liability), less accumulated depreciation and any accumulated impairment loss.

Lease assets are depreciated over the shorter of the lease term and the estimated useful life of the underlying asset, consistent with the estimated consumption of the economic benefits embodied in the underlying asset.

Lease liabilities

Lease liabilities are initially recognised at the present value of the future lease payments. These lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, or otherwise using the Group's incremental borrowing rate.

Subsequent to initial recognition, lease liabilities are measured at the present value of the remaining lease payments reduced by rental accruals for missed lease payments. Interest expense on lease liabilities is recognised in profit or loss (presented as a component of finance costs). Lease liabilities are remeasured to reflect changes to lease terms, changes to lease payments (once confirmed) and any lease modifications not accounted for as separate leases.

Variable lease payments not included in the measurement of lease liabilities are recognised as an expense when incurred.

Leases of 12 months or less and leases of low value assets

Lease payments made in relation to leases of 12 months or less and leases of low value assets (for which a lease asset and a lease liability has not been recognised) are recognised as an expense as incurred.

(l) Intangible assets

Goodwill

Goodwill represents the future economic benefits arising from other assets acquired in a business combination that are not individually identifiable or separately recognised. Goodwill is initially recognised at an amount equal to the excess of: (a) the aggregate of the consideration transferred, the amount of any non-controlling interest, and the acquisition date fair value of the acquirer's previously held equity interest (in the case of a step acquisition); over (b) the net fair value of the identifiable assets acquired and liabilities assumed. For accounting purposes, such measurement is treated as the cost of goodwill at that date.

Goodwill is not amortised, but is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired. Subsequent to initial recognition, goodwill is measured at cost less any accumulated impairment losses.

Intangible assets acquired separately

Intangible assets acquired separately are recorded at cost less accumulated amortisation and impairment. Amortisation is charged on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each annual reporting period, with any changes in these accounting estimates being accounted for on a prospective basis.

Intangibles assets acquired in a business combination

Intangibles acquired in a business combination are initially recognised at fair value (which, for accounting purposes, is treated as the cost of the intangible asset), and are subsequently amortised over their estimated useful lives commencing from the time the asset is available for use. The amortisation method applied to an intangible asset is consistent with the estimated consumption of economic benefits of the asset. Subsequent to initial recognition, intangible assets acquired in a business combination are measured at cost, less accumulated amortisation and any accumulated impairment losses.

(m) Impairment testing of tangible and intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss.

Note 1: Summary of Material Accounting Policies cont.

Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Intangible assets with indefinite useful lives such as goodwill and intangible assets not yet available for use are tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than the carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in the profit or loss immediately, unless the relevant asset is carried at a re-valued amount in which case the impairment is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit other than goodwill) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at a re-valued amount in which case the reversal of the impairment loss is treated as a revaluation increase.

(n) Financial instruments

Recognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the Group commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value adjusted for transaction costs, except where the instrument is classified as fair value through profit or loss, in which case transaction costs are immediately recognised as expenses in profit or loss.

Classification of financial assets

Financial assets recognised by the Group are subsequently measured in their entirety at either amortised cost or fair value, subject to their classification and whether the Group irrevocably designates the financial asset on initial recognition at fair value through other comprehensive income (FVtOCI) in accordance with the relevant criteria in AASB 9.

Financial assets not irrevocably designated on initial recognition at FVtOCI are subsequently measured at amortised cost, FVtOCI or fair value through profit or loss (FVtPL) on the basis of both:

(a) the Group's business model for managing the financial assets; and

(b) the contractual cash flow characteristics of the financial asset.

Classification of financial liabilities

Financial liabilities classified as held-for-trading, contingent consideration payable by the Group for the acquisition of a business, and financial liabilities designated at FVtPL, are subsequently measured at fair value.

All other financial liabilities recognised by the Group are subsequently measured at amortised cost.

Trade and other receivables

Trade and other receivables arise from the Group's transactions with its customers.

Consistent with both the Group's business model for managing the financial assets and the contractual cash flow characteristics of the assets, trade and other receivables are subsequently measured at amortised cost.

Impairment of financial assets

Receivables from customers are tested for impairment by applying the 'expected credit loss' impairment model.

The Group applies the simplified approach under AASB 9 to measuring the allowance for credit losses for both receivables from contracts with customers and contract assets. Under the AASB 9 simplified approach, the Group determines the allowance for credit losses for receivables from contracts with customers and contract assets on the basis of the lifetime expected credit losses of the financial asset. Lifetime expected credit losses represent the expected credit losses that are expected to result from default events over the expected life of the financial asset.

Note 1: Summary of Material Accounting Policies cont.

The Group consider a range of information when assessing whether the credit risk has increased since initial recognition. This includes such factors as the identification of significant changes in external market indicators of credit risk, significant adverse changes in the financial performance or financial position of the counterparty, significant changes in the value of collateral, and past due information.

The Group assumes that the credit risk on a financial instrument has increased significantly since initial recognition when contractual payments are more than 120 days past due.

The Group determines expected credit losses using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the financial asset as well as current and future expected economic conditions relevant to the financial asset. When material, the time value of money is incorporated into the measurement of expected credit losses. There has been no change in the estimation techniques or significant assumptions made during the reporting period.

The gross carrying amount of a financial asset is written off (i.e. reduced directly) when the counterparty is in severe financial difficulty and the Group has no realistic expectation of recovery of the financial asset. Financial assets written off remain subject to enforcement action by the Group. Recoveries, if any, are recognised in profit or loss.

(o) Employee benefits

Short-term employee benefit obligations

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities recognised in respect of short-term employee benefits are measured at their nominal value, using the remuneration rate expected to apply at the time of settlement.

Long-term employee benefit obligations

Liabilities recognised in respect of long-term employee benefits are measured at the present value of the estimated future cash outflows to be made by the Group in respect of services provided by employees up to reporting date.

Retirement benefit obligations

Contributions to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Share-based payments

The Group operates share-based payment employee share and option schemes for accounting purposes. The fair value of the equity to which employees become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account. In respect of share-based payments that are dependent on the satisfaction of performance conditions, the number of shares and options expected to vest is reviewed and adjusted at each reporting date. The amount recognised for services received as consideration for these equity instruments granted is adjusted to reflect the best estimate of the number of equity instruments that eventually vest.

Bonus plan

The Group recognises a provision when a bonus is payable in accordance with the employee's contract of employment, and the amount can be reliably measured.

(p) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

(q) Australian Clinical Labs Employee Share Trust ('ACLEST')

The Group has formed a trust to obtain and hold shares for the purpose of providing shares under Australian Clinical Labs Limited Rights Plan. This trust is consolidated, as the substance of the relationship is that the trust is controlled by the Group. Shares held by ACLEST are disclosed as treasury shares and deducted from contributed equity.

Note 1: Summary of Material Accounting Policies cont.

(r) Goods and services tax (GST)

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

(i) Where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or

(ii) For receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables. Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(s) Rounding of amounts

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, and in accordance with that instrument, amounts in the financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

Some numerical figures included in this report have been subject to rounding adjustments. Any differences between totals and sums of components in tables or figures contained in this report are due to rounding.

(t) Key accounting estimates and assumptions

In the financial report, management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

The following are the estimates and judgements that management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial report:

Employee entitlements

Management judgement is applied in determining the following key assumptions used in the calculation of long service leave at balance date:

- Future increases in salaries and wages;
- Future on-cost rates;
- Experience of employee departures and period of service; and
- Appropriate discount rate to reflect long-term liabilities at present value.

Impairment of tangible and intangible assets

Determining whether assets are impaired requires an estimation of recoverable amount for the cash-generating units to which these assets have been allocated. The recoverable amount of each cash-generating unit is the greater of its value in use or fair value less costs to sell.

Value in use is determined as the present value of the estimated future cash flows expected to arise from the continued use of the asset in its present form. Value in use is determined by applying assumptions specific to the Group's continued use and cannot take into account future development. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties.

Share-based payments

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the day on which they are granted. The fair value is determined using a Black-Scholes model (Service Rights) or Monte Carlo model (Performance Rights) and is recognised as an expense over the vesting period, with a corresponding increase to an equity account.

Deferred tax balances

The extent to which deferred tax assets can be recognised is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry-forwards can be utilised. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

Note 1: Summary of Material Accounting Policies cont.

Determination of the lease term as the non-cancellable term of contracts with renewal options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal including penalties to terminate, the value of leasehold improvements remaining plus current and future expected economic performance from use of the asset.

After the commencement date, the Group generally can only make a reasonable certainty assessment if there is a significant event or change in circumstances that is within its control and affects the ability to exercise (or not exercise) the option to renew.

Calculation of incremental borrowing rates

Where the Group cannot readily determine the interest rate implicit in lease contracts, the present value of the Group's lease liabilities is estimated using the incremental borrowing rate as if leasing over a similar term, the funds necessary to obtain an asset of a similar value to the right-of-use asset, in a similar economic environment. The Group uses observable inputs such as market interest rates as applicable.

(u) Adoption of new and revised Accounting Standards

The Group has applied all new and revised Australian Accounting Standards that apply to annual reporting periods beginning on or after 1 July 2024. These standards do not have a material impact on the Group's financial results or position.

(v) Standards and interpretations issued but not yet effective

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Group has decided not to early adopt any of these new and amended pronouncements. These pronouncements are not expected to have a material impact on the entity in the current or future reporting periods or on foreseeable future transactions.

Note 2: Segment Information

The Group's Chief Executive Officer and the Board of Directors (the chief operating decision makers) review the Group's performance of the business to assess performance and determine the allocation of resources. Discrete financial information is reported to the chief operating decision makers on at least a monthly basis. The discrete financial information is provided by one operating segment and one geographical segment, being Australia.

The Group has the one reportable segment:

Pathology

Pathology/clinical laboratory services provided in Australia.

Note 3: Revenue and Other Income

	2025 $'000	2024 $'000
An analysis of the Group's revenue for the year is as follows:		
Pathology revenue	717,751	673,000
Clinic revenue	18,397	16,728
Rental revenue from subleasing right-of-use assets	1,156	994
Other revenue	3,965	5,646
Total revenue	**741,269**	**696,368**
Other		
Insurance claim proceeds	1,216	1,175
Total other income	**1,216**	**1,175**

During the 2022 financial year, one of our laboratories based in Queensland was flooded with extensive damage caused to the laboratory equipment and consumables on hand. Insurance claim proceeds were recognised for specific equipment verified by the insurers at 30 June 2024 totalling $1.2m and a further $0.2m has been recognised in the 2025 financial year. This is not the expected total insurance claim proceeds for the claim and as such, a contingent asset exists. Refer to Note 30 for full details.

During the 2024 financial year a fire occurred at an external storage facility where the Group was temporarily storing some laboratory equipment. Net insurance claim proceeds have been recognised totalling $1.0m for specific equipment verified by the insurers at 30 June 2025 and the claim has been finalised.

Note 4: Expenses

	2025 $'000	2024 $'000
Profit before income tax includes the following specific expenses:		
(a) Depreciation expense		
Leasehold improvements	3,742	4,208
Plant and equipment	9,383	9,320
Right-of-use assets	122,688	114,671
	135,813	**128,199**
(b) Property costs		
Short-term/low value lease payments	10,066	9,139
Other property expenses	3,312	2,966
	13,378	**12,105**

Note 5: Net Finance Costs

	2025 $'000	2024 $'000
Finance income		
Bank deposits	410	501
Finance expenses		
Interest expense – leasing arrangements	(14,587)	(12,183)
Other borrowing costs	(3,780)	(4,857)
	(18,367)	**(17,040)**
Net finance costs	**(17,957)**	**(16,539)**

Other borrowing costs consist of all costs in relation to the Group's borrowings including interest and amortisation of any other costs incurred in arranging borrowings.

Note 6: Income Tax

	2025 $'000	2024 $'000
(a) Components of income tax expense		
Current tax	19,728	14,545
Deferred tax	(4,369)	(2,423)
Income tax expense	**15,359**	**12,122**
(b) Income tax reconciliation		
The prima facie tax payable on profit before income tax is reconciled to the income tax expense as follows:		
Profit before tax	48,179	36,366
Domestic tax rate	30%	30%
	14,454	**10,910**
Adjustments for non-temporary differences:		
Net non-taxable and non-deductable items	905	1,212
Income tax expense	**15,359**	**12,122**

Note 7: Trade and Other Receivables

	2025 $'000	2024 $'000
Current		
Trade receivables	59,278	63,257
Allowance for expected credit loss	(12,725)	(9,865)
	46,553	**53,392**
Accrued revenue	23,775	22,231
Other receivables	2,469	5,811
	72,797	**81,434**

(a) At 30 June, the ageing analysis of trade receivables is as follows:

	2025 $'000	2024 $'000
Current	30,795	33,071
30 to 60 days	6,904	6,354
60 to 90 days	2,511	4,081
90 to 120 days	1,499	3,599
120 days +	17,569	16,152
Closing balance at 30 June	**59,278**	**63,257**

(b) Allowance for expected credit loss

The Group applies the simplified approach to measure the expected credit losses, using a provision matrix for all trade receivables and adjusts for any known forward-looking issues specific to the debtors and the economic environment. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The provision matrix assesses all debtors based on past experience.

Movement in allowance for expected credit losses:

	2025 $'000	2024 $'000
Opening balance at 1 July	9,865	5,606
Allowance for expected credit loss expensed	5,647	5,557
Receivables written off	(2,787)	(1,298)
Closing balance at 30 June	**12,725**	**9,865**

Amounts charged to the allowance for expected credit loss are generally written off when there is no expectation of recovering additional cash in excess of the cost of recovery.

Note 7: Trade and Other Receivables cont.

(c) Foreign exchange and interest rate risk

Information about the Group's exposure to foreign currency risk and interest rate risk in relation to trade and other receivables is provided in Note 27.

(d) Fair value and credit risk

Due to the short-term nature of these receivables, the carrying value is assumed to approximate their fair value. The maximum exposure to credit risk at the reporting date is the fair value of each class of receivables mentioned above.

Note 8: Inventories

	2025 $'000	2024 $'000
Consumable supplies at cost	15,624	16,826

Note 9: Other Assets

	2025 $'000	2024 $'000
Current		
Prepayments	9,523	8,496
Bonds and securities	679	709
	10,202	**9,205**
Non-Current		
Prepayments	1,033	619
Other	1,450	1,449
	2,483	**2,068**

Other assets include convertible notes acquired in Geneseq.

Note 10: Plant and Equipment

2025	Leasehold improvements $'000	Plant and equipment $'000	Capital work in progress $'000	Total $'000
Gross carrying amount	57,864	120,061	701	**178,626**
Accumulated depreciation	(47,661)	(94,107)	–	**(141,768)**
Total plant and equipment as at 30 June 2025	**10,203**	**25,954**	**701**	**36,858**

2024				
Gross carrying amount	56,123	115,360	213	**171,696**
Accumulated depreciation	(43,960)	(85,830)	–	**(129,790)**
Total plant and equipment as at 30 June 2024	**12,163**	**29,530**	**213**	**41,906**

2025	Leasehold improvements $'000	Plant and equipment $'000	Capital work in progress $'000	Total $'000
Gross carrying amount				
Balance at 1 July 2024	**56,123**	**115,360**	**213**	**171,696**
Additions	1,860	5,705	623	**8,188**
Additions through business combination	5	16	–	**21**
Disposals	(192)	(1,207)	–	**(1,399)**
Capitalisation of work in progress	28	107	(135)	**–**
Net exchange differences	40	80	–	**120**
Balance at 30 June 2025	**57,864**	**120,061**	**701**	**178,626**
Accumulated depreciation				
Balance at 1 July 2024	**(43,960)**	**(85,830)**	**–**	**(129,790)**
Disposals	82	1,165	–	**1,247**
Depreciation	(3,742)	(9,383)	–	**(13,125)**
Net exchange differences	(41)	(59)	–	**(100)**
Balance at 30 June 2025	**(47,661)**	**(94,107)**	**–**	**(141,768)**
Carrying amount at 30 June 2025	**10,203**	**25,954**	**701**	**36,858**

Note 10: Plant and Equipment cont.

2024	Leasehold improvements $'000	Plant and equipment $'000	Capital work in progress $'000	Total $'000
Gross carrying amount				
Balance at 1 July 2023	**53,964**	**111,744**	**1,694**	**167,402**
Additions	2,213	4,074	212	**6,499**
Disposals	(52)	(905)	(1,240)	**(2,197)**
Capitalisation of work in progress	–	453	(453)	**–**
Net exchange differences	(2)	(6)	–	**(8)**
Balance at 30 June 2024	**56,123**	**115,360**	**213**	**171,696**
Accumulated depreciation				
Balance at 1 July 2023	**(39,790)**	**(77,313)**	**–**	**(117,103)**
Disposals	35	799	–	**834**
Depreciation	(4,208)	(9,320)	–	**(13,528)**
Net exchange differences	3	4	–	7
Balance at 30 June 2024	**(43,960)**	**(85,830)**	**–**	**(129,790)**
Carrying amount at 30 June 2024	**12,163**	**29,530**	**213**	**41,906**

Note 11: Right-of-use Assets

	2025 $'000	2024 $'000
Carrying amount of lease assets, by class of underlying asset:		
Buildings under lease arrangements	233,255	239,798

	2025 $'000	2024 $'000
Opening balance at 1 July	239,798	238,139
Additions and remeasurement of leases during the year	116,145	116,330
Depreciation	(122,688)	(114,671)
Closing balance at 30 June	**233,255**	**239,798**

Note 12: Intangible Assets

2025	Goodwill $'000	Brand names $'000	Customer lists $'000	Total $'000
Gross carrying amount	159,106	5,600	1,442	**166,148**
Accumulated amortisation	–	–	(939)	**(939)**
Total intangibles as at 30 June 2025	**159,106**	**5,600**	**503**	**165,209**

2024				
Gross carrying amount	158,684	5,600	1,370	**165,654**
Accumulated amortisation	–	–	(710)	**(710)**
Total intangibles as at 30 June 2024	**158,684**	**5,600**	**660**	**164,944**

2025	Goodwill $'000	Brand names $'000	Customer lists $'000	Total $'000
Gross carrying amount				
Balance at 1 July 2024	158,684	5,600	1,370	**165,654**
Additions through business combination	422	–	72	**494**
Balance at 30 June 2025	**159,106**	**5,600**	**1,442**	**166,148**
Accumulated amortisation				
Balance at 1 July 2024	–	–	(710)	**(710)**
Amortisation	–	–	(229)	**(229)**
Balance at 30 June 2025	**–**	**–**	**(939)**	**(939)**
Carrying amount at 30 June 2025	**159,106**	**5,600**	**503**	**165,209**

2024	Goodwill $'000	Brand names $'000	Customer lists $'000	Total $'000
Gross carrying amount				
Balance at 1 July 2023	158,684	5,600	1,370	**165,654**
Balance at 30 June 2024	**158,684**	**5,600**	**1,370**	**165,654**
Accumulated amortisation				
Balance at 1 July 2023	–	–	(482)	**(482)**
Amortisation	–	–	(228)	**(228)**
Balance at 30 June 2024	**–**	**–**	**(710)**	**(710)**
Carrying amount at 30 June 2024	**158,684**	**5,600**	**660**	**164,944**

Note 12: Intangible Assets cont.

Impairment testing of goodwill and intangibles with indefinite useful lives

Goodwill is allocated to a cash-generating unit or units (CGU) according to management's expectations regarding which assets will be expected to benefit from the synergies arising from the business combination that gave rise to the goodwill. Management have assessed that only one CGU exists, being the Australian pathology business.

The recoverable amount of a CGU is based on value-in-use calculations. These calculations use cash projections based on financial budgets/forecasts approved by management for covering a minimum period of one year (maximum of five years). Management's determination of cash flow projections and gross margins are based on past performance and its expectation for the future. The present value of future cash flows has been calculated using an average growth rate of 4.5% (2024: 4.5%) for cash flows in years two to five which is based on historic growth rate and industry trends, a terminal value growth rate of 3.4% (2024: 3.4%) and a discount rate of 9.2% (2024: 9.1%) to determine value-in-use.

The carrying value of brand names at 30 June 2025 relates solely to SunDoctors. The recoverable amount of the SunDoctors brand is based on value-in-use calculations via the relief from royalty valuation method. Under this method, the fair value is based on the present value of future foregone royalty payments over the life of the asset by virtue of owning the asset. The present value of future cash flows has been calculated using a royalty rate of 3.0% (2024: 3.0%), an indefinite useful life and a discount rate of 9.2% (2024: 9.2%).

Management has determined that this brand will be used as part of the wider pathology business with synergies from the existing pathology operations and as such, the brand relates solely to the existing one CGU and the recoverable amounts are assessed as part of the recoverable amount of the CGU.

After performing sensitivity analysis, management believes that any reasonably possible change in the key assumptions on which the recoverable amount has been assessed would not cause the carrying amount to exceed the recoverable amount.

Note 13: Deferred Tax Assets

Deferred taxes arising from temporary differences and unused tax losses are summarised as follows:

	2025 $'000	2024 $'000
Expected credit loss	3,818	2,959
Employee benefits	16,978	15,635
Sundry accruals	110	17
Lease liability	73,966	75,981
Share issue and transaction costs	1,241	1,189
Less: deferred tax liabilities offset against deferred tax assets	(79,145)	(85,038)
	16,968	**10,743**
Deferred tax liabilities offset against deferred tax assets		
Prepayments and sundry debtors	(298)	(420)
Inventories	(4,687)	(5,048)
Accrued revenue	157	(803)
Right-of-use assets	(69,430)	(71,779)
Intangibles	(1,831)	(1,878)
Plant and equipment	(3,056)	(5,110)
	(79,145)	**(85,038)**

Movement	2025 $'000	2024 $'000
Opening balance at 1 July	10,743	8,233
Amounts recognised in profit or loss	4,370	2,510
Amounts recognised in business combination	(22)	–
Amounts recognised directly in equity	1,877	–
Closing balance at 30 June	**16,968**	**10,743**

Note 14: Trade and Other Payables

	2025 $'000	2024 $'000
Current		
Trade creditors	20,539	26,187
Sundry creditors and accruals	31,032	26,819
	51,571	**53,006**

Due to the short-term nature of these payables, the carrying value is assumed to approximate their fair value.

	2025 $'000	2024 $'000
Non-Current		
Sundry creditors and accruals	880	–

Note 15: Lease Liabilities

Lease liabilities	2025 $'000	2024 $'000
Current lease liabilities	108,599	104,709
Non-current lease liabilities	139,810	149,126
Total carrying amount of lease liabilities	**248,409**	**253,835**

Cash outflow	2025 $'000	2024 $'000
Total cash outflow in relation to lease liabilities and associated interest	(136,263)	(125,243)

Lease arrangements

The above information is presented in accordance with AASB 16 *Leases*. Leases relate to properties leased by the Group with lease terms between 1 and 15 years. Leases can contain market review/fixed increments/CPI increment within the lease period and can contain additional clauses in the event that the lessee exercises its option to renew. The lessee does not have an option to purchase the property at the expiry of the lease period.

Note 16: Provisions

	2025 $'000	2024 $'000
Current		
Employee benefits	45,753	44,617
Other	1,488	1,593
	47,241	**46,210**
Non-Current		
Employee benefits	3,695	3,402

Note 17: Current Tax Liabilities

	2025 $'000	2024 $'000
Current		
Tax payables	8,536	3,236

Note 18: Borrowings

	2025 $'000	2024 $'000
Non-Current		
Unsecured – at amortised cost		
Bank loans	41,968	55,064

Details of the fair values and interest rate risk exposure relating to each of the unsecured liabilities are set out in Note 27.

Terms and repayment schedule

The terms and conditions of outstanding loans are as follows:

Loan	Currency	Nominal interest rate	Year of maturity	2025 $'000	2024 $'000
Bank loans	AUD	BBSY + 1.55% - 2.45%	2027	41,968	55,064

In December 2024, the Group amended its existing facility, extending the term to 31 July 2027 and reducing the overall facility from $140.0m to $108.0m.

In addition, the financial covenants are shown below:

1. Leverage Ratio is not greater than 3.50 (30 June 2024: 3.50).
2. Interest Coverage Ratio is not less than 3.00 (30 June 2024: N/A).
3. Fixed Cover Charge Ratio has been removed from the amended facility (30 June 2024: 1.20).

The Group complied with the covenants throughout the reporting period and as such, the loan is classified as a non-current liability at 30 June 2025.

Note 19: Issued Capital

(a) Share capital

	30 Jun 2025 Shares	30 Jun 2024 Shares	30 Jun 2025 $'000	30 Jun 2024 $'000
Fully paid ordinary shares	195,791,386	201,834,015	780,732	797,975
Other equity securities				
Treasury shares	(1,324,497)	(1,594,237)	(5,208)	(6,213)
	194,466,889	**200,239,778**	**775,524**	**791,762**

Note 19: Issued Capital cont.

(b) Ordinary shares

All shares are equally eligible to receive dividends and the repayment of capital and represent one vote at shareholders' meetings of Australian Clinical Labs Limited.

Date 2025	Details	Number of shares	Value of shares $'000
1/07/2024	Opening balance of the Group	201,834,015	797,975
Oct 2024	Share buy-back	(305,158)	(1,109)
Nov 2024	Share buy-back	(775,706)	(2,687)
Dec 2024	Share buy-back	(177,332)	(610)
Feb 2025	Share buy-back	(1,217,287)	(3,807)
Mar 2025	Share buy-back	(702,520)	(2,150)
Apr 2025	Share buy-back	(800,497)	(2,431)
May 2025	Share buy-back	(2,064,129)	(6,326)
June 2025	Deferred tax on transaction costs associated with issue of shares	–	1,877
30/06/2025	**Closing balance of the Group**	**195,791,386**	**780,732**

Date 2024	Details	Number of shares	Value of shares $'000
1/07/2023	Opening balance of the Group	201,834,015	797,975
30/06/2024	**Closing balance of the Group**	**201,834,015**	**797,975**

(c) Options and performance rights

Details of options and performance rights issued, exercised and forfeited during the financial year and options and performance rights outstanding at the end of the financial year are set out in Note 21.

(d) Treasury shares

Treasury shares in Clinical Labs are held by the Australian Clinical Labs Employee Share Trust ('ACLEST'). For further details, please refer to Note 1(q).

Date 2025	Details	Number of shares	Value of shares $'000
1/07/2024	Opening balance of the Group	(1,594,237)	(6,213)
Various	Transfer of shares to employees to satisfy exercise of rights	269,740	1,005
30/06/2025	**Closing balance of the Group**	**(1,324,497)**	**(5,208)**

Note 19: Issued Capital cont.

Date 2024	Details	Number of shares	Value of shares $'000
1/07/2023	Opening balance of the Group	(1,330,743)	(5,835)
Jan 2024	Treasury shares acquired on-market	(600,000)	(1,742)
Various	Transfer of shares to employees to satisfy exercise of rights	336,506	1,364
30/06/2024	**Closing balance of the Group**	**(1,594,237)**	**(6,213)**

Note 20: Reserves and Retained Earnings

2025	Share-based payment reserve $'000	Foreign currency translation reserve $'000	Common control reserve $'000	Loss reserve $'000	Total reserves $'000
Opening balance at 1 July 2024	**5,084**	**48**	**(645,632)**	**(132,788)**	**(773,288)**
Exchange differences on translation of foreign operations	–	142	–	–	**142**
Management share scheme – LTVR	3,443	–	–	–	**3,443**
Allocation of treasury shares	(1,005)	–	–	–	**(1,005)**
Closing balance at 30 June 2025	**7,522**	**190**	**(645,632)**	**(132,788)**	**(770,708)**

2024	$'000	$'000	$'000	$'000	$'000
Opening balance at 1 July 2023	**3,384**	**72**	**(645,632)**	**(132,788)**	**(774,964)**
Exchange differences on translation of foreign operations	–	(24)	–	–	**(24)**
Management share scheme – LTVR	3,064	–	–	–	**3,064**
Allocation of treasury shares	(1,364)	–	–	–	**(1,364)**
Closing balance at 30 June 2024	**5,084**	**48**	**(645,632)**	**(132,788)**	**(773,288)**

(a) Share-based payment reserve

The share-based payment reserve reflects the fair value of equity-settled share-based payments.

The Group established a Long-Term Variable Remuneration (LTVR) Plan commencing 25 May 2021. Refer to the Remuneration Report for full details.

Note 20: Reserves and Retained Earnings cont.

(b) Foreign currency translation reserve

Exchange differences arising on translation of the foreign subsidiary are taken to the foreign currency translation reserve as described in accounting policy Note 1(d).

(c) Common control reserve

On 17 December 2020, a restructure took place that resulted in a newly incorporated company, Australian Clinical Labs Limited (formerly ACL Holdco Pty Ltd) obtaining control over Clinical Laboratories Pty Ltd and its controlled entities.

The financial report is presented on the basis of historical cost however the debt and restructure occurred based on the fair value of the business which has not been reflected in the financial report resulting in the recognition of a common control reserve.

(d) Loss reserve

The reserve is comprised of losses up to 30 June 2019 ($120.3m), and a $12.5m payment to Advanced Medical Technology Pty Ltd as a result of the restructure, where the Group recognised and settled a promissory note in the 2021 financial year.

Note 21: Share-Based Payments

The Group has an equity-settled share-based compensation plan for executives and employees. The fair value of equity remuneration granted under the plan is recognised as an expense with a corresponding increase in equity. Please refer to Note 1(o) for further details.

(a) Australian Clinical Labs Limited Rights Plan

Performance rights are granted under the Australian Clinical Labs Limited Rights Plan for no consideration and carry no dividend or voting rights. When exercisable, each performance right is convertible into one ordinary share.

Type	Grant date	Expiry date	Exercise price	Balance at start of year	Granted during the year	Forfeited during the year	Exercised during the year	Balance at end of year	Exercisable at end of year	Balance at date of this report
2025										
Performance rights	25-May-21	24-May-26	Nil	641,622	–	(641,622)	–	–	–	–
Performance rights	13-Jul-21	12-Jul-26	Nil	39,780	–	(39,780)	–	–	–	–
Service rights	20-Nov-21	19-Nov-26	Nil	312,477	–	–	(131,847)	180,630	180,630	180,630
Performance rights	13-Mar-23	12-Mar-28	Nil	737,654	–	–	–	737,654	–	737,654
Service rights	13-Mar-23	12-Mar-28	Nil	379,912	–	–	(137,893)	242,019	242,019	242,019
Performance rights	19-Dec-23	18-Dec-28	Nil	503,113	–	–	–	503,113	–	503,113
Service rights	19-Dec-23	18-Dec-28	Nil	1,587,595	–	–	–	1,587,595	451,643	1,587,595
Service rights	23-Jan-24	22-Jan-29	Nil	635,034	–	–	–	635,034	–	635,034
Service rights	6-Nov-24	5-Nov-29	Nil	–	62,995	–	–	62,995	–	62,995
Service rights	20-Dec-24	19-Dec-29	Nil	–	160,086	–	–	160,086	–	160,086
Performance rights	2-Apr-25	1-Apr-30	Nil	–	58,776	–	–	58,776	–	58,776
Service rights	2-Apr-25	1-Apr-30	Nil	–	20,185	–	–	20,185	–	20,185
Total				**4,837,187**	**302,042**	**(681,402)**	**(269,740)**	**4,188,087**	**874,292**	**4,188,087**

Note 21: Share-Based Payments cont.

Type	Grant date	Expiry date	Exercise price	Balance at start of year	Granted during the year	Forfeited during the year	Exercised during the year	Balance at end of year	Exercisable at end of year	Balance at date of this report
2024										
Performance rights	25-May-21	24-May-26	Nil	804,532	–	(162,910)	–	641,622	–	–
Performance rights	13-Jul-21	12-Jul-26	Nil	39,780	–	–	–	39,780	–	–
Service rights	20-Nov-21	19-Nov-26	Nil	678,615	–	(29,632)	(336,506)	312,477	312,477	312,477
Performance rights	13-Mar-23	12-Mar-28	Nil	896,374	–	(158,720)	–	737,654	–	737,654
Service rights	13-Mar-23	12-Mar-28	Nil	379,912	–	–	–	379,912	101,729	379,912
Performance rights	19-Dec-23	18-Dec-28	Nil	–	680,644	(177,531)	–	503,113	–	503,113
Service rights	19-Dec-23	18-Dec-28	Nil	–	1,761,507	(173,912)	–	1,587,595	–	1,587,595
Service rights	23-Jan-24	22-Jan-29	Nil	–	635,034	–	–	635,034	–	635,034
Total				**2,799,213**	**3,077,185**	**(702,705)**	**(336,506)**	**4,837,187**	**414,206**	**4,155,785**

Fair value of rights granted

The average assessed fair value of performance rights granted during the year ended 30 June 2025 was $2.349 per right (2024: $0.929). The average assessed fair value of service rights granted during the year ended 30 June 2025 was $3.086 per right (2024: $2.539). The service rights generally have a higher value than the performance rights given that the only condition is a service period and not Group performance. The valuation model inputs for rights granted during the year ended 30 June 2025 and 30 June 2024 included:

Type	Grant date	Expiry date	Exercise price	Share price at time of grant	Expected life (years from date of issue)	Share price volatility	Risk free rate	Dividend yield
Service rights	20-Nov-21	19-Nov-26	Nil	$4.34	2.0	31%	1.15%	3.40%
Performance rights	13-Mar-23	12-Mar-28	Nil	$3.60	2.3	33%	3.26%	4.49%
Service rights	13-Mar-23	12-Mar-28	Nil	$3.63	0.8 - 1.8	33%	4.70%	3.86%
Performance rights	19-Dec-23	18-Dec-28	Nil	$2.82	2.5	35%	3.68%	5.00%
Service rights	19-Dec-23	18-Dec-28	Nil	$2.82	1.5 - 3.5	35%	3.68% - 4.11%	5.00%
Service rights	23-Jan-24	22-Jan-29	Nil	$3.05	2.4	35%	3.68%	5.00%
Service rights	6-Nov-24	5-Nov-29	Nil	$3.67	2.2	35%	4.16%	3.27%
Service rights	20-Dec-24	19-Dec-29	Nil	$3.44	2.5	35%	4.01%	3.49%
Performance rights	2-Apr-25	1-Apr-30	Nil	$3.00	2.2	35%	3.58%	5.00%
Service rights	2-Apr-25	1-Apr-30	Nil	$3.00	2.2	35%	3.58%	5.00%

Note 21: Share-Based Payments cont.

A Monte Carlo simulation was applied to fair value the TSR performance condition element of performance rights granted. The model simulated the Group's TSR and compared it against the peer group over the vesting periods. The service rights are valued using a Black-Scholes model.

(b) Expenses arising from share-based payment transactions

Total expenses arising from equity-settled share-based payment transactions recognised during the financial year as part of employee benefit expense were as follows:

	2025 $'000	2024 $'000
Share-based payments expense	3,443	3,064

Note 22: Earnings Per Share

Basic and diluted earnings per share

The calculation of basic and diluted earnings per share ('EPS') has been based on the following profit attributable to ordinary shareholders and weighted-average number of ordinary shares.

	2025 Cents	2024 Cents
Basic earnings per share	17.15	12.03
Diluted earnings per share	17.05	12.00

Earnings	2025 $'000	2024 $'000
The earnings used in the calculation of basic and diluted earnings per share are the same and can be reconciled to the consolidated statement of profit or loss and other comprehensive income as follows:		
Profit for the year	32,820	24,244
Net (profit) attributable to non-controlling interests	(390)	(310)
Earnings used in calculating basic and diluted earnings per share	**32,430**	**23,934**

Weighted average number of shares	2025	2024
The weighted average number of shares used in the calculation of basic earnings per share	189,126,542	198,904,689
The weighted average number of shares and potential ordinary shares used in the calculation of diluted earnings per share	190,226,362	199,472,019

Performance rights under the Australian Clinical Labs Performance Rights Plan are determined to be contingently issuable shares because their issue is contingent upon satisfying specified conditions in addition to the passage of time and therefore are not included in the determination of diluted earnings per share.

Details of the options and rights exercised, forfeited and issued in the period between the reporting date and the date of this report are detailed in Note 21.

Note 23: Dividends

(a) Dividends paid	2025 $'000	2024 $'000
Interim dividend for the half-year ended 31 December 2024 of 3.5 cents (2023: 3 cents) per share paid on 16 April 2025, fully franked.	6,956	6,055
Final dividend for the year ended 30 June 2024 of 9 cents (2023: 7 cents) per share paid on 27 September 2024, fully franked.	18,165	14,128
	25,121	**20,183**

(b) Dividends declared after the reporting period and not recognised		
Final dividend for the year ended 30 June 2025 of 9 cents per share (2024: 9 cents) has been declared with a record date of 2 September 2025 and payable on 23 September 2025, fully franked.	17,621	18,165

(c) Franked dividends		
Franking credits available at year end for subsequent financial years based on a tax rate of 30%.	51,476	48,061

The FY24 franking account balance has been restated.

Note 24: Controlled Entities

The financial report includes the financial statements of Australian Clinical Labs Limited and its controlled entities as listed below:

	Country of incorporation	Percentage owned (%) 2025	Percentage owned (%) 2024
Parent Entity:			
Australian Clinical Labs Limited	Australia		
Subsidiaries of Australian Clinical Labs Limited:			
ACL MidCo Pty Ltd	Australia	100	100
ACL Finco Pty Ltd	Australia	100	100
Clinical Laboratories Pty Ltd	Australia	100	100
Clinical Laboratories (WA) Pty Ltd	Australia	100	100
Perth Medical Laboratories Pty Ltd	Australia	100	100
ACL Employee Share Trusco Pty Ltd	Australia	100	100
Malvern Pathology Laboratories Sdn Bhd.	Malaysia	100	100
Southern Sun Clinics Pty Ltd	Australia	100	100
SunDoctors Kalowen Pty Ltd	Australia	100	100
Southern Sun Practices Pty Ltd	Australia	100	100
SunDoctors Taree Pty Ltd	Australia	100	100
SunDoctors Coffs Harbour (Southern Cross) Pty Ltd	Australia	100	100
SunDoctors Pottsville Pty Ltd	Australia	100	100
SunDoctors Byron Bay Pty Ltd	Australia	100	100
SunDoctors Burleigh Heads Pty Ltd	Australia	100	100
SunDoctors Novocastrian Pty Ltd	Australia	100	100
Dermapath AI Pty Ltd	Australia	100	100
Southern Sun Pathology (Helix) Pty Ltd	Australia	100	100
Southern Sun Healthcare Pty Ltd	Australia	100	100
SunDoctors Nelson Bay Pty Ltd (formerly known as SunDoctors Joondalup Pty Ltd)	Australia	100	100
WSCC Healthcare Pty Ltd	Australia	50	50
Orange Skin Cancer Clinic Pty Ltd	Australia	100	100
Ryde Skin Cancer Clinic Pty Ltd	Australia	100	100
Bolton Street Cancer Clinic Pty Ltd	Australia	100	100
Gosford SCC Pty Ltd	Australia	100	100
Southern Sun Pathology Pty Ltd	Australia	100	100
Skin Cancer Clinic Parramatta Pty Ltd	Australia	100	100
Aussie Skin Cancer Clinics Pty Ltd	Australia	100	100
Wollongong SCC Pty Ltd	Australia	100	100

Malvern Pathology Laboratories Sdn Bhd. recharges its costs plus a mark-up to Clinical Laboratories Pty Ltd which is eliminated upon consolidation.

Note 25: Related Parties

(a) Parent entities and subsidiaries

Australian Clinical Labs Limited is the ultimate Parent Company in the Group comprising the Company and its subsidiaries as detailed in Note 24.

(b) Key management personnel compensation

Details of remuneration of key management personnel and transactions with them have been disclosed in the Remuneration Report within the Directors' Report. The aggregate remuneration of the key management personnel is shown below:

	2025 $'000	2024 $'000
Short-term employee benefits	4,088	2,482
Long-term employee benefits	985	(79)
Post-employment benefits	105	105
Share-based payments	289	213
	5,467	**2,721**

There were no transactions which occurred with entities controlled by Related Parties.

Note 26: Notes to the Statement of Cash Flows

(a) Reconciliation of cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the financial period as shown in the statement of cash flows are reconciled to the related items in the statement of financial position as follows:

	2025 $'000	2024 $'000
Cash and cash equivalents	21,442	26,136

(b) Reconciliation of net profit for the year to net cash flows from operating activities

	2025 $'000	2024 $'000
Profit for the year before taxation	48,179	36,366
Non-cash flows in operating profit		
Depreciation and amortisation	136,042	128,427
Loss on sale of assets	44	1,037
Reassessment of contingent consideration	152	–
Share-based payments expense	3,442	3,064
Accrued interest (income)/expense	(86)	184
Capitalised borrowing costs	(9)	184
	187,764	**169,262**
Changes in assets and liabilities		
Decrease/(increase) in trade and other receivables	8,323	(7,724)
(Increase) in other assets	(1,412)	(3,302)
Decrease/(increase) in inventories	1,208	(1,734)
(Decrease)/increase to trade and other payables	(28)	11,650
Increase to provisions	1,409	1,150
(Decrease)/increase to other liabilities	(36)	447
Income tax paid	(14,427)	(10,157)
Net cash provided by operating activities	**182,801**	**159,592**

(c) Non-cash financing and investing activities

The following non-cash financing and investing activities occurred during the year and are not reflected in the statement of cash flows:

- Acquisition of right-of-use assets (Note 11)
- Options and rights issued to employees for no cash consideration (Note 21)

Note 26: Notes to the Statement of Cash Flows cont.

(d) Bank facilities and guarantees

At 30 June 2025, the Group had a bank overdraft available of $10.0m which had not been utilised at year end (2024: $6.5m, nil utilised).

Financial guarantees also existed in relation to rental properties. The Group has utilised $5.6m (2024: $5.7m) of its $7.5m (2024: $12.0m) facility with the Commonwealth Bank at 30 June 2025. In addition, the Group held guarantees of $0.3 (2024: $0.2m) of its $0.5m (2024: $0.5m) facility with the National Australia Bank and maintained cash-backed guarantees totalling $0.1 m (2024: $0.2m) with Macquarie Bank.

In order to enhance the Group's liquidity, the Group also has available the following unsecured debt facilities:

- $28.0m funded jointly with Commonwealth Bank and HSBC, which includes the bank overdraft, short-term loan and facility in relation to the financial guarantees above, $5.6m utilised (2024: $5.7m utilised, $30m limit).
- $80.0m funded jointly by Commonwealth Bank and HSBC of which the Group has utilised $42.0m as at 30 June 2025 (2024: $110.0m which had $55.0m utilised).

Note 27: Financial Risk Management

The Group's activities expose it to a variety of financial risks which includes market risk (including currency and interest rate risk), credit risk and liquidity risk. The Group's risk management is coordinated at its head office, in close cooperation with the Board of Directors, and focuses actively in ensuring the Group's short to medium-term cash flows by minimising potential adverse effects on the financial performance of the Group.

The Group's financial instruments consist mainly of deposits with banks, debt facilities, trade receivables and trade payables. The Group does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The below is an outline of key financial risks and the Group management's strategies for managing them.

Risk	Description	Strategy for management
Capital management risk	The Group manages its capital with the aim to ensure the Group's ability to continue to operate as a going concern so that it can continue to provide returns to its shareholders.	The Group proactively manages its capital structure and may issue new shares, or enter into rights issues or vary the amount of dividends paid to shareholders.
	The Group aims to optimise its debt and equity balance to reduce the cost of capital.	The capital structure of the Group is mainly monitored on the basis of the following ratios, which are also covenants under the Group's debt facilities: • Leverage Ratio – the Group's leverage ratio as at 30 June 2025 is 0.28, which is under the upper threshold of 3.50. • Interest Coverage Ratio – the Group's interest coverage ratio as at 30 June 2025 is 20.02, which is over the bottom threshold of 3.00.
Market risk		
Interest rate risk	The Group's exposure to market risk from changing interest rates relates primarily to its short-term cash investments and bank borrowings at variable interest rates.	The Group may enter into interest rate swap contracts to hedge against exposure to fluctuations in interest rates. The Group did not enter into any interest rate swaps in the current year.

Note 27: Financial Risk Management cont.

Risk	Description	Strategy for management
Foreign exchange risk	The Group has minimum foreign currency risk from the following: • Translation of the net assets of the Group's foreign controlled entity, which operates using a different functional currency. • The Group has limited number of transactions that are required to be settled in foreign currencies.	The Group may enter into cash flow hedges for committed, large and known expenditure denominated in foreign currency to manage its foreign exchange risk.
Price risk	The Group does not have significant exposure to fluctuations in the fair values or future cash flows of financial instruments associated with changes in market prices.	The Group does not currently invest in equity securities or other financial instruments with market prices risk.
Credit risk	The exposure to credit risk at the balance date is the carrying amount of those assets, net of any provisions for impairment as disclosed in Note 7 of the financial report. The Group does not have any material exposure to any individual customers or counterparty other than certain government or statutory funded bodies which the Group operates.	The Group manages credit risk by performing ageing analysis on receivable balances on an ongoing basis. The Group also has a rigorous process in place to minimise bad debts which involve sending out reminder notices, demand for repayments and referral to debt collection agencies. The Group has not renegotiated any material collection/repayment terms of any financial assets in the current or previous financial year.
Liquidity risk	The Group is required to maintain a high level of liquidity to ensure that it is capable of meeting its obligations associated with its financial liabilities and to fund its long-term strategic initiatives and expansion plans.	The Group manages its liquidity risk by: • The Group has adequate debt facilities in place should they be required to refinance any short-term liabilities. • Ongoing cash flow forecasting and reporting.

(a) Interest rate risk

The Group's exposure to interest rate risk and the effective weighted average interest rate by maturity period is set out in the below table. Exposure predominantly arises from the Group's borrowings at floating interest plus a fixed margin.

			Fixed interest rate			
2025	Average interest rate %	Variable interest rate $'000	Less than 1 year $'000	1 to 5 years $'000	More than 5 years $'000	Total $'000
Financial assets						
Cash	4.11%	21,442	–	–	–	**21,442**
Financial liabilities						
Bank loans	BBSY + 1.55% - 2.45%	(41,968)	–	–	–	**(41,968)**
Lease liabilities	2.05% - 7.00%	–	(108,599)	(120,929)	(18,881)	**(248,409)**
Total		**(20,526)**	**(108,599)**	**(120,929)**	**(18,881)**	**(268,935)**

Note 27: Financial Risk Management cont.

2024	Average interest rate %	Variable interest rate $'000	Fixed interest rate: Less than 1 year $'000	Fixed interest rate: 1 to 5 years $'000	Fixed interest rate: More than 5 years $'000	Total $'000
Financial assets						
Cash	4.30%	26,136	–	–	–	**26,136**
Financial liabilities						
Bank loans	BBSY + 1.55% - 2.45%	(55,064)	–	–	–	**(55,064)**
Lease liabilities	2.05% - 7.00%	–	(104,709)	(137,523)	(11,603)	**(253,835)**
Total		**(28,928)**	**(104,709)**	**(137,523)**	**(11,603)**	**(282,763)**

(b) Sensitivity Analysis

The following table summarises the sensitivity of the Group's financial assets and liabilities to interest rate risk. The analysis has been determined based on the Group's exposure to variable interest rates during the financial year projecting a reasonably possible change taking place at the beginning of the financial year, held constant throughout the financial year and applied to variable interest payments made throughout the financial year.

2025	Carrying amount $'000	Result: 1.0%/100BP increase $'000	Result: 1.0%/100BP decrease $'000	Equity: 1.0%/100BP increase $'000	Equity: 1.0%/100BP decrease $'000
Financial assets					
Cash	21,442	214	(214)	214	(214)
Financial liabilities					
Bank loans	(41,968)	(420)	420	(420)	420
Total	**(20,526)**	**(206)**	**206**	**(206)**	**206**

2024	Carrying amount $'000	Result: 1.0%/100BP increase $'000	Result: 1.0%/100BP decrease $'000	Equity: 1.0%/100BP increase $'000	Equity: 1.0%/100BP decrease $'000
Financial assets					
Cash	26,136	261	(261)	261	(261)
Financial liabilities					
Bank loans	(55,064)	(551)	551	(551)	551
Total	**(28,928)**	**(290)**	**290**	**(290)**	**290**

Note 28: Parent Entity Information

	2025 $'000	2024 $'000
Assets		
Current assets	226,150	216,908
Non-current assets	584,000	585,469
Total Assets	**810,150**	**802,377**
Liabilities		
Current liabilities	319	313
Total Liabilities	**319**	**313**
Equity		
Issued capital	780,732	797,975
Reserves	7,522	5,085
Retained earnings	21,577	(996)
Total Equity	**809,831**	**802,064**

	2025 $'000	2024 $'000
Financial performance		
Profit for the year	47,694	9,911
Total comprehensive income	**47,694**	**9,911**

Note 29: Auditor's Remuneration

	2025 $'000	2024 $'000
Auditor of Australian Clinical Labs Limited - Audit Services		
Audit of the financial report for the financial year	254	242
Review of the financial report for the half year	89	85
Total audit and other assurance services	**343**	**327**

Note 30: Contingencies

(a) Contingent assets

During the 2022 financial year, one of our laboratories based in Queensland was flooded with extensive damage caused to the laboratory equipment and consumables on hand.

At 30 June 2025 the insurance claim had not been verified in its entirety and as such a receivable for the balance of the claim has not been recorded at 30 June 2025. The Group has received progress payments from the insurers with insurance income recorded in the statement of profit and loss in the prior year totalling $1.2m and current year $0.2m.

The Group has a contingent asset for the remaining balance of the claim that has yet to be quantified and verified by the insurers, which has not been recognised in the financial statements.

(b) Contingent liabilities

On 2 November 2023, the Australian Information Commissioner (AIC) commenced civil proceedings in the Federal Court of Australia against ACL in relation to alleged contraventions of the *Privacy Act 1988* (Cth) during the period 26 May 2021 to 29 September 2022. The AIC claim does not identify the level of any civil penalty sought in the event liability is established.

ACL is defending the civil proceedings and any costs in relation to this defence are being recognised as incurred. The matter is not currently scheduled for hearing. The parties engaged in a mediation in June 2025 which remains ongoing.

Note 31: Deed of Cross Guarantee

Pursuant to ASIC Corporations (Wholly-owned Companies) Instrument 2016/785, the wholly-owned subsidiaries listed below are relieved from the *Corporations Act 2001* requirements for preparation, audit and lodgement of financial reports, and Directors' reports.

It is a condition of the Instrument that the relevant holding entity and each of the relevant subsidiaries enter into a Deed of Cross Guarantee. The effect of the Deed is that each holding entity guarantees to each creditor payment in full of any debt in the event of winding up of any of the subsidiaries in each Group under certain provisions of the *Corporations Act 2001*. If a winding up occurs under other provisions of the *Corporations Act 2001*, each holding entity will only be liable in the event that after six months any creditor has not been paid in full. The subsidiaries have also given similar guarantees in the event that each holding entity is wound up.

The parent entity and subsidiaries subject to the Deed of Cross Guarantee as at 30 June 2025 are as follows:

- ACL MidCo Pty Ltd
- ACL Finco Pty Ltd
- Clinical Laboratories Pty Ltd
- Clinical Laboratories (WA) Pty Ltd
- Southern Sun Clinics Pty Ltd
- Southern Sun Pathology Pty Ltd
- Southern Sun Pathology (Helix) Pty Ltd
- Southern Sun Healthcare Pty Ltd
- Southern Sun Practices Pty Ltd
- SunDoctors Nelson Bay Pty Ltd
- SunDoctors Taree Pty Ltd
- SunDoctors Coffs Harbour (Southern Cross) Pty Ltd
- SunDoctors Pottsville Pty Ltd
- SunDoctors Byron Bay Pty Ltd
- SunDoctors Burleigh Heads Pty Ltd
- SunDoctors Novocastrian Pty Ltd
- Dermapath AI Pty Ltd
- Orange Skin Cancer Clinic Pty Ltd
- Ryde Skin Cancer Clinic Pty Ltd
- Bolton Street Cancer Clinic Pty Ltd
- Gosford SCC Pty Ltd
- Skin Cancer Clinic Parramatta Pty Ltd
- Aussie Skin Cancer Clinics Pty Ltd
- Wollongong SCC Pty Ltd
- Perth Medical Laboratories Pty Ltd
- ACL Employee Share Trusco Pty Ltd

These entities above represent a 'Closed Group' for the purposes of the Instrument.

Note 31: Deed of Cross Guarantee cont.

(a) Consolidated statement of profit or loss of the Closed Group

	2025 $'000	2024 $'000
Revenue	728,718	686,963
Other income	1,216	1,175
Total	**729,934**	**688,138**
Consumables	(128,091)	(119,176)
Labour costs	(309,996)	(296,933)
Property costs	(13,261)	(12,073)
Repairs and maintenance	(9,698)	(7,332)
Healius transaction costs	–	(4,653)
Acquisition, restructuring and other one-off expenses	(3,084)	(6,169)
Other operating expenses	(65,704)	(62,154)
Depreciation	(12,690)	(13,055)
Depreciation of right-of-use assets	(122,688)	(114,671)
Amortisation of acquired intangible assets	(2)	(1)
Total operating costs	**(665,214)**	**(636,217)**
Earnings before interest and tax	**64,720**	**51,921**
Net finance costs	(17,906)	(16,506)
Profit before income tax	**46,814**	**35,415**
Income tax expense	(15,210)	(12,000)
Profit for the year	**31,604**	**23,415**
Net (profit) attributable to non-controlling interests	–	–
Net profit attributable to members of the Closed Group	**31,604**	**23,415**

Note 31: Deed of Cross Guarantee cont.

(b) Consolidated statement of other comprehensive income of the Closed Group

	2025 $'000	2024 $'000
Profit for the year	31,604	23,415
Other comprehensive income		
Items that may be reclassified subsequently to profit and loss		
Exchange differences on translation of foreign operations	–	–
Other comprehensive income for the year, net of tax	–	–
Total comprehensive income for the year	**31,604**	**23,415**
Total comprehensive income attributable to:		
Members of the Closed Group	31,604	23,415
Non-controlling interests	–	–
	31,604	**23,415**

(c) Reconciliation of retained earnings of the Closed Group

	2025 $'000	2024 $'000
Retained earnings at the beginning of the financial year	156,297	152,514
Profit from ordinary activities after income tax expense	31,604	23,415
Dividends paid during the year	(24,944)	(19,949)
Transfers	–	317
Retained earnings at the end of the financial year	**162,957**	**156,297**

Note 31: Deed of Cross Guarantee cont.

(d) Consolidated Statement of Financial Position of the Closed Group

	2025 $'000	2024 $'000
Current Assets		
Cash and cash equivalents	19,371	24,158
Trade and other receivables	71,822	80,654
Inventories	15,598	16,807
Other assets	9,995	8,223
Total Current Assets	**116,786**	**129,842**
Non-Current Assets		
Plant and equipment	36,401	41,348
Right-of-use assets	232,448	239,198
Intangible assets	164,647	164,155
Other assets	2,483	2,068
Deferred tax assets	17,156	10,964
Total Non-Current Assets	**453,135**	**457,733**
Total Assets	**569,921**	**587,575**
Current Liabilities		
Trade and other payables	53,493	52,752
Lease liabilities	108,302	104,473
Provisions	47,185	46,163
Current tax liabilities	8,508	3,236
Deferred consideration	49	95
Other liabilities	411	448
Total Current Liabilities	**217,948**	**207,167**
Non-Current Liabilities		
Trade and other payables	880	–
Lease liabilities	139,255	148,725
Borrowings	41,968	55,064
Provisions	3,695	3,402
Deferred consideration	98	–
Total Non-Current Liabilities	**185,896**	**207,191**
Total Liabilities	**403,844**	**414,358**
Net Assets	**166,077**	**173,217**

Note 31: Deed of Cross Guarantee cont.

	2025 $'000	2024 $'000
Equity		
Issued capital	774,349	790,587
Reserves	(771,229)	(773,667)
Retained earnings	162,957	156,297
Total parent entity interest	**166,077**	**173,217**
Non-controlling Interest	–	–
Total Equity	**166,077**	**173,217**

Note 32: Subsequent Events

There were no other significant changes in the Group's state of affairs that occurred following the end of the financial year and up to the date of the financial report, other than those referred to elsewhere in this report.

Consolidated entity disclosure statement

for the year ended 30 June 2025

			Body Corporate		Tax residency	
Entity Name	Entity Type	Trustee, partner or participant in joint venture	Place formed or incorporated	% of share capital held (i)	Australian tax resident	Foreign jurisdictions
Australian Clinical Labs Limited	Body corporate	n/a	Australia	100%	Yes (ii)	n/a
ACL MidCo Pty Ltd	Body corporate	n/a	Australia	100%	Yes (ii)	n/a
ACL Finco Pty Ltd	Body corporate	n/a	Australia	100%	Yes (ii)	n/a
Clinical Laboratories Pty Ltd	Body corporate	n/a	Australia	100%	Yes (ii)	n/a
Clinical Laboratories (WA) Pty Ltd	Body corporate	n/a	Australia	100%	Yes (ii)	n/a
Perth Medical Laboratories Pty Ltd	Body corporate	n/a	Australia	100%	Yes (ii)	n/a
ACL Employee Share Trusco Pty Ltd	Body corporate	Trustee (iv)	Australia	100%	Yes (ii)	n/a
Australian Clinical Labs Limited Employee Share Trust	Trust	n/a	n/a	n/a	Yes	n/a
Malvern Pathology Laboratories Sdn Bhd	Body corporate	n/a	Malaysia	100%	No	Malaysia (iii)
Southern Sun Clinics Pty Ltd	Body corporate	n/a	Australia	100%	Yes (ii)	n/a
Southern Sun Healthcare Pty Ltd	Body corporate	Trustee (v)	Australia	100%	Yes (ii)	n/a
The Aussie Healthcare Unit Trust	Trust	n/a	n/a	n/a	Yes (ii)	n/a
Southern Sun Practices Pty Limited	Body corporate	n/a	Australia	100%	Yes (ii)	n/a
SunDoctors Taree Pty Ltd	Body corporate	n/a	Australia	100%	Yes (ii)	n/a
SunDoctors Coffs Harbour (Southern Cross) Pty Ltd	Body corporate	n/a	Australia	100%	Yes (ii)	n/a
SunDoctors Pottsville Pty Ltd	Body corporate	n/a	Australia	100%	Yes (ii)	n/a
SunDoctors Byron Bay Pty Ltd	Body corporate	n/a	Australia	100%	Yes (ii)	n/a

Entity Name	Entity Type	Trustee, partner or participant in joint venture	Body Corporate Place formed or incorporated	Body Corporate % of share capital held (i)	Tax residency Australian tax resident	Tax residency Foreign jurisdictions
SunDoctors Burleigh Heads Pty Ltd	Body corporate	n/a	Australia	100%	Yes (ii)	n/a
SunDoctors Kalowen Pty Ltd	Body corporate	n/a	Australia	100%	Yes (ii)	n/a
SunDoctors Novocastrian Pty Ltd	Body corporate	n/a	Australia	100%	Yes (ii)	n/a
Dermapath AI Pty Ltd	Body corporate	n/a	Australia	100%	Yes (ii)	n/a
Southern Sun Pathology (Helix) Pty Ltd	Body corporate	n/a	Australia	100%	Yes (ii)	n/a
SunDoctors Nelson Bay Pty Ltd	Body corporate	n/a	Australia	100%	Yes (ii)	n/a
WSCC Healthcare Pty Ltd	Body corporate	Trustee (vi)	Australia	50%	Yes	n/a
Wyong SCC Trust	Trust	n/a	n/a	n/a	Yes	n/a
Orange Skin Cancer Clinic Pty Ltd	Body corporate	Trustee (vii)	Australia	100%	Yes (ii)	n/a
Orange Skin Cancer Clinic Unit Trust	Trust	n/a	n/a	n/a	Yes (ii)	n/a
Ryde Skin Cancer Clinic Pty Ltd	Body corporate	Trustee (viii)	Australia	100%	Yes (ii)	n/a
Ryde Skin Cancer Clinic Unit Trust	Trust	n/a	n/a	n/a	Yes (ii)	n/a
Bolton Street Cancer Clinic Pty Ltd	Body corporate	Trustee (ix)	Australia	100%	Yes (ii)	n/a
Bolton Street Skin Cancer Clinic Trust	Trust	n/a	n/a	n/a	Yes (ii)	n/a
Gosford SCC Pty Ltd	Body corporate	Trustee (x)	Australia	100%	Yes (ii)	n/a
SCC Gosford Unit Trust	Trust	n/a	n/a	n/a	Yes (ii)	n/a
Southern Sun Pathology Pty Ltd	Body corporate	Trustee (xi)	Australia	100%	Yes (ii)	n/a
Hornsby Pathology Unit Trust	Trust	n/a	n/a	n/a	Yes (ii)	n/a

Consolidated entity disclosure statement *cont.*

for the year ended 30 June 2025

			Body Corporate		Tax residency	
Entity Name	Entity Type	Trustee, partner or participant in joint venture	Place formed or incorporated	% of share capital held (i)	Australian tax resident	Foreign jurisdictions
Skin Cancer Clinic Parramatta Pty Ltd	Body corporate	Trustee (xii)	Australia	100%	Yes (ii)	n/a
Skin Cancer Clinic Parramatta Unit Trust	Trust	n/a	n/a	n/a	Yes (ii)	n/a
Aussie Skin Cancer Clinic Pty Ltd	Body corporate	Trustee (xiii)	Australia	100%	Yes (ii)	n/a
Skin Cancer Clinic Hornsby Unit Trust	Trust	n/a	n/a	n/a	Yes (ii)	n/a
Wollongong SCC Pty Ltd	Body corporate	Trustee (xiv)	Australia	100%	Yes (ii)	n/a
Wollongong SCC Trust	Trust	n/a	n/a	n/a	Yes (ii)	n/a
Rouse Hill Skin Cancer Unit Trust	Trust	n/a	n/a	n/a	Yes (ii)	n/a

(i) Represents the economic interest in the entity as consolidated in the consolidated financial statements.
(ii) This entity is part of a tax-consolidated group under Australian taxation law, for which Australian Clinical Labs Limited is the head entity.
(iii) Malvern Pathology Laboratories Sdn Bhd is incorporated in Malaysia.
(iv) ACL Employee Share Trusco Pty Ltd is trustee of the Australian Clinical Labs Limited Employee Share Trust.
(v) Southern Sun Healthcare Pty Ltd - Former Name Aussie Healthcare Pty Limited is trustee of the Aussie Healthcare Unit Trust and Rouse Hill Skin Cancer Unit Trust.
(vi) WSCC Healthcare Pty Ltd is trustee of the Wyong SCC Trust.
(vii) Orange Skin Cancer Clinic Pty Ltd is trustee of the Orange Skin Cancer Clinic Unit Trust.
(viii) Ryde Skin Cancer Clinic Pty Ltd is trustee of the Ryde Skin Cancer Clinic Unit Trust.
(ix) Bolton Street Cancer Clinic Pty Ltd is trustee of the Bolton Street Skin Cancer Clinic.
(x) Gosford SCC Pty Ltd is trustee of the Skin Cancer Clinic Gosford Unit Trust.
(xi) Southern Sun Pathology Pty Ltd formerly Hornsby Pathology Pty Ltd is trustee of the Hornsby Pathology Unit Trust.
(xii) Skin Cancer Clinic Parramatta Pty Ltd is trustee of the Skin Cancer Clinic Parramatta Unit Trust.
(xiii) Aussie Skin Cancer Clinic Pty Ltd formerly Skin Cancer Clinic Hornsby Pty Limited is trustee of the Skin Cancer Clinic Hornsby Unit Trust.
(xiv) Wollongong SCC Pty Ltd is trustee of the Wollongong SCC Trust.

Basis of preparation

The consolidated entity disclosure statement has been prepared in accordance with subsection 295(3A)(a) of the *Corporations Act 2001*. The entities listed in the statement are Australian Clinical Labs Limited and all the entities it controls in accordance with AASB 10 *Consolidated Financial Statements*.

An entity is reported in the consolidated entity disclosure statement as being a tax resident in Australia if it is:

- An Australian resident within the meaning of the *Income Tax Assessment Act 1997* at that time
- A partnership at least one member of which is an Australian resident (within the meaning of the *Income Tax Assessment Act 1997*) at that time
- A resident trust estate (within the meaning of Division 6 of Part III of the *Income Tax Assessment Act 1936*) in relation to the year of income (within the meaning of that Act) that corresponds to the financial year.

Directors' Declaration

In the Directors' opinion:

(a) the financial statements and notes set out on pages 36 to 79 are in accordance with the *Corporations Act 2001*, including:

   (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and

   (ii) giving a true and fair view of the Group's financial position as at 30 June 2025 and of its performance for the financial year ended on that date; and

(b) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable; and

(c) the Consolidated entity disclosure statement as at 30 June 2025 set out on pages 80 to 82 is true and correct; and

(d) at the date of this declaration, there are reasonable grounds to believe that the members of the Closed Group identified in Note 31 will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the Deed of Cross Guarantee described in Note 31.

Note 1(a) confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required under section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the Directors.

Mark Haberlin
Chair
25 August 2025

Melinda McGrath
CEO and Executive Director
25 August 2025

AUSTRALIAN CLINICAL LABS LIMITED
AND CONTROLLED ENTITIES
ABN: 94 645 711 128

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
AUSTRALIAN CLINICAL LABS LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Australian Clinical Labs Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of 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 consolidated entity disclosure statement and the directors' declaration.

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

(a) giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
(b) 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 and 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 of 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.

Key Audit Matter	How our audit addressed the key audit matter
Carrying value of Goodwill Refer to Note 1(I) and Note 12	
At 30 June 2025 the Group's balance sheet includes goodwill relating to one cash generating unit ("CGU"). We believe due to the significance of the goodwill balance, that the carrying value is a key audit matter.	Our procedures included, amongst others: • Assessing management's determination of the Group's CGU based on our understanding of the nature of the Group's business and the economic environment in which it operates.

Specifically, the key audit matter for us was whether the Group's value in use model for impairment included appropriate consideration and support for significant estimates and judgements and the selection of key external and internal inputs. Management's assessment of impairment of the Group's goodwill balances incorporated significant estimates and judgements in respect of factors such as forecast: • revenues; • expenses; • capital expenditure; and • economic assumptions in the cash flow model such as, discount rates, growth rates and terminal growth rate.	• Understanding and evaluating the design and implementation of management's processes and controls regarding valuation of the Group's goodwill assets to determine any asset impairment including the procedures around the preparation and review of forecasts. • Evaluating the Group's significant estimates and judgements used to determine the recoverable value of its assets, including those relating to forecast revenue, expenses, capital expenditure, and other economic assumptions. • Engaging an auditor's expert to evaluate the key economic assumptions to external market data. • Recalculating the mathematical accuracy of the cash flow model. • Assessing the historical accuracy of forecasting of the Group. • Performing sensitivity analysis in relation to the significant estimates and judgements made by management. • Assessing the adequacy of disclosure in the financial statements.

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 2025, 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 accordingly 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.

AUSTRALIAN CLINICAL LABS LIMITED
AND CONTROLLED ENTITIES
ABN: 94 645 711 128

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
AUSTRALIAN CLINICAL LABS LIMITED

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of:
a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*; and

for such internal control as the directors determine is necessary to enable the preparation of:
(i) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
(ii) the consolidated entity disclosure statement that is true and correct and is free of 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 have 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.
- 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 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 16 to 35 of the directors' report for the year ended 30 June 2025. In our opinion, the Remuneration Report of Australian Clinical Labs Limited for the year ended 30 June 2025, complies with section 300A of the *Corporations Act 2001*.

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.

S D WHITCHURCH
Partner

PITCHER PARTNERS
Melbourne

25 August 2025

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Corporate Directory

Company's registered office and principal administrative office

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Tel: 1300 453 688

Share registry

Link Market Services

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AUSTRALIAN Clinicallabs

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