Annual Report 2025

Sigma Healthcare

Contents

IS THIS? AUSTRALIA'S CHEAPEST CHEMIST
Ferro Plus C
wellness
CATALOGUE OUT NOW!

Following the transformative merger, Sigma Healthcare Limited (Sigma) and Chemist Warehouse Group (CWG) unite as Australia's leading retail pharmacy franchisor and full-line pharmaceutical wholesaler.

The powerful combination of Sigma's advanced distribution infrastructure and supply chain management expertise with CWG's retail and brand execution excellence, is an internationally recognised model that delivers scale, efficiency, value, accessibility, and service.

With a global footprint and a commitment to sustainable growth both in Australia and internationally, the new Sigma is positioned to empower pharmacies, support the community and drive long-term shareholder value.


Stop Paying Too Much!!
CHEMIST
WAREHOUSE
Sigma
Healthcare

A New Partnership – The Power of Patience and Belief

"I am excited about the future outlook for Sigma and Chemist Warehouse, and my motivation to keep driving the business is unequivocal.

I am pleased to remain a significant and committed shareholder in the Company and believe there is a long runway of growth into the future and accordingly see upside in the share price.

Success didn't happen overnight – it was built through decades of patience, grit, and belief that nothing is impossible.

We believed in the impossible, trusted the process, and now the world is taking notice. As we begin a new chapter together, let our success speak louder than words.

The journey continues, and the best is yet to come."

Mario Verrocchi
Chemist Warehouse co-founder

The journey continues – stronger, united, and future-focused.

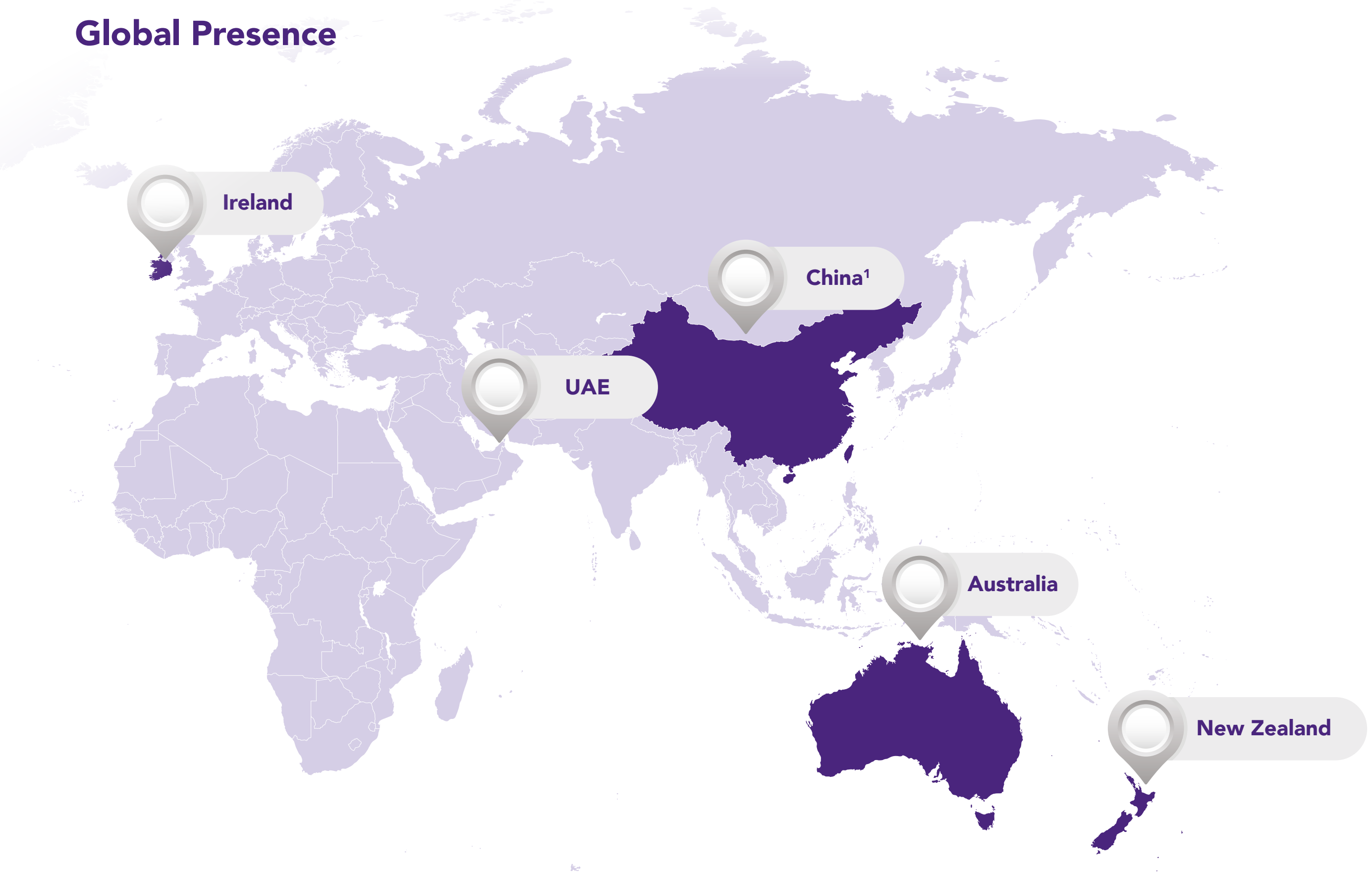
Overview

Financial Year

1 July 2024 to 30 June 2025

This is the first Annual Report for Sigma Healthcare Limited (Sigma) since the successful merger with the Chemist Warehouse (CW) Group (CWG). The merger with CWG has delivered a stronger, more integrated healthcare business, with greater scale, capability, and market reach. The FY25 results demonstrate the group's momentum and illustrate the strong growth opportunities of the newly expanded company.

Global Presence



Revenue

$6.0b

Up 82.3%

Normalised* Net Profit After Tax

$579.1m

Up 40.1%

Net Debt

$752.2m

0.85x Normalised EBITDA

Global network

>950

Stores

Synergy target upgraded to

$100m p.a.

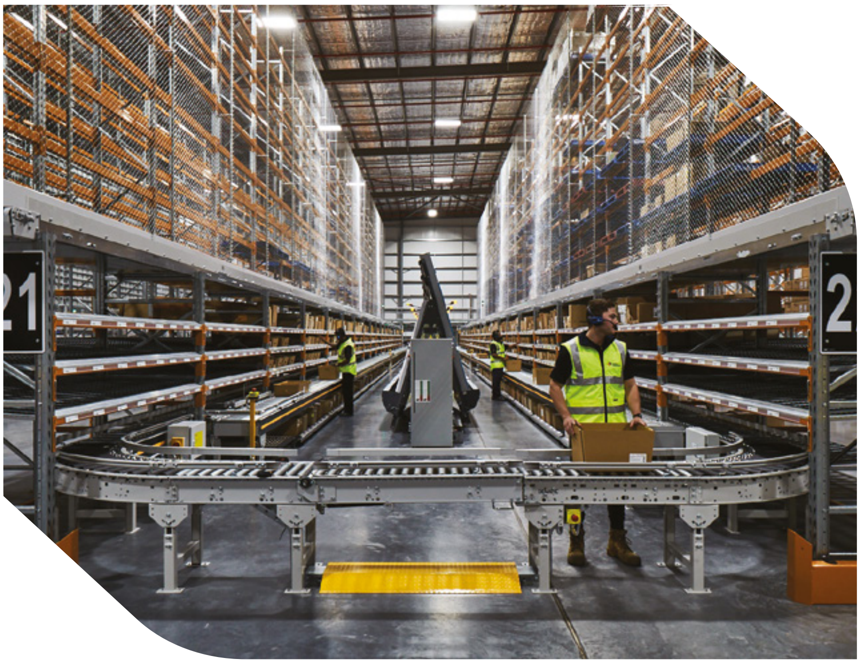
up from $60m p.a.

* Statutory and Normalised results represents CWG for 12 months, and SIG only since completion in February. Normalised results reflect Statutory results adjusted for merger related costs, integration costs, and non-cash P&L charges associated with merger purchase price accounting.

1. On 27 August 2025 we announced the decision to progressively close the Chemist Warehouse bricks and mortar stores in China over the next few years, with the China market to be serviced through the online channel.

Strategic Objectives

Sigma Healthcare is an ASX top 30 unified healthcare business with the scale, capability, and ambition to lead in our chosen markets. Our strategy is focused on creating long-term shareholder value through extending our pipeline of profitable growth whilst reinforcing our defensive moat. We recognise the importance of our proud history and achievements as we create a new and stronger future. Pharmacy is in our DNA, and we remain committed to growing our strategic partnerships with pharmacies and suppliers to deliver a strong customer value proposition, in Australia and in international markets. We are committed to delivering best-in-class supply chain expertise and maintaining financial discipline and governance to support strong shareholder returns, enabled by our people.



Strategic Objectives

1. Sustained growth in Australia

Maintain market leadership to drive like for like sales growth whilst expanding the pharmacy network in under-penetrated locations.

2. Emerging growth in international markets

Cultivate profitable growth in existing Chemist Warehouse international operations whilst assessing and seeding new markets.

3. Brand differentiation

Through Chemist Warehouse, Amcal and Discount Drug Stores, grow our network of differentiated pharmacy offerings to address different market segments and customer preferences. Expand our own and exclusive label range and extend the market reach across our network of pharmacies.

4. Excellence in operational execution

Deliver best-in-class wholesale delivery metrics, ensuring reliable, timely access to products. Support our pharmacy network to achieve a consistent customer experience to drive customer value and loyalty and deliver improved pharmacy profitability.

5. Shareholder Value

Maintain a strong balance sheet with a targeted dividend payout ratio of 50–70%, and drive EBIT growth through disciplined financial management, operational leverage and strategic execution.

Enablers

1. People

A united team with expertise covering the business spectrum – from supply chain management, retail, merchandise and marketing, finance and governance.

2. Infrastructure and Technology

Generational distribution centre infrastructure supported by integrated IT solutions to optimise operating efficiency and effectiveness.

3. Strategic partnerships

Deeper supplier relationships to drive product, range and profitability, to enable pharmacy franchisees to deliver strong in store execution and customer experience.

4. Environmental, Social, and Governance (ESG)

Robust governance underpinned by policies, processes and procedures that provide the social licence to operate and support the communities in which we operate.

Chairman's Report

Mr Michael Sammells
Chairman

Our vision is clear – to be a leading pharmacy franchisor, wholesaler and distribution business in Australia and internationally.

Net Debt

$752.2m

0.85x Normalised EBITDA

Dividend Policy

50%–70%

Dividend Payout Ratio

Dear Shareholders,

I am pleased to present this Chairman's Report for Sigma Healthcare Limited, the first following our transformational merger with the Chemist Warehouse Group (CWG) in February 2025 that sees the emergence of a new Sigma – one with scale, capability, and market reach.

A Defining Merger

On 12 February 2025, Sigma completed its merger with CWG, creating Australia's largest retail pharmacy franchisor and full-line pharmaceutical wholesaler and distributor. This merger brings together CWG's sustained track record of retail excellence with Sigma's proud history and well-invested supply chain and wholesale infrastructure and expertise.

The merged group now supports:

- **Almost 900 Australian franchise network stores** across three brands – Chemist Warehouse, Amcal and Discount Drug Stores.
- **Over 80 international stores** across four countries.
- **Around 3,000 wholesale pharmacy** customers.
- **14 distribution centres across Australia.**
- **Over 530 million units distributed across Australia over the last 12-months.**

Our scale and proven expertise provide a powerful platform for sustainable growth in Australia, operational efficiency across our supply chain, and emerging growth in international markets.

Strategic Direction

Sigma's transformation program is underway but is underpinned by decades of work by CWG and Sigma independently building complementary operational strengths in retail and supply chain management. Now combined, Sigma's strategy is focused on building a resilient, agile, and customer-centric healthcare business, that will deliver tangible benefits through brand differentiation, operational efficiency, and service excellence both in Australia and abroad.

Our vision is clear – to be a leading pharmacy franchisor, wholesaler and distribution business in Australia and internationally.

We are committed to expanding our footprint in retail pharmacy services both in Australia and internationally. This encompasses continuing our proven track record of growing the Chemist Warehouse network both in Australia and abroad, as well as enhancing and growing the Amcal and Discount Drug Store brands in Australia, benefiting from the expertise within the merged group.

In FY25, we continued to invest in our core wholesale and distribution capability to improve service delivery and reduce costs of doing business. Importantly we helped negotiate a new industry agreement, the first Pharmaceutical Wholesaler Agreement (1PWA), to secure a five-year funding envelope to help underpin medicine distribution in Australia. We also signed a new Community Service Obligation (CSO) Deed, enshrining Sigma's commitment to servicing the community.

Through our broader business base, we now have the opportunity to further deepen our strategic partnerships with pharmacy groups and healthcare providers and continue to position Sigma as a trusted partner in the evolving healthcare ecosystem.

Governance and Leadership

As we embark on our journey as a merged business, I am confident that the board composition and senior executive team represent strong continuity of leadership from both the Sigma and CWG businesses.

We have effectively combined the previous Sigma and CWG Boards, to provide the essential skills and expertise to lead the organisation. The CWG Directors have been fundamental to the growth and success of CWG over its history. They bring deep retail and pharmacy expertise to the Board that is complementary and invaluable as we integrate and grow the merged business. I would like to thank Kate Spargo, our outgoing director, for her significant service and contribution to Sigma during her long tenure.

Strong corporate governance remains the cornerstone for Sigma's long-term success. Our Board is committed to maintaining high standards of integrity, transparency, and accountability. We have a diverse group of experienced professionals who bring differing skills, independent judgement and a wealth of expertise across healthcare, finance, retail, logistics and technology. Whilst our Board is not considered independent, it is the right Board providing the right mix of skills to guide the newly merged group. Importantly, all Board committees are chaired by independent non-executive directors. This structure ensures robust oversight and helps mitigate potential conflicts of interest. The Related Party Independent Board Committee overseeing related party transactions is an important pillar of our governance program and is chaired by myself and comprised solely of independent Board members.

We continue to oversee and execute actions that are consistent with the ACCC Undertakings that we provided as part of the merger approval process. Our actions are tightly governed and audited to ensure strict compliance with the requirements. This helps give our customers flexibility and comfort their data is protected with regular compliance reports provided to the ACCC.

Environmental, Social, and Governance (ESG)

We recognise that our responsibilities extend beyond financial performance to include our impact on the environment, our people, and the communities we serve.

At the heart of Sigma's success is our people. Our culture is built on collaboration, accountability, and a shared commitment to improving health outcomes across Australia.

Immediately following the merger, a key focus for the Board and management was to ensure a seamless integration of the two cultures, to embrace the entrepreneurial "can do" culture of CWG with the Sigma governance and oversight.

And we play an important role in supporting the communities in which we operate. During the 12-months to 30 June 2025, we provided over $8 million of support for not-for-profit causes such as Liptember, Save Our Sons, Gotcha4Life, Fight MND and FoodBank, to name a few. This is something we should all be proud of.

In FY25, we published our last Sigma standalone Sustainability Report, which outlines our progress in key areas such as ethical sourcing, modern slavery prevention, governance, energy efficiency, waste diversion, and diversity and inclusion.

With our merger complete, Sustainability now falls within the remit of the newly formed Risk, Compliance and Sustainability Committee as we now enter a phase of re-affirming our key priority areas for our next Sustainability report in FY26 and preparing our business for the mandatory climate reporting regime that commences next year.

Dividend Policy and Capital Management

Sigma remains committed to delivering consistent and sustainable returns to shareholders. Our dividend policy, with our payout ratio of 50% to 70% of NPAT, is designed to balance the need for reinvestment in growth initiatives with the importance of rewarding shareholders for their continued support.

For FY25, we declared a final dividend of 1.3 cents per share, fully franked, reflecting our strong financial performance and prudent capital management. This represents a payout ratio aligned with our long-term target range.

We continue to maintain a strong balance sheet, with disciplined working capital management and a conservative approach to debt. This financial strength provides us with the flexibility to pursue strategic opportunities while safeguarding shareholder value.

At 30 June 2025, Sigma reported a **net debt position of $752.2 million, reflecting 0.85x EBITDA**. Operating cash flow was $599 million, reflecting the strong cash generating capabilities of our business moving forward.

In FY25, we entered a **$1.5 billion syndicated debt facility**, maturing in February 2028. This provides the flexibility to support integration, working capital, and strategic investments.

With the benefit of the DC infrastructure investment over the past decade, and a low cost and low risk international expansion model, our ongoing BAU capital investment requirements are relatively low in the range of $50 to $60 million.

Closing Remarks

On behalf of the Board, I extend my thanks to our shareholders, pharmacy customers, suppliers, and employees. Your support has enabled us to think boldly, act decisively, and deliver on our commitments.

As we look to the future, Sigma is well-positioned to navigate the challenges and opportunities of large-scale integration whilst ensuring our commitment to delivering strong governance, sustainability, customer service excellence and shareholder returns remains unwavering.

Sigma is stronger, more agile, and better positioned than ever.

Mr Michael Sammells
Chairman

CEO's Report

Mr Vikesh Ramsunder
Chief Executive Officer
& Managing Director

The measured expansion strategy combined with Chemist Warehouse's compelling value proposition and retail innovation, provides a powerful engine for future growth.

Pro-forma Revenue[2]

$9.6b

Pro-forma (assuming merged for full 12-months)

Pro-forma EBIT[2]

$903.4m

Pro-forma (assuming merged for full 12-months)

Dear Shareholders,

It gives me pleasure to present this report to you, reflecting on a year of extraordinary transformation for Sigma Healthcare.

The 2025 financial year marked a pivotal moment in Sigma's long and proud history, defined by the successful merger with the Chemist Warehouse Group (CWG), inclusion in the major leading financial indices, and the emergence of a stronger, more integrated healthcare business.

Despite the scale and complexity of change, we remained focused on delivering operational excellence, financial discipline, and long-term value creation. I am pleased to report that we have made tangible progress on all fronts.

Financial Performance: Strong Growth and Strategic Investment

For the 12 months to 30 June 2025, Sigma delivered Statutory Revenue of **$6.0 billion**, up 82% year-on-year, reflecting 12-months revenue from CWG and Sigma revenue contribution since the merger on 12 February 2025.

Growth during the year was driven by the combination of:

- onboarding of the CWG medicine supply contract from 1 July 2024, which saw the addition of more than $2.0 billion annualised revenue through Sigma wholesale;
- Chemist Warehouse (CW) network sales growth of 14%;
- like-for-like sales growth of 11% across the CW retail network[1]; and
- 35 new CW store openings, including internationally.

Statutory EBIT of $767.9 million included the impact of one-off costs of $66.6 million, including integration costs, purchase price accounting adjustments and merger related costs. Adjusting for these, **Normalised EBIT was $834.5 million**, reflecting improved operating leverage and strong growth during the year, headlined by the launch of our Wagner generics range in November 2024.

A fuller picture of the performance can be seen in looking at Pro-forma results, which reflects the results had Sigma and CWG been merged from 1 July 2024. On this basis, Revenue was $9.6 billion and EBIT $903.4 million. This compares to the $6.0 billion revenue and $606 million EBIT for FY24 as disclosed in the merger prospectus. This is very strong growth and sets the baseline from which we expect to grow in FY26.

Retail Strategy: Differentiated Pharmacy Brands

The merger has brought together a suite of highly recognisable brands that appeal to different customer segments. At 30 June 2025, the network has expanded to 881 **Australian franchise stores** across our three brands. The Chemist Warehouse name is synonymous with value and breadth of range and was named Pharmacy of the Year 2024 in the Roy Morgan awards. The Amcal brand has been trusted to service the wellbeing of Australians for over 85 years, and the Discount Drug Store brand offers convenience, service and price, and was recently awarded Canstar Blue's 2025 Most Satisfied Customer Award for Pharmacies.

Meanwhile our PriceSave wholesale offer provides valuable service and support to over 400 independent pharmacies across Australia.

The performance of the Chemist Warehouse retail network was a standout. For the 12 months to 30 June 2025, CWG delivered **$10 billion in retail network sales** to their customers, a **14% increase in total sales**. This growth was driven primarily by strong trading momentum with further support from new store openings. Like-for-like sales growth across the CW network was up an impressive 11%. Growth was seen across every product category, including beauty, vitamins and supplements, healthcare/medicines, fragrances and baby and children.

1. Retail network sales represent sales by CW franchise stores to end consumers.
2. Pro-forma results reflects the assumption that the merger took place for the full period commencing 1 July 2024. Results are adjusted for merger related costs, integration costs, and non-cash P&L charges associated with merger purchase price accounting.

Importantly, we see tremendous opportunity to reinvigorate and grow the Amcal and Discount Drug Stores network in Australia, benefiting from the expertise and capability within our expanded group.

As we continue our growth in Australia, we are also cultivating an international growth engine, having now reached **77 international Chemist Warehouse stores** across New Zealand, Ireland, Dubai, and 9 in China. Maintaining our focus on profitable expansion, we will, over the next two years progressively close the China bricks and mortar stores and renew our attention to the online model in that market.

Our measured expansion strategy combined with Chemist Warehouse's compelling value proposition and retail innovation, provides a powerful engine for future growth.

Own Brand Strategy: Margin Enhancing

We have made significant progress with the strategic introduction of own branded products in targeted segments to support our margin growth ambitions.

During the year to 30 June 2025, new own and exclusive label products were launched, ranging from the Lvl Up brand providing hydration solutions, new Wagner Health brands including Mepreze, ColdX, Paramyl Osteo, Zenifen, and Dozavit.

The launch of the Wagner pharmaceuticals generics range in November was an important strategic milestone. With strong pharmacy customer conversion rates and sell through, it will continue to be a valuable contributor to margin improvement.

The product development and launch of the Messi fragrance was another highlight for the year, demonstrating our capability to win international contracts and execute on a global stage.

Execution in Supply Chain: Scaling with Precision

The onboarding of the CWG supply contract from 1 July 2024 resulted in a **29% increase in volume** across our distribution network. Thanks to our capital investment program completed prior to 2023, we were able to absorb this volume, leverage automation to reduce our per unit cost to serve by 11% per unit, while maintaining industry-leading service levels, with delivery in full and dispatch on time metrics averaging above 99% monthly. These results reflect the strength of our infrastructure and the dedication of our people.

Following the merger, we now have an expanded distribution centre network with opportunity to rationalise, re-purpose and drive efficiencies. For the 12-months from 1 July 2024, we delivered over 532 million units across Australia. Meanwhile, we are focused on optimising the network to improve service delivery, reduce cost and wastage, and pursue new business opportunities to enhance returns.

Inventory increased to over **$1.0 billion** at 30 June 2025, to support higher volumes and ensure continuity of supply globally. We are now introducing advanced analytics to optimise inventory turnover and enhance forecasting accuracy – key levers for margin expansion and capital efficiency.

And with our growing international market, we are using our supply chain expertise to operate a new distribution centre in Ireland, and to advance our review of supply chain requirements in New Zealand.

Integration Progress and Synergy Realisation

Integration is progressing well with a program management office established and reporting and approval processes embedded in the business. As part of this process, we have completed a deep dive to validate our integration opportunities, resulting in the synergy target being upgraded from $60 million to $100 million per annum.

We have unified our leadership structure, taken the decision to centralise support functions at our Preston office, and commenced the revitalisation of Amcal and Discount Drug Stores. The majority of the 28 MyChemist stores are being converted to either the Amcal or Discount Drug Stores brand, and the Ultra Beauty offering is being made available to selected pharmacies across the Amcal network. To date, 14 conversions have been completed, with the balance expected to be completed in the 2025 calendar year.

More recently, we have made the decision to consolidate three distribution centres (DC), which will see the closure of the CWG DC in South Australia, Western Australia, and the ePharmacy fulfilment centre in Victoria.

Strategic Outlook

Looking ahead, our priorities are clear:

- **Sustained growth in Australia** supported by macro-economic conditions, continued like-for-like growth, new CW store openings in underpenetrated markets, and the revitalisation of Amcal and Discount Drug Stores.
- **International growth** focused on New Zealand, Ireland, and Dubai, whilst we assess other expansion opportunities.
- **Own label strategy execution** to drive margin enhancement opportunities for Sigma and our franchisees and provide value and quality products for our customers.
- **Execute an effective integration** program that over the next four years enables the delivery of the $100 million per annum in synergies that have been identified.

A Final Word of Thanks

To our shareholders, thank you for your continued trust and support. To our employees, integration is a challenging change management process for anyone to navigate, so I thank you for your patience, resilience and commitment which will be the foundation of our ongoing success. And to our customers and partners, we are grateful for your loyalty and collaboration.

Sigma is now a unified healthcare business with the scale, capability, and ambition to lead in our chosen markets.

Mr Vikesh Ramsunder
Chief Executive Officer
& Managing Director


MEGA MAGNESIUM NIGHT
MEGA MAGNESIUM RELAX
MEGA MAGNESIUM
ETHICAL NUTRIENTS
MUSCLE HEALTH
wellness
1/2
PRICE OFF RRP
ETHICAL NUTRIENTS MEGA MAGNESIUM RANGE!
$42.99
$21.97
$41.97
REAL SAVINGS
REAL BRANDS
CHEMIST WAREHOUSE
DISCOUNT CHEMIST
BABY CARE
A TRUE ICON
CATALOGUE OUT NOW!

Over the past 12 months, the Chemist Warehouse Group has achieved several major milestones across financial performance, strategic expansion, sustainability, and customer satisfaction. Chemist Warehouse (CW) retail network performance was a standout, with a 14% increase in total retail network sales to customers for the 12-months. This was achieved through a combination of trading momentum, with like for like sales up 11%, and the opening of 35 new CW stores in Australia and in international markets. This continues a trend that over the last decade has seen CW grow.

For the fourth time, Chemist Warehouse was named **Pharmacy of the Year 2024** by Roy Morgan, winning all 12 months for customer satisfaction. The award reflects the brand's commitment to affordability, accessibility, and service excellence.

Chemist Warehouse continues to have strong ties into the community with a range of partnerships, including Save Our Sons Duchenne Foundation, Gotcha4Life, Liptember Foundation, Carrie's Beanies 4 Brain Cancer, Good Friday Appeal, FightMND, and Victorian Pride Centre. Over the years, Chemist Warehouse has contributed more than $29 million to these and other community partners.

International Expansion

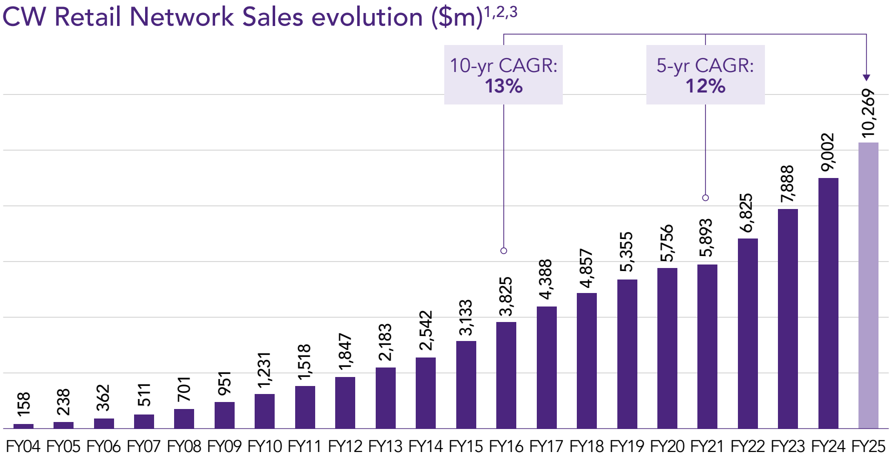
Chemist Warehouse stores in international markets maintain a similar or larger footprint, to those in Australia. These stores are positioned within the discount pharmacy segment, focusing on high-volume, low-margin retail to deliver strong customer value.

International sales grew by 19.0% year-on-year, demonstrating the strong resonance of the Chemist Warehouse brand and the scalability of its business model in new markets. Sales efficiency across the network remains robust, with average store sales per square metre performing strongly in all geographies.

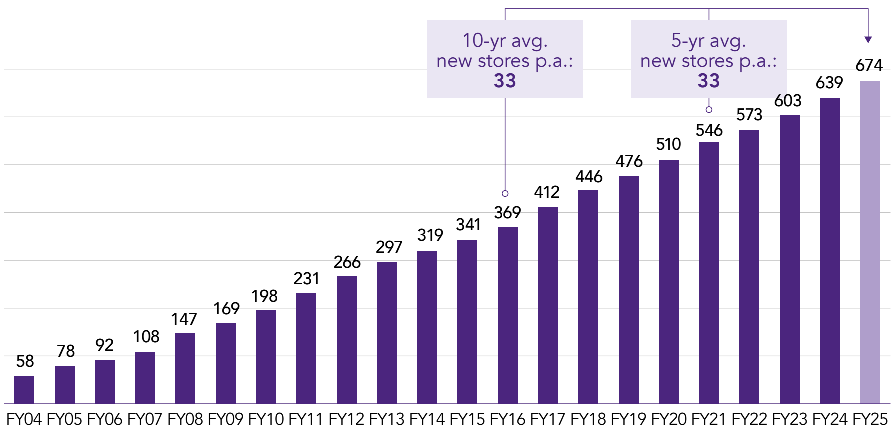
To support international growth, a new DC was opened in Ireland to improve logistics efficiency and regional expansion. In New Zealand, the supply chain is currently under review to ensure it can meet future scalability.

The New Zealand experience demonstrates the transportability and acceptance of the CW brand and value proposition in new geographies. We are actively evaluating and cultivating long-term strategic opportunities in select new markets, focusing on regions that align with the value-driven retail model and offer sustainable growth potential.

CW Retail Network Sales evolution ($m)[1,2,3]



CW Retail Network evolution (no. of stores)[1,4]



International Store Network

	CW International Store Network						Total # Registered Pharmacies
	FY20	FY21	FY22	FY23	FY24	FY25	
New Zealand	14	24	35	42	50	61	1,000[2]
Ireland	0	2	4	6	10	14	2,000[3]
China	1	4	5	6	10	9	n.m.[4]
UAE						2	1,500[5]

+16 net store openings in international markets in the last 12 months.

1. The Chemist Warehouse Retail Network comprises Chemist Warehouse Australian franchise network stores (i.e. franchised stores operating under the Chemist Warehouse, My Chemist, and Pipeline brands, as well as legacy My Chemist stores converted to Amcal and Discount Drug Store brands); other retail brand stores (Optometrist Warehouse and co-located Ultra Beauty stores); and international retail network stores operating in New Zealand, Ireland, China, and UAE.
2. FY04 to FY25 (financial year ended 30 June).
3. Based on Chemist Warehouse management information (unaudited). Chemist Warehouse Retail Network sales includes a combination of in-store and online sales across the Chemist Warehouse Retail Network, as well as online sales fulfilled directly by Chemist Warehouse.
4. A large proportion of Chemist Warehouse Retail Network sales is not revenue of Chemist Warehouse (as the financial results of Australian franchise network stores and New Zealand stores are not consolidated into statutory revenue). However, the relevance of this metric is that inventory sold by Chemist Warehouse Retail Network stores is often purchased from Chemist Warehouse (as part of Chemist Warehouse's wholesale supply agreements).
5. Includes franchised retail pharmacies in Australia, other retail brand stores in Australia, partly owned stores in New Zealand, Ireland and UAE, and Chemist Warehouse stores operated in China through service agreements with local companies. Chemist Warehouse does not own or operate any pharmacies in Australia. Co-located Ultra Beauty stores are not included incrementally in the total number of stores.


Cold & Flu
Cough, Cold & Flu

Amcal+

Following the merger the retail footprint of Amcal is now poised for growth and expansion of the network.

A key element to this piece is the transitioning of more than 13 MyChemist stores to the Amcal brand, which began with the Chadstone store in March 2025. The rebranding and inclusion of the MyChemist stores (with some also moving to the DDS brand) is part of Sigma's strategy to reinvigorate Amcal's market presence.

In late 2024 Amcal launched a national campaign titled "Amcal. For You. For Life.", emphasizing its 85-year legacy of trusted healthcare. The campaign has included high-visibility advertising at major venues like the MCG and Optus Stadium. The campaign has also been strengthened by Gen Well, a new health and wellness series, launched on Foxtel's LifeStyle channel and hosted by well-known Australian TV personality, Ali Daddo.

Our Amcal pharmacists continue to service the needs of the community and extending their practices, with Amcal pharmacies administering over 200,000 vaccinations during the year.

There has been continued investment in brand development and infrastructure to support Amcal's growth.

Amcal Pharmacy has partnered with RizeUp Australia, a charity dedicated to supporting families affected by domestic and family violence. This collaboration is part of Amcal's broader commitment to community health and wellbeing, and it aligns with its values of care and support for vulnerable individuals.

Benefits of Being an Amcal Member

Brand Power: nationally recognised with decades of consumer trust.

Marketing Muscle: Professional marketing campaigns, loyalty programs, and digital tools that drive foot traffic and customer retention.

Clinical Support: Expert training, resources, and programs that elevate your role in primary healthcare.

Retail Excellence: data-driven insights, supplier deals, and operational support to grow your business.

Community Connection: a network of passionate pharmacists committed to making a difference.


SUPER SAVERS
Discount Drug Stores

Discount Drug Stores

Sigma has ramped up support for the Discount Drug Stores (DDS) brand, with a goal to grow the DDS network to 150 stores across Australia from its current base of 94.

The DDS network has benefited from the conversion of one MyChemist store to DDS during the year, with further conversions expected in the second half of the 2025 calendar year. The converted DDS store provides a clear demonstration of the future for the brand.

The DDS network has continued to service the community not only through service and advice, but through administering over 62,000 vaccinations across the year.

DDS held a successful National Conference in October 2024, themed 'Solid Ground', which celebrated the brand's progress and future growth aspirations. Thornton Discount Drug Store was named National Store of the Year, also winning awards in Professional Services, Pharmacy Assistant, and Retail Manager categories. This was followed by a joint owner's conference with Amcal, showcasing the future vision for both brands and the extensive support that is now available for the franchisees to succeed.

DDS has partnered with the Free to Be charity to raise funds for disadvantaged children in India. The partnership involved DDS administering over 7,500 flu shots in their 145 stores and donating $2 for every shot, ultimately raising over $22,000. These funds were directed towards vaccination, medical care, protection, and education for these children. DDS is also involved in other community initiatives, including a partnership with Assistance Dogs Australia.

At its core, DDS remains a prominent pharmacy chain in Australia that offers a wide range of healthcare products and services at affordable prices.

Benefits of Being a DDS Member

Smart Value: Offer trusted health products at prices families love.

Effortless Convenience: Fast, friendly service in locations that fit everyday life.

Retail Confidence: Proven systems, strong supplier deals, and streamlined operations.

Loyal Customers: Value-driven programs that build lasting relationships.

Real Support: Backed by a team that helps you grow without the red tape.


TOYOTA
Kemps Creek
Logistics Estate
2 Imperata Close
NS02776
TOYOTA
MATERIAL HANDLING
1800 425 438
RAYMOND

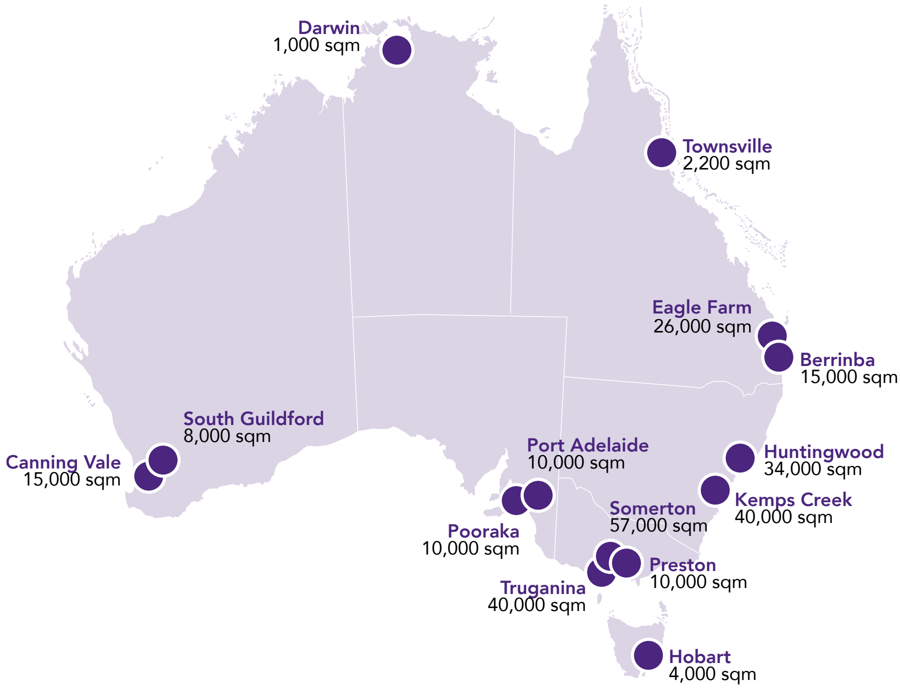
Wholesale

Sigma is a full line pharmaceutical wholesaler and distributor of products and services to community pharmacies across Australia. We are a signatory to the government's Community Service Obligation (CSO) Deed, enshrining our commitment to the distribution of medicines across the country.

We support our customers through an engaged team, world-class infrastructure and a commitment to operate sustainably. We put our community pharmacy customers at the centre of what we do.

DIF	DOT	Inventory	SKUs
>99.5%	>99.5%	>$1bn	>15k

Australian Distribution Centre Network[1]



532m
Units distributed by Sigma to pharmacies (annualised)

260k
Aggregate capacity (sqm) of 14 DCs in Australia

35%
Estimated available capacity across the DC network

1. As announced on 27 August 2025, the Preston DC has now closed, and the South Guildford DC and Port Adelaide DC will close during the 2026 calendar year.

Own and Exclusive Label Products

Own and exclusive label products are an important growth pillar for Sigma and our pharmacy network.

The Chemist Warehouse retail offer is one of a house of a brands. Brands have always been and remain a key component of our customer value proposition, and this does not change. The growth in our own and exclusive brands is designed to fill a niche opportunity, provide quality and affordable products for consumers, enhance margins and to grow the overall category.

This is achieved through a commitment to above the line marketing support. This has helped underpin our growth, with sales of own and exclusive label products increasing by over 20% in the 12-months to 30 June 2025.

Growth of own and exclusive label products are also an important strategy for our Amcal and Discount Drug Stores pharmacy brands, to provide a point of difference.

Sigma currently has over 3,000 own and exclusive label products across various categories. The launch of 269 Wagner generic medicines in November 2024 was an important milestone and is delivering strong sales and profit performance for Sigma and our pharmacies. Products launched in the range include Mepreze, ColdX, Paramyl Osteo, Zenifen, and Dozavit.

During the year, we have showcased our product and marketing capability, with the global launch of the Messi fragrance, which is now sold in over 30 countries.

The Inc. whey protein supplement brand has achieved strong growth to become the number one selling protein supplement across the CW network.

Sales of own and exclusive label products represent less than 10% of total sales for Sigma. This provides the opportunity to maintain our house of brands strategy whilst also growing categories with own label product to enhance margins.

Logistics

Sigma's pharmaceutical wholesaling network continues to underpin our national operations, supporting both existing pharmacies and the expanding Australian franchise network.

In FY25, we distributed more than **532 million units** by road, sea and air to over **2,700 pharmacy customers** while maintaining high service standards – **Delivery in Full at 99.6%** and **Despatch on Time at 99.5%**, reflecting our commitment to reliability and customer satisfaction.

Our Australian network spans **14 distribution centres (DCs)** with **260,500 sqm** of capacity. As we work our way through merger integration, we anticipate some strategic consolidation to occur to drive efficiencies and unlock potential third-party (3PL) growth opportunities in select sites. Since year end, the decision has been made to close the South Guildford DC in WA, Port Adelaide DC in SA, and the ePharmacy DC in Preston Victoria, with volumes to be absorbed in the existing network.

Sigma's core DCs operate with significant available capacity, positioning us to absorb future growth. Inventory value across Sigma and CW DCs totalled over $1.0 billion at 30 June 2025, with opportunity to optimise inventory to improve working capital whilst maintaining availability and supporting increased throughput.

To support operational efficiency, we streamlined delivery routes, removed duplicate transport costs, and increased the minimum spend threshold for second-line accounts. These initiatives complement broader network improvements and align with our strategy to optimise resource utilisation.

In addition to onboarding new first-line customers during the year, we welcomed over 100 pharmacies to our PriceSave independent program. Members of the PriceSave program contributed over $400 million in wholesale spend for FY25, up 8% year-on-year.

Our team continues to play a vital role in supporting communities through challenging events such as floods, cyclones, and other disruptions by consistently going the extra mile to ensure essential medicines reach those in need, regardless of location or circumstance.

Sigma's wholesaling network is primed to support future growth, enhance operational performance, and consistently deliver high-quality service nationwide.

Other Offerings

MPS CONNECT

MPS Connect continues to serve as a vital link between General Practitioners, pharmacists, aged care residents, and the broader community. Our integrated medication management offering – including Dose Administration Aids (DAAs), sophisticated software, and highly accurate packing services – drives efficiency, quality, and safety.

This year, we saw significant operational and clinical growth across all key metrics:

Average packing volumes grew to **over 4.1 million pills packed per week** and **18.0 million per month**.

We packed over **49.9 million sachets and 6.3 million blisters**, maintaining exceptional levels of accuracy – 99.9998% for sachets and 99.9984% for blisters.

Our prescriber base grew by more than 44% to 1,194, while prescriptions generated through our platform increased by 63.5% to 803,195.

We support a growing number of corporate aged care groups and facilities nationally, broadening our exposure to disability and home care and deepening our impact on the sector.

We doubled our blister packing capacity in NSW and introduced new quality checking machines into Queensland.

Strat
WE BUILD BRANDS UP

Stratosphere Media Agency (Strat) delivered a standout performance in FY25, achieving media billings across Australia and New Zealand. All divisions – Media, Digital, Creative, and Production – experienced strong growth, with notable contributions from non-CW clients.

In Australia, Strat executed 132 Healthy/Beauty Breaks, 35 Healthy/Beauty Bites, 147 What's On segments, and 12 Category Captains, while House of Wellness TV secured a prime-time slot on Channel 7.

New Zealand saw similarly robust delivery with 65 Healthy/Beauty Breaks, 5 Healthy/Beauty Bites, 98 What's On segments, and key brand campaigns.

Looking ahead to FY26, Strat has renewed its investment in its 50+ full-time team members with growth expected thanks to the introduction of the Amcal and DDS brands. Growth is expected across CW Australia and New Zealand, alongside continued momentum from direct clients. Strat is also exploring international expansion into markets like United Arab Emirates and Ireland.

With ongoing digital transformation, unmatched in-house creative production, and powerful media buying capabilities, Strat is well-positioned to drive impactful results for clients in the year ahead.

Sigma Healthcare Logistics

Our Third-Party Logistics (3PL) business continues to be a key growth driver, delivering service-based revenue through warehousing and distribution solutions across the pharmaceutical, medical consumables, and FMCG sectors.

During the year we expanded our 3PL network, now operating across six Australian states with a national footprint. The merger has further contributed to enhanced scale, operational efficiency, and customer offering – creating a strong platform for sustained growth in a high-demand segment.

Strong demand for climate-controlled storage and logistics services contributed to revenue growth over this period, underpinned by our investment in capacity expansion. Notably, we activated 18,000 sqm at our Truganina Distribution Centre, further strengthening our ability to support existing customers and attract new partners.

Our network-wide ISO 9001 certification, achieved in the prior year, continues to underpin our commitment to quality and operational excellence. As a healthcare-focused organisation, we understand the stringent regulatory and service standards required in pharmaceutical logistics. This foundation, combined with our scalable infrastructure and deep sector expertise, positions us strongly to pursue further growth in the 3PL market and deliver long-term value.

CHEMIST WAREHOUSE OPTOMETRY

Chemist Warehouse Optometry (formerly Optometrist Warehouse) achieved significant growth and transformation in the 12 months to 30 June. During the year, the brand evolved to Chemist Warehouse Optometry, aligning more closely with the Chemist Warehouse Group and strengthening its position as a leading health services partner. Store numbers advanced through the acquisition of five successful independent optometry practices, bringing the total network to seven stores nationwide. Each newly acquired business underwent a complete upgrade, ensuring the delivery of premium clinical care with the latest diagnostic technologies, while also unlocking the supply chain efficiencies and system benefits of the Chemist Warehouse Group.

The strategy remains focused on scaling a national footprint, integrating clinical excellence with retail value, and embedding digital and AI-enabled care pathways. A key priority is working closely with group pharmacists on referral pathways while leveraging the Group's marketing scale to drive awareness, recruitment, and access to high-quality eye health services.

Market Reach is Australia's premier provider of healthcare sample distribution and promotional services, specialising in the pharmaceutical sector. With over 20 years of industry expertise, we offer unparalleled solutions that drive brand growth and market penetration.

We have deep industry knowledge, compliance with regulatory frameworks, and commitment to operational excellence.

Created to help pharmaceutical and healthcare companies distribute starter packs and samples to healthcare professionals Australia wide, our objective is twofold – increase the level of treatment and care received by patients and increase brand awareness and demand for our clients.

Over 6 million samples, along with medical and patient information, delivered annually.

Our leading GP sampling program – **Samples Plus** – is a solicitation program reaching over 22,000 GPs nationally each month – and receives on average >30% GP monthly response rate. Over 60,000 GP sample requests were fulfilled in the year 2024/25.

We work with multiple clients to provide customised direct to Medical Professional sampling solutions with >50,000 Pharmaceutical Representative sample requests fulfilled in the past 12 months.

Customised targeted sampling program activities have also been undertaken to raise product brand awareness and boost market share to Dermatologists, Paediatricians, Respiratory Specialists, Surgeons and Dentists.

Over the past 12 months, Ultra Beauty, a luxury beauty brand, has continued to expand its presence and influence in Australia's premium beauty market.

It was launched to bring luxury beauty products that were typically found in high-end department stores into a more accessible retail environment and predominantly operates as a 'store within a store' concept inside select Chemist Warehouse locations, with continued growth expansion plans across these stores and our wider network.

Across the year to 30 June 2025, thirteen new stores were opened across Australia, New Zealand, and the UAE, taking the total number of stores to 34, with 22 in Australia, 10 in New Zealand and 2 in the UAE.

Ultra Beauty is now also being rolled out to select Amcal franchisees to expand their customer offering and provide a competitive advantage. The Amcal Northland and Amcal Broadmeadows stores in Victoria are prime examples of the new offering.

The Ultra Beauty brand is helping capture a broader segment of the beauty market, appealing to both budget-conscious and luxury-seeking consumers. The brand's success reflects a shift in consumer behaviour, seeking value without compromising on quality or prestige.

The Game On Product Group continues to thrive as Australia's leading licensed product development company within the health and beauty space, bringing over 20 years' experience in licensed product development, manufacturing, retail, distribution, logistics and marketing.

Game On continues to drive strong sales across both its licensed product range and also its own branded products and 'white label/ home brand' solutions. Key licenses within the Game On stable include Disney, Warner Brothers, Marvel, Nickelodeon, Pixar, Star Wars, Minecraft, Universal, Mattel, The AFL, The NRL, The All Blacks, Leo Messi and many others.

Global Sales for international football superstar Messi over the past 12 months have surpassed all expectations and Messi's new fragrance range (manufactured and distributed by Game On) is now on sale in over 45 countries. There are now an additional 18 Messi SKUs in production and about to launch prior to Christmas 2025. New Key retail partnerships are also secured including Walmart, Walgreens, CVS and many more.

Game On has now produced over 4,000 SKUs to date and aggressive growth is anticipated both locally and internationally. Game On's products are now sold in over 7,000 retail doors globally.

Sustainability at the New Sigma

United in Sustainability

With the successful merger of Sigma Healthcare and Chemist Warehouse Group (CWG) in February 2025, we are now a stronger, more integrated healthcare business – one with scale, capability, market reach and growth. Building on Sigma's pre-merger standalone sustainability achievements disclosed in the 2025 Sustainability Report, including significant reductions in emissions through route optimisation, waste diversion, solar energy uptake, and community support programs, we will now take the time needed to review our priorities and commitments in the context of our broader business model.

With the new financial year transition to a 30 June year-end, the consolidated Group will be conducting a materiality assessment, particularly aligning with AASB S2 Climate-related disclosures, for the FY26 reporting period.

Embracing AASB S2: Climate Initiatives

Under AASB S2, Sigma must report climate-related financial disclosures, including governance, strategy, risk management, and metrics/targets. Following the merger, the consolidated entity has initiated a range of activities to ensure robust data collection and target setting, including establishing an emissions baseline, collecting Scope 1 and Scope 2 data, assessing climate-related risks and opportunities, and preparing to meet the AASB S2 reporting requirements for FY26.

Specifically

A comprehensive baseline for Scope 1 (e.g., company fleet) and Scope 2 (purchased electricity) emissions is now under development for the unified group. The integration of route optimisation successes, such as Sigma's reduction of over 1.7 million travel kilometres and 279 t CO_2e saved in 2024, serves as a foundational methodology to inform consolidated emissions tracking.

Climate risk assessments will consider transition risks (regulation, energy price shifts) and physical risks (supply chain disruptions, extreme weather impacts on logistics and retail operations) for the consolidated entity.

Opportunities include accelerated renewable energy integration, logistics efficiencies, resilient supply chain development, and enhanced brand reputation through transparent climate leadership.

The Group is designing its climate reporting to meet AASB S2 requirements, including:

- Governance structures around climate oversight;
- Strategy alignment with resilience under required scenarios;
- Risk and opportunities management processes; and
- Verifiable baselines for Scope 1 and Scope 2 emissions.

People and Workforce Integration

The merger has significantly expanded our workforce, combining Sigma's team members with Chemist Warehouse's team members. Managing this integration strategically is crucial to our culture, capability, and performance.

A structured integration program is underway, facilitated by the appointment of shared leadership from Sigma and CWG. We aim to ensure we have an informed and supported workplace as we navigate the integration processes.

Serving Customers Better Together

Sustainability adds value to customers – through responsible packaging, energy-efficient operations, and ethical sourcing, aligning with customer and community expectations.

Delivering continuing excellence to customers is a central tenet of the post-merger strategy. Sigma's operations already demonstrated high delivery in full (DIF) and despatch on time (DOT) metrics above 99%. The combined entity will leverage expanded distribution networks, technology, and logistics synergies to maintain high service standards across both wholesale and retail fronts.

Strengthening Foundations and Looking Ahead

Sustainability Oversight

The ESG Steering Committee, previously embedded within Sigma's Executive Leadership Team, is being expanded to include leadership representation from both legacy organisations.

This committee will prepare inaugural climate disclosure (AASB S2), oversee the practical integration of sustainability strategies, and ensure consistent reporting, risk management, and stakeholder accountability.

Overall governance of sustainability is now provided by the newly formed Risk, Compliance and Sustainability Committee of the Board.

Environmental Stewardship Beyond Climate

Building on Sigma's achievements in waste and energy, we will continue to invest in solar energy expansion and waste diversion initiatives. Participation in industry and regulatory programs (e.g., packaging covenants) will extend to the broader group.

Looking Ahead

The new consolidated group is committed to:

- Re-assessing our climate strategy in the context of the merged entity;
- Enhancing diversity, inclusion, and leadership development to reflect both organisations' strengths;
- Deepening operational efficiency and climate resilience across the supply chain; and
- Delivering world-class customer experiences through sustainability-driven service.

Summary Snapshot (FY26 Outlook)

Theme	Key Focus Areas
Climate	Establishing Scope 1 & 2 baselines
	AASB S2-aligned reporting
	Risk/opportunity assessment
People	Workforce integration
	Training and development
	Diversity and retention
Customers	Delivering high DIF and DOT
	Sustainable service improvements
Governance	Board and Sustainability Committee oversight
	ESG Steering Committee oversight
	Ethics
	Cybersecurity
Environmental	Solar expansion
	Waste diversion
	Sustainable operations initiatives
Forward Outlook	Emissions targets
	Inclusive culture
	Efficiency
	Enhanced customer and stakeholder value

Board of Directors

Mr Michael Sammells

BBus (Acc), FCPA, GAICD

Chairman, Non-Executive Director, Chair of the Related Party Independent Board Committee, Member of the Nomination and Remuneration Committee, Member of the Audit Committee

Appointed a Director of Sigma Healthcare Limited in February 2020 and Chairman of Sigma Healthcare Ltd in August 2022. Mr Sammells is currently a Non-Executive Director at AMP and a Director at GMHBA. Mr Sammells has 35 years of broad experience in finance, corporate services and has held operational roles with expertise in finance, accounting, treasury, investor relations, capital developments, mergers and acquisitions and IPOs. Mr Sammells is a former Chief Financial Officer of Healthscope Limited and Medibank Private. Mr Sammells has not held any other directorships in listed entities over the past three years.

Mr Vikesh Ramsunder

B.Com (Logistics), MBL (Corporate Strategy)

Managing Director and CEO

Vikesh Ramsunder commenced as the Managing Director and CEO of Sigma Healthcare Limited on 1 February 2022. From January 2019 to December 2021, Vikesh was Group CEO of the Clicks Group in South Africa, the culmination of a 28 year career with the Clicks Group which included 18 years as part of the executive team. Before becoming Clicks CEO in January 2019, Vikesh held a number of roles within the Group, including Chief Operating Officer from 2015 and Managing Director of the pharmaceutical wholesaler business, United Pharmaceutical Distributors. Vikesh brings to his new role at Sigma Healthcare a valuable blend of operational leadership, strategic focus, industry and financial acumen. He has extensive experience in wholesaling, logistics, pharmacy and retail, and was integral to the growth of the Clicks Group which is now one of the largest pharmacy and retail operations in Africa.

Mr Neville Mitchell

B.Com, CA

Member of the Nomination and Remuneration Committee, Chair of the Audit Committee and Member of the Related Party Independent Board Committee

Appointed a Director of Sigma Healthcare Limited in February 2023. Mr Mitchell has extensive financial experience coupled with broad experience as an active Non-Executive Director. Mr Mitchell is currently the Chairman of ASX and NZX-listed Fisher & Paykel Healthcare Corporation (non-executive director from November 2018) and a non-executive director of Sonic Healthcare Limited from September 2017. He is Chair of the Sonic Audit Committee. He was formerly a non-executive director of ASX-listed Sirtex Healthcare, Osprey Medical Inc and Q'Biotics Group Limited. Mr Mitchell is a qualified Chartered Accountant with international healthcare and finance experience. Prior to becoming a Non-Executive Director, Mr Mitchell had a career spanning 27 years with Cochlear Limited, 22 of those years as Chief Financial Officer and Company Secretary.

Ms Annette Carey

LLB, BA.

Non-Executive Director, Chair of the Nomination and Remuneration Committee, Member of the Risk, Compliance and Sustainability Committee and Member of the Related Party Independent Board Committee

Appointed a Director of the Company in April 2023, Ms Carey is a current non-executive director and chair of the Nomination and Remuneration Committee of Sigma Healthcare, a non-executive director of the Kinetic bus group and, with effect from 1 November 2025, a non-executive director of Downer Group. Ms Carey previously held senior legal roles at two major commercial law firms and the Lend Lease group before joining Linfox Logistics and progressing from General Counsel and Company Secretary to Chief Executive Officer of Linfox Logistics ANZ and Linfox Armaguard. Ms Carey also held the position of Executive General Manager International with Australia Post. Ms Carey has held director roles within the Linfox group of companies and been Chair or Deputy Chair of Australia Post joint ventures in the UK and China.

Dr Chris Roberts AO

B.Eng (Honours), MBA, PhD

Non-Executive Director, Chair of the Risk, Compliance and Sustainability Committee and Member of the Audit Committee

Dr. Roberts has more than 40 years' experience in the medical device industry, including as the former CEO of Cochlear Limited (ASX:COH) from 2004 to 2015, Executive Vice President of ResMed Inc (NYSE:RMD) from 1992 to 2003 and as a Director until November 2017. He is currently a Non-Executive Director of: HMC Capital Ltd (ASX:HMC), HealthCo Healthcare and Wellness REIT (ASX: HCW), Clarity Pharmaceuticals Limited (ASX:CU6), Nutromics Pty Ltd, Atmo Biosciences Limited and the Cochlear Foundation Board. He is also a Governor of the Centenary Institute Cancer Medicine and Cell Biology. Effective 27 August 2025, Mr Roberts is a former Non-Executive Director of HMC Capital Partners Fund 1.

Mr Jack Gance

PhC MPS, MBA, GAICD, AFAIM

Non-Executive Director, Member of Nomination and Remuneration Committee, Member of the Audit Committee and Member of Risk, Compliance and Sustainability Committee

Mr J Gance is a qualified pharmacist who co-founded Chemist Warehouse with Sam Gance. He was previously Chair of Chemist Warehouse. Mr J Gance qualified as a pharmacist in 1967 and opened his first pharmacy store in Reservoir, Victoria, with Sam in 1972. In 1997, Mr J Gance, Sam Gance and Mario Verrocchi, established MyChemist and opened the first MyChemist store. In 2000, Mr J Gance, along with Mr Sam Gance and Mr Verrocchi, established the Chemist Warehouse chain and opened the first Chemist Warehouse store. Mr J Gance also created the brands Le Specs, Le Tan and Colours of Australis.

Mr Mario Verrocchi

BPharm

CEO – Chemist Warehouse Group, Executive Director, Member of Risk, Compliance and Sustainability Committee

Mr Verrocchi is a qualified pharmacist who joined Jack and Sam Gance's pharmacy group in 1982. Mr Verrocchi established MyChemist with Jack Gance and Sam Gance in 1997 and subsequently created the Chemist Warehouse chain with Messrs Gance in 2000.

Ms Danielle Di Pilla

BSc, BPharm

Chief People Officer, Executive Director, Member of Risk, Compliance and Sustainability Committee

Ms Di Pilla is a qualified pharmacist who was previously the Chief People Officer at Chemist Warehouse. Ms Di Pilla established DPP Pharmaceuticals Pty Ltd (DPP) in 2000 and is the founder of brands such as Goat Soap, which has had international success. Ms Di Pilla has been the managing director of DPP since it was incorporated. DPP is a wholly owned subsidiary of Chemist Warehouse. Ms Di Pilla also sits on the Board of Gotcha4Life.

Mr Damien Gance

BPharm, MBA, GAICD

Chief Strategy and Business Development Officer[1], Executive Director, Member of Risk, Compliance and Sustainability Committee

Mr D Gance is a qualified pharmacist who joined My Chemist in 1998 and was previously the Chief Commercial Officer of Chemist Warehouse. Mr D Gance was the first Chemist Warehouse franchisee opening the first Chemist Warehouse pharmacy in June 2000.

1. On 27 August 2025 it was announced that Damien was stepping down from his Executive role, however remains on the Board.

Key Corporate Contacts

Ms Kara McGowan

LL.B (Hons), BCom, BBusEc, ACIS, GAICD

General Counsel and Company Secretary

Ms McGowan was appointed Sigma Healthcare's General Counsel and Company Secretary in October 2021. Ms McGowan has been a Company Secretary for over 15 years for a broad range of corporate structures and businesses. Prior to joining Sigma, Ms McGowan was General Counsel and Company Secretary at Transdev, an international public transport operator. Over the years she has held a variety of legal and commercial roles including Company Solicitor – Kmart and Head of Joint Ventures for Australian Unity Investments. She began her legal career at Clayton Utz as a competition lawyer. Ms McGowan is admitted as a Barrister & Solicitor of the Supreme Court of Victoria, holds a Graduate Diploma of Applied Corporate Governance and is a Graduate and Member of the Australian Institute of Company Directors.

Mr Gary Woodford

BBus (Acc), CPA

Head of Corporate Affairs

Mr Woodford was appointed Sigma Healthcare's Corporate Affairs Manager in 2014. He is a senior finance executive with over 35 years commercial experience having worked at Sigma from 2001 to 2006 as General Manager Tax and Investor Relations, and from 2006 to 2013 as General Manager Investor Relations at Tatts Group Limited. Mr Woodford has also held roles at Elders IXL, Fosters Brewing Group and Ansett Airlines and is currently a Director of the industry body National Pharmaceutical Services Association (NPSA) and a Director of data analytics company Nostra Data.

Directors' Report

For the year ended 30 June 2025

The directors present their report on Sigma Healthcare Limited (the Company or Sigma) and its controlled entities (the Group) for the year ended 30 June 2025.

Prior to the merger between Sigma and CW Group Holdings Limited (Chemist Warehouse) on 12 February 2025, the companies had non-coterminous balance dates with Sigma's financial year ending on 31 January and Chemist Warehouse's financial year ending on 30 June.

Given the complexity with reconciling conflicting legal and accounting requirements applying to the preparation of the Sigma and Chemist Warehouse accounts following the implementation of the merger (Merged Group), ASIC has granted relief that will allow Sigma to meet its ongoing financial reporting obligations based on a notional financial year that runs to 30 June each year, enabling the Merged Group to report in accordance with Chemist Warehouse's financial year end of 30 June.

As a result of receiving this relief, Sigma will meet its financial reporting obligations under Part 2M.3 of the *Corporations Act 2001* in relation to notional financial years ending 30 June and notional half-years ending 31 December, as if those were Sigma's statutory financial years and half-years (notwithstanding that Sigma's statutory financial year end date will remain as 31 January).

In light of the ASIC relief, ASX provided confirmations to Sigma regarding the application of certain requirements in Chapter 4 of ASX Listing Rules that would otherwise require the lodgement of half and full year results based on a 31 January financial year end (and 31 July half-financial year end). ASX's confirmations provide that ASX will apply Listing Rules 4.2A, 4.2B, 4.3A, 4.3B, 4.5.1 and 4.7 as if Sigma's half year balance date is 31 December and not 31 July and its full year balance date is 30 June and not 31 January (subject to the satisfaction of certain conditions which require that the ASIC relief remain in force and Sigma complies with any conditions of that relief).

Within this report whenever there is reference to the financial year ended 30 June 2025 or year ended 30 June 2025 it is referring to the notional financial year ended 30 June 2025 unless stated otherwise.

Directors

The names of the Directors and Company Secretary of the Company as at 30 June 2025 (unless otherwise stated) were:

Name	Particulars
Mr Michael Sammells *BBus (Acc), FCPA, GAICD* Independent Non-Executive Director	Mr Sammells was appointed as a Director of Sigma in February 2020 and Chairman in August 2022. He is also the Chair of the Independent Board Committee (IBC), Member of the Audit Committee and Member of the Nomination and Remuneration Committee. Mr Sammells is currently a non-executive director at AMP Limited and a director at GMHBA. He has 35 years of broad experience in finance, corporate services and has held operational roles with expertise in finance, accounting, treasury, investor relations, capital developments, mergers and acquisitions and IPOs. Further Mr Sammells is a former Chief Financial Officer of Healthscope Limited and Medibank Private.
Mr Vikesh Ramsunder *B.Com Logistics, (MBL)* *Corporate Strategy* CEO and Managing Director	Mr Ramsunder commenced as the Managing Director and CEO of Sigma on 1 February 2022. Mr Ramsunder has extensive experience in pharmacy retailing, wholesaling and logistics. He spent 28 Years with the Clicks Group in South Africa, a top-30 JSE listed company, and one of the largest pharmacy and retail operations in Africa. This included 18 years as part of the executive team. Before becoming Clicks Group Chief Executive Officer in January 2019, Mr Ramsunder held a number of roles within Clicks, including Chief Operating Officer from 2015 and Managing Director of the pharmaceutical wholesaler business, United Pharmaceutical Distributors from 2010.
Dr Chris Roberts (AO) *B. Eng (Honours), MBA, PhD* Independent Non-Executive Director	Dr Roberts was appointed as a Director of Sigma on 6 October 2023. He is the Chair of the Risk, Compliance and Sustainability Committee and Member of the Audit Committee. Dr Roberts has more than 40 years' experience in the medical device industry, including as the former Chief Executive Officer of Cochlear Limited (ASX:COH) from 2004 to 2015, Executive Vice President of ResMed Inc (NYSE:RMD) from 1992 to 2003 and as a director of ResMed Inc until November 2017. He is currently a non-executive director of HMC Capital Ltd (ASX:HMC). HMC Capital managed HealthCo Healthcare and Wellness REIT (ASX:HCW), HMC Capital Partners Fund 1, Clarity Pharmaceuticals Limited (ASX:CU6), Nutromics Pty Ltd, Atmo Biosciences Limited and the Cochlear Foundation Board. He is also a Governor of the Centenary Institute Cancer Medicine and Cell Biology.
Ms Annette Carey *LLB, BA* Independent Non-Executive Director	Ms Carey was appointed as a Director of Sigma in April 2023. She is the Chair of the Nomination and Remuneration Committee, Member of the IBC and Member of the Risk, Compliance and Sustainability Committee. Ms Carey is a current a non-executive director of the Kinetic bus group and, with effect from 1 November 2025, a non-executive director of Downer Group. Ms Carey previously held senior legal roles at two major commercial law firms and the Lend Lease group before joining Linfox Logistics and progressing from General Counsel and Company Secretary to Chief Executive Officer of Linfox Logistics ANZ and Linfox Armaguard. Ms Carey also held the position of Executive General Manager International with Australia Post. Ms Carey has held director roles within the Linfox group of companies and been Chair or Deputy Chair of Australia Post joint ventures in the UK and China. Ms Carey has a balance of technical expertise as well as legal, strategic and commercial intellect from over 30 years' experience in supply chain, logistics, cross border e-commerce and commercial law.
Mr Neville Mitchell *B.Com, CA* Independent Non-Executive Director	Mr Mitchell was appointed as a Director of Sigma in February 2023. He is the Chair of the Audit Committee, Member of the IBC and Member of the Nomination and Remuneration Committee. Mr Mitchell is a qualified Chartered Accountant with international healthcare and finance experience. He was Chief Financial Officer and Company Secretary at ASX-listed Cochlear Limited (until March 2017), a world leading medical device developer, manufacturer and seller of hearing devices. Mr Mitchell is currently the Chairman of ASX and NZX-listed Fisher & Paykel Healthcare Corporation (non-executive director from November 2018) and a non-executive director of Sonic Healthcare Limited from September 2017. He is Chair of the Sonic Audit Committee. He was formerly a non-executive director of ASX-listed Sirtex Healthcare, Osprey Medical Inc and Q'Biotics Group Limited. He has also performed roles with a number of industry and Government committees.

Name	Particulars
Mr Jack Gance *PhC MPS, MBA, GAICD, AFAIM* Non-Executive Director (appointed 12 February 2025)	Mr Gance was appointed as a Director of Sigma in February 2025 and is a Member of the Audit Committee, Member of the Nomination and Remuneration Committee and Member of the Risk, Compliance and Sustainability Committee. Mr Gance qualified as a pharmacist in 1967 and opened his first pharmacy store in Reservoir, Victoria, with Mr S Gance in 1972. In 1997, Messrs Gance and Mr Verrocchi, established MyChemist and opened the first MyChemist store. In 2000, they established the Chemist Warehouse chain and opened the first Chemist Warehouse store. Mr Gance also created the brands Le Specs, Le Tan and Colours of Australis.
Mr Mario Verrocchi *BPharm* Executive Director (appointed 12 February 2025)	Mr Verrocchi was appointed as a Director of Sigma in February 2025. He is a Member of the Risk, Compliance and Sustainability Committee. He is also the Chief Executive Officer of Chemist Warehouse. Mr Verrocchi is a qualified pharmacist who joined Mr J Gance and S Gance's pharmacy group in 1982. Mr Verrocchi established MyChemist with Messrs Gance in 1997 and subsequently created the Chemist Warehouse chain with them in 2000.
Mr Damien Gance *BPharm, MBA, GAICD* Executive Director (appointed 12 February 2025)	Mr Gance was appointed as a Director of Sigma in February 2025. He is a Member of the Risk, Compliance and Sustainability Committee. Mr Gance is a qualified pharmacist who joined MyChemist in 1998 and was the first Chemist Warehouse Franchisee opening the first Chemist Warehouse pharmacy in June 2000. He is currently the Chief Strategy and Business Development Officer of the Group.
Ms Danielle Di Pilla *BSc, BPharm* Executive Director (appointed 12 February 2025)	Ms Di Pilla was appointed as a Director of Sigma in February 2025. She is a Member of the Risk, Compliance and Sustainability Committee. Ms Di Pilla is a qualified pharmacist who is the Chief People Officer of the Group. Ms Di Pilla established DPP Pharmaceuticals Pty Ltd (DPP) in 2000 and is the founder of brands such as Goat Soap, which has had international success. She also currently sits on the Board of Gotcha4Life.
Ms Kathryn Spargo *LLB (Honours), BA, FAICD* Independent Non-Executive Director (resigned 12 February 2025)	Ms Spargo was appointed as a Director of Sigma in December 2015 and resigned in February 2025. Ms Spargo is a non-executive director of the following listed entities: Sonic Healthcare Limited and Bapcor Ltd. In addition, Ms Spargo is also currently a non-executive director at CIMIC Ltd (now unlisted). Over the last three years, Ms Spargo was a non-executive director at Adairs Limited and Xenith IP Ltd. In September 2021, Ms Spargo retired from her position as Chairman of ColInvest and at the same time joined the board of the unlisted company Jellis Craig. Ms Spargo is also director at the Geelong Football Club and Future Fuels Cooperative Research Centre.
Ms Kara McGowan *LLB (Hons), BCom, BbusEc, ACIS, GAICD* General Counsel & Company Secretary	Ms McGowan was appointed as Sigma's General Counsel and Company Secretary in October 2021. Ms McGowan has been a Company Secretary for over 15 years for a broad range of corporate structures and businesses. Over the years she has held a variety of legal and commercial roles including General Counsel and Company Secretary at Transdev, Company Solicitor at Kmart and Head of Joint Ventures for Australian Unity Investments. She began her legal career at Clayton Utz as a competition lawyer. Ms McGowan is admitted as a Barrister & Solicitor of the Supreme Court of Victoria, holds a Graduate Diploma of Applied Corporate Governance and is a Graduate and Member of the Australian Institute of Company Directors. Ms McGowan also holds a Bachelor of Commerce and Bachelor of Business Economics.

Note: former directorships mandatorily disclosed above are those held in the last 3 years for listed entities only. Directors' interest in shares are detailed in Table 4a of the Remuneration Report.

Principal activities

The principal activities of the Group during the financial year consist of:

- marketing, retailing, wholesaling and distributing pharmaceutical, medical, healthcare and beauty products;
- provision of support services to a network of franchised retail pharmacies; and
- provision of third and fourth party logistics services to pharmaceutical manufacturers and other supplier partners.

The Group has its principal place of business at 6 Albert Street, Preston, Victoria 3072, Australia.

Significant changes in the state of affairs

Merger between Sigma Healthcare Limited and CW Group Holdings Limited

On 12 February 2025, the implementation of the scheme of arrangement ("Scheme"), under which Sigma Healthcare Limited ("Sigma") would acquire 100% of the issued shares in CW Group Holdings Limited ("Chemist Warehouse"), was completed.

Under the Scheme, Sigma Healthcare Limited acquired 100% of the shares in Chemist Warehouse. The transaction resulted in the previous Chemist Warehouse shareholders receiving $700.0 million cash and 9,906,180,588 Sigma shares.

Sigma is the legal acquirer of Chemist Warehouse. For financial reporting purposes, Chemist Warehouse has been identified as the accounting acquirer and Sigma as the accounting acquiree, known as a reverse acquisition, when applying AASB 3 *Business Combinations*.

Whilst Sigma Healthcare Limited is the legal acquirer and these accounts are represented as Sigma accounts, they have been prepared on the basis of Chemist Warehouse as the accounting acquirer, representing the continuing accounts.

The financial statements for the year ended 30 June 2025 have been prepared on the following basis:

- Chemist Warehouse continuing accounts at historical cost and is the accounting acquirer; and
- Sigma recognised at fair value on date of acquisition (12 February 2025) and is the accounting acquiree.

Operating and financial review

The operating and financial review, which forms part of this Directors' Report, is presented separately on pages 34 to 39.

Environmental regulations

The Group is not licensed or otherwise subject to conditions for the purposes of environmental legislation or regulation.

Dividends

Subsequent to 30 June 2025, the Directors have resolved to pay a fully franked final dividend of 1.3 cents per share. Accordingly, this dividend is not provided for in the balance sheet at 30 June 2025. The ex-dividend date is 2 September 2025, the record date is 3 September 2025 and is expected to be payable on 18 September 2025. The total amount expected to be payable is $150.1 million.

Rounding of amounts

The Company is a Company of the kind referred to in the Australian Securities and Investments Commission (ASIC) Corporations (Rounding in Financials/Directors' Report) Instrument 2016/191, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in the Directors' Report and the financial statements are rounded off to the nearest thousand dollars, unless otherwise indicated.

Proceedings on behalf of the Company

The Directors are not aware of any persons applying for leave under s.237 of the *Corporations Act 2001* to bring, or intervene in, proceedings on behalf of the Company.

Directors and officers' indemnities and insurance

As provided under the Constitution, the Company indemnifies Directors and Officers to the extent permitted by law for any liability incurred to persons other than the Company or its related bodies corporate in their capacity as directors or officers unless the liability arises out of conduct involving a lack of good faith.

During the year, the Company paid an insurance premium in respect of a contract insuring its Directors and Officers against a liability of this nature. In accordance with normal commercial practices, under the terms of the insurance contracts, the nature of the liabilities insured against and the amounts of premiums paid are confidential.

Non-audit services

Following the implementation of the Merger Implementation Agreement between Sigma and Chemist Warehouse on 12 February 2025, the Group appointed PricewaterhouseCoopers ("PwC") as its new independent auditor commencing for the financial year ended 30 June 2025, following the resignation of Deloitte Touch Tohmatsu. PwC were the appointed auditors of Chemist Warehouse prior to the Merger.

Details of the amounts paid to the auditor of the Company, PwC, and its related practices, for audit and other services provided during the year are set out in Note 33.

The Directors are aware of the issues relating to auditor independence and have in place policies and procedures to address actual, potential and perceived conflicts in relation to the provision of non-audit related services by the Company's auditor. Specifically, through the Audit Committee, the independence of the auditor is maintained by:

- Limiting the scope and nature of non-audit services that may be provided; and
- Requiring that permitted non-audit services must be pre-approved by the Chair of the Audit Committee.

The Directors are satisfied that the provision of non-audit services during the year by the auditor is compatible with, and do not compromise, the auditor independence requirements of the *Corporations Act 2001*. None of the services undermine the general principles relating to auditor independence as set out in the *APES 110 Code of Ethics for Professional Accountants* issued by the Australian Professional & Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* is set out on page 77.

Environmental, social and governance

Sigma recognises the importance of environmental, social and governance matters to our shareholders, suppliers, customers and our team members. The Group also recognises it is important to support an efficient and sustainable supply chain, to encourage the wellbeing of its employees and the communities it interacts with to reduce the environment impact of its activities, and to conduct business in alignment with high standards of ethical behaviour and corporate governance principles.

Given the breadth and depth of the business combination between Sigma and Chemist Warehouse, the Group is undertaking a materiality assessment to ascertain materiality targets of the Merged Group to achieve key goals in areas of focus including climate change, emissions reductions and waste management.

The Group will comply with the new Australian Sustainability Reporting Standards (ASRS) which were issued by the Australian Accounting Standards Board (AASB), with mandatory reporting of climate-related disclosures for financial years beginning on or after 1 January 2025. This will apply to the Group for the first time for the year ending 30 June 2026.

Remuneration Report

Details of the Group's Remuneration Policy in respect of the Directors and Key Management Personnel are included in the Remuneration Report on pages 40 to 76, which forms part of this Directors' Report. Details of the remuneration paid to each Non-Executive Director, the CEO and Managing Director and other Key Management Personnel are also detailed in the Remuneration Report.

Directors' interests in share capital, options and performance rights of the Company

Details of the Directors' relevant interests in shares, options and performance rights of the Company at the date of this Report are as follows:

	Number of fully paid ordinary shares	Number of performance rights/options over fully paid ordinary shares
M Sammells	258,448	–
V Ramsunder	3,132,984	1,010,723
A Carey	21,212	–
C Roberts	12,014	–
N Mitchell	30,295	–
J Gance	1,579,052,263	–
D Gance	133,740,023	–
M Verrocchi	2,555,284,920	–
D Di Pilla	75,629,122	–

Board and committee meeting attendance

The following table sets out the number of Board and Committee meetings held during the year for Sigma Healthcare Limited as the legal entity and the number attended by each Director or Committee member while the Director was a member of the Board or relevant Committee.

	Board of Directors		Audit Committee[1]		Independent Board Committee[2]		Nomination and Remuneration Committee		Risk, Compliance and Sustainability Committee[1]	
Directors	Held	Attended	Held	Attended	Held	Attended	Held	Attended	Held	Attended
M Sammells	8	8	4	4	2	2	3	3	–	–
V Ramsunder	8	8	–	–	–	–	–	–	–	–
K Spargo[4]	5	5	–	–	–	–	–	–	–	–
A Carey	8	8	–	–	2	2	3	3	1	1
C Roberts	8	8	4	4	–	–	–	–	1	1
N Mitchell	8	8	4	4	2	2	3	3	–	–
J Gance[3]	3	3	2	2	–	–	1	1	1	1
D Gance[3]	3	3	–	–	–	–	–	–	1	1
M Verrocchi[3]	3	3	–	–	–	–	–	–	1	–
D Di Pilla[3]	3	3	–	–	–	–	–	–	1	1

1. Prior to the merger on 12 February 2025, Sigma Healthcare Limited had in place a Risk Management and Audit Committee (RMAC). Upon implementation, two separate committees, being the Audit Committee (AC) and Risk, Compliance and Sustainability Committee (RCSC), were created. Meetings and attendance of the RMAC prior to the merger is included under 'Audit Committee' in the table above.
2. Independent Board Committee was set up post-merger on 12 February 2025.
3. Appointed as a Director and member of the committee(s) in February 2025, subsequent to the implementation of the Merger.
4. Ms K Spargo retired as a Director and Chair of the Nomination and Remuneration Committee and member of the Audit Committee in February 2025.

Events since the end of the financial year

Subsequent to 30 June 2025, the Directors have resolved to pay a fully franked final dividend of 1.3 cents per share. Accordingly, this dividend is not provided for in the balance sheet as at 30 June 2025. The ex-dividend date is 2 September 2025, the record date is 3 September 2025 and is expected to be payable on 18 September 2025. The total amount expected to be payable is $150.1 million

In August 2025, the Group has also made the decision to close three distribution centres in Australia, following a comprehensive review.

Other than the matters discussed above, there have not been any other matters or circumstances that have arisen since 30 June 2025 that have 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 years not otherwise disclosed.

Signed in accordance with a resolution of the Directors made pursuant to section 306(3) of the *Corporations Act 2001*, dated 27 August 2025.

Mr Michael Sammells
Chairman

Mr Vikesh Ramsunder
Chief Executive Officer & Managing Director

Melbourne
27 August 2025

Operating and Financial Review

For the year ended 30 June 2025

Operating review

The financial year ended 30 June 2025 was transformational for Sigma following the successful merger with Chemist Warehouse in February 2025. The merger has delivered a stronger, more integrated healthcare business, with greater scale, capability, and market reach.

The results for the financial year ended 30 June 2025 demonstrate the Group's momentum and potential for ongoing growth. Revenue for the year reached $6.0 billion, with statutory Earnings before Interest and Tax (EBIT) up 32.0% to $767.9 million. Normalised EBIT of $834.5 million was up 41.4% compared to the prior corresponding period[1]. Normalised EBIT is after adjusting for:

a. Merger related costs of $46.6 million;

b. Integration costs of $12.7 million; and

c. Non-cash P&L charges of $7.3 million associated with merger purchase price accounting.

During the year, the Company has:

- Successfully completed the merger with Chemist Warehouse, effective from 12 February 2025, bringing together retail and wholesale expertise;
- Upgraded our integration synergies target to $100 million per annum, up from $60 million per annum;
- Increased revenues to $6.0 billion, which reflects the Chemist Warehouse revenue for the full 12-months and Sigma revenue for the period since merger completion;
- Added the Chemist Warehouse medicine supply agreement from 1 July 2024, which has increased annualised volume distributed by more than 29%;
- Expanded the Chemist Warehouse retail network with a total of 35 stores opened in Australia and internationally; and
- Continued to successfully execute our own label product strategy to support margins.

We are committed to delivering excellence for our customers, partners and suppliers while strengthening our operations and driving ongoing efficiencies.

We have made good progress executing the integration plan and have upgraded the merger synergy target from $60 million p.a. to $100 million p.a. to be achieved within four years. The one-off costs anticipated to be progressively incurred to achieve the synergies has also been increased to $95–105 million.

The performance of the Chemist Warehouse retail network was a standout. Total retail network sales[2] to customers for the 12-months were up 14.1% to $10.3 billion. Like-for-like sales growth across the same store Chemist Warehouse network was up 11%. Sales growth was delivered in the franchise store network across the major product categories including beauty, vitamins and supplements, healthcare/medicines, baby/children, and fragrances.

During the year, we continued to expand our range of own label products, headlined by the launch of 269 lines of Wagner pharmaceuticals generics in November 2024, and achieved high pharmacy customer conversion rates and sell through.

Our value proposition and service offering are resonating with more customers. We opened a total of 35 new stores in Australia and internationally to bring our global network to 967 stores. Our international network also continues to grow across New Zealand, Ireland, and UAE demonstrating that the Chemist Warehouse model is transportable and scalable in other markets.

In addition, we are well advanced in executing our pharmacy brand strategy in Australia following the decision to convert the MyChemist pharmacies to Amcal and Discount Drug Stores. By 30 June 2025, 14 MyChemist stores have been converted to Amcal and DDS brands, with conversion of the remaining stores to be completed in the 2025 calendar year. In addition, the Ultra Beauty retail offering has now been made available to select stores across the Amcal network, providing a compelling retail experience for customers and a competitive advantage for Amcal franchisees.

Meanwhile, with a focus on delivering profitable growth, since year end, we have taken the decision to progressively close the Chemist Warehouse bricks and mortar stores in China, with the China market to be serviced through our online channel.

Supply chain reliability and efficiencies are keys to our success. Our distribution centre network has successfully absorbed the significant volume increase during the period. With a combined 14 distribution centres across Australia, we now deliver around 530 million units on an annualised basis, with the benefit of scale resulting in a lower cost to serve per unit. At the same time, we have maintained our commitment to delivering service excellence to our customers, with the average delivery in full metric maintained above 99.5%.

1. Prior corresponding period refers to the results for Chemist Warehouse only for the period 1 July 2023 to 30 June 2024.
2. Based on Chemist Warehouse management information (unaudited). Includes a combination of in-store and online sales across the Chemist Warehouse retail network, as well as online sales fulfilled directly by Chemist Warehouse.

We remain focused on optimising the network to improve service delivery, reduce cost and open new business opportunities. Since year end, we have made the decision to close our ePharmacy distribution centre in Victoria, with fulfilment to occur from store. We have also announced the intention to close our distribution centre in South Guildford in Western Australia by May 2026, and the Port Adelaide distribution centre in South Australia over the coming years. Volumes will be absorbed in our existing infrastructure.

Operating free cash flow was robust at $546.3 million. At 30 June 2025, we reported net debt of $752.2 million, well below the starting net debt range of $1.0 to $1.3 billion set out in the merger prospectus. We are well placed to self-fund our organic growth strategy and reward shareholders with dividends.

Financial performance

Highlights:

- Sales revenue of $6.0 billion.
- Statutory EBIT of $767.9 million.
- Statutory NPAT attributable to owners of the Company of $529.9 million.
- Final dividend of 1.3 cents per share, fully franked.

	Group		
$'000	**2025[1]**	**2024[1]**	**Change (%)[3]**
Sales revenue	6,001,835	3,294,402	82.3%
Gross profit	1,440,288	1,042,952	38.1%
Gross margin	24.0%	31.7%	(24.2%)
Cost of doing business (CODB)[2]	(717,701)	(490,298)	46.4%
EBIT	**767,883**	**581,536**	32.0%
Normalised EBIT	**834,527**	**590,142**	41.4%
EBIT margin	12.8%	17.7%	(27.5%)
Normalised EBIT margin	13.9%	17.9%	(22.4%)
NPAT attributable to the owners of the Company	**529,914**	**541,013**	(2.1%)
Statutory earnings per share (EPS) (cents per share)	5.1	5.5	(8.1%)

1. As set out in the Financial Statements, as a result of the reverse acquisition of Sigma Healthcare Limited (Sigma) by CW Group Holdings Limited (Chemist Warehouse) on 12 February 2025, these financial statements represent the continuing accounts of Chemist Warehouse. The comparative information for the financial year ended 30 June 2024 represents results for Chemist Warehouse only for the period 1 July 2023 to 30 June 2024. The income statement for the financial year ended 30 June 2025 represents the results of Chemist Warehouse for the period from 1 July 2024 to 11 February 2025 and the consolidated results of Chemist Warehouse and Sigma from 12 February 2025 to 30 June 2025.
2. CODB includes $66.6 million of merger related items.
3. Percentage change figures are calculated using underlying data prior to rounding and as such, recalculations based on displayed values may result in differences.

Sales revenue

As disclosed in Note 25 Business Combinations in the Financial Statements, the acquired business (Sigma) contributed revenue of $2.4 billion (before intercompany eliminations) to the group for the period 12 February to 30 June 2025. Excluding the acquired business, group sales revenue was $3.6 billion, which was 8.5% up on the prior corresponding period (pcp), reflecting continuous growth in the Australian retail network performance.

Gross margin

Gross profit of $1.4 billion (margin of 24.0%) is up 38.1% on the pcp. This includes Sigma's contribution to the Group from merger date of $159.4 million (before intercompany eliminations). Excluding the acquired business, gross profit has increased by $237.9 million, which represents an improvement in gross margin by 4.2 percentage points.

Cost of doing business (CODB)

CODB includes:

- Warehouse and delivery expenses were $225.8 million, 51.6% up on pcp. This reflects the inclusion of Sigma's costs from acquisition date, growth in costs from launch of the Wagner generics range and overall increase in sales activities.
- Sales and marketing expenses were $107.9 million, 22.3% up YoY. The increase in costs is driven by the acquisition of Sigma and growth in employee costs from new overseas stores opening in Ireland and UAE.
- Administrative expenses were $384.0 million, 51.7% up on pcp. This includes $46.6 million (2024: $8.6 million) of transaction costs in relation to the merger between Sigma and Chemist Warehouse. The overall increase is also attributable to acquisition of Sigma and an increase in employee costs for corporate functions, as a result of growth in business operations.

Earnings

Reported statutory EBIT (attributable to owners) was $767.9 million, which represents a 32.0% increase from prior year, and includes merger related items of $66.6 million and statutory EBIT contribution of $18.8 million (before intercompany eliminations) from the acquired business (Sigma) between 12 February to 30 June 2025, as set out in Note 25 Business Combinations.

Normalised EBIT was $834.5 million, which represents a 41.4% increase from prior period.

Reconciliation of Normalised EBIT to Statutory EBIT

$'000s	2025	2024	Change %[4]
Normalised EBIT	**834,527**	590,142	41.4%
Merger related costs[1]	**(46,624)**	(8,606)	441.7%
Integration costs[2]	**(12,707)**	–	
Impact from PPA[3]	**(7,313)**	–	
Statutory EBIT	**767,883**	**581,536**	**32.0%**

1. Non-recurring costs incurred by the Group in association with the Merger between Sigma and Chemist Warehouse. These costs include financial advisory, legal, regulatory, accounting, tax and other costs and do not relate to the ongoing operations of the Group.
2. Costs incurred to integrate the Sigma and Chemist Warehouse businesses, post-merger. These include consulting and employee costs, compliance costs and impacts from alignment of accounting policies.
3. Non-cash charges related to the merger purchase price allocation (PPA) accounting.
4. Percentage change figures are calculated using underlying data prior to rounding and as such, recalculations based on displayed values may result in differences.

Excluding the merger related items and contribution from the acquisition, like-for-like EBIT increased by $244.4 million, demonstrating a strong performance for the year.

Financial position

The Group has a strong financial position with total net assets at the end of the financial year were $4.7 billion, which was $3.9 billion higher than at the year ended 30 June 2024, driven by the acquisition of Sigma. The Group has total assets of $8.3 billion (2024: $2.9 billion), of which $3.8 billion related to intangible assets (including goodwill) recognised from the acquisition of Sigma in February 2025. The remaining being comprised primarily of trade and other receivables, inventory and right-of-use assets. The Group's cash reserves of $138.8 million, as well as its available bank facilities, ensures that the Group is well placed to invest in business initiatives and support working capital requirements.

As at 30 June 2025, the Group has total drawn bank facilities of $865.0 million ($575.0 million undrawn). The Group has total borrowings of $890.9 million at 30 June 2025, with transactions costs of $9.7 million incorporated into the carrying value presented at Note 22.

Operating cash flow in the financial year ended 30 June 2025 was $598.8 million, representing a strong cash conversion of 113% on NPAT. Net working capital has increased by $722.2 million to $1,271.3 million at 30 June 2025 as a result of the acquisition of Sigma.

The Board will continue to regularly monitor and review the Group's capital structure with a focus on maintaining balance sheet strength and its capacity to respond to strategic growth opportunities.

Material risks

The Group's activities expose it to a number of economic and business risks. Sigma's risk management policy recognises that risk management is an essential element of good corporate governance and fundamental in achieving its strategic and operational objectives. Sigma accepts that risk is a part of doing business, therefore, this policy is not designed to promote risk avoidance, rather to create a risk conscious culture that encourages the systematic identification, management and control of risks whilst ensuring we do not enter into unnecessary risks or enter into risks unknowingly.

The Group's risk management approach is supported by:

- A risk governance framework overseen by the Risk, Compliance and Sustainability Committee (RCSC);
- A strong and experienced management team;
- Clearly articulated levels of authority and approval processes;
- Established risk identification tools including a Group Risk Register that is reported to the RCSC quarterly; and
- Adequate external insurance cover.

The following, in no particular order, is a summary of material risks facing the Group that are currently reported to the RSC Committee and are under active management. Our material risks are defined as risks that would have the most significant impact on the Group. We have included in the table examples of mitigations in place to assist in managing these risks:

Risk	Mitigation
Regulatory environment, reform and/or legislative changes The Group operates in a highly regulated environment and business operations may be affected by changes in government policies and legislation, including those relating to the Pharmaceutical Benefits Scheme (PBS), Community Service Obligation (CSO), the pharmacy sector (to which the Group supplies products and services) and other Government initiatives, regulation and legislation.	• Monitoring and review of PBS and CSO changes • Active agenda and timetable of engagement with identified industry and political stakeholders and membership of industry groups • Dedicated and experienced compliance teams to manage all regulatory matters, including pharmacy ownership arrangements • Ongoing investment in systems and processes to ensure compliance with regulatory requirements
Strategy execution and business integration Post-merger, the Group has undertaken a detailed strategic review of the business and developed a growth strategy plan, which includes prioritisation of the integration of the two businesses. An integration of this size and nature carries inherent risk, including delays, talent retention, unplanned costs and difficulties in integrating various operations. Compromised delivery of key strategic initiatives and the integration plan could result in increased costs, inability to meet shareholder expectations and loss of market share.	• Detailed planning and budgeting process • Structured program governance including oversight from board and management • Executive sponsorship and responsibility of all key strategic projects including structured project management for all material projects • Regular review and monitoring of strategic projects and programs, including costs and benefits tracking and resource allocation • Development and implementation of detailed integration plan, including establishing dedicated integration team and obtaining external expert support when required
Change in competitive landscape The Group operates in highly competitive markets which could become more competitive due to actions from both new and existing competitors. The environment can be significantly affected by macro-economic conditions, general competitive dynamics and consumer behaviour changes. Increased competition could impact the Group's ability to generate sales, leading to a loss of market share and a decline in profitability.	• Closely monitor and respond to competitor activity. These include but are not limited to pricing strategies, product launches, market entries and marketing activities • Monitor and prepare for external economic shifts that could impact demand, costs and overall competitiveness. Track key indicators across key markets • Capitalise on the Group's competitive advantage such as breadth of offerings for franchisees, brand awareness and in-house media and marketing capabilities
Financial risk Effective liquidity management is imperative to meet the Group's ongoing funding requirements in executing the capital expenditure program, investment in systems, management of working capital and overall strategy.	• Cash forecasting and monitoring of financial ratios, cash conversion metrics and funding covenants • Regular review of the appropriateness of the Group's debt facilities and funding sources • Standard trading terms for trade debtors and creditors and governance of the approval of variations to these terms • Robust working capital management • Structured process to review funding and debt needs overseen by the CFO

Risk	Mitigation
Operations risk The Group is exposed to several risks that have the potential to materially impact operations or result in business interruptions. This includes industrial action, workplace health and safety incidents and the loss or outage of critical infrastructure.	Various controls in place to address risks to operations. Specific examples include: • Enterprise agreement strategies and site-specific planning • Business continuity plans and disaster recovery capability and technology for core systems • Established contracts and strong partnerships with critical business partners • Capital investment in distribution centre network infrastructure • Robust health and safety management system and dedicated health and safety resources
Sourcing and third-party supply chain The Group relies on securing competitively priced arrangements with third-party suppliers. Inability to acquire products at competitive prices could lead to reduced margin and profitability for the business. Sigma is also subject to supply chain vulnerabilities of the suppliers which could be caused by extreme weather events, environmental policy changes and wide-scale product shortage.	• Actively maintaining relationships and communications with key suppliers • Implementation of joint supplier business plans with key suppliers • Active monitoring of stock levels to manage risk of stock shortage where practicable • Increasing the diversification of sourcing operations • Ongoing investment in supply chain capabilities and technologies
Talent retention and attraction The Group's ability to attract, retain and develop team members is critical to the execution of our strategies and delivery of strong operating and financial performance.	• Talent development programs in place to retain and develop employees • Ongoing investments to strengthen employee value propositions to ensure the right talent is attracted and retained by the Group • Continuation of Women in Leadership program to support development of our female leaders and strengthen our talent pipeline
Related party dealings The Group receives a material proportion of its revenue from related party franchisees and there are a number of interrelationships between related parties and the Group, such as certain leasing and supply arrangements. Where there is misalignment of interest between the Group and the related persons, there is a risk this may impact the financial and operational performance of the Group.	Sigma has established processes for the oversight and management of transactions between the Group and its related parties. The Board has established a committee comprised of independent directors (Independent Board Committee or IBC) to oversee the existing related party arrangements and the future related party dealings. The IBC is governed by a set of Board-approved protocols (IBC Protocols). Key responsibilities of the IBC include: • considering, negotiating, entering into, making any changes or amendments to, and taking any actions (including exercising any rights) under the related party arrangements, and all matters in connection with or related to the related party arrangements • overseeing and monitoring compliance of the related party arrangements with the requirements of the related party arrangements approval, the IBC protocols, the Board-approved manual containing the framework for administering the related party arrangements in accordance with the requirements of the related party arrangements approval (Related Party Manual), Listing Rule 10.1 and Chapter 2E of the Corporations Act • ensuring that, at all times, the related party arrangements are in the best interests of the Company's shareholders including having regard to the principles set out in the Related Party Manual

Risk	Mitigation
Data governance and cyber security There is a risk that the Group may be exposed to an event or events which may result in Sigma's or Sigma's customers information being unavailable, lost, stolen or otherwise compromised with adverse consequences for the business, which could result in damage to its brand, impact operations and cause a loss of customer trust.	Sigma has an information security and data governance strategy and framework in place, which includes tools, training, systems and processes to address data collection, data governance and protection. • Alignment of information security strategy to the National Institute of Standards and Technology ("NIST") Cybersecurity Framework 2.0 • IT security function in place across security architecture, security operations, security engineering, identity management, cyber program management and security engagement • Enterprise Vulnerability Management solution established and implemented • Next-gen firewalls deployed at all Sigma and subsidiary sites • Training and awareness programmes established • Internal Assessments conducted to improve controls across the Merged Group • Maintaining a Security Operations Centre (SOC) • Periodic penetration testing performed, augmented by Vulnerability Disclosure Program and Bug Bounty Program • Weekly reporting on cyber incidents, cyber uplift and cyber matters to operational teams, with material updates provided to the Executive Leadership Team
Social and environmental sustainability risk Sigma is committed to delivering sustainable outcomes for investors, customers, communities and the environment, today and for the future. There is a risk to our reputation and operations from not delivering on this commitment.	• Establishment of environment, social and governance (ESG) strategy and reporting with support of external experts • Identifying, managing and mitigating environmental risks from our operations, particularly our distribution centre network • Commitment to the Australian Packaging Covenant (APCO) sustainable packaging guidelines • Active community engagement in various charity organisations and other targeted programs • Ongoing commitment of the ESG Steering Committee and Modern Slavery working group to monitor and report on activities • Supply chain review, changes to the procurement process and amendment of standard contracts in response to Modern Slavery legislation
Climate risks and opportunities Climate change presents an evolving risk for Sigma. This includes potential disruption to operations from extreme weather events, but also due to such things as changes to laws and regulations and not meeting stakeholder expectations, resulting in reputational damage.	• Establishment of the Risk, Compliance and Sustainability Board Committee with a mandate covering climate-related reporting • Inclusion of climate risks and opportunities as a key matter in the Group's ESG reporting • Identifying major business inputs that contribute to our overall environmental footprint and implementing actions to help reduce this footprint (e.g., waste, packaging, energy efficiency) • Establishment of processes to measure, track and report energy use and greenhouse gas (GHG) emissions • Climate related risks and potential financial impacts assessed in line with the Group's risk management framework • Business continuity plans in place to respond to disruption to operations

Remuneration Report

For the year ended 30 June 2025 (2024/25)

Abbreviation	Item
AGM	Annual General Meeting
ASX	Australian Securities Exchange
CAGR	Compound Annual Growth Rate
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CW	Chemist Warehouse
EBIT	Earnings Before Interest and Tax
EEG	Executive Equity Grant
EPS	Earnings per Share
FR	Fixed Remuneration

Abbreviation	Item
IBC	Independent Board Committee
KMP	Key Management Personnel
LTI	Long Term Incentive
NPAT	Net Profit After Tax
NRC	Nomination and Remuneration Committee
STI	Short Term Incentive
TSR	Total Shareholder Return
VWAP	Volume Weighted Average Price

Message from our Chair of the Nomination and Remuneration Committee

Dear Shareholders

I am pleased to present Sigma Healthcare's Remuneration Report for the financial year reporting period 1 July 2024 to 30 June 2025 (FY25).

The Group delivered strong financial and non-financial performance in FY25 across all aspects of our business. These results were achieved against the backdrop of a truly transformational time for our business, including commencing the 5-year supply contract to serve the Chemist Warehouse pharmacy network on 1 July 2024, and subsequently the merger with Chemist Warehouse (CW) by way of a scheme of arrangement (Scheme) implemented on 12 February 2025. Through the merger we brought together a leading Australian retail pharmacy franchisor with a full-line wholesaler and distributor, to fulfill our vision to make pharmacy services and medicines accessible to all Australians. We are confident that the Company, in its new form, will achieve profitable growth and continue to deliver sustainable returns to shareholders.

With effect from the date of the Scheme, there were several changes to our Board and executive leadership. We welcomed four new directors to the Board, Mr Jack Gance, as a non-executive director, and Mr Mario Verrocchi, Mr Damien Gance and Ms Danielle Di Pilla as executive directors. Ms Kate Spargo resigned from the Board with effect from the date of the Scheme. Mr Mark Conway served as the Chief Financial Officer of Sigma Healthcare prior to the Scheme, and following this, Mr Mark Davis, CFO of CW, was appointed as the CFO. Mr Mark Conway remains with the Merged Group in a new finance role reporting through to Mr Mark Davis.

This Remuneration Report covers the Key Management Personnel (KMP) of the newly merged Sigma Healthcare from the date of the Scheme, that is 12 February 2025 to 30 June 2025. Prior to this, for the period from 1 July 2024 to 11 February 2025, the KMP detailed includes those of Sigma Healthcare (pre-merger) and does not include any KMP of CW (pre-merger).

Overview of performance and 2024/2025 remuneration decisions

Performance for the financial year ended 30 June 2025 was as follows:

- Normalised EBIT was $834.5m.
- Normalised NPAT was $579.1m.

Normalised EBIT and NPAT are key operational metrics. As disclosed in the Directors' Report, Normalised EBIT and NPAT are after adjusting for merger related costs, integration costs and non-cash P&L charges associated with merger purchase price accounting.

As a result of the merger, the Group's market capitalisation increased significantly, placing Sigma Healthcare firmly within the ASX top-30 companies and delivering significant value to Sigma shareholders.

I would like to thank our executive and leadership team for their hard work this year in contributing to the growth of our business, through delivering on our operational performance commitments and driving the completion of a complex merger. We believe that the newly merged Sigma Healthcare is well placed to deliver significant long-term value to our shareholders.

As previously disclosed in the Scheme, which was approved by shareholders, the Board and Nomination and Remuneration Committee (NRC) undertook a market benchmarking review of peers in the ASX 20-100. As a result, and to position the CEO/Managing Director's remuneration levels at the median of the peer group, the Board determined to increase the fixed remuneration to $1,600,000 and variable remuneration opportunity such that the target STI opportunity is 100% of fixed remuneration, maximum STI opportunity is 150% of fixed remuneration and LTI is 150% of fixed remuneration.

For the year ended 31 January 2025 (pre-merger), reward outcomes for Sigma Healthcare Limited were as follows:

- **STI outcomes:** The STI scorecard outcome was achieved at maximum. This is an exceptional result and reflects all scorecard metrics being exceeded. Full details for performance against STI targets are provided in Section 4 of the Remuneration Report. As previously disclosed, and in the context of the merger, the total STI awards were paid in cash for the 2024/2025 award only.

- **LTI outcomes:**
  - The 2022 LTI vested in full. As previously disclosed, and under the Loan Funded Share Plan rules, upon a change of control event occurring, the Sigma Board is required to make a determination that the shares vest. In relation to the merger with CW, the Sigma Board considered the continued employment of LTI participants, the significant value delivered to Sigma Shareholders through the merger and the key roles executives have performed in relation to the merger in making the determination to vest the Loan Funded Shares.
  - The 2023 Executive Equity Grant (EEG) was converted to a mix of cash and shares, conditional on ongoing service, following support from shareholders at the Extraordinary General Meeting. The first of these cash payments vested in February 2025.

- Initial KMP retention arrangements were delivered in December 2024, aligned with previous disclosures. The Board believes that these payments were important to secure the services of the CEO/Managing Director and CFO regardless of whether the merger occurred. Refer to Section 5.4 for further details.

Furthermore, in relation to in-flight awards applicable to Mr Ramsunder for the period following merger completion until 30 June 2025:

- The 2025/2026 STI performance period will be extended to align with the 30 June 2026 notional financial year end. That is, for the 2025/2026 STI award only, performance will be assessed over a 17-month performance period, being 1 February 2025 to 30 June 2026. This change will allow for performance to be assessed annually, aligned to the financial year going forward. Additionally, the Board determined that a greater portion of the STI would be delivered in equity (50% of the STI opportunity, up from 25%) and for a longer deferral period, with 50% deferred for 12 months, and the remaining 50% now deferred for 24 months).
- Similarly, the 2024/2025 LTI award's performance period will be extended from 31 January 2027 to 30 June 2027, to align with the financial year going forward. That is, performance will be assessed over the period 1 February 2024 to 30 June 2027. The two performance conditions remain (EPS and absolute TSR), with a single EPS CAGR target to cover the remainder of the performance period, rather than progressive annual targets. This change allows for a longer-term focus, alignment of the target with post-merger stretch objectives, and a measurement approach more aligned with market practice. Given the significant movement in the share price post-merger, the absolute TSR performance will be assessed by reference to the share price post-merger.

Understanding reasons and responding to the 'first strike'

At the 2024 AGM, Sigma Healthcare received a 'first strike' against its Remuneration Report for the period ended 31 January 2024. We engaged with key investors and proxy advisors leading up to and following the AGM. Of the concerns raised, the main concern appeared to be the retention awards that were offered. As a Board, we believe these were necessary to retain key executives leading up to the merger, and were important in the context of a complex merger which may or may not have completed as planned. These are 'once off' awards and do not represent any ongoing structural concerns with our remuneration framework.

Incentives review to support our strategy and transformation

Our current remuneration arrangements have served us well in attracting, retaining and motivating high performing executives by driving business growth and aligning with shareholder interest. However, because of the transformation of our business, our strategy has evolved, so has the need for our remuneration framework to support it. As such the Board and NRC have commenced a comprehensive review of all aspects of the Remuneration Framework. We note that some changes have already been flagged for 2025/2026 that are outlined further in the report.

We welcome your feedback on our remuneration framework and look forward to your support at our 2025 AGM.

Ms Annette Carey
Chair, Nomination and Remuneration Committee

Remuneration Report

1. Introduction

The Directors of Sigma Healthcare Limited (Company or Sigma) are pleased to present the Remuneration Report (Report) for the Company and its subsidiaries (Group) for the financial year ended 30 June 2025 (financial year). This Report has been prepared on a statutory basis and audited in accordance with the requirements of the *Corporations Act 2001*.

On 12 February 2025, Sigma acquired 100% of the issued shares in CW Group Holdings Limited (Chemist Warehouse). This transaction is considered a reverse acquisition under AASB 3 *Business Combinations*, that is, a reverse acquisition of Sigma by Chemist Warehouse. Prior to the merger, Chemist Warehouse was not required to prepare a Remuneration Report in accordance with the *Corporations Act 2001*.

Basis of preparation

In considering the application of KMP remuneration disclosures required under the *Corporations Act* and *Corporations Regulations*, the Group has adopted the following approach:

- From the merger date of 12 February 2025 to 30 June 2025, KMP include all directors and certain executives of the consolidated Group.
- From 1 July 2024 to 11 February 2025, KMP refer to all directors and select executives of Sigma Healthcare Limited (pre-merger) and does not include KMP of Chemist Warehouse (pre-merger).
- Sigma Healthcare Limited was a disclosing entity and prepared a remuneration report for the year ended 31 January 2025 and 31 January 2024. Therefore, comparative information related to KMP in this report refers to those KMP of Sigma Healthcare Limited's prior year Annual Reports for the year ended 31 January 2025 and 31 January 2024 reporting periods.

ASIC has granted relief that will allow Sigma to meet its financial reporting obligations based on a notional financial year that runs to 30 June each year, enabling the Merged Group to report in accordance with Chemist Warehouse's financial year of 30 June.

Key Management Personnel (KMP)

KMP are defined as persons having authority and responsibility for planning, directing and controlling the major activities of the Group, and include all Non-Executive Directors of the Company and Executives as listed in the table below.

Current Non-Executive Directors		**Term**
Mr M Sammells	Chairman	Full year
Mr N Mitchell	Non-Executive Director	Full year
Ms A Carey	Non-Executive Director	Full year
Dr C Roberts	Non-Executive Director	Full year
Mr J Gance	Non-Executive Director	Part year – from 12 February 2025[1]
Former Non-Executive Directors who served during the financial year		
Ms K Spargo	Non-Executive Director	Part year – to 12 February 2025[2]
Current Executive Directors		
Mr V Ramsunder	CEO/Managing Director	Full year
Mr M Verrocchi	Executive Director and CEO of Chemist Warehouse	Part year – from 12 February 2025[1]
Mr D Gance	Executive Director and Chief Strategy and Business Development Officer	Part year – from 12 February 2025[1]
Ms D Di Pilla	Executive Director and Chief People Officer	Part year – from 12 February 2025[1]
Current Executives		
Mr M Davis	Chief Financial Officer	Part year – from 12 February 2025[3]
Former Executives who served during the financial year		
Mr M Conway	Chief Financial Officer	Part year – to 12 February 2025[3]

1. Appointed to the Board of Sigma Healthcare Limited with effect from the implementation of the merger between Sigma and Chemist Warehouse on 12 February 2025.
2. Ms K Spargo resigned from the Board of Sigma with effect from the implementation of the merger.
3. Mr M Conway served as the Chief Financial Officer of Sigma Healthcare Limited prior to the merger between Sigma and Chemist Warehouse. With effect from the implementation of the merger, Mr. M Davis, CFO of CW Group Holdings Limited, was appointed as the CFO of the Merged Group. Mr Mark Conway remains with the Merged Group in a new finance role reporting through to Mr Davis.

Remuneration Report continued
For the year ended 30 June 2025 (2024/25)

2. Response to the 'first strike' at the 2024 AGM

Following the strike against the Remuneration Report for the period ended 31 January 2024, the Board engaged with key investors and proxy advisers to understand the key concerns. Set out below is a summary of the key concerns we heard, and our Board's response:

Concern	Our response
Retention awards to the CEO/Managing Director and CFO prior to merger, with a provision for an increase to the award if the merger didn't proceed	As a Board, we believe that these were necessary to retain key executives leading up to the proposed merger. These awards were important to secure key executive talent in the context of the complexity of the proposed merger, which may or may not have completed as planned. The retention awards were made as 'once off' awards and don't represent any ongoing structural concerns with our remuneration framework. The final cash payment of the retention awards will be made in December 2025 (subject to continuous service and satisfactory performance) and will be disclosed in the next reporting period's Remuneration Report. No further retention awards were made to KMP during the reporting period.
CEO/Managing Directors' fixed pay is above the market	During the year, we conducted a review of the CEO/Managing Directors' remuneration levels. In the context of the merger, remuneration was benchmarked to the ASX 20-100 companies. The Board approved an adjustment to the CEO/Managing Director's fixed remuneration with effect from implementation of the merger, to reflect the remit and deliverables of the CEO/Managing Director of the newly Merged Group. The CEO/Managing Director's fixed remuneration is positioned at the median of the market data for the comparator group.
The use of absolute TSR as a LTI performance condition	The Board and the Nomination and Remuneration Committee (NRC) have commenced a comprehensive review of the executive remuneration framework to ensure it aligns with our evolving business strategy as a newly Merged Group. The LTI performance conditions have been considered as part of this review. For the 2025/2026 LTI, the absolute TSR performance measure will change to relative TSR to ensure it reflects performance against other suitable companies and is appropriately challenging.
Quantum of potential termination benefits	At the 2024 AGM, we sought approval from shareholders as to the potential retirement benefits to the CEO/Managing Director in a range of leaver scenarios. We believe that the proposals are fair and aligned to market. While there were some concerns raised regarding the potential quantum, the majority of shareholders supported this resolution and it was carried.

3. Executive Remuneration Snapshot for the Financial Year ended 30 June 2025

3.1 Our remuneration framework supports our strategy and transformation

Sigma's remuneration framework supports business strategy and transformation, by attracting, retaining, motivating and rewarding high-performing employees. It aims to deliver sustainable value for shareholders, serve community and customer interests and provide fair and reasonable rewards for achieving high performance. Our vision is clear – to be a leading pharmacy franchisor, wholesaler and distribution business in Australia and internationally.

Our purpose and strategy

Deliver sustained growth in Australia	Cultivate emerging growth in international markets	Expand our portfolio of differentiated brands	Support our customer network through excellence in operational execution	Deliver shareholder value and disciplined governance

Our remuneration principles	
Competitive remuneration	Enabling the Company to attract, retain, motivate and reward high calibre employees and Non-Executive Directors.
Incentives linked to Company performance	Rewards are linked to delivery of the Company's financial and strategic goals which deliver value for shareholders.
Equality of remuneration	Ensuring that remuneration principles are applied fairly and consistently across the business.
Drive community and customer interests	Ensuring rewards are only paid where outcomes have been achieved in the interests of the community and customers.
Foster a partnership between employees and shareholders	Reinforcing an ownership mindset through ownership of Company shares.

3.2 A transitional year for the remuneration framework

Prior to the merger, Sigma's executive remuneration framework was implemented for executive KMP (Mr V Ramsunder and Mr M Conway) for the financial year ended 31 January 2025. Further detail on the pre-merger remuneration framework is provided below in Section 5.

For the remainder of the reporting period (i.e. 1 February 2025 to 30 June 2025), a revised remuneration framework is being considered by the NRC and Board. Only some changes have been determined, including the extension to STI and LTI performance periods to align with the 30 June financial year reporting period. Refer to Section 3.3 for details on updates to the executive remuneration framework.

An overview of the remuneration structure and time horizons for the reporting period is shown below.

Remuneration structure for the current reporting period ended 30 June 2025

	1 Feb 2024 to 30 June 24	Financial year 1 July 2024 to 30 June 2025 (FY25)	FY26	FY27	FY28	FY29
Sigma's current executive remuneration framework		**Fixed Remuneration** (base salary + super)				
	2024/2025 STI performance period (1 Feb 2024 to 31 Jan 2025) Assessed against a scorecard over 12-months, subject to a financial gateway and meeting financial and non-financial criteria	100% STI cash for the 2024/2025 award only, in the context of the merger[1]				
	2024/2025 LTI performance period (1 Feb 2024 to 30 Jun 2027) Assessed against two equally weighted performance criteria (absolute TSR and EPS)[2] over an extended period of 3 years and 5 months (period extended from the usual 3 years to align with the financial year reporting period)				100% LTI rights vest	

1. Delivery of STI would have been 75% cash and 25% share rights deferred for 12 months. However, in the context of the merger, the Board determined that 100% of the STI be awarded in cash for the 2024/2025 STI only.
2. There will be a single EPS CAGR target to cover the remainder of the performance period rather than progressive annual targets. The absolute TSR performance will be assessed by reference to the share price post-merger. For more information see Section 3.4.

An overview of the maximum potential remuneration mix for the current reporting period is shown below.

Current executives

CEO/Managing Director	FR 33.4%	Maximum STI 33.3% (100% of FR)[3]	Maximum LTI 33.3% (100% of FR)
CFO[1]	FR 100%		
Executive Directors[2]	FR 100%		

Former executives

CFO	FR 50.0%	Maximum STI 25.0% (50% of FR)	Maximum LTI 25.0% (50% of FR)

1. Mr M Davis was not a participant in the 2024/2025 STI or LTI, however will be a participant in the 2025/2026 STI and LTI.
2. Mr M Verrocchi, Mr D Gance and Ms D Di Pilla were not participants in the 2024/2025 STI or LTI, however will participate in future LTI awards, subject to shareholder approval of equity grants.
3. This relates to the 2024/2025 STI plan for Mr Ramsunder which had a performance period of 1 February 2024 to 31 January 2025. The performance period for the 2025/2026 STI plan is set out in Section 3.3.

Proposed CEO/Managing Director remuneration structure for the next reporting period ending 30 June 2026

The illustration below is proposed only. Some changes have been confirmed and disclosed (see Section 3.3 below). The full framework is still being developed and will be detailed in the next Remuneration Report.

	FY25	**Financial year 1 July 2025 to 30 June 2026 (FY26)**	**FY27**	**FY28**	**FY29**
Sigma's proposed future executive remuneration framework		**Fixed Remuneration** (base salary + super)			
	2025/2026 STI performance period (1 February 2025 to 30 June 2026) Assessed against a scorecard over 17-months, subject to meeting financial and non-financial criteria		50% STI cash		
				25% STI rights (vest 30 June 2027)[1]	
					25% STI rights (vest 30 June 2028)[2]
		2025/2026 LTI performance period (1 July 2025 to 30 Jun 2028) Subject to EPS and relative TSR performance criteria over a 3-year period			100% LTI rights vest

1. Represents the STI deferred equity for 12 months.
2. Represents the STI deferred equity for 24 months.

For the purposes of the above illustrations, the retention arrangements for the CEO/Managing Director and former CFO associated with the proposed merger, as disclosed in the prior reporting period, are not shown. Refer to Section 5.4 for further details.

3.3 Post-merger executive remuneration framework updates

The Board and NRC have commenced a comprehensive review of the executive remuneration framework to ensure it aligns with our evolving business strategy as a newly Merged Group. While some changes have been confirmed and disclosed, the full framework is still being developed and will be detailed in the next Remuneration Report.

Fixed Remuneration

As disclosed in the Scheme, effective from implementation of the merger, the fixed remuneration levels were determined as:

- Mr Ramsunder: $1,600,000
- Mr Davis: $1,200,000
- Mr Verrocchi: $995,565
- Mr Gance: $673,652
- Ms Di Pilla: $673,652

The Board and NRC believe that the remuneration levels for the CEO/Managing Director and CFO are competitively positioned and appropriately reflect the increased remit and accountabilities for the newly merged entity.

The pre-merger fixed remuneration for executive directors remains unchanged.

Short Term Incentive (STI)

The STI opportunities have been determined as follows:

Executive	Target STI opportunity (% fixed remuneration)	Maximum STI opportunity (% fixed remuneration)
Mr Ramsunder	100%	150%
Mr Davis	80%	120%

Mr Verrocchi, Mr Gance and Ms Di Pilla will not participate in the 2025/2026 STI.

The 2025/2026 STI performance period for Mr Davis will be from 1 July 2025 to 30 June 2026.

The 2025/2026 STI performance period for Mr Ramsunder will cover the period 1 February 2025 to 30 June 2026. This one-off change will allow for performance to be assessed annually in future awards, aligned to the financial year reporting period going forward.

Mr Ramsunder's STI opportunity for the 2025/2026 financial year only will be 141.67% at target and 212.50% at maximum or 'stretch', based on the extended 17-month period (being 1 February 2025 to 30 June 2026).

The STI deferred equity component will be increased to 50% (with 50% deferred for 12 months and the remaining 50% deferred for 24 months).

Long Term Incentive (LTI)

The maximum LTI opportunities have been determined as follows:

- Mr Ramsunder: 150% of fixed remuneration
- Mr Davis: 120% of fixed remuneration
- Mr Verrocchi: 90% of fixed remuneration
- Mr Gance: 60% of fixed remuneration
- Ms Di Pilla: 60% of fixed remuneration

Remuneration Report continued
For the year ended 30 June 2025 (2024/25)

3.4 Merger impacts on in-flight awards

As previously disclosed, and in the context of the merger, the Board considered the 'change of control' provisions under the in-flight LTI awards. In making its determination, it also factored the continued employment of the LTI participants, the significant value delivered to Sigma shareholders through the merger and the key roles executives have performed in relation to the merger. The Board determined the following treatment of in-flight LTI awards:

- **2022 Loan Funded Share Plan** – Under the Plan Rules, upon a change of control event, the Board is required to make a determination that the loan plan shares vest. The Board determined that all Loan Funded Shares vested, with participants being required to satisfy the outstanding loan balance to exercise the shares.
- **2023 Executive Equity Grant ("EEG")** – The Board determined to restructure the award of Performance Rights to strike an appropriate balance between recognising the efforts and key role of participants in delivering the merger, with encouraging retention. Following shareholder approval at the Extraordinary General Meeting on 29 January 2025, the award was restructured as follows:
  - 37.5% of the Performance Rights were lapsed upon implementation of the merger, and a cash bonus of an equal amount paid;
  - 37.5% of the Performance Rights vested upon implementation of the merger, and the corresponding shares subject to disposal restrictions and continued employment up to 31 January 2026; and
  - 25% of the Performance Rights were lapsed upon implementation of the merger and to be paid as a cash bonus of an amount equal to 25% of the Performance Rights, subject to continued employment, on 31 January 2026.
- **2024 LTI** – The Board determined that the award's performance period be extended to 30 June 2027, to align with the financial year going forward, and that while the two performance conditions remain (EPS and absolute TSR), a new single EPS CAGR target has been set to cover the remaining performance period (rather than progressive annual targets). The targets for both measures will be divided into two components: (a) pre-merger: 1 February 2024 – 31 January 2025 where the previously disclosed targets remain unchanged and (b) post-merger: 1 February 2025 – 30 June 2027. This ensures that participants are appropriately incentivised with targets that are reflective of the structure of the Group, sufficiently stretching and aligned to the shareholder experience. Given the significant movement in the share price post-merger, the absolute TSR performance will be assessed by reference to the share price post-merger.

<table>
<tr><th>Year 1</th><th>Year 2</th><th>Year 3</th><th>Year 1</th><th>Year 2</th><th>Year 3</th></tr>
<tr><td colspan="6">100% Maximum of at risk LTI award</td></tr>
<tr><td colspan="3">50% EPS</td><td colspan="3">50% absolute TSR</td></tr>
<tr><td colspan="2">15% achieved</td><td>35% at risk</td><td colspan="2">15% achieved</td><td>35% at risk</td></tr>
</table>

Up to 50% of shares will vest in accordance with an Earnings per Share (EPS) measure, whereby the targets pre-merger (1 February 2024 to 31 January 2025) remains unchanged and the target for the post-merger period (1 February 2025 to 30 June 2027) is per the vesting schedule set out below:

Performance (CAGR)	% of EPS component that vest
Less than 7.5%	0%
> 7.5% and < 15%	Straight-line pro rata vesting between 50% to 100%
>= 15%	100%

Prior to the merger with Chemist Warehouse, Sigma's Board and shareholders approved the modification to existing performance rights in the context of the merger and the change of control provisions within the incentive schemes. The inputs used in the measurement of the fair values of the share-based payments schemes at the modification date are set out in Table 5A.

3.5 Service agreements

The employment conditions and remuneration of the executives are formalised in individual contracts of employment. No fixed terms are specified within these employment contracts and the following termination provisions apply:

Executives	Notice Period by Company	Notice Period by Employee
Mr V Ramsunder	12 months	12 months
Mr M Verrocchi	6 months	6 months
Mr D Gance	6 months	6 months
Ms D Di Pilla	6 months	6 months
Mr M Davis	6 months	6 months

The Company may terminate an employment contract without cause by providing written notice or making a payment in lieu of the notice period based on the individual's fixed annual remuneration. Each employment contract provides for termination of employment without notice in circumstances sufficient to warrant summary termination.

4. Link between performance and remuneration outcomes

Sigma's incentive awards have historically been aligned with short-term and long-term financial outcomes. Prior year performance and remuneration outcomes (pre-merger and based on its former 31 January year-end), are shown below. The current period reflects Sigma's statutory results for the year ended 30 June 2025.

		Financial Year				
		Current period	Sigma results pre-merger[2]			
12-month period		2024/25[1]	2024/25	2023/24	2022/23	2021/22
STI outcomes (% of maximum)		100%	100%	92.5%	75%	0%
LTI outcomes (% of maximum)		N/A	N/A	100%[11]	100%[11]	50%
Share price ($)[3]		3.133	2.869	0.963	0.607	0.468
Dividends paid in the financial year (cps)		0.5	1.0	1.0	1.5	2.0
Earnings per share (cps)	Basic	5.1	(0.9)	0.4	0.2	(0.7)
	Diluted	5.1	(0.9)	0.4	0.2	(0.7)
TSR[4]		152.0%	78.4%	64.63%	34.28%	(20.4%)
Pre-tax ROIC[5]		17.9%	7.9%[9]	5.6%[8]	11.2%[7]	7.9%[6]
EBIT ($m) – Normalised[10]		$834.5	$68.0[9]	$30.7[8]	$65.0[7]	$47.6[6]
NPAT ($m) – Reported (attributable to owners of the company)		$529.9	$(13.8)	$4.5	$1.8	$(7.2)

1. Figures are prepared on a statutory basis and consistent with Sigma's Financial Report for the 12 months ended 30 June 2025. The results reflect 12 months of financial information of Chemist Warehouse and its controlled entities and financial information of Sigma and its controlled entities for the period from the date of implementation of the Scheme (12 February 2025) to 30 June 2025.
2. Refers to Sigma Healthcare Limited figures for 12 months ended 31 January.
3. Share price is the volume weighted average price of the Company's shares traded on the ASX for the 20 trading days up to and including year-end date.
4. TSR = (share price appreciation + dividends + value of franking credits)/Sigma share price at the start of financial year.
5. Pre-tax ROIC = EBIT/(Total Shareholder Funds + Net Debt).
6. Adjusted for a number of one-off items including SaaS change in accounting policy and restructuring costs.
7. Adjusted for a number of one-off items including losses associated with the cessation of Cura service contract and loss on the disposal of WholeLife, and inventory adjustments.
8. Adjusted for non-operating transaction costs associated with the proposed merger.
9. Adjusted for non-operating transaction costs associated with the proposed merger as well as CW onboarding costs.
10. EBIT ($m) – Normalised, metric excludes contribution from non-controlling interest for determining ROI.
11. Refer Section 3.4 for additional information.

STI Outcomes

The table below shows the STI scorecard outcomes for Sigma Healthcare Limited's 2024/25 financial year ended 31 January 2025, applicable to the CEO/Managing Director and CFO prior to merger. These outcomes align with the previous Remuneration Report disclosure for the period ended 31 January 2025 given this is the performance result that has determined incentive outcomes.

Category	Metric	Meets stretch objectives (50%)	Exceeds expectations (100%)	Actual result
Finance	Normalised NPAT ($)	21.4m	22.4m	41.9m
Operations	Delivered in Full	96%	97.5%	99.5%
	Dispatched on Time	96%	98%	99%
Health & Safety	TRIFR	16	14.3	12
	Positive Performance Indicators	95.5%	97%	99.4%
Customer Metric	Voice of Customer	36	40	43.6

FINANCE		
Weighting	% Achieved	Weighted Outcome
60%	**100%**	**60%**

The Company achieved adjusted NPAT of $41.9m, exceeding the target financial measure for the year's STI program.

OBJECTIVE	METRIC
Improve Profitability (60%)	Budget Net Profit After Tax

Achievement: **$41.9m**

Significantly below | Below | Achieved | Exceeded

OPERATIONS		
Weighting	% Achieved	Weighted Outcome
20%	**100%**	**20%**

Our Logistics Operations performed exceptionally well, continuing to deliver market-leading operational results. This was particularly pleasing given the onboarding of the Chemist Warehouse Supply Contract which increased volume by almost 60% and exiting of Eastern Creek DC whilst maintaining very high service levels.

OBJECTIVE	METRIC
Improve Core Operations (10%)	Delivered in Full

Achievement: **99.55%**

Significantly below | Below | Achieved | Exceeded

OBJECTIVE	METRIC
Improve Core Operations (10%)	Dispatched on Time

Achievement: **99.00%**

Significantly below | Below | Achieved | Exceeded

HEALTH AND SAFETY		
Weighting	% Achieved	Weighted Outcome
10%	**100%**	**10%**

The stretch TRIFR target was exceeded. This was an important milestone for the business in light of the increase in volume through our Distribution network and the additional number of new team members in our Distribution Centres upon the onboarding of the Chemist Warehouse Supply Contract. Our PPI measure captures proactive actions and events used to prevent injury and accidents.

OBJECTIVE	METRIC
Improve Health & Safety Performance (5%)	TRIFR

Achievement: **12.6**

Significantly below | Below | Achieved | Exceeded

OBJECTIVE	METRIC
Improve Health & Safety Performance (5%)	Positive Performance Indicators (PPIs)

Achievement: **99.4%**

Significantly below | Below | Achieved | Exceeded

CUSTOMER		
Weighting	% Achieved	Weighted Outcome
10%	**100%**	**10%**

A number of improvements were made throughout the year to enhance Sigma Connect, our online ordering platform. This ongoing solution development work combined with improved operational performance has resulted in the Company exceeding its target on Voice of Customer.

OBJECTIVE	METRIC
Increase customer satisfaction (10%)	Voice of Customer (NPS)

Achievement: **43.6**

Significantly below | Below | Achieved | Exceeded

The table below shows the STI award outcomes for Sigma's 2024/25 Financial Year ended 31 January 2025, applicable to the CEO/Managing Director and CFO prior to merger, as approved by the Board. These outcomes align with the previous Remuneration Report disclosure for the period ended 31 January 2025.

	2024/25[1]							2023/24						
KMP	**Maximum STI**	**Target Opportunity $**	**Stretch Opportunity $**	**Total STI Awarded $**	**Cash STI Paid $**	**Performance Rights Issued[2] #**	**Deferral period**	**Maximum STI**	**Target Opportunity $**	**Stretch Opportunity $**	**Total STI Awarded $**	**Cash STI Paid $**	**Performance Rights Issued[3] #**	**Deferral period[3]**
Mr V Ramsunder	100%	534,319	1,068,637	1,068,637	1,068,637	n/a	n/a	100%	516,250	1,032,500	955,063	716,297	242,994	1/2/24 – 31/1/25
Mr M Conway	50%	148,625	297,250	297,250	297,250	n/a	n/a	50%	37,923	75,846	70,158	52,618	17,850	1/2/24 – 31/1/25
TOTAL		**682,944**	**1,365,887**	**1,365,887**	**1,365,887**	**n/a**	**n/a**		**554,173**	**1,108,346**	**1,025,221**	**768,915**	**260,844**	

1. Refers to Sigma Healthcare Limited figures for 12 months ended 31 January.
2. 100% of the STI awarded in cash for the 2024/2025 plan only.
3. The number of rights was calculated based on the volume weighted average price of a Share for the 5 trading days immediately preceding the end of the performance period.

5. Executive Remuneration Framework – pre-merger

5.1 Fixed Remuneration

The fixed remuneration consists of base salary and statutory superannuation contributions. Fixed remuneration is reviewed annually, however there are no guaranteed increases in any contracts of employment for the CEO/Managing Director or Executive team members.

5.2 2024/2025 Short Term Incentive

The STI component of an executive's total reward is an annual at-risk incentive reward. The STI links a portion of executive reward opportunity to specific financial and non-financial measures. The 2024/2025 STI award relates to the period ended 31 January 2025, prior to the merger and is detailed below. This arrangement is applicable to Mr Ramsunder and Mr Conway only.

<table>
<tr><th>Component</th><th>Commentary</th></tr>
<tr><td>Maximum STI Reward Value</td><td>100% of fixed remuneration for the CEO/Managing Director (Mr Ramsunder).

50% of fixed remuneration for the CFO (Mr Conway).</td></tr>
<tr><td>Gateway Requirement</td><td>A NPAT gateway must be achieved to trigger any STI payment opportunity. The NPAT gateway is determined by the Board prior to the commencement of the financial year, taking into account the NPAT result for the concluding financial year and the budgeted NPAT target for the new financial year. The NPAT gateway is based on the normalised figure, and excludes any significant uncontrollable or one-off events, initial impacts from business development initiatives, and any material costs associated with the merger as approved by the Board.

Normalised NPAT was selected as an appropriate gateway at the time given it was reflective of the generation of shareholder value, and is a measure readily recognised by and reported to shareholders.</td></tr>
<tr><td>Performance Measures Financial</td><td>60% of maximum STI reward relate to normalised NPAT.

Budgeted NPAT has been set to strike an appropriate balance between being ambitious and achievable, such that the target is challenging yet deliverable. Budget must be met for the first threshold level of STI payments and stretch targets are required to be achieved to deliver the full outcome under the STI Plan.

Rationale for adopting normalised NPAT as a performance measure

Normalised NPAT was selected as an appropriate performance measure as it assesses overall Company performance and the generation of shareholder value. It is a key operational metric used internally. Adjustments from statutory figures are made for material, one-off or extraordinary items, as approved by the Board.

Group financial calculations under the STI plan exclude significant uncontrollable or one-off events, the initial impacts from business development initiatives, and any material costs associated with the merger as approved by the Board.</td></tr>
<tr><td>Performance Measures Non-financial</td><td>40% of maximum STI reward relate to non-financial measures, specifically:
<table><tr><th>Customer (10%)</th><th>Operations (20%)</th><th>Health and Safety (10%)</th></tr><tr><td>Voice of Customer</td><td>Key delivery indicators including Delivered in Full and Dispatched on Time</td><td>Health and Safety metrics, including Total Recordable Injury Frequency Rate (TRIFR) and Positive Performance Indicators (PPIs)</td></tr></table>
Each non-financial measure is selected based on its alignment with core values and key strategic priorities that lead to improved and sustainable shareholder value.</td></tr>
<tr><td>Governance</td><td>All performance measures under the STI are clearly defined and measurable.

The Board, on recommendation from the NRC, approves the targets and assesses the performance outcome under the STI plan.

The Board, on recommendation from the NRC, approves STI outcomes for the CEO/Managing Director and the CFO.

Under the STI plan, the Board has discretion to adjust STI outcomes based on the achievements which are consistent with the Group's strategic priorities and in the opinion of the Board, enhance shareholder value.</td></tr>
<tr><td>Reward Mechanism</td><td>STI reward is to be delivered in a combination of cash and deferred equity for the CEO/Managing Director and the CFO as determined by the Board. In the context of the merger, the Board approved payment of the 25% deferred equity component to be delivered in cash for the 2024/2025 financial year ended 31 January 2025. Board approval was obtained on 29 January 2025 and the Company's closing share price on the date immediately preceding the Board's approval was $3.03 per share.</td></tr>
</table>

5.3 2024/2025 Long Term Incentive

The LTI component of an executive's total reward is an at-risk equity incentive designed to focus executives on key performance drivers that underpin sustainable growth in shareholder value. The LTI facilitates share ownership by executives and links a significant proportion of their at-risk remuneration to the Company's ongoing share price and returns to shareholders over the performance period.

The 2024/2025 LTI plan was delivered through a Rights Plan. This arrangement is applicable to Mr Ramsunder and Mr Conway only.

Component	Commentary
Maximum LTI Reward Value	100% of fixed remuneration for the CEO/Managing Director (Mr Ramsunder) 50% of fixed remuneration for the CFO (Mr Conway).
Performance Period	Three financial years commencing on 1 February in the year of the grant. However, in the context of the merger and to align with the 30 June financial year reporting period, the 2024/2025 LTI performance period will be extended from a current vesting date of 31 January 2027 to 30 June 2027 (i.e. the award will cover 3 years and 5 months). The maximum LTI opportunity remains unchanged. The performance period reflects the business cycle of the Company. As a wholesaler, strategic, operational and financial initiatives translate to a short to medium term impact on the financial performance of the Company. The performance period also reflects the competitive market practice in attracting, retaining and rewarding high-calibre executives.
Delivery Mechanism	Executives are provided with the opportunity to acquire Rights subject to the vesting conditions being met. The vesting period is 3 years and 5 months from the grant date, and Rights must be exercised before the expiry of the term, which is 5 years and 5 months from the grant date. The maximum number of Rights is determined by dividing the agreed maximum incentive opportunity by the 10-day volume weighted average price (VWAP) commencing on the start of the performance period.
Vesting Conditions	Up to 50% of shares will vest in accordance with the absolute TSR vesting schedule set out below: i. 12.5% of the performance rights will vest if a minimum absolute TSR of 8% CAGR is achieved during the performance period; ii. this will increase in a straight line to 25% of the performance rights vesting if an absolute TSR of 10% CAGR is achieved during the performance period; and iii. this will increase in a straight line to a maximum vesting of this component at 12% CAGR. Absolute TSR = (Sigma share price appreciation + dividends + value of franking credits)/Sigma share price at the start of the performance period. Up to 50% of shares will vest in accordance with an Earnings per Share (EPS) measure as set out below: i. EPS will be progressively tested in years 1, 2 and 3 of the performance period against an EPS performance measure with any earned rewards only released at the end of Year 3; ii. The EPS performance measure will be set at the beginning of each year based on the outlook following the preceding year; and iii. The vesting range is to be agreed and advised by the Board. The EPS target for the 2024/2025 financial year was 1.3 cents. The Board has reviewed the targets associated with the performance measures to ensure these are appropriate for the merged entity. The two performance conditions remain (EPS and absolute TSR), with a single EPS CAGR target to cover the remainder of the performance period, rather than progressive annual targets. The vesting schedule is set out in section 3.4. This change allows for a longer-term focus, alignment of the target with post-merger stretch objectives, and a measurement approach more aligned with market practice. Given the significant movement in the share price post-merger, the absolute TSR performance will be assessed by reference to the share price post-merger. **Performance Measures for the 2025/2026 LTI** The use of absolute TSR was appropriate pre-merger as it is not limited by the challenges associated with selecting a fair and appropriate comparator group given the size of the industry in which the Company operates. Post-merger, the Board has decided that relative TSR is a more appropriate performance measure for the 2025/2026 LTI plan. EPS was selected as a suitable vesting condition as it is a universal standard measure on Company performance.

Component	Commentary
Re-testing	No re-testing applies – shares that do not vest after testing lapse.
Forfeiture Conditions	In the event of resignation, unvested shares are typically forfeited (subject to Board discretion) and vested shares are retained. In the event of summary dismissal, unvested rights are forfeited. In the event of death or redundancy, the Board has discretion to determine an appropriate outcome.
Governance	All performance measures under the LTI are clearly defined and measurable. The Board, on recommendation from the NRC, approves each LTI grant, including the performance targets, and assesses the performance outcome of each LTI grant. In doing so, it reviews a range of factors including business circumstances on an annual basis. The Board, on recommendation from the NRC, approves LTI vesting for each plan. Confirmation of vesting only occurs once the audited year-end accounts have been approved by the Board.

Table 3a on pages 72 to 73 sets out the movements of loan funded shares during the financial year.

5.4 KMP Retention Arrangements

As indicated in Sigma's Remuneration Report for year ended 31 January 2025, retention arrangements were considered important to secure the services of the Mr Ramsunder in light of the proposed merger. These arrangements involved a cash payment in December 2024 of $1,000,000 and another payment of $500,000 payable in December 2025.

6. Remuneration Governance

The diagram below illustrates the interaction between the Board, NRC, management and external advisers, in overseeing the executive remuneration framework and its implementation.

Board	Nomination and Remuneration Committee	Management
The Board is responsible for determining Non-Executive Director, Executive Director and other KMP remuneration.	Provide advice and recommendations to the Board in regard to the remuneration strategy, policies and practices applicable to the Non-Executive Director, Executive Director and other KMP The NRC members as at 30 June 2025 are: Ms A Carey (Chair), Mr M Sammells, Mr N Mitchell, and Mr J Gance. The Committee is governed by its Charter which is published on the Company's website at www.sigmahealthcare.com.au.	Management advises the NRC and makes specific proposals with regard to remuneration structures and outcomes, based on specific expertise and business knowledge. **Independent external advisers** Provide independent and objective advice, as requested, to support the NRC in making informed remuneration decisions.

6.1 Use of external advisers

During the reporting period, the NRC received remuneration benchmarking data, market practice information and advice on the remuneration framework from SW Corporate and Korn Ferry. No remuneration recommendations were made by remuneration consultants during the reporting period.

6.2 Minimum Shareholding Policy

A minimum shareholding policy has been implemented to align the interest of the directors and senior executives with the long-term interest of the Company's shareholders. The CEO/Managing Director is required to accumulate and maintain a minimum shareholding of 200% of annual fixed pay, and 100% of annual fixed pay for the CFO within a five-year period. The policy can be viewed on the Company's website at www.sigmahealthcare.com.au.

6.3 Share Trading Policy

Unvested equity under the LTI plan are personal to the executive and cannot be sold, transferred, mortgaged, charged, hedged, made subject to any margin lending arrangement or otherwise disposed of, dealt with or encumbered in any way. Breach of this provision will result in the immediate forfeiture of any unvested equity.

Dealing in Sigma shares by directors, officers and employees is subject to the Company's Share Trading Policy, which is published on the Company's website at www.sigmahealthcare.com.au.

6.4 Clawback arrangements

The Board has discretion to adjust or cancel unvested LTI, unexercised LTI, vested LTI that is subject to an outstanding loan balance, or clawback acquired shares on exercise of Rights, should the Board determine the specific circumstance warrants such action.

6.5 Change of Control Event

Generally, if the Company becomes, or in the opinion of the Board is likely to become, subject to a Change of Control, the Board may at its absolute discretion make a determination that some or all of a participant's equity vests. As noted in section 3.2, the performance period for the 2024/2025 LTI will be extended to align with the Group's 30 June financial year end, and vesting will remain subject to the vesting conditions.

7. Non-Executive Director Remuneration

Remuneration for the Company's Non-Executive Directors reflects the complexity of the Company's operations as well as the responsibilities, accountabilities and time commitments of the Non-Executive Directors. It consists of base fees, committee fees and superannuation within the current maximum aggregate fee limit of $2.5 million, as approved by shareholders at the Company's 2025 Extraordinary General Meeting.

The remuneration of Non-Executive Directors is not incentive based and Non-Executive Directors do not participate in employee share plans or receive performance shares, rights or options over the Company's shares.

Prior to merger Sigma had in place a Non-Executive Director Share Plan. This was designed to ensure the interests of Non-Executive Directors were aligned with those of shareholders. In accordance with the rules of the Non-Executive Directors Share Plan (Plan), 25% of each Non-Executive Director's post-tax fees were used to purchase Sigma shares on market every three months. Shares purchased under the Plan could not be transferred or sold until the Non-Executive Director ceases being a director of the Company, or the first day of the financial year following the third anniversary of the purchase date, or a change of control of the Company, whichever occurs first.

During the period of discussion with Chemist Warehouse in relation to the merger, the Plan was suspended from the September 2024 quarter until 12 February 2025 and the 25% of fees that would ordinarily be directed toward a share purchase was paid in cash to directors. Following the merger this Non-Executive Director Share Plan was discontinued and all Non-Executive Directors are now remunerated solely in cash.

As noted in Sigma's Remuneration Report for year ended 31 January 2025, with effect from the merger an updated Minimum Shareholding Policy applies to Executive and Non-Executive Directors. The updated Minimum Shareholding Policy requires that Executive and Non-Executive directors accumulate and maintain for the duration of their position, a minimum shareholding equivalent to 100% of their Fixed Pay. The minimum shareholding is to be achieved by the 5th anniversary of the date they are appointed.

Non-Executive Director share holdings and movements under the Plan for the financial year are set out in Table 4a on page 74.

Total fees and superannuation actually paid to the Non-Executive Directors for the financial year ended 30 June 2025 was $1,368,784, as set out in Table 1 in Section 8.

The table below shows the structure and level of Non-Executive Director fees from 1 July 2024 to 11 February 2025 as approved by the Board.

Role	Annual Fee Structure[1]
Chair of the Board	$310,300
Non-Executive Director	$128,400
Risk Management and Audit Committee – Chair	$42,800
Nomination and Remuneration Committee – Chair	$42,800
Risk Management and Audit Committee – Member	$16,050
Nomination and Remuneration Committee – Member	$16,050

1. Includes the 25% of Non-Executive Director fees used for share acquisition under the Non-Executive Director Share Plan and excludes Superannuation Guarantee contributions.

Fees for Non-Executive Directors are designed to be set at levels that fairly reflect the complexity of operations as well as the responsibilities, accountabilities and time commitments of the Directors and Committee members. Market capitalisation is also a determinant of fees. The Board and Committee structure on implementation of the merger from 12 February 2025 is set out below.

Role	**Annual Fee Structure**
Chair of the Board	$550,000
Non-Executive Director	$200,000
Independent Board Committee – Chair	$50,000
Audit Committee – Chair	$50,000
Nomination and Remuneration Committee – Chair	$50,000
Risk, Operations, Compliance and Sustainability – Chair	$50,000
Independent Board Committee – Member	$25,000
Audit Committee – Member	$25,000
Nomination and Remuneration Committee – Member	$25,000
Risk, Operations, Compliance and Sustainability – Member	$25,000

7.1 Service Agreements

On appointment to the Board, all Non-Executive Directors enter into a service agreement with the Company in the form of a letter of appointment which summarises the policies and terms, including remuneration, relevant to the office of Non-Executive Director.

8. Statutory Remuneration Tables

TABLE 1: Statutory remuneration disclosure for Key Management Personnel of the Sigma Healthcare Limited: financial year 1 July 2024 to 30 June 2025

	Short Term Benefits				Post-employment Benefits	Other Long Term Benefits[3]
	Salary and Base Fees[1] $	Committee Fees $	Short-term Incentive[2] $	One-off Awards[6] $	Superannuation Benefits $	$
NON-EXECUTIVE DIRECTORS						
Ms A Carey	156,145	48,581	n/a	n/a	22,021	n/a
Mr N Mitchell	156,145	64,965	n/a	n/a	23,905	n/a
Dr C Roberts	156,145	38,893	n/a	n/a	21,865	n/a
Mr M Sammells	403,184	–	n/a	n/a	29,932	n/a
Mr J Gance[7]	77,500	29,063	n/a	n/a	11,690	n/a
Ms K Spargo[8]	79,180	36,291	n/a	n/a	13,279	n/a
Subtotal for Non-Executive Directors	**1,028,299**	**217,793**	**n/a**	**n/a**	**122,692**	**n/a**
EXECUTIVES						
Mr V Ramsunder	1,207,467	n/a	1,127,153	696,237	29,932	13,166
Mr M Verrocchi[7]	385,182	n/a	–	–	11,397	319
Mr D Gance[7]	265,694	n/a	–	–	11,397	212
Ms D Di Pilla[7]	265,694	n/a	–	–	11,397	212
Mr M Davis[7]	488,118	n/a	–	–	11,397	14,950
Mr M Conway[8]	338,692	n/a	174,665	218,739	19,354	1,383
Subtotal for Executives	**2,950,847**	**n/a**	**1,301,818**	**914,976**	**94,874**	**30,242**
TOTAL	**3,979,146**	**217,793**	**1,301,818**	**914,976**	**217,566**	**30,242**

1. For Non-Executive Directors, includes base fees paid in cash and shares as per the Non-Executive Directors Share Plan. For the Executives, includes base salary and amounts in respect to annual leave expense movement.
2. Represents the reward under the 2024/25 STI plan. For the 2024/25 plan only, 100% of the STI was awarded in cash.
3. Includes amounts in respect to long service leave expense movement.
4. The value of the rights and loan funded shares determined using the Black-Scholes option and Monte Carlo simulation pricing models is expensed over the vesting period, therefore the amount disclosed above for the current year includes loan funded shares allocated in prior years.
5. Includes amounts expensed in relation to rights, loan funded shares and short-term incentives. Excludes share purchases under the Non-Executive Directors Share Plan.
6. Represents retention arrangements associated with the merger.
7. Commenced as Key Management Personnel upon implementation of merger on 12 February 2025.
8. Ceased as Key Management Personnel from 12 February 2025.

Termination Payments $	Total Remuneration excluding Value in Share-Based Plans $	Value in Share-Based Plans: Equity-settled Rights[4] $	Value in Share-Based Plans: Cash-settled Rights[4] $	Value in Share-Based Plans: Loan Funded Shares[4] $	Total Remuneration including Value in Share-Based Plans $	Performance Based Payments as Proportion of Remuneration[5] %
–	226,747	n/a	n/a	n/a	226,747	–
–	245,015	n/a	n/a	n/a	245,015	–
–	216,903	n/a	n/a	n/a	216,903	–
–	433,116	n/a	n/a	n/a	433,116	–
–	118,253	n/a	n/a	n/a	118,253	–
–	128,750	n/a	n/a	n/a	128,750	–
–	**1,368,784**	**n/a**	**n/a**	**n/a**	**1,368,784**	**–**
–	3,073,955	1,404,993	956,398	271,032	5,706,378	66
–	396,898	–	–	–	396,898	–
–	277,303	–	–	–	277,303	–
–	277,303	–	–	–	277,303	–
–	514,465	–	–	–	514,465	–
–	752,833	43,986	–	–	796,819	27
–	**5,292,757**	**1,448,979**	**956,398**	**271,032**	**7,969,166**	**50**
–	**6,661,541**	**1,448,979**	**956,398**	**271,032**	**9,337,950**	**43**

TABLE 2A: Statutory remuneration disclosure for Key Management Personnel of Sigma Healthcare Limited: financial year 1 February 2024 to 31 January 2025

	Short Term Benefits				Post-employment Benefits	Other Long Term Benefits[3]
	Salary and Base Fees[1] $	Committee Fees $	Short-term Incentive[2] $	One-off Awards $	Superannuation Benefits $	$
NON-EXECUTIVE DIRECTORS						
Ms A Carey	126,300	15,788	n/a	n/a	16,051	n/a
Mr N Mitchell	126,300	42,100	n/a	n/a	19,023	n/a
Dr C Roberts	126,300	15,788	n/a	n/a	16,051	n/a
Mr M Sammells	305,225	–	n/a	n/a	28,877	n/a
Ms K Spargo	126,300	57,888	n/a	n/a	20,807	n/a
Subtotal for Non-Executive Directors	**810,425**	**131,564**	**n/a**	**n/a**	**100,809**	**n/a**
EXECUTIVES						
Mr V Ramsunder	1,028,260	–	1,068,637	1,110,959[6]	28,877	5,281
Mr M Conway	571,867	–	297,250	394,887[6]	28,877	1,517
Subtotal for Executives	**1,600,127**	**–**	**1,365,887**	**1505,846**	**57,754**	**6,798**
TOTAL	**2,410,552**	**131,564**	**1,365,887**	**1,505,846**	**158,563**	**6,798**

1. For Non-Executive Directors, includes base fees paid in cash and shares as per the Non-Executive Directors Share Plan. For the Executives, includes base salary and amounts in respect to annual leave expense movement.
2. Represents the reward under the 2024/25 STI plan. For the 2024/25 plan only, 100% of the STI was awarded in cash.
3. Includes amounts in respect to long service leave expense movement.
4. The value of the rights and loan funded shares determined using the Black-Scholes option and Monte Carlo simulation pricing model is expensed over the vesting period, therefore the amount disclosed above for the current year includes loan funded shares allocated in prior years.
5. Includes amounts expensed in relation to rights and loan funded shares. Excludes share purchases under the Non-Executive Directors Share Plan.
6. Represents retention arrangements associated with the merger.

Termination Payments $	Total Remuneration excluding Value in Share-based Plans $	Value in Share-based Plans Equity-settled Rights[4] $	Cash-settled Rights[4] $	Loan Funded Shares[4] $	Total Remuneration including Value in Share-Based Plans $	Performance Based Payments as Proportion of Remuneration[5] %
–	158,139	n/a	n/a	n/a	158,139	–
–	187,423	n/a	n/a	n/a	187,423	–
–	158,139	n/a	n/a	n/a	158,139	–
–	334,102	n/a	n/a	n/a	334,102	–
–	204,995	n/a	n/a	n/a	204,995	–
–	**1,042,798**	**n/a**	**n/a**	**n/a**	**1,042,798**	**–**
–	3,242,014	405,051	298,872	417,361	4,363,298	50
–	1,294,398	62,788	–	–	1,357,186	27
–	**4,536,412**	**467,839**	**298,872**	**417,361**	**5,720,484**	**45**
–	**5,579,210**	**467,839**	**298,872**	**417,361**	**6,783,282**	**38**

TABLE 2B: Statutory remuneration disclosure for Key Management Personnel of Sigma Healthcare Limited: financial year 1 February 2023 to 31 January 2024

	Short Term Benefits				Post-employment Benefits	
	Salary and Base Fees[1] $	Committee Fees $	Short-term Incentive[2] $	One-off Awards[10] $	Superannuation Benefits $	Other Long Term Benefits[3] $
NON-EXECUTIVE DIRECTORS						
Ms C Bartlett	102,308	34,103	n/a	n/a	14,672	n/a
Ms A Carey	100,000	12,500	n/a	n/a	12,206	n/a
Mr D Manuel	36,000	9,000	n/a	n/a	4,725	n/a
Mr N Mitchell	119,538	35,776	n/a	25,000[10]	19,224	n/a
Dr C Roberts	38,154	4,773	n/a	n/a	4,725	n/a
Mr M Sammells	290,000	(5,436)[4]	n/a	150,000[10]	26,521	n/a
Ms K Spargo	120,000	37,853	n/a	n/a	17,030	n/a
Subtotal for Non-Executive Directors	**806,000**	**128,569**	**n/a**	**175,000**	**99,103**	**n/a**
EXECUTIVES						
Mr V Ramsunder	943,121	–	716,297	174,658[11]	26,521	2,267
Mr M Conway[8]	148,059	–	52,618	260,781[9]	6,850	104
Mr N Simonsz[6]	345,660	–	–	–	15,105	(186)
Subtotal for Executives	**1,436,840**	**–**	**768,915**	**435,439**	**48,476**	**2,185**
TOTAL	**2,242,840**	**128,569**	**768,915**	**610,439**	**147,579**	**2,185**

1. For Non-Executive Directors, includes base fees paid in cash and shares as per the Non-Executive Directors Share Plan. For the Executives, includes base salary and amounts in respect to annual leave expense movement.
2. Represents the reward under the 2023/24 STI plan. Of the STI payment made to Mr Ramsunder, $716,297 was paid in cash, with the remaining payment made by way of rights. Of the STI payment made to Mr Conway, $52,618 was paid in cash, with the remaining payment made by way of rights.
3. Includes amounts in respect to long service leave expense movement.
4. Represents an adjustment to Committee Fees paid to Mr Sammells in FY2022/2023 while being acting Chairman.
5. The value of the rights and loan funded shares determined using the Black-Scholes option and Monte Carlo simulation pricing model is expensed over the vesting period, therefore the amount disclosed above for the current year includes loan funded shares allocated in prior years.
6. Chief Financial Officer until 31 August 2023.
7. Includes amounts expensed in relation to rights and loan funded shares. Excludes share purchases under the Non-Executive Directors Share Plan.
8. Appointed as Chief Financial Officer from 30 October 2023.
9. Represents a sign on payment for Mr Conway upon commencement.
10. Represents a one-off fee approved for the Board Chair and Chair of the Risk Management and Audit Committee in recognition of the significant work associated with the proposed merger.
11. Represents value of retention arrangements associated with the proposed merger.

Termination Payments $	Total Remuneration excluding Value in Share-Based Plans $	Value in Share-based Plans Rights[5] $	Loan Funded Shares[5] $	Total Remuneration including Value in Share-based Plans Short-term Incentive[2] $	Share-based Payments as Proportion of Remuneration[7] One-off Awards[10] %
–	151,083	n/a	n/a	151,083	–
–	124,706	n/a	n/a	124,706	–
–	49,725	n/a	n/a	49,725	–
–	199,538	n/a	n/a	199,538	–
–	47,680	n/a	n/a	47,680	–
–	461,085	n/a	n/a	461,085	–
–	174,883	n/a	n/a	174,883	–
–	**1,208,700**	**n/a**	**n/a**	**1,208,700**	**–**
–	1,862,864	1,169,972	351,196	3,384,032	45
–	468,412	17,850	–	486,262	4
–	360,579	–	–	360,579	0
–	**2,691,855**	**1,187,822**	**351,196**	**4,230,873**	**36**
–	**3,900,555**	**1,187,822**	**351,196**	**5,439,573**	**28**

9. Related Party Disclosures

9.1 Independent Board Committee

Sigma has established processes for the oversight and management of transactions between the Group and its Related Parties. Following the merger in February 2025, the Board established a committee comprised of independent directors (Independent Board Committee or IBC) to oversee the Existing Related Party Arrangements and the Future Related Party Dealings (each as defined in the Notice of Meeting issued to the Company's shareholders on 18 December 2024 in connection with the Merger and collectively, the Related Party Arrangements). As at 30 June 2025 the Independent Board Committee members are:

- Mr M Sammells;
- Ms A Carey; and
- Mr N Mitchell.

The Independent Board Committee is governed by a set of Board-approved protocols (IBC Protocols). Key responsibilities of the IBC include:

- considering, negotiating, approving the entry into, making any changes or amendments to, and taking any actions (including exercising any rights) under the Related Party Arrangements, and all matters in connection with or related to the Related Party Arrangements;
- overseeing and monitoring compliance of the Related Party Arrangements with the requirements of the Related Party Arrangements Approval (defined below), the IBC Protocols, the Board-approved manual containing the framework for administering the Related Party Arrangements in accordance with the requirements of the Related Party Arrangements Approval (Related Party Manual), Listing Rule 10.1 and Chapter 2E of the Corporations Act; and
- ensuring that, at all times, the Related Party Arrangements are in the best interests of the Company's shareholders including having regard to the principles set out in the Related Party Manual.

During the period 12 February 2025 to 30 June 2025, two Independent Board Committee meetings were held. The following table sets out the number of IBC meetings held during the financial year and the number attended by each Director while the Director was a member of the IBC.

Name of Director	Number of IBC meetings the Director was eligible to attend	Number of IBC meetings attended by the Director
M Sammells	2	2
A Carey	2	2
N Mitchell	2	2

The IBC has also overseen the formation of a related party working group of senior management of the Group (which acts on authority delegated by the Independent Board Committee) (Related Party Working Group), consistent with the Related Party Arrangements Approval. Refer to the "New related party arrangements entered into in the year ended 30 June 2025 following the Implementation Date" section of this Report below for further details in relation to arrangements approved by the related party working group.

During the year ended 30 June 2025, following its establishment, the IBC also oversaw the implementation and operation of the Group's related party transaction processes in accordance with the IBC Protocols. The IBC will review the processes in place so that they continue to remain fit for purpose, and where the IBC considers that amendments are required, the IBC will recommend those changes to the Board for approval. The IBC is empowered to obtain external advice to assist the committee with its oversight responsibilities and utilises the expertise of external advisors when necessary.

9.2 Related Parties who are not KMPs

In connection with the acquisition of CW Group Holdings Limited (Chemist Warehouse) by the Company (Merger), which completed on 12 February 2025 (Implementation Date), certain related party arrangements of Chemist Warehouse became related party arrangements of Sigma. These arrangements were approved by the Company's shareholders on 29 January 2025 under Listing Rule 10.1 (Related Party Arrangements Approval).

In addition to the usual requirements under accounting standards and the Corporations Act and its associated regulations (Corporations Regulations), and as a condition of certain confirmations provided by ASX in respect of the Listing Rules in connection with the Merger (ASX Confirmations), ASX required the Company to include in the Group's annual report disclosure regarding these related party transactions (ASX Confirmation Conditions).

These disclosures are required for related parties, including those who are not KMP. As such, while Mr S Gance (an executive director of Chemist Warehouse before the Implementation Date) is not KMP of the Group, he is a related party about whom disclosure is required under the ASX Confirmation Conditions because he holds over 10% of the Sigma Shares.

9.3 Differences in disclosure between Disclosure Documents and Remuneration Report

The related party disclosure in this Remuneration Report is governed by the Corporations Act, Corporations Regulations and AASB124 Related Party Disclosures (AASB124) as well as the ASX Confirmation Conditions discussed above. These requirements are similar, but not identical, to the disclosure required in the prospectus, scheme booklet and notice of meeting (Disclosure Documents) despatched in connection with the Merger. For example:

- **Scheme Booklet and Prospectus:** quantitative and qualitative materiality thresholds applied to disclosure in the prospectus and scheme booklet do not apply to disclosure in this remuneration report as a result of the requirements of Part 2M.3 of the Corporations Regulations;[1] and
- **Notice of Meeting:** The disclosures included in the Notice of Meeting were the result of ASX Listing Rule requirements and therefore focused on transactions requiring shareholder approval, which were those that exceeded the 'substantial asset threshold' set out in Listing Rule 10.2 (set at $204.6 million at the time the Related Party Arrangements Approval was sought). In the Notice of Meeting in accordance with accounting standard requirements, in situations where Chemist Warehouse wholesale sales were directly delivered by Sigma to stores, Chemist Warehouse recognised revenue as the consideration received from the customer, net of amounts payable to Sigma (these were recognised in "Fees and other revenue"). Following Implementation, under such scenarios the revenue is recognised as the consideration received from the customer, without netting the amounts payable (these are now recognised in "Sale of goods"), in line with the accounting standards for revenue as outlined in Note 2 of the Consolidated Financial Statements.

Furthermore, the definitions of 'related party' are slightly different between the Corporations Act, ASX Listing Rules and AASB124, with the result that in certain cases disclosure is required for different persons.

For similar reasons, there are differences in the related party disclosure required in this Remuneration Report and Note 32 to the consolidated financial statements. As the merger between Chemist Warehouse and Sigma is accounted for as a reverse acquisition under AASB 3 Business Combinations, Chemist Warehouse is assessed to be the accounting acquirer and the consolidated financial statements represent the continuing accounts of Chemist Warehouse. Under the Corporations Act, this Remuneration Report is prepared on the basis that Sigma Healthcare Limited is the disclosing entity.

1. Matters considered 'trivial or domestic' are not required to be disclosed under the Corporations Regulations (for example, a Related Party purchasing an item from a Group Entity for their personal use).

10. Transactions with KMPs and other Related Parties

Background

This section sets out the transactions between the Group and KMPs, their close family members or entities they control (either directly, indirectly or jointly) (Related Parties) as well as information on the governance processes required by the Related Party Arrangements Approval. As referred to above, while Mr S Gance is not a KMP, he is deemed to be a Related Party for the purposes of this section for compliance with the ASX Confirmation Conditions.

There were transactions between the Group and the following Related Parties for the financial year:

Related Party	Relevant relationship	Category of transaction(s)
Mr M Verrocchi and his related entities	KMP	Franchise, lease and supply arrangements – see 'Value of transactions in the financial year' section. Other related party transactions as applicable – see 'Other related party transactions with KMPs occurring in the financial year ended 30 June 2025' section. Employment arrangements for current KMPs are included in the Remuneration Report.
Mr J Gance and his related entities	KMP	
Mr D Gance and his related entities	KMP	
Ms D Di Pilla and her related entities	KMP	
Mr S Gance and his related entities	Disclosure required by ASX Confirmation Conditions	
Ms S Robertson and her related entities	Close family member (spouse) of Mr D Gance	
Ms E Verrocchi and her related entities	Close family member (child) of Mr M Verrocchi	Employment arrangements – see 'Close family members employed by the Group' section.
Ms V Schena and her related entities	Close family member (child) of Mr M Verrocchi	
Mr Madison Verrocchi and his related entities	Close family member (child) of Mr M Verrocchi	

Related Party franchisees

As at 30 June 2025, the Group is the franchisor to 881 franchised stores in Australia. In total, there are 182 franchised stores in Australia either wholly or partly owned by a Related Party.

The table below sets out the number of franchised stores in Australia in which a Related Party currently has an ownership interest. The Related Parties do not wholly or partly own any franchised stores outside of Australia.

Related Party	Number of franchised retail stores as at 30 June 2025[1]
Mr M Verrocchi[2]	79
Mr J Gance[2]	66
Mr D Gance	20
Ms D Di Pilla	18
Mr S Gance	37
Ms S Robertson	19
Eliminations[3]	(57)
Total	**182**

1. Each franchised retail store may have an associated occupancy license(s) with the Group.
2. The disclosures included in the Notice of Meeting included a line item for East Yarra Friendly Society Pty Ltd (a friendly society jointly owned-by Mr M Verrocchi and Mr J Gance) (EYFS). In the Remuneration Report franchised stores wholly or partly owned by EYFS have been separately allocated to both Mr M Verrocchi and Mr J Gance.
3. Eliminations have been made to avoid double counting and overstating the total number of franchised stores owned by Related Parties to reflect franchised stores that are partly owned by two or more Related Parties.

Related Party leases

There are 143 properties owned or controlled (either directly, indirectly or jointly) by a Related Party that are leased to the Group. The table below sets out the number of leases between the Group and the relevant Related Party as at 30 June 2025. The amount paid by the Group to the Related Party that owns or controls the relevant property in the year ended 30 June 2025 following the Implementation Date is set out in the "Value of transactions in the financial year" section below.

Related Party	Number of leases as at 30 June 2025[1]
Mr M Verrocchi	139
Mr J Gance	141
Mr D Gance	112
Ms D Di Pilla[2]	1
Mr S Gance	141
Ms S Robertson	–
Eliminations[3]	(391)
Total	**143**

1. The number of leases excludes a small number of properties where the Group has access to the premises however has not yet executed a formal lease agreement. This is typically for a short period of time whilst the lease agreement is prepared, and a valuation undertaken.
2. This includes leases in relation to properties owned by Ms D Di Pilla's parents.
3. Eliminations have been made to avoid double counting of the same leases where multiple Related Parties have an interest in the one premise or store.

Value of transactions in the financial year following Implementation Date

The following tables sets out the value of transactions with each Related Party (excluding Ms E Verrocchi, Ms V Schena and Mr Madison Verrocchi as they are not party to any of the arrangements set out below) in the financial year following the Implementation Date related to the Group's franchise, supply and leasing arrangements. For more information on the arrangements below, please see Note 32 to the consolidated financial statements.

Type of transaction	Ms D Di Pilla	Mr D Gance	Mr J Gance	Mr M Verrocchi	Mr S Gance	Ms S Robertson	Elimin–ations[1]	Total
Revenue from sales of goods under supply arrangements to Related Parties	$83,053,310	$102,942,428	$248,511,396	$321,133,032	$170,785,751	$85,062,026	($206,251,227)	$805,236,716

Revenue derived by the Group from the supply of goods to Related Party franchisees.

These arrangements with Related Party franchisees are on terms and conditions no more favourable to the Related Party than those that it is reasonable to expect the Group to have adopted if dealing at arms-length with an unrelated person.

Revenue from sales of goods under supply arrangements to Related Parties is recognised on the same accounting policy outlined in Note 2 to the consolidated financial statements.

1. Where franchised stores or properties are partly owned by two or more Related Parties, the full transaction value has been included in the individual's balance. Eliminations have been made to ensure there is no double counting in the total.

Type of transaction	Ms D Di Pilla	Mr D Gance	Mr J Gance	Mr M Verrocchi	Mr S Gance	Ms S Robertson	Elimin–ations[1]	Total
Rendering of services to Related Parties	$3,207,512	$3,447,166	$4,216,082	$6,147,972	$4,525,449	$2,525,655	($2,057,960)	$22,011,876

Revenue derived predominantly by the Group from:

- franchise fees and administration fees under the franchise or service arrangements; and
- separate licence fees paid in relation to the use of the Group's intellectual property.

These arrangements with Related Party franchisees are on terms and conditions no more favourable to the Related Party than those that it is reasonable to expect the Group to have adopted if dealing at arms-length with an unrelated person.

Revenue from rendering of services to related parties is recognised on the same accounting policy outlined in Note 2 to the consolidated financial statements.

1. Where franchised stores or properties are partly owned by two or more Related Parties, the full transaction value has been included in the individual's balance. Eliminations have been made to ensure there is no double counting in the total.

Type of transaction	Ms D Di Pilla	Mr D Gance	Mr J Gance	Mr M Verrocchi	Mr S Gance	Ms S Robertson	Elimin-ations[1]	Total
Fees revenue from Related Parties	$564,979	$962,834	$1,977,184	$2,545,956	$2,256,471	$922,864	($1,350,398)	$7,879,890

Revenue derived predominantly by the Group from:

- management fees paid by Related Party franchisees under the supply arrangements for the Group securing and managing arrangements between the franchisees and certain third-party suppliers and wholesalers; and
- wholesale sales under the supply arrangements delivered directly by suppliers, revenue recognised represents consideration received from the Related Party net of amounts payable to third parties.

These arrangements with Related Party franchisees are on terms and conditions no more favourable to the Related Party than those that it is reasonable to expect the Group to have adopted if dealing at arms-length with an unrelated person.

Fees revenue from Related Parties is recognised on the same accounting policy outlined in Note 2 to the consolidated financial statements.

1. Where franchised stores or properties are partly owned by two or more Related Parties, the full transaction value has been included in the individual's balance. Eliminations have been made to ensure there is no double counting in the total.

Type of transaction	Ms D Di Pilla	Mr D Gance	Mr J Gance	Mr M Verrocchi	Mr S Gance	Ms S Robertson	Elimin-ations[1]	Total
Lease charges from Related Parties	($86,773)	($15,158,294)	($18,753,789)	($18,533,133)	($18,753,789)	–	$52,411,429	($18,874,349)

There are properties owned or controlled (either directly, indirectly or jointly) by a Related Party that are rented to the Group, which include retail properties that are sub-licenced to stores (see row immediately below), warehouses and offices. Under these arrangements, rent is paid by the Group to the Related Party that owns or controls the relevant property.

Lease charges represent the rent and outgoings paid by the Group to the Related Party under each lease and is either:

- 'inherited' from the third-party prior owner of the property from which the Related Party acquired the property, in which case they have been negotiated on an arms' length basis by parties that are not related; or
- set by reference to terms of a pro forma lease used by Chemist Warehouse with an independent valuation. Typically, key terms include an initial term of 6 years and 2 x 5-year options, with annual fixed percentage increases and a market rent review at the end of each term.

The leases are on terms and conditions no more favourable than those that it is reasonable to expect the Group to have adopted if dealing at arms-length with an unrelated person.

1. Where franchised stores or properties are partly owned by two or more Related Parties, the full transaction value has been included in the individual's balance. Eliminations have been made to ensure there is no double counting in the total.

Type of transaction	Ms D Di Pilla	Mr D Gance	Mr J Gance	Mr M Verrocchi	Mr S Gance	Ms S Robertson	Elimin-ations[1]	Total
Lease income from Related Parties under the franchise arrangements (occupancy license)	$2,569,527	$2,555,048	$8,836,308	$10,291,615	$4,225,720	$2,516,812	($7,423,747)	$23,571,283

The Group has leased retail properties from Related Parties (as noted in the row immediately above). The Group in turn licences these properties to franchisees under the franchise arrangements, including Related Parties, pursuant to occupancy licences.

Lease income represents the amount paid to the Group under these occupancy licences.

The occupancy licences with Related Parties are on terms and conditions no more favourable than those that it is reasonable to expect the Group to have adopted if dealing at arms-length with an unrelated person.

1. Where franchised stores or properties are partly owned by two or more Related Parties, the full transaction value has been included in the individual's balance. Eliminations have been made to ensure there is no double counting in the total.

Amounts recognised as assets and liabilities

At the end of the financial year ended 30 June 2025, the following are related party balances in the Group's balance sheet. These balances are in relation to the transactions identified in the above tables:

	Ms D Di Pilla	Mr D Gance	Mr J Gance	Mr M Verrocchi	Mr S Gance	Ms S Robertson	Eliminations[1]	Total
Current assets	**40,970,672**	**47,872,839**	**124,808,811**	**155,404,907**	**81,501,501**	**44,241,226**	**(101,080,313)**	**393,719,643**
Trade receivables	37,101,839	43,308,305	107,941,009	136,581,775	74,574,709	39,930,606	(86,852,453)	352,585,790
Lease receivables	3,868,833	4,564,534	16,867,802	18,823,132	6,926,792	4,310,620	(14,227,860)	41,133,853
Current liabilities	**2,776,338**	**25,363,465**	**35,543,902**	**36,982,945**	**33,405,115**	**1,933,864**	**(85,321,603)**	**50,684,026**
Trade payables	2,643,843	2,150,581	7,087,557	8,921,334	4,948,770	1,933,864	(5,642,676)	22,043,273
Lease liabilities	132,495	22,789,667	27,858,128	27,513,394	27,858,128	–	(78,109,276)	28,042,536
Provision for makegood	–	423,217	598,217	548,217	598,217	–	(1,569,651)	598,217
Non-current assets	**25,069,228**	**26,575,518**	**95,422,485**	**110,957,491**	**38,379,411**	**23,509,657**	**(82,708,640)**	**237,205,150**
Lease receivables	25,069,228	26,575,518	95,422,485	110,957,491	38,379,411	23,509,657	(82,708,640)	237,205,150
Non-current liabilities	**1,325,988**	**175,763,563**	**213,335,815**	**211,629,544**	**213,335,815**	**–**	**(600,323,621)**	**215,067,104**
Lease liabilities	1,300,988	173,462,926	210,504,695	208,776,127	210,504,695	–	(592,363,447)	212,185,984
Provision for makegood	25,000	2,300,637	2,831,120	2,853,417	2,831,120	–	(7,960,174)	2,881,120

1. Where franchised stores or properties are partly owned by two or more Related Parties, the full related party balance has been included in the individual's balance. Eliminations have been made to ensure there is no double counting in the total.

11. Other related party transactions with KMPs occurring in the financial year ended 30 June 2025

My Beauty Spot

My Beauty Spot (MBS) and its associated kiosks are currently in run-down, with all kiosks in the process of being closed and the underlying leases terminated with the final MBS store expected to be closed permanently in the next financial year. MBS is jointly owned by Mr M Verrocchi and Mr J Gance.

In the year ended 30 June 2025, from the Implementation Date, MBS paid $17,500 in administration fees to the Group and $956,103 in revenue for the supply of stock by the Group.

At 30 June 2025, the Group had $144,903 of current trade receivables owing from MBS.

AMS Constructions Pty Ltd

AMS Constructions Pty Ltd (AMS) is partly owned (less than 50%) by several related parties being Mr D Gance, Mr J Gance, Mr M Verrocchi and Mr S Gance. Following the Implementation Date in the year ended 30 June 2025, the aggregate fees charged by AMS to entities in the Group were $581,116 and the aggregate fees charged to AMS by the Group was $22,811.

At 30 June 2025, the Group had $105,227 of current trade receivables owing from AMS and $124,326 of current trade payables owing to AMS. The Group also had $32,645 of current lease liability and $317,336 of non-current lease liability owing to AMS.

Fit-out leases

The Group has entered into arrangements with a number of franchise stores in the Group to finance their establishment, expansion or relocation costs (Fit-out Leases). This includes both Related Party and non-related party stores. The financing includes equipment & fit-out lease agreements between the Group and franchise stores in the Group. In some instances, the Group acquires the fit-out from the store and leases it back to the store. The value of equipment and fit-out purchased by the Group from Related Parties since the Implementation Date under the Fit-out Leases is equal to $315,139.

There are currently Fit-out Leases in place with Mr M Verrocchi, Mr J Gance, Mr D Gance, Mr S Gance, Ms D Di Pilla and Ms S Robertson. The aggregate amount charged by the Group to Related Parties under the Fit-out Leases in the year ended 30 June 2025 following the Implementation Date was $929,346.

Close family members employed by the Group

Since the Implementation Date to 30 June 2025, three close family members of the KMP were employed by the Group and total employment benefit of $35,562 was incurred in aggregate to these close family members by the Group. Subsequent to the financial year ended 30 June 2025, an additional close family member (Mr Matthew Verrocchi) entered into an employment arrangement with the Group. Mr Matthew Verrocchi's employment benefits will be included in the financial year ending 30 June 2026 aggregated close family members employment benefits disclosure.

Loans to KMP

The Group provides loans to Chemist Warehouse franchisees, including Related Party franchisees. In the year ended 30 June 2025 following the Implementation Date, there were no new loans made to the franchises owned or controlled (directly, indirectly or jointly) by Ms D Di Pilla and Mr S Gance in addition to historical and pre-existing loans that were made by Chemist Warehouse prior to the Implementation Date.

	Item	Ms D Di Pilla	Mr S Gance
1	Amount outstanding as at the Implementation Date	$4,772,000	$500,000
2	Interest paid and payable in the year ended 30 June 2025 following the Implementation Date to Sigma or its subsidiaries	$124,536	$13,338
3	Loans advanced in the year ended 30 June 2025 following the Implementation Date by Sigma or its subsidiaries	–	–
4	Difference between amount disclosed under item 2 and the amount that would have been charged on arm's length terms	–	–
5	Each write-down and each allowance for doubtful receivables recognised by Sigma or its subsidiaries	–	–
6	Settlement in the year ended 30 June 2025 following the Implementation Date to Sigma or its subsidiaries	($3,059,000)	($500,000)
7	The amount outstanding at 30 June 2025	$1,713,000	–
8	The highest amount of the KMP's indebtedness during the year ended 30 June 2025	$4,772,000	$500,000

There were no other loans to KMP or any of their close family members during the financial year ended 30 June 2025.

Terms of transactions in the financial year

Refer to Sigma's Notice of Meeting released to ASX on 18 December 2024 in connection with the Merger for further details on the terms and conditions of certain transactions discussed above in this Report.

New related party arrangements entered into in the financial year ended 30 June 2025 following the Implementation Date

During the financial year and after the Implementation Date, the Group entered into the following arrangements that were approved by the Related Party Working Group under the Related Party Arrangements Approval:

- 2 new franchise and supply arrangements, representing $3,114,923 in aggregate sales, service and fee revenue earned during the financial year ended 30 June 2025;
  - 1 new arrangement for Ms D Di Pilla
  - 1 new arrangement for Mr M Verrocchi
- 6 new occupancy licenses representing $441,816 in aggregate rent earned during the financial year ended 30 June 2025:
  - 4 new occupancy licenses jointly with Mr M Verrocchi and Mr J Gance
  - 1 new occupancy license with Mr M Verrocchi
  - 1 new occupancy license with Mr S Gance
- 6 new lease arrangements representing $607,943 in aggregate rent paid during the financial year ended 30 June 2025;
  - 5 new leases jointly with Mr M Verrocchi, Mr J Gance, Mr S Gance and Mr D Gance
  - 1 new lease jointly with Mr M Verrocchi, Mr J Gance and Mr S Gance
- 0 new loan arrangements
- 2 new fit-out arrangements representing $708,721 in aggregate fit-out leases during the financial year ended 30 June 2025:
  - 1 new fit out arrangement with Ms D Di Pilla
  - 1 new fit out arrangement jointly with Mr M Verrocchi and Mr J Gance

These arrangements were approved by the related party working group (acting on authority delegated by the Independent Board Committee), consistent with the Related Party Arrangements Approval.

Changes to existing related party arrangements entered into in the financial year ended 30 June 2025 following the Implementation Date

Changes to existing related party arrangements includes, for example, renewal of an existing lease, entry into a revised franchise or occupancy agreement to include a further non-related party partner or to update the franchise agreement for regulatory reasons.

Following the Implementation Date the following changes to existing related party arrangements have been made: 1 lease renewal, 7 revised franchise agreements to include a further non-related party partner and 6 revised occupancy arrangements to include a further non-related party partner. These arrangements remain on terms and conditions no more favourable to the Related Party than those that it is reasonable to expect the Group to have adopted if dealing at arms-length with an unrelated person.

The Group is in the process of rebranding 24 MyChemist franchised stores to Amcal or Discount Drug Stores (DDS), of which 13 are related party franchises. In the financial year ended 30 June 2025 following the Implementation Date, a total of 14 franchises have been rebranded, of which 6 are Related Party pharmacies. In all instances the rebranding of these franchises has not changed the existing commercial arrangements.

The above changes to existing related party arrangements were approved by the related party working group (acting on authority delegated by the Independent Board Committee), consistent with the Related Party Arrangements Approval.

This disclosure is required by the ASX Confirmation Conditions.

TABLE 3A: LTI loan funded shares: details of movement during the financial year 1 July 2024 to 30 June 2025

Executive	Grant Date	Share Price at Grant $	Fair Value Per Share Grant Date[1] $	Exercise Price $	Exercise Date[2]
Mr V Ramsunder	01/02/2022	0.4650	0.1100	0.4650	01/02/2025
Mr M Verrocchi[6]	–	–	–	–	–
Mr D Gance[6]	–	–	–	–	–
Ms D Di Pilla[6]	–	–	–	–	–
Mr M Davis[6]	–	–	–	–	–
Mr M Conway[5,7]	–	–	–	–	–

1. For accounting purposes, the fair value of the loan funded shares was calculated using the Black-Scholes option pricing model with Monte Carlo simulations.
2. Loan funded shares will only vest after satisfying the specific vesting conditions and will expire at the end of the five-year loan period subject to forfeiture conditions.
3. Loan value and balance are rounded to the nearest whole number.
4. Represents loan repayment through forfeited shares and/or dividend payment.
5. Mr M Conway was not eligible to participate in the 2022 LTI plan.
6. Commenced as Key Management Personnel upon implementation of merger on 12 February 2025.
7. Ceased as Key Management Personnel from 12 February 2025.

TABLE 3B: Rights: details of movement during the financial year 1 July 2024 to 30 June 2025

Executive	Grant Date	Fair Value Per Right at Grant[1] $	Exercise Price $	Exercise Date[2]
Mr V Ramsunder	01/02/2022	0.4200	–	01/02/2024
	01/02/2023	0.4150	–	01/02/2026
	01/02/2023	0.6200	–	01/02/2024
	01/02/2024	0.6700	–	01/02/2027
	01/02/2024	0.6200	–	01/02/2025
Mr M Conway[3]	01/02/2024	0.6700	–	01/02/2027
	01/02/2024	0.6200	–	01/02/2025

1. For accounting purposes, the fair value of the rights have been valued using the Monte Carlo simulation option pricing model for market hurdle rights and Black-Scholes option pricing model for the non-market hurdle.
2. Rights will only vest after satisfying the specific vesting conditions and are subject to forfeiture conditions.
3. Ceased as Key Management Personnel from 12 February 2025.

Number of Loan Funded Shares						Loan Value and Balance[3]			
Balance at 01/07/24	Granted During the Year	Vested During the Year	Forfeited During the Year	Exercised During the Year	Balance at 30/06/25	Loan Value at Grant Date $	Loan Balance at 01/07/24[6] $	Loan Repayments During the Year[4] $	Loan Balance at 30/06/25 $
10,179,605	–	10,179,605	–	(10,179,605)	–	4,733,516	4,585,149	4,585,149	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–

Number of Rights									
Balance at 01/07/24	Granted during the Year	Vested during the Year	Vested %	Lapsed during the Year	Exercised during the Year	Balance – vested at 30/06/25	Balance – unvested at 30/06/25	Vesting Date	Expiry Date
1,482,422	–	–	–	–	(1,482,422)	–	–	31/01/2024	31/01/2026
3,112,283	–	–	–	(3,112,283)	–	–	–	31/01/2026	31/01/2028
240,462	–	–	–	–	(240,462)	–	–	31/01/2024	31/01/2027
1,010,723	–	–	–	–	–		1,010,723	30/06/2027	31/01/2029
242,994	–	242,994	100%	–	(242,994)	–	–	31/01/2025	31/01/2028
281,141	–	–	–	–	–		281,141	30/06/2027	31/01/2029
17,850	–	17,850	100%	–	(17,850)	–	–	31/01/2025	31/01/2028

Remuneration Report continued

For the year ended 30 June 2025 (2024/25)

TABLE 4A: Shareholdings of Key Management Personnel for financial year 1 July 2024 to 30 June 2025

2025	Number of Shares at 01/07/2024	Number of Shares acquired through Share Plans during the year	Interest in Sigma Shares on Implementation of the merger on 12 February 2025[3]	Number of Shares purchased during the year	Number of Shares sold during the year	Number of Shares on date of ceasing to be a KMP	Number of shares at 30/06/2025[4]
NON-EXECUTIVE DIRECTORS							
Ms K Spargo[2]	714,932	4,747	719,679	–	–	719,679	n/a
Ms A Carey	17,550	3,662	21,212	–	–	–	21,212
Mr N Mitchell	25,955	4,340	30,295	–	–	–	30,295
Dr C Roberts	8,353	3,661	12,014	–	–	–	12,014
Mr M Sammells	250,582	7,866	258,448	–	–	–	258,448
Mr J Gance[1]	n/a	–	1,579,052,263	–	–	–	1,579,052,263
Subtotal for Non-Executive Directors	**1,017,372**	**24,276**	**1,580,093,911**	**–**	**–**	**719,679**	**1,579,374,232**
EXECUTIVES							
Mr V Ramsunder	1,482,423	13,312,589	14,795,012	–	(11,662,028)	–	3,132,984
Mr M Verrocchi[1]	n/a	–	2,555,284,920	–	–		2,555,284,920
Mr D Gance[1]	n/a	–	400,240,023	–	(266,500,000)		133,740,023
Ms D Di Pilla[1]	n/a	–	105,471,272	–	(29,842,150)	–	75,629,122
Mr M Davis[1]	n/a	–	11,938,067	–	(9,238,067)		2,700,000
Mr M Conway[2]	17,850	–	17,850	–	–	17,850	n/a
Subtotal for Executives	**1,500,273**	**13,312,589**	**3,087,747,144**	**–**	**(317,242,245)**	**17,850**	**2,770,487,049**
TOTAL	**2,517,645**	**13,336,865**	**4,667,841,055**	**–**	**(317,242,245)**	**737,529**	**4,349,861,281**

1. Commenced as Key Management Personnel upon implementation of merger on 12 February 2025.
2. Ceased as Key Management Personnel from 12 February 2025.
3. Any shares held prior to implementation is included in the "Interest in Sigma Shares on Implementation" column, in addition to any shares received on 12 February 2025.
4. Includes some restricted shareholdings. For details relating to restricted shareholdings of Key Management Personnel, refer to Table 4C.

TABLE 4B: Performance rights and options (loan funded shares) holdings of Key Management Personnel for financial year 1 July 2024 to 30 June 2025

2025	Number of Rights/Options at 01/07/2024	Number of Rights/Options granted through Share Plans during the year	Number of Rights/Options Exercised during the year	Number of Rights/Options Lapsed/ Forfeited during the year	Number of Rights/Options on date of ceasing to be a KMP	Number of Rights/Options at 30/06/2025
NON-EXECUTIVE DIRECTORS						
Ms K Spargo[2]	–	–	–	–	–	–
Ms A Carey	–	–	–	–	–	–
Mr N Mitchell	–	–	–	–	–	–
Dr C Roberts	–	–	–	–	–	–
Mr M Sammells	–	–	–	–	–	–
Mr J Gance[1]	–	–	–	–	–	–
Subtotal for Non-Executive Directors	**–**	**–**	**–**	**–**	**–**	**–**
EXECUTIVES						
Mr V Ramsunder	16,268,489	–	(12,145,483)	(3,112,283)	–	1,010,723
Mr M Verrocchi[1]	–	–	–	–	–	–
Mr D Gance[1]	–	–	–	–	–	–
Ms D Di Pilla[1]	–	–	–	–	–	–
Mr M Davis[1]	–	–	–	–	–	–
Mr M Conway[2]	298,991	–	(17,850)	–	281,141	n/a
Subtotal for Executives	**16,567,480**	**–**	**(12,163,333)**	**(3,112,283)**	**281,141**	**1,010,723**
TOTAL	**16,567,480**	**–**	**(12,163,333)**	**(3,112,283)**	**281,141**	**1,010,723**

1. Commenced as Key Management Personnel upon implementation of merger on 12 February 2025.
2. Ceased as Key Management Personnel from 12 February 2025.

TABLE 4C: Restricted shareholdings of Key Management Personnel for financial year 1 July 2024 to 30 June 2025

2025	Number of Restricted Shares at 01/07/2024	Number of Restricted Shares granted through Share Plans during the year	Number of Restricted Shares on Implementation of the merger on 12 February 2025	Number of Restricted Shares Vested during the year	Number of Restricted Shares Forfeited during the year	Number of Restricted Shares on date of ceasing to be a KMP	Number of Restricted Shares at 30/06/2025
NON-EXECUTIVE DIRECTORS							
Ms K Spargo[2]	–	–	–	–	–	–	n/a
Ms A Carey	–	–	–	–	–	–	–
Mr N Mitchell	–	–	–	–	–	–	–
Dr C Roberts	–	–	–	–	–	–	–
Mr M Sammells	–	–	–	–	–	–	–
Mr J Gance[1]	–	–	1,579,050,058[4]	–	–	–	1,579,050,058
Subtotal for Non-Executive Directors	**–**	**–**	**1,579,050,058**	**–**	**–**	**–**	**1,579,050,058**
EXECUTIVES							
Mr V Ramsunder	–	1,167,106[3]	1,167,106	–	–	–	1,167,106
Mr M Verrocchi[1]	–	–	2,555,284,920[4]	–	–	–	2,555,284,920
Mr D Gance[1]	–	–	–	–	–	–	–
Ms D Di Pilla[1]	–	–	–	–	–	–	–
Mr M Davis[1]	–	–	–	–	–	–	–
Mr M Conway[2]	–	–	–	–	–	–	n/a
Subtotal for Executives	**–**	**1,167,106**	**2,556,452,026**	**–**	**–**	**–**	**2,556,452,026**
TOTAL	**–**	**1,167,106**	**4,135,502,084**	**–**	**–**	**–**	**4,135,502,084**

1. Commenced as Key Management Personnel upon implementation of merger on 12 February 2025.
2. Ceased as Key Management Personnel from 12 February 2025.
3. 37.5% of the 2023 EEG Rights vested upon the merger completion, and the corresponding shares granted are subject to disposal restrictions until, and forfeiture for ceasing employment before 31 January 2026. The fair value of these restricted shares at the date of acquisition was $2.62 per share.
4. Mr M Verrocchi and Mr J Gance entered into voluntary escrow arrangements regarding the Sigma shares allotted to them in connection with the merger.

TABLE 5A: Inputs used in determination of fair value of share-based payments schemes

Prior to the merger with Chemist Warehouse, Sigma's Board and shareholders approved the modification to existing performance rights in the context of the merger and the change of control provisions within the incentive schemes.

The inputs used in the measurement of the fair values of the share-based payments schemes at the modification date are set out below:

	2022 LTI LFS		2023 LTI EEG			2024 LTI	
	ROIC Non-market	TSR Market	Tranche A Non-market	Tranche B Non-market	Tranche C Market	EPS Non-market	TSR Market
Grant date	1-Feb-22	1-Feb-22	1-Feb-23	1-Feb-23	1-Feb-23	1-Feb-24	1-Feb-24
Share price at grant date	$0.47	$0.47	$0.65	$0.65	$0.65	$1.01	$1.01
Fair value at grant date	$0.13	$0.09	$0.57	$0.57	$0.26	$0.93	$0.41
Modification date	29-Jan-25	29-Jan-25	29-Jan-25	29-Jan-25	29-Jan-25	29-Jan-25	29-Jan-25
Share price pre-modification	$3.03	$3.03	$3.03	$3.03	$3.03	$3.03	$3.03
FV (pre-modification)	N/A	N/A	$2.95	$3.03	$2.95	$2.88	$2.84
Share price post-modification	N/A	N/A	$3.10	$3.10	$3.10	$3.10	$3.10
FV (post-modification)	N/A	N/A	$3.02	$3.10	N/A	$2.85	$2.79
Vesting life from grant date	3 Years	3 Years	3 Years	3 Years	3 Years	3 Years	3 Years
Option life from grant date	5 Years	5 Years	5 Years	5 Years	5 Years	5 Years	5 Years

On implementation of the merger on 12 February 2025, in accordance with AASB 3 Business Combinations, Chemist Warehouse was identified as the accounting acquirer of Sigma, known as a reverse acquisition. Under AASB 3, the purchase consideration includes replacement employee share awards issued by the accounting acquirer for existing awards issued by the acquiree to its employees, to the extent that the market-based measure of the replacement awards is attributed to pre-merger services rendered by the employees. Whilst Chemist Warehouse did not issue replacement awards to Sigma's employees, the effects of the merger resulting in modification to the employee share awards are assessed to be in substance replacements issued by the Merged Group. The Terms & Conditions of these awards remained unchanged since the initial modification on 29 January 2025.

The fair value of these replacement awards on the date of acquisition (12 February 2025) is disclosed below:

	2022 LTI LFS		2023 LTI EEG			2024 LTI	
	ROIC Non-market	TSR Market	Tranche A Non-market	Tranche B Non-market	Tranche C Market	EPS Non-market	TSR Market
Modification date	12-Feb-25	12-Feb-25	12-Feb-25	12-Feb-25	12-Feb-25	12-Feb-25	12-Feb-25
Share price at modification date	$2.76	$2.76	$2.76	$2.76	$2.76	$2.76	$2.76
Acquisition date fair value	N/A	N/A	$2.69	$2.76	$2.62	$2.60	$2.54

Auditor's Independence Declaration

As lead auditor for the audit of Sigma Healthcare Limited for the year ended 30 June 2025, I declare that to the best of my knowledge and belief, there have been:

a. no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b. no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Sigma Healthcare Limited and the entities it controlled during the period.

Alison Tait Milner

Alison Tait Milner
Partner
PricewaterhouseCoopers

Melbourne
27 August 2025

PricewaterhouseCoopers, ABN 52 780 433 757
2 Riverside Quay, SOUTHBANK VIC 3006,
GPO Box 1331, MELBOURNE VIC 3001
T: 61 3 8603 1000, F: 61 3 8603 1999, www.pwc.com.au

Consolidated Financial Statements

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2025

	Note	2025 $'000	2024 $'000
Revenue	2	**6,001,835**	3,294,402
Cost of sales		**(4,561,547)**	(2,251,450)
Gross profit		**1,440,288**	1,042,952
Share of profits of associates and joint ventures accounted for using the equity method	28	**30,211**	23,059
Other income		**15,085**	5,823
Expenses			
Warehousing and distribution expenses		**(225,752)**	(148,946)
Marketing and sales expenses		**(107,907)**	(88,259)
Administration and general expenses		**(384,042)**	(253,093)
Net finance costs	4	**(24,391)**	(7,415)
Profit before income tax expense		**743,492**	**574,121**
Income tax expense	5	**(218,037)**	(34,464)
Profit after income tax expense for the year		**525,455**	**539,657**
Other comprehensive income/(loss)			
Items that will not be reclassified subsequently to profit or loss			
Gain/(loss) on the revaluation of financial assets at fair value through other comprehensive income	24	**20,217**	1,314
Income tax impact		**(6,035)**	(394)
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation	19	**4,405**	(1,144)
Income tax impact		**(1,754)**	343
Other comprehensive income/(loss) for the year, net of tax		**16,833**	119
Total comprehensive income for the year		**542,288**	**539,776**
Profit/(loss) for the year is attributable to:			
Non-controlling interests		**(4,459)**	(1,356)
Owners of the parent		**529,914**	541,013
		525,455	539,657
Total comprehensive income/(loss) for the year is attributable to:			
Non-controlling interests		**(4,459)**	(1,356)
Owners of the parent		**546,747**	541,132
		542,288	**539,776**

		Cents	Cents
Basic earnings per share	6	**5.1**	5.5
Diluted earnings per share	6	**5.1**	5.5

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

Consolidated Balance Sheet

As at 30 June 2025

	Note	2025 $'000	2024 $'000
Assets			
Current assets			
Cash and cash equivalents	17	**138,774**	273,124
Trade and other receivables	7	**1,575,136**	695,012
Inventories	8	**1,019,778**	599,903
Financial assets at amortised cost	9	**512**	3,808
Lease receivables	16	**139,656**	118,628
Other assets	10	**34,573**	26,144
Total current assets		**2,908,429**	**1,716,619**
Non-current assets			
Investments accounted for using the equity method	28	**43,099**	45,020
Financial assets at amortised cost	9	**22,948**	9,693
Financial assets at fair value through other comprehensive income	24	**31,986**	59,454
Financial assets at fair value through profit or loss	24	**4,708**	2,262
Property, plant and equipment	11	**320,438**	73,065
Right-of-use assets	16	**238,729**	113,020
Intangible assets	12	**3,860,481**	13,300
Deferred tax assets	5	**28,535**	87,332
Lease receivables	16	**821,668**	741,823
Other assets	10	**6,781**	–
Total non-current assets		**5,379,373**	**1,144,969**
Total assets		**8,287,802**	**2,861,588**
Liabilities			
Current liabilities			
Trade and other payables	13	**1,323,603**	745,824
Other liabilities	14	**16,462**	20,011
Borrowings	22	**35,643**	32,776
Lease liabilities	16	**157,975**	131,325
Current tax liabilities		**124,906**	2,777
Provisions	15	**44,276**	25,897
Total current liabilities		**1,702,865**	**958,610**
Non-current liabilities			
Other liabilities	14	**17,104**	14,777
Borrowings	22	**855,292**	300,000
Lease liabilities	16	**1,021,846**	849,598
Provisions	15	**30,100**	21,712
Total non-current liabilities		**1,924,342**	**1,186,087**
Total liabilities		**3,627,207**	**2,144,697**
Net assets		**4,660,595**	**716,891**
Equity			
Contributed equity	18	**4,403,299**	553,699
Reserves	19	**(6,023)**	(54,187)
Retained profits/(Accumulated losses)	20	**273,263**	222,906
Equity attributable to the owners of the Group		**4,670,539**	722,418
Non-controlling interests	29	**(9,944)**	(5,527)
Total equity		**4,660,595**	**716,891**

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

For the year ended 30 June 2025

	Note	Contributed equity $'000	Reserves $'000	Retained earnings $'000	Non-controlling interests $'000	Total equity $'000
Balance at 1 July 2024		**553,699**	**(54,187)**	**222,906**	**(5,527)**	**716,891**
Profit/(loss) after income tax expense		**–**	**–**	**529,914**	**(4,459)**	**525,455**
Other comprehensive income/(loss), net of tax		**–**	**16,833**	**–**	**–**	**16,833**
Total comprehensive income/(loss)		**–**	**16,833**	**529,914**	**(4,459)**	**542,288**
Transfer of gain/(loss) on disposal of equity investment at FV through OCI to retained profits, net of tax		**–**	**(11,304)**	**11,304**	**–**	**–**
Transactions with owners in their capacity as owners:						
Issue of new shares, pre-acquisition	**18**	**47,900**	**–**	**–**	**–**	**47,900**
Issue of shares on merger, net of transaction costs	**18**	**4,489,968**	**–**	**–**	**–**	**4,489,968**
Issuance of in-substance replacement equity compensation plans on merger	**19**	**–**	**40,901**	**–**	**–**	**40,901**
Cash distribution on merger	**18**	**(700,000)**	**–**	**–**	**–**	**(700,000)**
Employee shares exercised	**18**	**7,182**	**–**	**–**	**–**	**7,182**
Transfers related to share-based payments transactions	**18**	**4,550**	**–**	**(4,550)**	**–**	**–**
Share based payments		**–**	**1,980**	**–**	**–**	**1,980**
Transactions with non-controlling interests	**29**	**–**	**–**	**–**	**42**	**42**
Dividends provided for or paid	**21**	**–**	**–**	**(486,036)**	**–**	**(486,036)**
Other		**–**	**(246)**	**(275)**	**–**	**(521)**
Balance at 30 June 2025		**4,403,299**	**(6,023)**	**273,263**	**(9,944)**	**4,660,595**

	Note	Contributed equity $'000	Reserves $'000	Retained earnings $'000	Non-controlling interests $'000	Total equity $'000
Balance at 1 July 2023		**549,391**	**(64,752)**	**(101,348)**	**(3,578)**	**379,713**
Profit after income tax expense		–	–	541,013	(1,356)	539,657
Other comprehensive income/(loss), net of tax		–	119	–	–	119
Total comprehensive income		–	119	541,013	(1,356)	539,776
Transfer of gain/(loss) on disposal of equity investments at FV through OCI to retained profits, net of tax			(942)	942	–	–
Transactions with owners in their capacity as owners:						
Issue of new shares	18	4,308	–	–	–	4,308
Employee share schemes – value of employee service	36	–	15,513	–	–	15,513
Common control transactions		–	(4,125)	–	(183)	(4,308)
Dividends provided for or paid	21, 29	–	–	(217,701)	(410)	(218,111)
Balance at 30 June 2024		**553,699**	**(54,187)**	**222,906**	**(5,527)**	**716,891**

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 (inclusive of GST)		**6,448,080**	3,291,324
Payments to suppliers and employees (inclusive of GST)		**(5,731,414)**	(2,928,743)
		716,666	362,581
Interest and other finance costs paid		**(91,715)**	(64,227)
Interest and other finance income received		**67,566**	56,812
Income taxes paid		**(93,689)**	(81,989)
Net cash from operating activities	17	**598,828**	273,177
Cash flows from investing activities			
Payments for property, plant and equipment		**(52,562)**	(32,838)
Payments for financial assets at fair value through other comprehensive income		**–**	(2,874)
Payments for financial assets at fair value through profit or loss		**(2,762)**	–
Proceeds from acquisition of subsidiaries, net of acquired cash		**158,359**	–
Payment for acquisition of associates		**(3,988)**	–
Acquisition of intangibles		**(5,000)**	(8,500)
Loans provided to other entities		**(26,946)**	(10,072)
Loan repayments from other entities		**15,795**	–
Proceeds from sale of investments		**55,756**	3,974
Distribution from associates		**153**	121
Principal elements of lease receipts		**127,661**	109,478
Net cash earned from investing activities		**266,466**	59,289
Cash flows from financing activities			
Proceeds from employee shares exercised		**7,182**	–
Payment for issuance of shares		**(6,416)**	–
Repayments of loans		**(2,678,916)**	(778,039)
Proceeds from loans		**3,002,803**	855,919
Principal elements of lease payments		**(139,784)**	(124,957)
Dividends paid to members of the company	21	**(486,036)**	(217,701)
Cash distribution to Chemist Warehouse shareholders	18	**(700,000)**	–
Dividends paid to non-controlling interests	29	**–**	(410)
Transactions with non-controlling interests	29	**42**	–
Net cash used in financing activities		**(1,001,125)**	(265,188)
Net increase/(decrease) in cash and cash equivalents		**(135,831)**	67,278
Cash and cash equivalents at the beginning of the financial year		**273,124**	206,647
Effects of exchange rate changes on cash and cash equivalents		**1,481**	(801)
Cash and cash equivalents at the end of the financial year	**17**	**138,774**	**273,124**

Notes to the Consolidated Financial Statements

30 June 2025

Contents of the notes to the consolidated financial statements

About this report

Sigma Healthcare Limited (referred to as "Sigma" or the "Company") is a for-profit company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange ("ASX"). The financial report was authorised for issue by the Directors on 27 August 2025.

Basis of preparation

The consolidated financial statements are general purpose financial statements which:

- have been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board ("AASB") and International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB");
- have been prepared on a historical basis, except for investments which have been measured at fair value;
- are presented in Australian dollars (Sigma's functional and presentation currency) with all values rounded to the nearest thousand dollars unless otherwise stated, in accordance with *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191;*
- presents reclassified comparative information where required for consistency with current financial year disclosures;
- applies relevant new Accounting Standards and Interpretations which are effective for the reporting period commencing 1 July 2024, as listed below; and
- does not early adopt Accounting Standards and Interpretations that have been issued or amended but are not yet effective.

Reverse acquisition

On 12 February 2025, the implementation of the scheme of arrangement ("Scheme"), under which Sigma Healthcare Limited ("Sigma") would acquire 100% of the issued shares in CW Group Holdings Limited ("Chemist Warehouse"), was completed.

Under the Scheme, Sigma Healthcare Limited acquired 100% of the shares in Chemist Warehouse. The transaction resulted in the previous Chemist Warehouse shareholders receiving $700.0 million cash and 9,906,180,588 Sigma shares.

Sigma is the legal acquirer of Chemist Warehouse. For financial reporting purposes, Chemist Warehouse will be identified as the accounting acquirer, known as a reverse acquisition, when applying AASB 3 *Business Combinations*. Chemist Warehouse is identified as the accounting acquirer, and Sigma the accounting acquiree, because the shareholders of Chemist Warehouse obtained control of the combined Group (85.8% shareholdings), the change in Board composition with four Chemist Warehouse shareholders appointed as directors and the relative size of the two businesses.

Under AASB 3, the purchase consideration is determined with reference to the value of shares that Chemist Warehouse would have needed to issue in order to acquire Sigma at the acquisition date, being $4,494.5 million. The $700.0 million cash payment is a capital distribution to the previous Chemist Warehouse shareholders, and therefore is accounted for separately to the business combination.

Whilst Sigma Healthcare Limited is the legal entity and these financial statements are represented as Sigma financial statements, they have been prepared on the basis of Chemist Warehouse being the accounting acquirer, representing the continuing financial statements.

The financial statements of the Group for the year ended 30 June 2025 have been prepared on the following basis:

- Chemist Warehouse continuing accounts at historical cost and is the accounting acquirer; and
- Sigma recognised at fair value on date of acquisition and is the accounting acquiree.

The comparative information presented in the financial statements is that of Chemist Warehouse for the year ended 30 June 2024, unless otherwise stated.

Refer to Note 25 Business Combinations for further details of the reverse acquisition and Note 18 Issued Capital for accounting treatment of the $700.0 million cash distribution.

Financial reporting obligations – ASIC relief

Pre-implementation of the Scheme, Sigma and Chemist Warehouse had different balance dates. Sigma's financial year ends on 31 January, whilst Chemist Warehouse's financial year ends on 30 June.

Given the complexity with reconciling conflicting legal and accounting requirements applying to the preparation of the Sigma and Chemist Warehouse accounts following the implementation of the merger (Merged Group), ASIC has granted relief that will allow Sigma to meet its financial reporting obligations based on a notional financial year that runs to 30 June each year, enabling the Merged Group to report in accordance with Chemist Warehouse's financial year end of 30 June.

As a result of receiving this relief, Sigma will meet its financial reporting obligations under Part 2M.3 of the *Corporations Act 2001* in relation to notional financial years ending 30 June and notional half-years ending 31 December, as if those were Sigma's statutory financial years and half-years.

In light of the ASIC relief, ASX has provided confirmation that it will apply certain ASX Listing Rules under Chapter 4 which require the lodgement of half-year and full year results, as if Sigma's half-year and full year balance dates at 31 December and 30 June respectively.

Within this report whenever there is reference to the financial year ended 30 June 2025 or year ended 30 June 2025, it is referring to the notional financial year ended 30 June 2025 unless stated otherwise.

Basis of consolidation

The consolidated financial statements are of the consolidated entity consisting of the Company and its subsidiaries (together referred to as the "Group").

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group has power over the investee, is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

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

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss and other comprehensive income, balance sheet and statement of changes in equity respectively.

Notes to the financial statements

The notes included in the financial statements contain information which is required to understand the consolidated financial statements and is material and relevant to the operations, financial performance and position of the Group.

Information is considered material and relevant if, for example:

- the amount in question is significant because of its size or nature;
- it is important for understanding the results of the Group;
- it helps explain the impact of significant changes in the Group's business; and
- it relates to an aspect of the Group's operations that is important to its future performance.

The notes in these financial statements have been organised into the following sections to help users find and understand the information they need to know:

- **Group Performance:** focuses on the results and performance of the Group;
- **Group Balance Sheet:** provides information on individual line items in the balance sheet that the directors consider most relevant;
- **Capital and Risk Management:** outlines how the Group manages its capital and various financial risks;
- **Group Structure:** provides information relating to subsidiaries and other material investments and divestments of the Group, as well as disclosing related party transactions and balances; and
- **Other Disclosures:** provides information on items which require disclosure to comply with Australian Accounting Standards and other regulatory pronouncements.

Key accounting judgements and estimates

Preparation of the financial report requires management to make judgements, estimates and assumptions about future events. Information on material estimates and judgements used in applying the accounting policies can be found in the following notes:

Judgement area	Note
Revenue – variable consideration	2
Inventory net realisable value	8
Impairment of goodwill and other intangible assets	12
Leases	16
Fair value of assets and liabilities	24
Business combinations	25
Consolidation assessment of franchisees	27
Investments accounted for using the equity method	28

Foreign currency translation

Items included in the financial statements of each of the Group in the financial statements are presented in Australian dollars, which is Sigma Healthcare Limited's functional and presentation currency.

Foreign currency transactions are translated into functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

New Accounting Standards and Interpretations adopted by the Group

The Group has applied the following standards and amendments for the first time for its annual reporting period commencing 1 July 2024:

- AASB 2020-1 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current [AASB 101]*
- AASB 2022-6 *Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants [AASB 101]*

The amendments listed above did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future period.

New Accounting Standards and Interpretations not yet adopted

Certain new accounting standards and amendments to accounting standards have been published that are not mandatory for 30 June 2025 reporting periods and have not been early adopted by the Group. Other than the below standards, these are not considered relevant to the activities of the Group, nor are they expected to have a material impact on the financial statements of the Group:

- AASB 18 *Presentation and Disclosure in Financial* (effective for annual periods commencing on or after 1 January 2027) – AASB 18 will replace AASB 101 *Presentation of financial statements*, introducing new requirements that will help achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users.
- AASB 2024-2 *Amendments to Australian Accounting Standards – Classification and Measurement of Financial Instruments [AASB 7 & AASB 9]* (effective for annual periods commencing on or after 1 January 2026) – this amendment clarifies that a financial liability is derecognised on the 'settlement date' and introduce an accounting policy choice to derecognise financial liabilities settled using an electronic payment system before the settlement date, along with some other clarifications and additional disclosures.

Management is currently assessing the impact of applying the new standards above.

Other accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out in the respective notes. These policies have been consistently applied to all the years presented, unless otherwise stated.

Section 1: Group performance

Note 1. Segment information

Description of segments

Management has determined the operating segments based on the reports reviewed and used by the Group's chief operating decision makers (CODM) to make strategic and operating decisions. The CODM has been identified as the Chief Executive Officer and Managing Director (CEO) and Executive Directors as disclosed in the Remuneration Report. The Group operates in one operating segment, being the Healthcare segment.

Notwithstanding the merger of Sigma and Chemist Warehouse, given the integration of the two businesses, the CODM views the business from a consolidated perspective and assesses the performance of the merged business on the same basis.

The CODM primarily uses statutory Profit before Tax (PBT), Normalised PBT and Normalised Earnings Before Interest and Tax (EBIT) to assess the operating performance of the business.

Reconciliation of Normalised EBIT to Statutory EBIT

	2025 $'000	2024 $'000
Normalised EBIT	**834,527**	**590,142**
Merger related costs[1]	**(46,624)**	(8,606)
Integration costs[2]	**(12,707)**	–
Impact from PPA[3]	**(7,313)**	–
Statutory EBIT	**767,883**	**581,536**

1. Non-recurring costs incurred by the Group in association with the merger between Sigma and Chemist Warehouse. These costs include financial advisory, legal, regulatory, accounting, tax and other costs and do not relate to the ongoing operations of the Group.
2. Costs incurred to integrate the Sigma and Chemist Warehouse businesses, post-merger. These include consulting and employee costs, compliance costs and impacts from alignment of accounting policies.
3. Non-cash charges related to the merger purchase price allocation (PPA) accounting.

Geographical regions

The Group operates in Australia, New Zealand, China, Ireland and UAE.

Disaggregation of revenue by geographic region

	2025 $'000	2024 $'000
Australia	**5,654,168**	3,005,482
International	**347,667**	288,920
	6,001,835	**3,294,402**

Disaggregation of non-current assets by geographic region

	2025 $'000	2024 $'000
Australia	**4,365,135**	168,601
International	**54,512**	30,784
	4,419,647	**199,385**

The disaggregation of non-current assets by geographic region excludes investments, financial instruments and deferred tax assets.

Information on Major Customers

The Group does not rely on any one customer for a significant component of revenue.

Accounting policy for operating segments

Operating segments are reported in a manner consistent with the internal reporting to the CODM.

The CEO and Executive Directors, as CODM, monitors the operating results on a consolidated basis, and accordingly, the Group has concluded that it has one reportable segment.

Note 2. Revenue

	2025 $'000	2024 $'000
Sales revenue		
Sale of goods	**5,130,246**	2,424,772
Fees and other revenue	**184,226**	212,303
Services revenue		
Franchise and related fees	**204,747**	168,316
Marketing, advertising and other	**482,616**	489,011
	687,363	657,327
Total revenue	**6,001,835**	**3,294,402**

Revenue recognised in relation to other liabilities

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward other liabilities:

	2025 $'000	2024 $'000
Revenue recognised that was included in the other liability balance at the beginning of the period		
Sales revenue	**5,378**	2,232
Marketing, advertising and other	**18,800**	32,673
	24,178	**34,905**

Recognition and measurement

The Group derives its revenue from contracts with customers for the transfer of goods and services over time and at a point in time in the revenue streams summarised above and below.

The presentation of revenue is consistent with the segment reporting (refer to Note 1) as the Group has one reportable segment.

The Group generates a significant portion of its revenue from the following:

Sales revenue

Revenue stream	Description	Performance obligation	Timing of recognition
Sale of goods	Sale of goods, either to wholesale or retail customers. Consideration is recognised based on the price specified in the contract, net of estimated discounts and rebates. In recognising revenue from the sales of goods, the Group considers its historical experience with sales returns to determine if it is "highly probable" that a significant reversal of revenue will arise in the future.	Delivery of goods to customer	Point in time
Fees	(i) Management fees from franchisees for the Group securing and managing arrangements between the franchisees and certain third-party suppliers and wholesalers; (ii) revenue received from customers for wholesale sales delivered directly by suppliers, where the Group acts as an agent. Revenue recognised represents the consideration received from the customer, net of amounts payable to third parties.	Delivery of goods to customer	Point in time
Other – Community service obligation (CSO) income	Income earned from the Government to fulfil minimum delivery requirements for specified medicines to pharmacies in accordance with the Pharmaceutical Wholesaler Agreement ('1PWA').	Compliance with the obligations of the 1PWA	Over time

Services revenue

Revenue stream	Description	Performance obligation	Timing of recognition
Franchise and related fees	(i) Franchise fees and administration fees under the franchise or service arrangements; (ii) separate licence fees paid by franchisees in relation to the use of the Group intellectual property.	Over the term of the arrangements	Over time
Marketing, advertising and other	(i) Fees generated for promotional and advertising services rendered and other supplier income; (ii) Fees for services performed by the Group, including administration of discounts on products sold and packaging fees.	Completion of services to be rendered	Over time

Refund liability

A refund liability and a right to the returned goods are recognised for the products expected to be returned. Accumulated experience is used to estimate such returns at the time of sale at a portfolio level (expected value method). Because the number of products returned has been steady for years, it is highly probable that a significant reversal in the cumulative revenue recognised will not occur. The validity of this assumption and the estimated amount of returns are reassessed at each reporting date.

Critical accounting estimates and assumptions

Revenue – Variable consideration

Where contracts with customers includes variable consideration, the revenue's transaction price includes an estimate of the variable consideration based on the expected value (the sum of probability-weighted amounts) in a range of possible consideration amounts. The estimation of that variable consideration is based on available historical outcomes of the variability.

Note 3. Expenses

	2025 $'000	2024 $'000
Profit/(loss) before income tax includes the following specific expenses:		
Depreciation and amortisation		
Depreciation – property, plant and equipment	18,572	16,396
Depreciation – right-of-use assets	27,197	18,875
Amortisation – intangible assets	10,213	–
Total depreciation and amortisation	**55,982**	**35,271**
Impairment of assets		
Impairment – right-of-use assets	1,874	–
Impairment – property, plant and equipment	240	–
Total impairment of assets	**2,114**	**–**
Merger related costs		
Merger related costs[1]	46,624	8,606
Employee benefits expenses		
Employee benefits expenses	300,032	197,948
Defined contribution superannuation expense	21,903	15,308
Total employee benefits expenses	**321,935**	**213,256**
Share-based payments expense		
Share-based payments expense	3,894	**15,513**

1. Merger related costs represent the non-recurring costs incurred by the Group in association with the merger between Sigma and Chemist Warehouse. These costs include financial advisory, legal, regulatory, accounting, tax and other costs and do not relate to the ongoing operations of the Group.

Note 4. Finance income and expenses

	2025 $'000	2024 $'000
Interest and finance charges on lease receivables	**50,476**	44,936
Other net finance income	**16,868**	11,876
Interest and finance charges paid/payable for lease liabilities	**(58,619)**	(49,854)
Interest paid/payable on loans and borrowings	**(33,116)**	(14,373)
Net finance costs	**(24,391)**	**(7,415)**

Recognition and measurement

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

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

Note 5. Income tax

This note provides an analysis of the Group's income tax expense, shows what amounts are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items.

	2025 $'000	2024 $'000
(a) Income tax expense		
Current tax on profits for the year	**213,146**	172,377
Adjustment for current tax of prior periods	**2,371**	(108,879)
Total current tax expense	**215,517**	**63,498**
Decrease/(increase) in deferred tax assets	**6,615**	(2,609)
Adjustment for deferred tax of prior periods	**(4,095)**	(26,425)
Total deferred tax benefit	**2,520**	**(29,034)**
Aggregate income tax expense	**218,037**	**34,464**
(b) Numerical reconciliation of income tax expense and tax at the statutory rate		
Profit before income tax expense	**743,492**	574,121
Tax at the statutory tax rate of 30%	**223,047**	172,237
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Sundry items	**(5,398)**	(3,019)
Difference in overseas tax rate	**2,112**	550
Adjustments for current and deferred tax of prior periods	**(1,724)**	(135,304)
Income tax expense	**218,037**	**34,464**

	2025 $'000	2024 $'000
(c) Deferred income tax		
Deferred tax asset comprises temporary differences attributable to:		
Employee benefits	**13,755**	7,699
Inventories	**23,009**	13,217
Contract liabilities	**7,654**	13,734
Provision for make good	**13,628**	11,929
Lease liabilities	**349,951**	295,873
Investments	**2,586**	5,912
Expenditure subject to 5-year write-off	**25,030**	29,136
Other	**17,671**	5,230
Deferred tax asset	**453,284**	382,730
Deferred tax liability comprises temporary differences attributable to:		
Lease receivables	**(278,128)**	(258,875)
Right of use assets	**(65,268)**	(31,529)
Make good asset	**(5,278)**	(4,994)
Intangible assets	**(62,179)**	–
Property, plant and equipment	**(13,896)**	–
Deferred tax liability	**(424,749)**	(295,398)
Net deferred tax asset	**28,535**	**87,332**
Movements:		
Opening balance	**87,332**	56,576
Charged to profit or loss	**(2,182)**	29,025
Charged to other comprehensive income	**(5,688)**	9
Charged to equity	**1,652**	–
Tax losses converted to deferred tax assets	**2,272**	1,722
Deferred tax liability on acquisition	**(54,851)**	–
Closing balance	**28,535**	**87,332**

OECD Pillar Two model rules

The Group is within the scope of the OECD Pillar Two model rules as it is an applicable multinational enterprise Group with annual consolidated revenue in excess of €750 million.

Pillar Two legislation has been enacted in Australia, the jurisdiction in which the Company is incorporated, with an effective date of 1 January 2024. Under the legislation, the Group may be liable to pay a top-up tax for the difference between its GloBE effective tax rate in each jurisdiction and the 15% minimum rate. The Group's current exposure to additional taxation under Pillar Two is immaterial.

Recognition and measurement

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

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

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

Note 5. Income tax continued

Australian tax consolidation

Sigma Healthcare Limited (the 'head entity') and its wholly owned Australian subsidiaries have formed an income tax consolidated Group under the tax consolidation regime. Prior to the merger, CW Group Holdings Limited and its wholly owned Australian subsidiaries were part of a separate consolidated Group. Upon the reverse acquisition, CW Group Holdings Limited joined the Sigma Tax Consolidated Group with effect from 12 February 2025.

The head entity and each subsidiary in the tax consolidated Group continue to account for their own current and deferred tax amounts. The tax consolidated Group has applied the 'separate taxpayer within Group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated Group.

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from each subsidiary in the tax consolidated Group.

Assets or liabilities arising under tax funding arrangements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated Group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated Group member.

Foreign entities are taxed individually within their respective tax jurisdictions.

ATO agreement

During the year ended 30 June 2024, the Group reached an agreement with the ATO that an expense of $445,292,000 recognised during the year ended 30 June 2021 is deductible over five years. The revised tax treatment has been considered a change in estimate and accordingly, the Group has recognised a total tax benefit of $133,587,600 in the year ended 30 June 2024. As at 30 June 2025 there is no deferred tax asset balance relating to this agreement (2024: $26,717,521). Without the impact of this agreement with the ATO the effective tax rate for the year ended 30 June 2024 would have been 29%.

Goods and Services Tax ('GST')

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

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

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

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

Note 6. Earnings per share

	2025 cents	2024 cents
Total basic earnings per share attributable to the ordinary equity holders of the Company	**5.1**	5.5
Total diluted earnings per share attributable to the ordinary equity holders of the Company	**5.1**	5.5

Earnings used in calculating earnings per share

	2025 $'000	2024 $'000
Basic and diluted earnings per share		
Profit attributable to the ordinary equity holders of the Company used in calculating basic and diluted earnings per share	**529,914**	541,013

	2025 No. (thousands)	2024 No. (thousands)
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	**10,477,795**	9,826,349
Adjustments for calculation of diluted earnings per share:		
Performance rights/options	**4,092**	–
Effect of shares held under Sigma Employee Share Plan	**3,119**	–
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share	**10,485,006**	**9,826,349**

Information concerning the classification of securities

Performance Rights granted to employees under the share plan are considered to be potential ordinary shares. They have been included in the determination of diluted earnings per share if the relevant performance hurdles have been met based on the Company's performance up to the conversion date, and to the extent to which they are dilutive.

Weighted average number of shares

Under the principles of reverse acquisition accounting (refer Note 25 Business Combinations), the equity structure (including the number of ordinary shares) reflects the equity structure of the legal parent (the accounting acquiree), including the equity interests the legal parent issued to effect the business combination.

Accordingly, the equity structure of the legal subsidiary (the accounting acquirer) in the comparative period has been restated using the exchange ratio (6.3:1) established in the scheme of arrangement (Scheme) to reflect the number of shares of the legal parent (the accounting acquiree) issued in the reverse acquisition, even though the issue of shares did not occur until the time of the reverse acquisition in the current period.

Accounting policy for earnings per share

Basic earnings per share

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

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Section 2: Group balance sheet

Note 7. Trade and other receivables

	2025 $'000	2024 $'000
Trade receivables	**1,527,828**	673,130
Other receivables	**47,308**	21,882
	1,575,136	**695,012**

The following table summarises the ageing of current trade receivable balances, based on individual customer trading terms.

	2025 $'000	2024 $'000
Current	**1,472,194**	643,025
0 – 30 days overdue	**18,402**	8,523
31 – 60 days overdue	**18,027**	8,095
61 – 90 days overdue	**8,208**	3,986
91 or more days overdue	**10,997**	9,501
	1,527,828	**673,130**

Recognition and measurement

Trade and other receivables are initially recognised at transaction price and subsequently measured at amortised cost using the effective interest method, less an allowance for impairment (expected credit loss). They are presented as current assets unless collection is not expected for more than 12 months after the reporting date. Trade receivables are generally due for settlement between 30 to 60 days.

Fair values of trade receivables

Due to the short-term nature of current receivables, their carrying amount is considered to be the same as their fair value.

Expected credit loss

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

The expected loss rates are based on the payment profiles of sales over a period of 12 to 24 months up to the reporting period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has historically incurred immaterial credit losses.

Note 8. Inventories

	2025 $'000	2024 $'000
Stock on hand	**1,019,778**	599,903

Inventories recognised as an expense during the year ended 30 June 2025 amounts to $4,272.3 million (2024: $2,006.6 million). These were included in cost of sales in the consolidated statement of profit or loss.

Write-downs of inventories to net realisable value amounted to $9,229,300 (2024: $2,545,000). These were recognised as an expense during the year ended 30 June 2025 and included in cost of sales in the consolidated statement of profit or loss.

Recognition and measurement

Inventories are stated at the lower of cost and net realisable value. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

Critical accounting estimates and assumptions

Provision for impairment of inventories

The provision for impairment of inventories assessment requires a degree of estimation and judgement. The level of the provision is assessed by taking into account the recent sales history, the ageing of inventories and other factors that affect inventory obsolescence.

Note 9. Financial assets at amortised cost

	2025 $'000	2024 $'000
Current assets		
Loans receivable	**512**	3,808
Non-current assets		
Loans receivable	**22,948**	9,693

For loans with related parties refer to Note 32 for details.

Classification of financial assets at amortised cost

The Group classifies its financial asset as at amortised cost only if both of the following conditions are met:

(i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

(ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Recognition and measurement

Loans receivable are initially recognised at transaction price and subsequently measured at amortised cost using the effective interest method, less an allowance for impairment (expected credit loss).

The Group's policy is to recognise an allowance for expected credit losses (ECLs) for financial assets at amortised cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

The Group measures the loss allowance for loans receivable at an amount equal to 12-month ECL if the credit risk on the financial instrument has not increased significantly since initial recognition.

12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

The Group has performed this assessment at the reporting dates and concluded no allowance is required based on expected payments.

Note 10. Other assets

	2025 $'000	2024 $'000
Current assets		
Prepayments	**28,065**	20,404
Other current assets	**6,508**	5,740
	34,573	**26,144**
Non-current assets		
Other non-current assets	**6,781**	–

Note 11. Property, plant and equipment

	2025 $'000	2024 $'000
Land and buildings – at cost	**125,004**	–
Less: Accumulated depreciation and impairment	**(1,027)**	–
	123,977	–
Furniture, fittings and equipment – at cost	**254,485**	122,980
Less: Accumulated depreciation and impairment	**(58,024)**	(49,915)
	196,461	73,065
Net book amount	**320,438**	**73,065**

Reconciliations

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

	Land & buildings $'000	Furniture, fittings & equipment $'000	Total $'000
Balance at 1 July 2023	**–**	**61,265**	**61,265**
Additions	–	41,726	41,726
Transfers to finance lease receivables	–	(13,530)	(13,530)
Depreciation expense	–	(16,396)	(16,396)
Balance at 30 June 2024	**–**	**73,065**	**73,065**
Additions	–	43,642	43,642
Business combinations	125,004	125,042	250,046
Disposal	–	(650)	(650)
Transfers to finance lease receivables	–	(26,853)	(26,853)
Impairment expense	–	(240)	(240)
Depreciation expense	(1,027)	(17,545)	(18,572)
Balance at 30 June 2025	**123,977**	**196,461**	**320,438**

Recognition and measurement

Property, plant and equipment is stated at historic cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is calculated on a diminishing value or straight line basis to allocate the cost of the assets over their expected useful lives, as follows:

Buildings	40 years
Furniture, fittings and equipment	2 – 20 years

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

Note 12. Intangible assets

	2025 $'000	2024 $'000
Goodwill – at cost	**3,617,293**	–
Less: Accumulated impairment	**–**	–
	3,617,293	–
Brand names – at cost	**149,604**	13,300
Less: Accumulated amortisation and impairment	**(1,748)**	–
	147,856	13,300
Other intangibles – at cost	**103,797**	–
Less: Accumulated amortisation and impairment	**(8,465)**	–
	95,332	–
Net book amount	**3,860,481**	**13,300**

Reconciliations

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

	Goodwill $'000	Brand names $'000	Other intangibles $'000	Total $'000
Balance at 1 July 2023	**–**	**4,800**	**–**	**4,800**
Additions	–	8,500	–	8,500
Balance at 30 June 2024	**–**	**13,300**	**–**	**13,300**
Additions	–	5,000	–	5,000
Business combinations	3,623,450	131,304	103,930	3,858,684
Disposals	(6,157)	–	(133)	(6,290)
Amortisation expense	–	(1,748)	(8,465)	(10,213)
Balance at 30 June 2025	**3,617,293**	**147,856**	**95,332**	**3,860,481**

Note 12. Intangible assets continued

Recognition and measurement

Intangible assets are carried at cost less accumulated depreciation and impairment losses where applicable. Intangible assets acquired separately are capitalised at cost or if arising from a business combination at fair value as at the date of acquisition.

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Company's share of the net identifiable assets acquired at the date of acquisition. Goodwill is measure at cost and subsequently measured at cost less any impairment losses.

Finite life intangibles

Certain brand names, trademarks, customer contracts and relationships have been assessed to have a finite useful life and are carried at cost less accumulated amortisation. Where acquired in a business combination cost represents the fair value at the date of acquisition. They are amortised over their expected useful lives, which vary for different categories of intangibles, generally ranging between:

- 25 to 40 years for Brand Names; and
- 3 to 14 years for Other Intangibles.

Impairment of goodwill, intangible assets and non-current assets

Assets with finite useful lives are subject to amortisation and are reviewed for impairment at each reporting period and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Goodwill and indefinite life intangible assets are tested annually, or more frequently when indicators of impairment are identified.

These tests are performed by assessing the recoverable amount of each individual asset or, if this is not possible, the recoverable amount of the cash generating unit (CGU) to which the asset belongs. CGUs are the smallest identifiable Group of assets and liabilities that generate cash inflows that are largely independent of the cash inflows from other assets or Groups of assets. An impairment loss is recognised for the amount by which the carrying amount of an asset or a CGU exceeds its recoverable amount.

For the purpose of impairment testing, an intangible asset with an indefinite life is allocated to each CGU that is expected to benefit from the synergies relating to the business combination, reflecting the lowest level for which the assets are monitored for internal management purposes.

The goodwill held by the Group is fully allocated to the Australian Healthcare CGU. Other CGUs which include overseas operations and stores are reviewed for indicators of impairment using both internal and external sources of information. Detailed impairment testing is completed where an indication of impairment is identified.

Impairment calculations

The recoverable amount of the Australian Healthcare CGU has been calculated based on the value in use model, using a discounted cash flow (DCF) approach.

The key assumptions used in the value in use model include the FY26 financial budget, sales growth, gross margin, cost of doing business and the discount rate. These assumptions are based on past experience and the Company's forecast operating and financial performance of the CGU taking into account current market and economic conditions, risks, uncertainties and opportunities for improvement for the CGU.

The DCF uses pre-tax cash flow projections over a 5-year period, extrapolated into perpetuity using a terminal growth rate. The cash flow projection for Years 1 to 3 is based on the most recent Board approved budget and forecast, with the remaining 2 years extrapolated using the long-term growth rate and is discounted at an appropriate after-tax discount rate of 8.5% (2024: n/a), taking into account the Group's weighted average cost of capital (WACC) adjusted for any risks specific to the CGU.

Terminal growth rate of 2.5% (2024: n/a) applied in the DCF are based on estimates of long-term inflation, GDP growth in the country in which the CGU primarily operates and estimates of long-term performance of each CGU.

The Group has conducted sensitivity analysis taking into consideration the current market and macro-economic conditions, which indicated that no reasonably possible change in key assumptions would result in an impairment loss. Accordingly, the Group concluded that no impairment is required based on current market and economic conditions and expected future performance.

Critical accounting estimates and assumptions

Goodwill and indefinite life intangible assets are tested for impairment on an annual basis, or more frequently if there are indicators of impairment. The determination of recoverable amount of the CGU which the assets are allocated to requires significant estimation of forecast future cash flows, discount rates and expected long-term growth rates.

Note 13. Trade and other payables

	2025 $'000	2024 $'000
Current liabilities		
Trade payables	**1,182,195**	638,340
Accruals	**141,408**	107,484
	1,323,603	**745,824**

Recognition and measurement

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually settled within 30 to 60 days of the invoice date. The carrying amounts of trade and other payables are considered to be same as their fair values, due to their short-term nature.

Note 14. Other liabilities

	2025 $'000	2024 $'000
Current liabilities		
Customer liabilities	**9,261**	12,803
Other liabilities – supplier contracts	**7,201**	7,208
	16,462	**20,011**
Non-current liabilities		
Customer liabilities	**6,709**	2,408
Other liabilities – supplier contracts	**10,395**	12,369
	17,104	**14,777**

Recognition and measurement

(a) Customer liabilities

Customer liabilities represent the Group's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Group recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Group has transferred the goods or services to the customer.

(b) Other liabilities – Supplier Contracts

Other liabilities – Supplier Contracts represent the Group's obligation to transfer goods or services to a supplier and are recognised when the supplier pays consideration, or when the Group recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Group has transferred the goods or service to the supplier.

Note 15. Provisions

	2025 $'000	2024 $'000
Current liabilities		
Employee benefit obligations	**39,753**	22,282
Make good provision	**3,921**	3,561
Provisions for returns or refunds	**124**	54
Other	**478**	–
	44,276	**25,897**
Non-current liabilities		
Employee benefit obligations	**3,233**	2,024
Make good provision	**25,720**	19,688
Other	**1,147**	–
	30,100	**21,712**

Employee benefits

Employee benefit obligations cover the Group's liabilities for long service leave and annual leave, and are classified as either long-term benefits or short-term benefits.

Amounts not expected to be settled within the next 12 months

The current portion of employee benefits liability includes all of the accrued annual leave, the unconditional entitlements to long service leave where the employees have completed the required period of service and also for those employees who are entitled to pro-rata payments in certain circumstances. The entire amount of the provision is presented as current, since the Group does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

The following amounts reflect leave that is not expected to be taken within the next 12 months:

	2025 $'000	2024 $'000
Employee benefits obligation expected to be settled after 12 months	**13,392**	9,007

Make good provision

The Group is required to restore some of the leased premises to their original condition at the end of the respective lease terms. A provision has been recognised for the present value of the estimated expenditure required to remove any leasehold improvements.

Movements in make good provision

Movements in the make good provision for each financial year are set out below:

	2025 $'000	2024 $'000
Carrying amount at the start of the year	**23,249**	22,628
Business combinations	**4,111**	–
Additional provisions recognised	**3,201**	2,701
Amounts used	**(920)**	(2,080)
Carrying amount at the end of the year	**29,641**	**23,249**

Recognition and measurement

Provisions for legal claims and make good obligations are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

(a) Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave, long service leave and accumulating sick leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled. Non-accumulating sick leave is expensed to profit or loss when incurred.

(b) Other long-term employee benefits

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

(c) Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Note 16. Leases

(a) Right-of-use assets

	2025 $'000	2024 $'000
Non-current assets		
Buildings	**544,450**	392,580
Less: Accumulated depreciation and impairment	**(315,068)**	(288,579)
	229,382	**104,001**
Equipment	**20,317**	17,119
Less: Accumulated depreciation	**(10,970)**	(8,100)
	9,347	**9,019**
	238,729	**113,020**

Reconciliations

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

	Buildings $'000	Equipment $'000	Total $'000
Balance at 1 July 2023	**103,729**	**9,197**	**112,926**
Additions	17,851	3,929	21,780
Remeasurements	(1,601)	(1,210)	(2,811)
Depreciation expense	(15,978)	(2,897)	(18,875)
Balance at 30 June 2024	**104,001**	**9,019**	**113,020**
Additions	22,922	349	23,271
Business combinations	127,884	3,184	131,068
Remeasurements	352	89	441
Impairment expense	(1,874)	–	(1,874)
Depreciation expense	(23,903)	(3,294)	(27,197)
Balance at 30 June 2025	**229,382**	**9,347**	**238,729**

Recognition and measurement

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

The Group leases various offices, warehouses, retail stores and equipment. Rental contracts are made for fixed periods of 12 months to 19 years but may have extension option.

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

Right-of-use assets that meet the definition of investment property are measured at cost.

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

Impairment assessment

The Group tests right-of-use assets for impairment to ensure they are not carried above their recoverable amounts where there is an indication that assets may be impaired (which is assessed at least at each reporting date).

These tests are performed by assessing the recoverable amount of each individual asset or, if this is not possible, the recoverable amount of the cash generating unit (CGU) to which the asset belongs. CGUs are the lowest levels at which assets are Grouped and generate separately identifiable cash inflows and outflows.

The carrying values of the right-of-use assets are reviewed for impairment annually. If an indication of impairment exists, and where the carrying value of the asset exceeds the estimated recoverable amount, the assets or cash-generating units (CGU) are written down to their recoverable amount. The recoverable amount is the greater of fair value less costs of disposal and value-in-use. Value-in-use refers to an asset's value based on the expected future cash flows arising from its continued use, discounted to present value using a post-tax discount rate that reflect current market assessments of the risks specific to the asset. The recoverable amount was estimated on an individual lease basis.

(b) Lease receivables

	2025 $'000	2024 $'000
Current assets		
Lease receivables	139,656	118,628
Non-current assets		
Lease receivables	821,668	741,823

The Group holds the head lease for a number of franchised and other stores. The Group sub-licences under the same terms and conditions as the head lease. The lease payments are considered fixed, and these sub-license arrangements are classified as finance leases.

	2025 $'000	2024 $'000
Commitments in relation to receivables are as follows:		
Within one year	140,540	118,477
Later than one year but not later than five years	731,884	597,013
Later than five years	381,966	364,413
Minimum lease receivables	**1,254,390**	**1,079,903**
Unearned interest income	(293,066)	(219,452)
Total lease receivables	**961,324**	**860,451**

(c) Lease liabilities

	2025 $'000	2024 $'000
Current liabilities		
Lease liability	157,975	131,325
Non-current liabilities		
Lease liability	1,021,846	849,598

	2025 $'000	2024 $'000
Reconciliation of lease liabilities		
Lease liabilities at beginning of the year	980,923	924,475
Lease remeasurements agreed during the year	59,888	60,902
Additional leases entered into during the year	152,280	120,503
Business combinations	126,514	–
Interest expense	58,619	49,854
Lease payments	(198,403)	(174,811)
Lease liabilities at end of the year	**1,179,821**	**980,923**

Note 16. Leases continued

Recognition and measurement

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

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

(d) Amounts recognised in the consolidated statement of profit or loss and other comprehensive income

	2025 $'000	2024 $'000
Depreciation expense on right-of-use assets	**27,197**	18,875
Interest expense on lease liabilities	**58,619**	49,854
Rent expense of variable and short-term leases	**16,613**	5,723
	102,429	**74,452**

Rent expenses on leases

The expenses incurred are for short-term leases and leases of low-value assets (such as tablets and personal computers, small items of office furniture and telephones). The Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

These leases are not included in right-of-use assets or corresponding lease liabilities in accordance with AASB 16 *Leases*.

Critical accounting estimates and assumptions

(i) Right-of-use asset impairment

The Group tests right of use assets for impairment to ensure they are not carried above their recoverable amounts where there is an indication that assets may be impaired (which is assessed at least at each reporting date).

(ii) Lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The Group also considers factors including historical lease durations and the costs and business disruption required to replace the leased asset.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

(iii) Classification of Leases

The Group holds the head lease for the majority of franchised stores and sub-licenses these to franchisees.

Where the Group sub-licenses the location to franchisees under the same terms and conditions as the head lease and the lease payments are considered fixed, the sublease arrangement is classified as a finance lease.

Section 3: Capital and risk management

Note 17. Notes to the statement of cash flows

(a) Reconciliation of cash and cash equivalents

Cash and cash equivalents include cash balances, demand deposits held at call with financial institutions and highly liquid investments and notes with maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

	2025 $'000	2024 $'000
Current assets		
Cash and bank balances	**138,774**	273,124
	138,774	**273,124**

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

	2025 $'000	2024 $'000
Profit/(loss) after income tax expense for the year	**525,455**	539,657
Adjustments for:		
Depreciation and amortisation	**55,982**	35,271
Share of profits of associates and joint ventures accounted for using the equity method	**(30,211)**	(23,059)
Share-based payments	**1,980**	15,513
Fair value loss/(gains) on non-current financial assets at fair value through profit or loss	**317**	528
Impairment expense	**2,114**	–
Other non-cash adjustments	**(3,830)**	(3,830)
Change in operating assets and liabilities, net of effects from business combinations:		
(Increase) in trade and other receivables	**(103,752)**	(294,321)
(Increase) in inventories	**(57,255)**	(117,838)
Decrease/(increase) in deferred tax assets	**15,395**	(30,756)
(Increase)/decrease in other operating assets	**(13,693)**	22,470
Increase in trade and other payables	**99,484**	156,267
Increase/(decrease) in other liabilities	**10,200**	(13,600)
Increase/(decrease) in provision for income tax	**111,239**	(17,098)
(Decrease)/increase in other provisions	**(14,597)**	3,973
Net cash from operating activities	**598,828**	**273,177**

Note 18. Issued capital

	2025 No. of shares (thousands)	2024 No. of shares (thousands)	2025 $'000	2024 $'000
Ordinary shares – fully paid	11,543,703	1,557,400	4,391,567	553,699
Treasury shares	(42,440)	–	11,732	–
Total contributed equity	**11,501,263**	**1,557,400**	**4,403,299**	**553,699**

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

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

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Treasury shares

The shares held by Sigma Employee Share Administration Pty Ltd are treasury shares which are the Company's ordinary shares which, as at the end of the year, have not vested to Group employees, and therefore controlled by the Group.

(a) Movements in ordinary share capital

	2025 No. of shares (thousands)	2024 No. of shares (thousands)	2025 $'000	2024 $'000
Details				
Opening balance at beginning of financial year	1,557,400	1,553,282	553,699	549,391
Issue of shares pre-acquisition	10,457	4,118	47,900	4,308
Ordinary share capital of CW Group Holdings Limited	1,567,857	1,557,400	601,599	553,699
Exchange of Chemist Warehouse shares for the Company's shares	(1,567,857)	–	–	–
Shares to effect deemed acquisition of Sigma, net of share issuance costs	1,635,539	–	4,489,968	–
Company shares issued to Chemist Warehouse shareholders on acquisition(i)	9,906,181	–	–	–
Capital distribution to Chemist Warehouse shareholders as part of acquisition(ii)	–	–	(700,000)	–
Conversion of performance rights to ordinary shares	1,983	–	–	–
Balance at the end of the financial year	**11,543,703**	**1,557,400**	**4,391,567**	**553,699**

(i) Issue of 9,906,180,588 shares to the shareholders of CW Group Holdings Limited as consideration for 100% of the shares held in CW Group Holdings Limited – refer to Note 25 Business Combinations.

(ii) $700.0m cash payment to existing Chemist Warehouse shareholders under the Merger Implementation Agreement. This cash payment is treated as an equity transaction in the form of a distribution as the $700.0m was paid to the Chemist Warehouse (accounting acquirer) shareholders. Under AASB 132 Financial Instruments: Presentation, this cash payment is recognised as a deduction to equity.

Reverse acquisition impact

Under AASB 3 Business Combinations, in the event of a reverse acquisition, the amount recognised as issued equity interests in the consolidated financial statements is determined by adding the issued equity interest of the legal subsidiary (the accounting acquirer) outstanding immediately before the business combination to the fair value of the legal parent (accounting acquiree).

However, the equity structure (i.e. the number and type of equity interests issued) reflects the equity structure of the legal parent (the accounting acquiree), including the equity interests the legal parent issued to effect the combination.

Accordingly, the equity structure of the legal subsidiary (the accounting acquirer) is restated using the exchange ratio established in the scheme of arrangement (Scheme) to reflect the number of shares of the legal parent (the accounting acquiree) issued in the reverse acquisition.

(b) Movements in treasury share capital

	2025 No. of shares (thousands)	2024 No. of shares (thousands)	2025 $'000	2024 $'000
Details				
Opening balance at beginning of financial year	–	–	–	–
Treasury shares of the Company	(57,189)	–	–	–
Employee shares exercised	14,749	–	7,182	–
Reclassification of settled and expired share-based transactions	–	–	4,550	–
Balance at the end of the financial year	**(42,440)**	**–**	**11,732**	**–**

(c) Capital management

Capital of the Group is managed in order to safeguard the ability of the Group to continue as a going concern, to provide returns to shareholders, to provide benefits for other stakeholders and to maintain an optimal capital structure.

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

There are no externally imposed capital requirements.

For information on dividends refer to Note 21.

Note 19. Reserves

	2025 $'000	2024 $'000
Financial assets at fair value through other comprehensive income reserve	**(5,295)**	(8,435)
Foreign currency translation reserve	**2,578**	(369)
Share-based payments reserve	**60,015**	17,938
Merger reserve	**(63,321)**	(63,321)
	(6,023)	**(54,187)**

Financial assets at fair value through other comprehensive income reserve

The Group has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the fair value through other comprehensive income reserve within equity. The Group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

Foreign currency translation reserve

Exchange differences arising on translation of foreign controlled entities are recognised in other comprehensive income and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

Share-based payments reserve

The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration.

Merger reserve

Reserve created as a result of common control transactions at book value for accounting purposes with no fair value adjustments.

Common control transactions include the combining of entities which are ultimately controlled by the same party (or parties) both before and after the transaction. Assets and liabilities acquired as part of the common control transactions are recorded at book value and no fair value adjustments are made.

For transactions in which combining entities are controlled by the same party or parties before and after the transaction and where that control is not transitory are referred to as common control transactions. The Group's accounting policy for the acquiring entity is to account for the transaction at book values on a prospective basis as reflected in the consolidated financial statements of the selling entity.

The excess of the cost of the transaction over the acquirer's proportionate share of the net assets value acquired in common control transactions, will be allocated to the merger reserve in equity.

Movements in reserves

Movements in each class of reserve during the current and previous financial years are set out below:

	Financial assets at FVOCI $'000	Foreign currency translation $'000	Share-based payments $'000	Merger $'000	Total $'000
Balance at 1 July 2023	**(8,413)**	**432**	**2,425**	**(59,196)**	**(64,752)**
Revaluations, net of tax	920	–	–	–	920
Transfer of reserves to retained profits, net of tax	(942)	–	–	–	(942)
Foreign currency translation, net of tax	–	(801)	–	–	(801)
Share-based payments expenses	–	–	15,513	–	15,513
Acquisition of non-controlling interest	–	–	–	(4,125)	(4,125)
Balance at 30 June 2024	**(8,435)**	**(369)**	**17,938**	**(63,321)**	**(54,187)**
Revaluations, net of tax	14,182	–	–	–	14,182
Transfer of reserves to retained profits, net of tax	(11,304)	–	–	–	(11,304)
In substance replacement equity-settled employee share awards, arising from reverse acquisition (note 25)	–	–	40,901	–	40,901
Foreign currency translation, net of tax	–	2,651	–	–	2,651
Share-based payments expenses	–	–	1,980	–	1,980
Other	262	296	(804)	–	(246)
Balance at 30 June 2025	**(5,295)**	**2,578**	**60,015**	**(63,321)**	**(6,023)**

Note 20. Retained earnings

	2025 $'000	2024 $'000
Retained earnings at the beginning of the financial year	222,906	(101,348)
Profit after income tax expense for the year	529,914	541,013
Transfer of gain on disposal of equity investments at FV through OCI to retained profits, net of tax	11,304	942
Transfer from share-based payments reserve	21	–
Transfer from treasury shares to retained earnings for shares settled or forfeited	(4,551)	–
Transfer between foreign currency translation reserve	(295)	–
Dividends provided for or paid (note 21)	(486,036)	(217,701)
Retained profits at the end of the financial year	273,263	222,906

Note 21. Dividends

Dividends provided for or paid during the financial year were as follows:

	2025		2024	
	Cents per share	$'000	Cents per share	$'000
Final dividend – prior year	9.5	148,946	6.5	100,963
Interim dividend – current year	21.5	337,090	7.5	116,738
Dividends recognised	31.0	486,036	14.0	217,701
Dividends provided for or paid by the Group	31.0	486,036	14.0	217,701

The above disclosure represents the dividends recognised by Chemist Warehouse (pre-merger) only.

All dividends declared and subsequently paid have been franked to 100% at the 30% company income tax rate.

Franking credits

	2025 $'000	2024 $'000
Franking credits available for subsequent financial years based on a tax rate of 30% (2024: 30%)	186,453	161,640

The above amounts are calculated from the balance of the franking account as at the end of the reporting period, adjusted for franking credits and debits that will arise from the settlement of liabilities or receivables for income tax and dividends after the end of the year.

Recognition and measurement

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

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the financial year but not distributed at the reporting date.

Note 22. Borrowings

	2025 $'000	2024 $'000
Current		
Secured – Bank facilities	–	–
Unsecured – Other loans*	35,643	32,776
	35,643	32,776
Non-current		
Secured – Bank facilities	855,292	–
Unsecured – Other loans*	–	300,000
	855,292	300,000
	890,935	332,776

* Further information relating to loans from related parties is set out in Note 32.

Senior Secured Syndicated Facility Agreement

The Group has a Senior Secured Syndicated Facility Agreement with its lenders, which includes:

- Facility A – revolving cash advance facility of $940 million
- Facility C – re-drawable multi-option facility of $60 million[1]
- Facility D – revolving cash advance facility of $500 million

1. Facility C is for the issuance of bank guarantees – refer to Note 34 for further details.

All three facilities expire on 10 February 2028. Refer to Note 23 for further details on the Group's financing facilities.

Loan covenant

Under the terms of the Senior Secured Syndicated Facility Agreement, the Group is required to comply with a fixed charge cover ratio (FCCR) covenant where the Cover Ratio is not less than 2.0x at the end of each annual and interim reporting period. The ratio is a measure of how the Group's earnings can be used to cover its interest and other financing costs and certain other charges.

The Group has complied with the financial covenant throughout the reporting period. There are no indications that the Group would have difficulties complying with the covenants when they will be next tested as at the 31 December 2025 interim reporting date and for the next financial year ending 30 June 2026.

Recognition and measurement

Borrowings are recognised initially at fair value less attributable transaction costs. Subsequently borrowings are stated at amortised cost. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months from balance date and intends to do so.

Borrowing costs capitalised

The amount of borrowing costs capitalised for the year ended 30 June 2025 relating to the borrowings was $9,708,000 (2024: nil). The interest rate applicable to the debt facilities is variable, and the Group does not hedge the interest rate. The costs associated with the debt facilities are recorded in "Finance costs" in the consolidated statement of profit or loss and other comprehensive income.

Note 23. Financial risk management

This note explains the Group's exposure to financial risks and how these risks could affect the Group's future financial performance. Current year profit or loss information has been included where relevant to add further context.

The Group's activities expose it to a variety of financial risks, including market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk. The Group's risk management is predominantly controlled and carried out by senior finance executives under policies approved by the Board of Directors ('the Board').

These policies include identification and analysis of the risk exposure of the Group and appropriate procedures, controls and risk limits. These policies require periodic reporting to the Board.

The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

(a) Market risk

(i) Foreign currency risk

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

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

The Group's exposure to foreign currency risk at the end of the reporting period, expressed in Australian dollar, was as follows:

	CNY $'000	USD $'000	NZD $'000	GBP $'000	EUR $'000	AED $'000
2025						
Trade and other payables	(422)	(2,346)	(13,409)	(122)	(11,204)	(567)
Trade and other receivables	2,463	1,240	38,821	1	–	–
2024						
Trade and other payables	–	(7,467)	(8,316)	(692)	(992)	–
Trade and other receivables	4,174	–	–	–	–	–

(ii) Cash flow and fair value interest rate risk

The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk.

The Group may seek to mitigate its exposure to fluctuations in interest rates by entering into interest rate hedging contracts for a portion of forecast interest rate exposures. The Group did not enter into any interest rate hedge contracts during the year ended 30 June 2025 (2024: nil).

Holding all other variables constant at the reporting date, applying a sensitivity of 100 basis points to the weighted average interest rate for the Group's long-term borrowings results in an impact of +/- $6.1 million on post tax profit.

Note 23. Financial risk management continued

(b) Credit risk

Credit risk arises from cash and cash equivalents as well as credit exposures to wholesale and retail customers, including outstanding receivables.

Risk management

Credit risk is managed on a Group basis. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted.

Risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The compliance with credit limits by wholesale customers is regularly monitored by line management.

Sales to retail customers are required to be settled in cash or using major credit cards, mitigating credit risk. There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

The Group's trade receivables are subject to the expected credit loss model. Refer to Note 7 for the Group's assessment of expected losses. While cash and cash equivalents are also subject to the impairment requirements of AASB 9, the identified impairment loss was immaterial.

(c) Liquidity risk

Vigilant liquidity risk management requires the Group to maintain sufficient liquid assets (mainly cash and cash equivalents).

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

Financing arrangements

The Group had access to the following borrowing facilities at the end of the reporting period:

	2025 $'000	2024 $'000
Secured bank loan facilities:		
Amount used	865,000	–
Amount unused	575,000	100,000
	1,440,000	100,000

The above does not include the bank guarantee facility of $60.0 million – refer to Note 34.

The weighted average term to maturity of committed bank facilities and rolling cash flow forecasts are periodically provided to management and the Board.

Revolving Facility Agreement

During the current financial year, the Group terminated its existing Revolving Facilities with Westpac Banking Corporation ($50.0 million) and National Australia Bank ($50.0 million).

Refer to Note 22 Borrowings for further details on the Group's current financing facilities.

Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

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

2025	1 year or less $'000	Between 1 and 5 years $'000	Over 5 years $'000	Remaining contractual maturities $'000
Non-derivatives				
Non-interest bearing				
Trade payables	**1,182,195**	**–**	**–**	**1,182,195**
Interest-bearing – fixed				
Lease liability	**156,180**	**803,967**	**527,081**	**1,487,228**
Loans payable	**901,860**	**–**	**–**	**901,860**
Total non-derivatives	**2,240,235**	**803,967**	**527,081**	**3,571,283**

2024	1 year or less $'000	Between 1 and 5 years $'000	Over 5 years $'000	Remaining contractual maturities $'000
Non-derivatives				
Non-interest bearing				
Trade payables	638,340	–	–	638,340
Interest-bearing – fixed				
Lease liability	124,026	615,815	379,379	1,119,220
Loans payable	32,776	–	302,386	335,162
Total non-derivatives	**795,142**	**615,815**	**681,765**	**2,092,722**

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

Note 24. Fair value measurement

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

- **Level 1:** The fair value of financial instruments traded in active markets (such as publicly equity securities) is based on quoted market prices at the end of the reporting period. The quoted market prices used for financial assets held by the Group is the current price. These instruments are included in level 1.
- **Level 2:** The fair value of financial instruments that are not traded in an active market (e.g., over-the-counter derivatives) is determined using valuation techniques which maximise use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
- **Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case of unlisted equity securities.

2025	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Assets				
Investments at fair value through other comprehensive income	5,245	–	26,741	31,986
Investments at fair value through profit or loss	100	–	4,608	4,708
Total assets	**5,345**	**–**	**31,349**	**36,694**

2024	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Assets				
Investments at fair value through other comprehensive income	40,588	–	18,866	59,454
Investments at fair value through profit or loss	472	–	1,790	2,262
Total assets	**41,060**	**–**	**20,656**	**61,716**

During the year, the following gains/(losses) were recognised in profit or loss and other comprehensive income:

	2025 $'000	2024 $'000
Gains/(losses) on equity investments, net of tax	14,182	920

Financial assets at fair value through other comprehensive income

Financial assets at FVOCI comprise equity securities which are not held for trading, and which the Group has irrevocably elected at initial recognition to recognise in this category. These are strategic investments, and the Group considers this classification to be more relevant.

Recognition and measurement

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

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

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Section 4: Group structure

Note 25. Business combinations

(a) Sigma Healthcare Limited

On 12 February 2025, the implementation of the scheme of arrangement ("Scheme"), under which Sigma Healthcare Limited ("Sigma) would acquire 100% of the issued shares in CW Group Holdings Limited ("Chemist Warehouse"), was completed. The merger creates a leading Australian retail pharmacy franchisor and a full-line pharmaceutical wholesaler and distributor, and delivers significant growth opportunities in Australia and internationally.

Under the Scheme, Sigma Healthcare Limited acquired all the shares in Chemist Warehouse. The transaction resulted in the previous Chemist Warehouse shareholders receiving $700.0 million cash and 9,906,180,588 Sigma shares.

Sigma is the legal acquirer of Chemist Warehouse. For financial reporting purposes, Chemist Warehouse will be identified as the accounting acquirer, known as a reverse acquisition, when applying AASB 3 *Business Combinations*. Chemist Warehouse is identified as the accounting acquirer, and Sigma the accounting acquiree, because the shareholders of Chemist Warehouse obtained control of the combined Group (85.8% shareholdings), the change in Board composition with four Chemist Warehouse shareholders appointed as directors and the relative size of the two businesses.

Under AASB 3, the purchase consideration is determined with reference to the value of shares that Chemist Warehouse would have needed to issue in order to acquire Sigma at the acquisition date, being $4,494.5 million. The $700.0 million cash payment is a capital distribution to the previous Chemist Warehouse shareholders, and therefore is accounted for separately to the business combination.

AASB 3 *Business Combinations* requires that the consolidated financial statements prepared following a reverse acquisition to be issued under the name of the legal parent (Sigma) but be a continuation of the financial statements of the legal subsidiary (Chemist Warehouse, which is the acquirer for accounting purposes).

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

	$'000
Purchase consideration:	
Ordinary shares issued	4,494,460
In-substance replacement employee share awards	55,824
	4,550,284

The fair value of the consideration transferred by Chemist Warehouse has been determined based on the fair value of equity interest that Chemist Warehouse would have had to issue at the date of acquisition to give the owners of Sigma the same ownership in the Consolidated Group. The fair value of equity interest was determined with reference to the published share price of Sigma Healthcare Limited on acquisition date.

The in-substance replacement employee share awards represent the fair value of Sigma's employee share plans issued pre-merger, attributed services rendered by employees pre-merger and remains on foot at acquisition date.

In accordance with AASB 3, purchase consideration includes replacement employee share awards issued by the accounting acquirer for existing awards issued by the acquiree to its employees, to the extent that the market-based measure of the replacement awards is attributed to pre-merger services rendered by the employees. Whilst Chemist Warehouse did not issue replacement awards to Sigma's employees, the effects of the merger resulting in modification to the employee share awards are assessed to be in substance replacements issued by the Merged Group.

The cash distribution of $700.0m under the Scheme is deemed to be a capital distribution and has been accounted for as a reduction to issued capital – refer to Note 18 Issued Capital.

Note 25. Business combinations continued

The provisionally determined fair values of the assets and liabilities recognised as a result of the acquisition are as follows:

	$'000
Cash and cash equivalents	157,761
Trade receivables	1,124,050
Inventories	355,756
Land and buildings	125,004
Furniture, fittings and equipment	124,745
Right-of-use assets	131,068
Other assets	47,200
Intangible assets	224,734
Trade payables	(852,614)
Other liabilities	(6,078)
Provisions	(10,255)
Lease liabilities	(126,514)
Borrowings	(271,114)
Deferred tax liability	(51,128)
Non-controlling interests	(1,477)
Net identifiable assets acquired	**971,138**
Add: provisional goodwill arising on acquisition	3,579,146
Net assets acquired	**4,550,284**

Certain items within the accounting for the reverse acquisition of Sigma Healthcare Limited remain provisional as at 30 June 2025 due to ongoing work finalising valuations which may impact acquisition accounting entries. The Group will finalise its accounting for the reverse acquisition in the financial statements of the Group for the year ending 30 June 2026.

The provisional goodwill arising on acquisition is attributable to various factors, including workforce in place, cost synergies and distribution network and geographic presence. It will not be deductible for tax purposes. As at 30 June 2025, the provisional goodwill is allocated to the Australian Healthcare CGU.

Acquired receivables

The fair value of acquired trade receivables is $1,124.1m. The gross contractual amount for trade receivables due is $1,131.4m, with a loss allowance of $7.3m recognised on acquisition.

Revenue and profit contribution

The acquired business contributed revenues of $2,428.2m and earnings before interest and tax (EBIT) of $18.8m to the Group for the period from 12 February to 30 June 2025.

If the acquisition had occurred on 1 July 2024, consolidated pro-forma revenue and EBIT for the year ended 30 June 2025 would have been $9,584.6m and $879.2m respectively. These amounts have been calculated using the acquiree's results and adjusting them for:

- differences in the accounting policies;
- elimination in intercompany transactions;
- merger related costs which represent the non-recurring costs incurred by both the acquirer and acquiree in association with the merger. These costs include financial advisory, legal, regulatory, accounting, tax and other costs and do not relate to the ongoing operations of the Merged Group;
- integration costs incurred to integrate the Sigma and Chemist Warehouse businesses, post-merger; and
- the additional depreciation and amortisation that would have been charged on the assumption that the fair value adjustments to PPE and intangible assets had applied from 1 July 2024, together with consequential tax effects.

The calculation does not account for any changes in business operations or strategy.

Acquisition related costs

Acquisition related costs of $46.6m that were not directly attributable to the issue of shares are included in general and administrative expenses in the statement of profit or loss and other comprehensive income and in operating cash flows in the statement of cash flows.

(b) DPP Pharmaceuticals Pty Limited

On 1 July 2024, the Group completed the acquisition of 100% of the issued units of DPP Pharmaceuticals Unit Trust and 100% of the shares in DPP Pharmaceuticals Pty Ltd (DPP), a developer and seller of healthcare products for a consideration of $47.9 million. The acquisition provides the Group with control of additional healthcare brands that will complement the offerings that the Group provides its customers.

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

	$'000
Ordinary shares issued	47,900

The assets and liabilities recognised as a result of the acquisition are as follows:

	Fair value $'000
Cash and cash equivalents	4,205
Trade and other receivables	4,271
Inventories	5,600
Other current assets	1,034
Intangible assets	10,500
Other non-current assets	96
Trade and other payables	(1,632)
Financial liabilities at amortised cost	(12,195)
Deferred tax liability	(3,561)
Net identifiable assets acquired	**8,318**
Add: Goodwill	39,582
Net assets acquired	**47,900**

Goodwill is attributable to DPP's strong position and profitability as well as synergies expected to arise as a result of the acquisition. Goodwill is not tax deductible.

Acquired trade receivables

The fair value of trade and other receivables is $4.3m. The gross contractual amount for trade receivables due is $4.3m, of which no amount is expected to be uncollectible.

Recognition and measurement

Business combinations are accounted for using the acquisition method. Identifiable assets, liabilities and contingent liabilities acquired are measured at fair value at the acquisition date.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (no more than 12 months from the acquisition date), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

Note 26. Results of Sigma Consolidated Group pre-transaction

The following represents the pre-transaction summarised results for the consolidated Group of Sigma Healthcare Limited between the period 1 February 2025 and the day before the transaction close date of 12 February 2025. This is provided for information purposes only and does not reflect the position of the Group going forward.

This is as a result of the reverse acquisition accounting being applied as of 12 February 2025, where Chemist Warehouse has been identified as the accounting acquirer of the existing Sigma Group.

This disclosure has been included to provide the users of the financial statements with relevant information for the period from the last audited financial results of Sigma (year ended 31 January 2025) to the Merger Implementation date (12 February 2025), as a result of the reverse acquisition.

	1 Feb 25 – 11 Feb 25[1] 11 days $'000	1 Feb 24 – 31 Jan 25[2] 12 months $'000
Results of the pre-transaction consolidated Group		
Loss for the period	(1,181)	(12,918)
Other comprehensive income	61	1,822
Total comprehensive loss for the period	**(1,120)**	**(11,096)**

	As at 11 Feb 25[1]	As at 31 Jan 25[2]
Financial position of the pre-transaction Group at period end		
Current assets	1,985,331	1,376,791
Total assets	3,136,989	1,830,567
Current liabilities	900,789	864,967
Total liabilities	2,297,881	991,289
Total equity of the pre-transaction Group comprising of:		
Share capital	1,641,069	1,641,069
Revaluation reserve	(2)	(280)
Reserve for own shares	(2,456)	(3,400)
Non-controlling interest	1,477	1,418
Retained earnings/(Accumulated losses)	(800,980)	(799,529)
Total equity	**839,108**	**839,278**

1. The results and financial position of the pre-transaction Group does not include elimination entries or fair value adjustments arising from implementation for the merger.
2. The comparatives in this Note are included in the audited Sigma Healthcare Limited financial statements for the year ended 31 January 2025.

Note 27. Interests in other entities

(a) Subsidiaries

The consolidated financial statements include the assets, liabilities and results of the following controlled entities:

Name		Ownership interest 2025 %	Ownership interest 2024 %	Name		Ownership interest 2025 %	Ownership interest 2024 %
Sigma entities[2]							
Sigma Healthcare Limited[1,4]		n/a	–	Sigma Company Limited[1]		100	–
Chemist Club Pty Ltd		100	–	Guardian Pharmacies Australia Pty Ltd		100	–
Allied Master Chemists of Australia Limited[1]		100	–	Pharmacy Wholesalers (Wellington) Limited	#	100	–
Sigma Employee Share Administration Pty Ltd		100	–	QDL Limited[1]		100	–
Sigma NZ Limited	#	100	–	Medical Industries Australia Hold Co. Pty Ltd		100	–
Sigma (W.A.) Pty Ltd		100	–	PriceSave Pty Ltd		100	–
Sigma Healthcare Logistics Pty Ltd[1]		100	–	Discount Drugstores Pty Ltd		100	–
Linton Street Pty Ltd		100	–	Crucible Health Pty Ltd		100	–
PharmaSave Australia Pty Ltd		100	–	ACN 133 432 096 Pty Ltd		100	–
MPS Hold Co. Pty Ltd[1]		100	–	ACN 141 734 723 Pty Ltd		100	–
Tromax Pty Ltd		100	–				
Sigma Healthcare Hospital Services Pty Ltd		100	–				
Chemist Warehouse entities[3]							
CW Group Holdings Limited[1,5]		100	n/a	The Trustee for Socialized Unit Trust		100	100
CW Retail Pty Ltd		100	100	Chemist Warehouse Limited	#	100	100
CW Retail Holdings Pty Ltd		100	100	CW Retail Services (NZ) Pty Ltd	#	100	100
CW Management Pty Ltd		100	100	CWIRE Retail Holdings Limited	&	70	70
CW Media Pty Ltd		100	100	CWIRE Retail 1 Limited	&	70	70
CW Leasing Services Pty Ltd		100	100	CWIRE Retail 2 Limited	&	70	70
CW China Pty Ltd		100	100	CWIRE Retail 3 Limited	&	70	70
CW Retail Services Pty Ltd		100	100	CWIRE Retail 4 Limited	&	70	70
CW NZ Pharmacy Pty Ltd[1]		100	100	CWIRE Retail 5 Limited	&	70	70
CW Leasing NZ Pty Ltd		100	100	CWIRE Retail 6 Limited	&	70	70
CW Treasury Services Pty Ltd		100	100	CWIRE Retail 7 Limited	&	70	70
ePharmacy Holdings Pty Ltd[1]		100	100	CWIRE Retail 8 Limited	&	70	70
ePharmacy Group Pty Limited[1]		100	100	CWIRE Retail 9 Limited	&	70	70
ePharmacy Internet Sales Pty Ltd		100	100	CWIRE Retail 10 Limited	&	70	70
Game-On Product Group Pty Ltd		100	100	CWIRE Retail 11 Limited	&	70	70
BSAP Solutions Pty Ltd		100	100	CWIRE Retail 12 Limited	&	70	70
CW IP Pty Ltd		100	100	CWIRE Retail 13 Limited	&	70	70
Socialized Pty Ltd		100	100	CWIRE Retail 14 Limited	&	70	70
Market Reach Pty Ltd		100	100	CWIRE Retail 15 Limited	&	70	70
Bondi Perfume Company Pty Ltd		100	100	CWIRE Retail 16 Limited	&	70	70
CW Hospital Services Pty Ltd		100	100	CWIRE Retail 17 Limited	&	70	70
CW Macau Pty Ltd		100	100	CWIRE Retail 18 Limited	&	70	70
CW Retail Asia Pty Ltd		100	100	CWIRE Retail 19 Limited	&	70	70
Wagner Pharmaceuticals Pty Ltd[1]		100	100	CWIRE Retail 20 Limited	&	70	70
Instant Consult Pty Ltd		60	60	CWIRE Retail 21 Limited	&	70	70
Optometrist Warehouse Pty Ltd		70	70	CWIRE Retail 22 Limited	&	70	70
CW Account Services Pty Ltd		100	100	CWIRE Retail 23 Limited	&	70	70
CW Retail Trust		100	100	CWIRE Retail 24 Limited	&	70	70
CW Retail Holdings Trust		100	100	CWIRE Retail 25 Limited	&	70	70
CW Management Trust		100	100	CWIRE Retail 26 Limited	&	70	70
CW Media Trust		100	100	CWIRE Retail 27 Limited	&	70	70

Note 27. Interests in other entities continued

		Ownership interest	
		2025	2024
Name		%	%
CW Leasing Services Trust		100	100
CW China Trust		100	100
CW Retail Services Trust		100	100
CW Leasing NZ Unit Trust		100	100
Stratosphere Media Agency Pty Ltd		100	100
Stratosphere NZ Limited	#	100	100
CW IP Unit Trust		100	100
ePharmacy Unit Trust		100	100
CWIRE Retail 28 Limited	&	70	70
CWIRE Retail 29 Limited	&	70	70
CWIRE Retail 30 Limited	&	70	70
Chemist Warehouse Ireland Limited	&	100	100
CWH Pharmacy LLC	^	60	–
DPP Pharmaceuticals Trust		100	–
DPP Pharmaceutical Pty Limited		100	–
GM Pharma International Pty Ltd		100	–

1. These companies are subject to a deed of cross guarantee (note 30).
2. Chemist Warehouse completed the reverse acquisition of Sigma on 12 February 2025.
3. In the year ended 30 June 2024 the Group comprised only of Chemist Warehouse group entities.
4. For accounting purposes considered a subsidiary, however, for legal purposes considered the parent entity.
5. At 30 June 2024 CW Group Holdings Limited was the legal parent entity.

All subsidiaries are incorporated in Australia unless identified by one of the following symbols:

New Zealand
& Ireland
^ UAE

(b) Interests in associates and joint ventures

The Group does not have any individual material associates or joint ventures. Throughout the Group's international store network, the Group accounts for 61 entities that operate Chemist Warehouse stores as joint ventures. Refer to Note 28 Investments accounted for using the equity method.

During the current financial year, the Group acquired a minority interest in a number of entities. The Group has assessed that it has significant influence over these entities and therefore, has accounted for its investments using the equity method – refer to Note 28.

NostraData Pty Ltd (NostraData)

On 12 February 2025, the Group disposed of 5.1% interest in NostraData Pty Ltd, such that the Group's total shareholding has decreased from 51.0% in FY24 to 45.9%.

Consequently, from 12 February 2025, the Group reclassified the accounting for its investment in NostraData from being a consolidated subsidiary to equity method for investment in associates under AASB 128 Investments in Associates and Joint Ventures as the Group no longer has control over NostraData.

Changes in ownership interests

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

When the Group ceases to consolidate or equity account for an investment because of loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

Critical accounting estimates and assumptions

Consolidation assessment of franchisees

In determining whether the franchisees require to be consolidated with the Group an assessment of control was made. For a number of reasons, including consideration of equity interest, voting rights and decision-making authority, it was determined that the Group does not have substantive power over the Australian franchisees and therefore does not control them. Australian franchisees are therefore not consolidated with the Group.

Note 28. Investments accounted for using the equity method

	2025 $'000	2024 $'000
Non-current assets		
Investments in associates	**11,862**	159
Investments in joint ventures	**31,237**	44,861
	43,099	**45,020**

Movements in investments in joint ventures for the period are set out below:

	2025 $'000	2024 $'000
Opening balance at the start of the period	**44,861**	22,311
Profit for the period	**29,514**	22,550
Dividends paid/payable	**(43,138)**	–
Carrying amount at the end of the period	**31,237**	**44,861**

Movements in investments in associates for the period are set out below:

	2025 $'000	2024 $'000
Opening balance at the start of the period	**159**	498
Additions to investments in associates during the period	**11,006**	–
Distributions from investments in associates during the period	**–**	(847)
Profit for the period	**697**	508
Carrying amount at the end of the period	**11,862**	**159**

Recognition and measurement

Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting after initially being recognised at cost in the consolidated balance sheet.

Joint Ventures

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet.

Equity method of accounting

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from equity accounted investments are recognised as a reduction in the carrying value of the investment.

Where the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, until it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its equity accounted investments are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity-accounted investees have been changed where necessary to ensure consistency with the Group.

Critical accounting estimates and assumptions

Investments accounted for using the equity method

The Group accounts for its investment in New Zealand entities that operate Chemist Warehouse stores as joint ventures. This is on the basis that the Group's contractual arrangements with these entities result in them meeting the definition of a joint venture.

Note 29. Non-controlling interests

	2025 $'000	2024 $'000
Balance at beginning of the year	**(5,527)**	(3,578)
Share of loss for the year	**(4,459)**	(1,356)
Transactions with NCI	**42**	–
Acquisition of NCI	**–**	(183)
Dividends paid	**–**	(410)
	(9,944)	**(5,527)**

Note 30. Deed of cross guarantee

Pursuant to *ASIC Instrument 25/0078* **(Sigma ASIC Instrument)**, (read together with ASIC Corporations (*Wholly-owned Companies) Instrument 2016/785* **(Wholly Owned ASIC Instrument)**), the wholly owned Australian controlled entities identified in Note 27 footnote (1) are relieved from the *Corporations Act 2001* requirements for the preparation, audit and lodgement of financial reports for their statutory financial years ending after 31 January 2025.

The Sigma ASIC Instrument was obtained by the Group in connection with the merger transaction as a consequence of separate relief granted by ASIC which allow Sigma (and certain of its subsidiaries) to meet their financial reporting obligations based on a notional financial year that runs to 30 June each year, enabling the Merged Group to report in accordance with Chemist Warehouse's financial year end of 30 June.

As a result of receiving this relief, Sigma will meet its financial reporting obligations under Part 2M.3 of the *Corporations Act 2001* in relation to notional financial years ending 30 June and notional half-years ending 31 December, as if those were Sigma's statutory financial years and half-years. Although the Sigma ASIC Instrument provides the relevant relief from the preparation, audit and lodgement of financial reports for Sigma's subsidiaries which have financial reporting obligations, it must be read together with the Wholly Owned ASIC Instrument.

These entities which are also referred to in the Directors' declaration are, together with the Company, all members of the 'extended closed group' as defined under the Wholly Owned ASIC Instrument.

As disclosed in Sigma Healthcare Limited's Financial Report for the period ended 31 January 2025, Sigma Healthcare Limited and certain of its wholly-owned subsidiaries were party to a Deed of Cross Guarantee dated 20 January 2006 (as amended), as defined in the Wholly Owned ASIC Instrument **(Previous Deed)**.

In connection with the implementation of the merger between Sigma and Chemist Warehouse, the following changes occurred in relation to the Previous Deed:

- On 19 May 2025, a revocation deed was lodged with ASIC to revoke the Previous Deed. The revocation deed will take effect on 20 November 2025;
- On 19 May 2025, Sigma Healthcare Limited entered into a Deed of Cross Guarantee (New Deed) with the entities below, under which each member of the extended closed Group guarantees the debts of the others; and
- On 21 August 2025, Sigma Company Limited and QDL Limited entered into deeds of accession so that they became party to the New Deed as group entities.

The following entities are parties to the New Deed (and comprise the closed Group and the extended closed Group):

- Sigma Healthcare Limited
- Sigma Company Limited (this entity is an alternative trustee and is also a Group Entity, as defined in the New Deed)
- QDL Limited
- Allied Master Chemists of Australia Limited
- MPS Hold Co. Pty Limited
- Sigma Healthcare Logistics Pty Limited
- CW Group Holdings Limited
- ePharmacy Holdings Pty Limited
- ePharmacy Group Pty Limited
- CW NZ Pharmacy Pty Limited
- Wagner Pharmaceuticals Pty Limited

The extended closed Group's consolidated statement of profit or loss and balance sheet have been prepared in accordance with the Group's accounting policy and are set out below.

The comparatives which would apply pursuant to the Wholly Owned ASIC Instrument relate to the Sigma extended closed Group under the Previous Deed, for the preceding financial year end (being the 12 months ended 31 January 2025). This information is required to be included as the Sigma ASIC Instrument incorporates by reference certain conditions of relief contained in the Wholly Owned ASIC Instrument.

The Previous Deed has been revoked during the current financial period ended 30 June 2025 which revocation will take effect from 20 November 2025.

(a) Consolidated statement of profit or loss and other comprehensive income

Set out below is a consolidated statement of profit or loss and other comprehensive income for the year ended 30 June 2025 of the extended closed Group, after eliminating all transactions between parties to the Deed of Cross Guarantee. The prior year comparatives are for the Sigma extended closed Group under the Previous Deed for the year ended 31 January 2025.

Statement of profit or loss and other comprehensive income	Financial year ended 30 Jun 2025 $'000	Financial year ended 31 Jan 2025 $'000
Revenue	2,575,781	4,935,146
Cost of sales	(2,334,940)	(4,574,887)
Share of profits of associates and joint ventures accounted for using the equity method	722	–
Other income	501,103	5,939
Warehousing and distribution expenses	(81,414)	(187,243)
Marketing and sales expenses	(16,996)	(37,615)
Administration and general expenses	(70,130)	(121,179)
Net finance costs	(23,421)	(10,524)
Profit/(loss) before income tax (expense)/benefit	**550,705**	**9,637**
Income tax (expense)/benefit	(14,934)	(23,305)
Profit/(loss) after income tax (expense)/benefit	**535,771**	**(13,668)**
Other comprehensive income for the year, net of tax	(452)	1,822
Total comprehensive income/(loss) for the year	**535,319**	**(11,846)**

Note 30. Deed of cross guarantee continued

(b) Consolidated balance sheet and summary of movements in consolidated retained earnings

Set out below is a consolidated balance sheet and a summary of movements in consolidated retained earnings for the year ended 30 June 2025 of the extended closed Group. The prior year comparatives are for the Sigma extended closed Group under the Previous Deed for the year ended 31 January 2025.

Balance sheet	30 Jun 2025 $'000	31 Jan 2025 $'000
Current assets		
Cash and cash equivalents	**68,842**	11,679
Trade and other receivables	**1,296,784**	956,534
Inventories	**460,560**	383,437
Financial assets at amortised cost	**–**	–
Current tax asset	**–**	3,456
Other assets	**15,485**	5,182
Total current assets	**1,841,671**	**1,360,288**
Non-current assets		
Investments	**621,805**	7,812
Trade and other receivables	**29,111**	22,329
Financial assets at fair value through other comprehensive income	**8,667**	8,524
Property, plant and equipment	**183,345**	180,699
Right-of-use assets	**68,177**	73,769
Intangible assets	**58,181**	110,477
Other assets	**14,400**	16,400
Deferred tax assets	**43,067**	39,182
Total non-current assets	**1,026,753**	459,192
Total assets	**2,868,424**	**1,819,480**
Current liabilities		
Trade and other payables	**697,902**	808,734
Other liabilities	**4,474**	190
Borrowings	**109,532**	–
Lease liabilities	**11,742**	10,640
Current tax liabilities	**124,466**	–
Provisions	**10,274**	9,858
Total non-current liabilities	**958,390**	**829,422**
Non-current liabilities		
Other liabilities	**109,021**	–
Borrowings	**855,292**	–
Lease liabilities	**119,150**	121,446
Provisions	**4,880**	4,876
Total current liabilities	**1,088,343**	**126,322**
Total liabilities	**2,046,733**	**955,744**
Net assets	**821,691**	**863,736**
Equity		
Issued capital	**1,578,339**	1,682,372
Issued capital held by equity compensation plan	**(2,921)**	(14,654)
Reserves	**16,402**	(3,876)
Retained earnings	**(770,129)**	(800,106)
Total equity	**821,691**	**863,736**

Summary of movements in consolidated retained earnings	30 Jun 2025 $'000	31 Jan 2025 $'000
Retained earnings/(accumulated losses) at the beginning of the financial year	**(815,334)**	(769,922)
Profit/(loss) for the period	**535,771**	(13,668)
Reclassification of settled and expired share-based transactions	**(4,551)**	(826)
Dividends paid	**(486,036)**	(15,938)
Transfers	**21**	248
Retained earnings/(accumulated losses) at the end of the financial year	**(770,129)**	**(800,106)**

Note 31. Parent entity financial information

As at, and throughout the financial year ended 30 June 2025, the parent entity of the Group was Sigma Healthcare Limited.

The individual financial statements for the parent entity, Sigma Healthcare Limited, show the following aggregate amounts:

	As at 30 Jun 25 $'000	As at 31 Jan 25 $'000
Balance sheet		
Current assets	**381,156**	320,213
Total assets[1]	**28,678,401**	685,880
Current liabilities	**108,762**	23,344
Total liabilities	**108,762**	23,344
Total equity		
Issued capital	**28,595,432**	677,739
Reserves	**456**	1,678
Retained earnings	**(26,249)**	(16,881)
Total equity	**28,569,639**	**662,536**

	1 Feb 25 – 30 Jun 25 5 months $'000	1 Feb 24 – 31 Jan 25 12 months $'000
Financial results		
Loss for the period	**(8,685)**	(3,369)
Other comprehensive income	**–**	–
Total comprehensive income/(loss)	**(8,685)**	**(3,369)**

1. Total assets includes Sigma Healthcare Limited's investment in Chemist Warehouse of $27.9 billion which represents the fair value of Sigma shares issued to Chemist Warehouse and the $700.0 million cash consideration transferred.

Contingent liabilities

The parent entity did not have any contingent liabilities as at 30 June 2025. (2024: nil)

Guarantees

Under the terms of the Deed of Cross Guarantee dated 16 May 2025 (and lodged with ASIC on 19 May 2025), entered in accordance with the Sigma ASIC Instrument (read together with the Wholly Owned ASIC Instrument) (in each case as defined in Note 30), the Company has undertaken to meet any shortfall which might arise on the winding up of controlled entities which are party to the Deed (see Note 30). No deficiencies of assets exist in any of these entities. No liability was recognised by the parent entity or the Group in relation to these cross guarantees, as the fair value of the guarantees is immaterial.

Parent company investment in subsidiary companies

Investments in subsidiaries are carried at cost in the individual financial statements of Sigma Healthcare Limited. An impairment loss is recognised whenever the carrying amount of the investment exceeds its recoverable amount. Recoverable amount is the higher of value in use and fair value less costs of disposal. The carrying value of the parent's investment in subsidiaries as at 30 June 2025 was $28,285,695,000 (2024: $363,511,000).

Receivables from controlled entities

The parent entity did not have any impairment in respect of any intercompany loan receivable during the current period (2024: nil). The parent loan receivables are not overdue and eliminate on consolidation.

Note 31. Parent entity financial information continued

Contractual commitments for the acquisition of property, plant or equipment

The parent entity did not have any contractual commitments for the acquisition of property, plant and equipment as at 30 June 2025 (2024: nil).

Determining the parent entity financial information

The financial information for the parent entity has been prepared on the same basis as the consolidated financial statements, except as set out below.

Investments in subsidiaries, associates and joint ventures

Investments in subsidiaries, associates and joint venture entities are accounted for at cost in the financial statements of the parent entity. Dividends received from associates are recognised in the parent entity's profit or loss when its right to receive the dividend is established.

Note 32. Related party transactions

Transactions with related parties are disclosed in this note based on the recognition and measurement principles applied in the consolidated statement of profit or loss and other comprehensive income.

Difference between related parties disclosure in Remuneration Report and Financial Statements

The related party disclosures included in the Consolidated Financial Statements differ to the disclosures included in the Remuneration Report due to application of different reporting requirements as a result of the reverse acquisition in the current financial year.

As the merger between Chemist Warehouse and Sigma is accounted for as a reverse acquisition under AASB 3 Business Combinations, the Consolidated Financial Statements represent the continuing accounts of Chemist Warehouse.

This note disclosure has been prepared on the below basis, in accordance with AASB 124 Related Party Disclosures:

- From 1 July 2024 to 11 February 2025 (pre-merger), Related Parties have been identified as:
  - KMPs of Chemist Warehouse;
  - Close family members of Chemist Warehouse's KMPs;
  - Entities Chemist Warehouse's KMPs control (either directly, indirectly or jointly); and
  - Entities subject to significant influence or joint control by Chemist Warehouse.
- From the merger date of 12 February 2025 to 30 June 2025, Related Parties have been identified as:
  - KMPs of the Merged Group;
  - Close family members of the Merged Group's KMPs;
  - Entities the Merged Group's KMPs control (either directly, indirectly or jointly); and
  - Entities subject to significant influence or joint control by the Merged Group.

The related party disclosures in the Remuneration Report have been prepared on the basis of Sigma Healthcare Limited being the legal entity required to report in accordance with the Corporations Act and Corporations Regulations, where:

- From 1 July 2024 to 11 February 2025 (pre-merger), Related Parties refer to:
  - KMPs of Sigma Healthcare Limited;
  - Close family members of Sigma Healthcare Limited's KMPs;
  - Entities Sigma Healthcare Limited's KMPs control (either directly, indirectly or jointly); and
  - Entities subject to significant influence or joint control by Sigma Healthcare Limited.
- From the merger date of 12 February 2025 to 30 June 2025, the Related Parties are the Related Parties of the Merged Group as defined above.

As a result of the above, the Remuneration Report and Consolidated Financial Statements are required by the relevant legislation and accounting standards to capture different persons (for example, related parties of either Chemist Warehouse or Sigma measured either before, or after, implementation of the merger for different periods). Refer to the Remuneration Report for further information.

For the purposes of this note disclosure, Mr S Gance is not assessed to be a Related Party of the Group subsequent to the completion of the merger on 12 February 2025, in accordance with AASB 124 Related Party Disclosures. Disclosures regarding his transactions post-merger are included in the Remuneration Report to comply with the ASX Confirmation Conditions in relation to the merger.

Due to the differences in basis of preparation between Remuneration Report and Consolidated Financial Statement, the Related Party disclosures in these two reports will differ.

Subsidiaries

Interests in subsidiaries are set out in Note 27.

Key Management Personnel

Disclosures relating to Key Management Personnel are set out in Note 35.

Key Management Personnel refers to directors of Chemist Warehouse prior to the implementation of the merger on 12 February 2025. Subsequent to the merger, Key Management Personnel refers to persons set out in the Remuneration Report (being the Key Management Personnel of the Merged Group).

Entities exercising control over the Group

Sigma Healthcare Limited represents the highest controlling entity upon which one entity has control.

Entities subject to significant influence or joint control by the Group and are equity accounted for

An entity that has the power to participate in the financial and operating policy decisions of a second entity, but does not have control over those policies, is an entity which holds significant influence or joint control over the second entity. Significant influence or joint control may be gained by share ownership, statute or agreement.

The Group also transacts with the entities in the capacity of an Agent where costs incurred by the Group are reimbursed by the entities. These transactions are presented on a net basis.

Transactions with related parties disclosed below are based on normal commercial terms and conditions that would be available to third parties.

	2025 $'000	2024 $'000
Transactions with associates		
Revenue from sales of goods to entities	**345**	268
Purchases and other charges from entities	**(8,302)**	(6,349)
Outstanding balances with associates		
Trade receivables from entities	**1,639**	649
Trade payables from entities	**(1,235)**	–

	2025 $'000	2024 $'000
Transactions with joint ventures		
Revenue from sales of goods to entities	**28,533**	43,539
Rendering of services to entities	**30,783**	25,923
Leases income received from entities	**18,725**	14,262
Outstanding balances with joint ventures		
Trade receivables from entities	**8,551**	17,295
Lease receivables	**105,171**	75,145
Trade payables to entities	**(5,234)**	(4,701)
Loans payable to entities	**(28,557)**	(30,753)

Note 32. Related party transactions continued

Entities over which the Key Management Personnel have control or joint control

Entities which the Key Management Personnel have control or joint control over include:

- **East Yarra Friendly Society Pty Ltd ("EYFS"):** At 30 June 2025 the Group has no outstanding loan owing to EYFS (30 June 2024: $300.0 million).
- **Franchised stores:** There are franchised stores which are operated and owned by Key Management Personnel of the Group (including any franchised stores owned by EYFS) either wholly or in partnership with other parties. The terms of the franchise agreements with related party franchised stores are on agreed terms and conditions.
- **Properties:** Properties controlled or jointly controlled by the Key Management Personnel and leased to the Group.
- **Other related parties:** Entities outside the Group over which Key Management Personnel have control or joint control.

The Group also transacts with the entities in the capacity of an Agent where costs incurred by the Group are reimbursed by the entities. These transactions are presented on a net basis.

Transactions with related parties disclosed below are based on normal commercial terms and conditions that would be available to third parties.

As disclosed above, Key Management Personnel refer to directors of Chemist Warehouse prior to the implementation of the merger on 12 February 2025. Subsequent to the merger, Key Management Personnel refers to persons set out in the Remuneration Report.

	2025 $'000	2024 $'000
Transactions with entities which Key Management Personnel have control or joint control over		
Revenue from sales of goods to the entities	**1,242,073**	934,198
Rendering of services to the entities	**63,664**	61,674
Fees revenue	**71,789**	88,199
Lease income received from entities	**70,734**	78,697
Lease charges	**(46,903)**	(39,893)
Purchases and other charges from entities	**(8,414)**	(21,954)

	2025 $'000	2024 $'000
Outstanding balances with entities which Key Management Personnel have control or joint control over		
Trade receivables from entities	**260,682**	178,806
Trade payables to entities	**(16,881)**	(43,179)
Lease receivable	**221,541**	334,605
Lease liability	**(240,229)**	(222,343)
Make good provision	**(3,479)**	(2,800)
Movement of loans and interest payable to related parties		
Carrying amount at the start of the year	**(302,386)**	(246,037)
Loan recognised as a result of business combination	**(12,190)**	–
Loan repayments to related parties	**333,201**	291,517
Loan proceeds from related parties	**(21,297)**	(347,174)
Interest repayments to related parties	**12,581**	13,681
Interest incurred from related parties	**(9,909)**	(14,373)
Carrying amount at the end of the year	**–**	**(302,386)**

The Group provides loans to related party franchised stores to fund the purchase or establishment of the franchise business. As at 30 June 2025, the Group has a loan balance owing from related party franchised stores of $1.7 million and has earned interest income of $0.2 million during the financial year. The difference between the $0.2 million interest income here and the figures provided in the Remuneration Report is because these accounts represent the continuing accounts of Chemist Warehouse (while the Remuneration Report is prepared on the basis that Sigma is the disclosing entity).

During the financial year ended 30 June 2025, the Group acquired 100% of the issued units of DPP Pharmaceutical Unit Trust and 100% of the shares in DPP Pharmaceuticals Pty Ltd ("DPP"), a developer and seller of healthcare products, for consideration of $47,900,000. Related parties had a minority shareholding in the acquired Group.

Refer to Note 25 Business Combinations for further details.

During the financial year ended 30 June 2025, the Group acquired a 39% interest in Tilley Soaps Australia Pty Ltd from a Related Party. Tilley Soaps Australia Pty Ltd is a manufacturer and supplier of hygiene and beauty products. The Group has assessed that it has significant influence over this entity and therefore, has accounted for its investment using the equity method – refer to Note 28.

Close family members of Key Management Personnel

Close family members (CFM) of the Key Management Personnel are related parties to the Group. Close family members are defined in accordance with AASB 124 Related Party Transactions and include the Key Management Personnel's children, spouse and/or domestic partner.

Transactions with CFM include transactions with entities over which the CFM have control or joint control. The Group also transacts with the entities in the capacity of an Agent where costs incurred by the Group are reimbursed by the entities. These transactions are presented on a net basis. Transactions with CFM disclosed below are based on normal commercial terms and conditions that would be available to third parties.

	2025 $'000	**2024 $'000**
Transactions with close family members		
Sales of goods to the entities	**204,573**	166,180
Rendering of services to the entities	**13,411**	12,598
Fees revenue	**15,885**	19,682
Lease income received from entities	**12,404**	13,212
Lease charges	**–**	(460)
Purchases and other charges from entities	**(376)**	–
Employee benefits	**(321)**	(525)

	2025 $'000	**2024 $'000**
Outstanding balances with close family members		
Trade receivables from entities	**39,931**	37,952
Trade payables from entities	**(1,934)**	(9,268)
Lease receivable	**27,820**	59,354

Guarantees with related parties

For details on guarantees see Note 34.

Section 5: Other disclosures

Note 33. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by PricewaterhouseCoopers, the auditor of the Group and by non-related audit firms:

	2025 $	2024 $
Services provided by PricewaterhouseCoopers		
Audit services	**1,100,000**	849,876
Other assurance services[1]	**750,313**	9,000
Other services		
Risk consulting services	**53,850**	–
Total services provided by PricewaterhouseCoopers	**1,904,163**	**858,876**
Services provided by other accounting firms		
Audit services	**253,251**	**191,998**

1. PwC was engaged as the Investigating Accountant, prior to completion of the merger, to report on the historical financial information of Sigma and Chemist Warehouse and the pro forma historical financial information of the Merged Group for inclusion in the Merged Group Prospectus.

Note 34. Commitments

The Group has the following contractual purchase commitments with its suppliers:

	2025 $'000	2024 $'000
Within one year	**–**	3,000,000
One to five years	**–**	13,576,894
More than five years	**–**	–
	–	**16,576,894**

The contractual purchase commitments at 30 June 2024 related to the Supply Agreement between Sigma and Chemist Warehouse. As a result of the merger between Sigma and Chemist Warehouse, the contractual purchase commitments relating to this Supply Agreement has reduced to nil at 30 June 2025.

Guarantees

In the year ended 30 June 2024, the Group together with a related party, had guaranteed the payment obligation to an external supplier of amounts owed by the franchised store network to the supplier. The Group had 565 franchised stores within the network that owed an average amount of $735,820 per franchised store to the supplier as at 30 June 2024. As at 30 June 2025, the Group no longer has contractual arrangements with the external supplier.

The Group has guaranteed certain payment obligations to landlords of leased premises. As at 30 June 2025, the Group has a bank guarantee facility of $60,000,000 (2024: $35,000,000), of which $41,098,107 (2024: $34,145,808) is utilised.

Contingent liabilities

The Group did not have any contingent liabilities as at 30 June 2025. (2024: nil)

Note 35. Key management personnel disclosures

The compensation paid or payable to key management personnel of the Group is set out below:

	2025 $'000	2024 $'000
Short-term employee benefits	5,213	–
Post-employment benefits	218	–
Long-term benefits	30	–
Share-based payments	1,276	–
Total key management personnel compensation	**6,737**	**–**

Prior to the implementation of merger between Sigma and Chemist Warehouse, key management personnel (KMPs) referred to the directors of Chemist Warehouse.

During the year ended 30 June 2024, the directors of Chemist Warehouse worked in an executive capacity and drew no remuneration.

During the period 1 July 2024 to 11 February 2025, remuneration was paid to the directors of Chemist Warehouse and is included in the compensation paid to key management personnel for the current financial year.

Subsequent to the implementation of merger on 12 February 2025, remuneration for KMPs for the consolidated Group have been disclosed above. KMPs for the consolidated Group post-merger are listed in the Remuneration Report at page 43.

Disclosures relating to related party transactions with Directors or key management personnel are set out in Note 32.

Note 36. Share-based payments

The Group has an employee share plan and share-based remuneration schemes for executive and non-executive management (excluding non-executive Directors).

Expenses arising from share-based payment transactions attributable to employees recognised during the period were as follows:

	2025 $'000	2024 $'000
Shares issued – employees	–	10,950
Shares issued – other	48	3,755
Performance rights expense	–	808
Performance rights under short-term incentive plan	329	–
Rights issued under the executive long-term incentive plan	1,917	–
Cash settled performance rights under long-term incentive plan	1,600	–
Total share-based payment expense	**3,894**	**15,513**

(a) Performance rights plan

Performance rights were granted to certain key executives at Chemist Warehouse in July 2022, to provide incentives to deliver long term shareholder returns.

The rights vest upon certain milestone events being met.

Rights are granted under the plan for no consideration and carry no dividend or voting rights.

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

	Number of options	
	2025	2024
Outstanding at the beginning of the financial year	446,765	446,765
Granted during the year	–	–
Exercised during the year	(446,765)	–
Outstanding at the end of the financial year	**–**	**446,765**
Vested and exercisable at the end of the financial year	**–**	**–**

There are no outstanding Chemist Warehouse performance rights at the end of the financial year.

Note 36. Share-based payments continued

(b) Employee share plan

Up until the financial year 2021/22, Sigma's Employee Share Plan periodically offered ordinary shares to all full or part time employees of the Group. The ordinary shares issued under the plan rank equally with all other fully paid ordinary shares on issue. Interest free loans are offered to acquire the shares. The price at which shares are issued is determined by the weighted average price of ordinary shares over the five trading days prior to and including the date of issue of shares. The Employee Share Plan is administered by Sigma Employee Share Administration Pty Ltd (SESA), a controlled entity. At balance date 3,262,500 shares are on issue.

Interest free loans from SESA to employees are for a period of 10 years and are secured by the shares issued. The loans are repayable from dividends received on the shares and from voluntary loan repayments. If an employee leaves employment within the Group, they can repay the loan in full and acquire unrestricted ownership of the shares. If the employee does not wish to acquire the shares and repay the loan, the shares are transferred to SESA for later sale on market to repay the remaining balance of the loan.

Post-merger between Sigma and Chemist Warehouse, all existing loan funded plans from previous years remain on foot, however no loan funded employee share scheme offerings were provided during the current financial year.

Dividends paid by Sigma Healthcare Limited on shares held under loan funded share plans not issued to employees are eliminated in full on consolidation. Any Dividends applied to repay loan balances are recorded in a separate reserve account as they represent part of the exercise price "paid" by the employee. Dividends of forfeited shares are subsequently transferred back to retained earnings/accumulated losses.

(c) Share-based remuneration schemes

Prior to the merger between Sigma and Chemist Warehouse, Sigma has in place several equity-based incentive plans under which eligible participants have been granted equity securities in Sigma Healthcare Limited. The incentive plans were established by Sigma with the purpose of aligning the interest of eligible participants more closely with the interests of shareholders.

Upon merger, the Group has retained the Sigma incentive plans which remain on foot, being the 2023/2024 "One-off" Executive Equity Grant and the 2024/2025 Executive long-term incentive plan. These incentive plans were modified as a result of the merger – refer to below sections for further details.

Details of the features of each share-based remuneration scheme are provided on pages 53 to 54 (Section 5.3 of Remuneration Report).

Executive long-term incentive plan – rights issue (zero exercise price)

For the year ended 31 January 2025 (grant date: 1 February 2024), Sigma implemented a rights issue for the executive long-term incentive plan. Participants were issued rights with a three-year performance period subject to service and forfeiture conditions.

Subsequent to the merger, the performance period for this plan was extended by 5 months (exercise date changed from 31 January 2027 to 30 June 2027 to align with the financial year-end of the Merged Group. The Merged Group Board may review targets associated with the performance measures to ensure these are appropriate for the merged entity.

Outstanding rights issue

	Balance at 12 February 2025	Granted during the year	Exercised during the year	Forfeited during the year	Balance at 30 June 2025
Number of outstanding performance rights	**2,455,802**	**–**	**–**	**(89,852)**	**2,365,950**
Total	**2,455,802**	**–**	**–**	**(89,852)**	**2,365,950**

Executive short-term incentive plans – rights issue (zero exercise price)

Prior to merger, the Company implemented a short-term incentive (STI) deferred rights plan which was used for the years ended 31 January 2023, 31 January 2024 and 31 January 2025. During the year ended 31 January 2023, the Company also provided a sign on rights issue to the CEO (grant date: 1 February 2022) covering the 24-month period to 31 January 2024. In the context of the merger, the Board approved payment of the 25% deferred equity component to be delivered in cash for the financial year ended 31 January 2025.

From the merger date (12 February 2025) to 30 June 2025, there have been no short-term incentive rights granted by the Company.

For the 2025/2026 financial year commencing 1 July 2025, the Board has approved an increase to the deferred equity component from 25% to 50% (with 50% of these ordinary shares deferred for 12 months and the remaining 50% deferred for 24 months) with 50% of the STI being delivered in cash. Due to the financial year end change associated with the merger, the CEO's STI opportunity for the 2025/2026 financial year will be 141.67% 'at target' and 70.83% 'at stretch' (for a total maximum STI benefit of 212.50%) based on a 17-month period (being 1 February 2025 to 30 June 2026).

In accordance with the provisions of these share-based remuneration schemes, executives and non-executive managers within the Group are granted options to acquire shares at a zero-exercise price (rights issues).

Outstanding rights issue

	Balance at 12 February 2025	Granted during the year	Exercised during the year	Forfeited during the year	Balance at 30 June 2025
Number of outstanding performance rights	1,965,878	–	(1,965,878)	–	–
Total	1,965,878	–	(1,965,878)	–	–

2023/2024 "One-off" Executive Equity Grant

A "one-off" 2023/2024 Executive Equity Grant Rights Plan (EEG) was granted by Sigma to its CEO, CFO and certain executive team members on 1 February 2023, with a vesting period of 3 years. During Sigma's standalone financial year end of 31 January 2025 (pre-merger), the Board considered the continued employment of executives both during the period of, and following approval of, the merger, the significant value delivered to Sigma Shareholders through the merger and the key roles executives have performed in relation to the merger. The Board determined the rights under the 2023/2024 EEG are subject to the following treatment:

(i) a cash payment equal to the value of 25% of the EEG Rights (being the service-based component of the grant) be made upon the 'normal' retention date in the EEG (being 31 January 2026) and the corresponding EEG Rights lapsing;

(ii) a cash payment equal to the value of 37.5% of the EEG Rights be made upon the merger completing and the corresponding EEG rights lapsing; and

(iii) 37.5% of the EEG Rights converting to ordinary shares in Sigma as at completion of the merger (12 February 2025) that are then held in escrow until 31 January 2026.

If a participant gives notice of termination of employment prior to a settlement event as detailed above, their entitlements under the EEG (as modified) will be forfeited.

As required pursuant to ASX listing rules, Shareholder approval was obtained to convert 37.5% of the EEG Rights to ordinary shares, and to cancel the remaining EEG Rights and replace these with cash payments to participants at the Extraordinary General Meeting held in January 2025.

(d) Fair value of options granted

The fair value of options granted are independently determined by an external consultant engaged by the Company. The fair value of each performance rights granted was determined on the date of grant using the Black-Scholes option pricing model that considers the terms and components on the option for those rights with non-market based vesting conditions and using the Monte Carlo methods for those rights with market-based vesting conditions.

There were no new share rights granted by the Group between the implementation of the merger on 12 February 2025 and financial year-end 30 June 2025.

Note 36. Share-based payments continued

Recognition and measurement

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the options/performance rights reserve.

Where an equity-settled share-based payment scheme is modified during the vesting period, an additional charge is recognised over the remainder of that vesting period to the extent that the fair value of the revised scheme at the modification date exceeds the fair value of the original scheme at the modification date. Where the fair value of the revised scheme does not exceed the fair value of the original scheme, the Group continues to recognise the charge required under the conditions of the original scheme. Where an equity-settled share-based payment scheme is modified to cash-settled and the fair value of the original scheme at the date of modification exceeds the grant date fair value of the scheme, the excess is recognised as a reduction to equity. Individuals must be employed by the Group at the time of vesting, and not in their notice period, to be entitled to the equity incentives.

The amount payable to team members in respects of cash-settled share-based payments is recognised as an expense, with a corresponding increase in liabilities, over the period which the team members become unconditionally entitled to the payment. The liability is measured at each reporting date and at settlement date based on the fair value, with any changes in the liability being recognised in profit or loss.

Note 37. Events after the reporting period

Subsequent to 30 June 2025, the Directors have resolved to pay a fully franked final dividend of 1.3 cents per share. Accordingly, this dividend is not provided for in the balance sheet at 30 June 2025. The ex-dividend date is 2 September 2025, the record date is 3 September 2025 and the dividend is expected to be paid on 18 September 2025. The total amount expected to be payable is $150.1 million.

In August 2025, the Group has also made the decision to close three distribution centres in Australia, following a comprehensive review.

Other than the matters discussed above, there have not been any other matters or circumstances that have arisen since 30 June 2025 that have 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 years not otherwise disclosed.

Consolidated Entity Disclosure Statement

Name of entity	Type of entity	Trustee, partner or participant in JV	% of share capital	Country of incorporation	Australian resident or foreign resident	Foreign jurisdiction(s) of foreign residents
Sigma Healthcare Limited	Body Corporate	–	N/A	Australia	Australian	N/A
Chemist Club Pty Limited	Body Corporate	–	100%	Australia	Australian	N/A
Sigma Company Limited	Body Corporate	–	100%	Australia	Australian	N/A
Allied Master Chemists of Australia Limited	Body Corporate	–	100%	Australia	Australian	N/A
Guardian Pharmacies Australia Pty Ltd	Body Corporate	–	100%	Australia	Australian	N/A
Sigma Employee Share Administration Pty Ltd	Body Corporate	–	100%	Australia	Australian	N/A
Sigma NZ Limited	Body Corporate	–	100%	New Zealand	Australian and Foreign	New Zealand
Pharmacy Wholesalers (Wellington) Limited	Body Corporate	–	100%	New Zealand	Foreign	New Zealand
QDL Limited	Body Corporate	–	100%	Australia	Australian	N/A
Sigma (W.A.) Pty Ltd	Body Corporate	–	100%	Australia	Australian	N/A
ACN 141 734 723 Pty Ltd	Body Corporate	–	100%	Australia	Australian	N/A
Sigma Healthcare Logistics Pty Ltd	Body Corporate	–	100%	Australia	Australian	N/A
Linton Street Pty Ltd	Body Corporate	–	100%	Australia	Australian	N/A
PriceSave Pty Ltd	Body Corporate	–	100%	Australia	Australian	N/A
PharmaSave Australia Pty Ltd	Body Corporate	–	100%	Australia	Australian	N/A
Discount Drugstores Pty Ltd	Body Corporate	–	100%	Australia	Australian	N/A
MPS Hold Co. Pty Ltd	Body Corporate	–	100%	Australia	Australian	N/A
Medical Industries Australia Hold Co. Pty Ltd	Body Corporate	–	100%	Australia	Australian	N/A
Crucible Health Pty Ltd	Body Corporate	–	100%	Australia	Australian	N/A
Sigma Healthcare Hospital Services Pty Ltd	Body Corporate	–	100%	Australia	Australian	N/A
Tromax Pty Ltd	Body Corporate	–	100%	Australia	Australian	N/A
ACN 133 432 096 Pty Ltd	Body Corporate	–	100%	Australia	Australian	N/A
CW Group Holdings Ltd	Body Corporate	–	100%	Australia	Australian	N/A
CW Retail Pty Ltd	Body Corporate	Trustee	100%	Australia	Australian	N/A
CW Retail Holdings Pty Ltd	Body Corporate	Trustee	100%	Australia	Australian	N/A
CW Management Pty Ltd	Body Corporate	Trustee	100%	Australia	Australian	N/A
CW Media Pty Ltd	Body Corporate	Trustee	100%	Australia	Australian	N/A
CW Leasing Services Pty Ltd	Body Corporate	Trustee	100%	Australia	Australian	N/A
CW China Pty Ltd	Body Corporate	Trustee	100%	Australia	Australian	N/A
CW Retail Services Pty Ltd	Body Corporate	Trustee	100%	Australia	Australian	N/A
CW NZ Pharmacy Pty Ltd	Body Corporate	–	100%	Australia	Australian	N/A
CW Leasing NZ Pty Ltd	Body Corporate	Trustee	100%	Australia	Australian	N/A
CW Treasury Services Pty Ltd	Body Corporate	–	100%	Australia	Australian	N/A
ePharmacy Holdings Pty Ltd	Body Corporate	–	100%	Australia	Australian	N/A
ePharmacy Group Pty Limited	Body Corporate	–	100%	Australia	Australian	N/A
ePharmacy Internet Sales Pty Ltd	Body Corporate	–	100%	Australia	Australian	N/A
Game-On Product Group Pty Ltd	Body Corporate	–	100%	Australia	Australian	N/A
BSAP Solutions Pty Ltd	Body Corporate	–	100%	Australia	Australian	N/A
CW IP Pty Ltd	Body Corporate	Trustee	100%	Australia	Australian	N/A
Socialized Pty Ltd	Body Corporate	Trustee	100%	Australia	Australian	N/A
Market Reach Pty Ltd	Body Corporate	–	100%	Australia	Australian	N/A
Bondi Perfume Company Pty Ltd	Body Corporate	–	100%	Australia	Australian	N/A
CW Hospital Services Pty Ltd	Body Corporate	–	100%	Australia	Australian	N/A
CW Macau Pty Ltd	Body Corporate	–	100%	Australia	Australian	N/A
CW Retail Asia Pty Ltd	Body Corporate	–	100%	Australia	Australian	N/A
Wagner Pharmaceuticals Pty Ltd	Body Corporate	–	100%	Australia	Australian	N/A
Instant Consult Pty Ltd	Body Corporate	–	60%	Australia	Australian	N/A
Optometrist Warehouse Pty Ltd	Body Corporate	–	70%	Australia	Australian	N/A
Stratosphere Media Agency Pty Ltd	Body Corporate	–	100%	Australia	Australian	N/A
Stratosphere NZ Limited	Body Corporate	–	100%	New Zealand	Australian and Foreign	New Zealand

Consolidated Entity Disclosure Statement continued

Name of entity	Type of entity	Trustee, partner or participant in JV	% of share capital	Country of incorporation	Australian resident or foreign resident	Foreign jurisdiction(s) of foreign residents
CW Account Services Pty Ltd	Body Corporate	–	100%	Australia	Australian	N/A
CW Retail Trust	Trust	–	N/A	N/A	Australian	N/A
CW Retail Holdings Trust	Trust	–	N/A	N/A	Australian	N/A
CW Management Trust	Trust	–	N/A	N/A	Australian	N/A
CW Media Trust	Trust	–	N/A	N/A	Australian	N/A
CW Leasing Services Trust	Trust	–	N/A	N/A	Australian	N/A
CW China Trust	Trust	–	N/A	N/A	Australian	N/A
CW Retail Services Trust	Trust	–	N/A	N/A	Australian	N/A
CW Leasing NZ Unit Trust	Trust	–	N/A	N/A	Australian	N/A
CW IP Unit Trust	Trust	–	N/A	N/A	Australian	N/A
ePharmacy Unit Trust	Trust	–	N/A	N/A	Australian	N/A
The Trustee for Socialized Unit Trust	Trust	–	N/A	N/A	Australian	N/A
Chemist Warehouse Limited	Body Corporate	–	100%	New Zealand	Foreign	New Zealand
CW Retail Services (NZ) Pty Ltd	Body Corporate	–	100%	New Zealand	Foreign	New Zealand
Chemist Warehouse Ireland Limited	Body Corporate	–	100%	Ireland	Foreign	Ireland
CWIRE Retail Holdings Limited	Body Corporate	–	70%	Ireland	Foreign	Ireland
CWIRE Retail 1 Limited	Body Corporate	–	70%	Ireland	Foreign	Ireland
CWIRE Retail 2 Limited	Body Corporate	–	70%	Ireland	Foreign	Ireland
CWIRE Retail 3 Limited	Body Corporate	–	70%	Ireland	Foreign	Ireland
CWIRE Retail 4 Limited	Body Corporate	–	70%	Ireland	Foreign	Ireland
CWIRE Retail 5 Limited	Body Corporate	–	70%	Ireland	Foreign	Ireland
CWIRE Retail 6 Limited	Body Corporate	–	70%	Ireland	Foreign	Ireland
CWIRE Retail 7 Limited	Body Corporate	–	70%	Ireland	Foreign	Ireland
CWIRE Retail 8 Limited	Body Corporate	–	70%	Ireland	Foreign	Ireland
CWIRE Retail 9 Limited	Body Corporate	–	70%	Ireland	Foreign	Ireland
CWIRE Retail 10 Limited	Body Corporate	–	70%	Ireland	Foreign	Ireland
CWIRE Retail 11 Limited	Body Corporate	–	70%	Ireland	Foreign	Ireland
CWIRE Retail 12 Limited	Body Corporate	–	70%	Ireland	Foreign	Ireland
CWIRE Retail 13 Limited	Body Corporate	–	70%	Ireland	Foreign	Ireland
CWIRE Retail 14 Limited	Body Corporate	–	70%	Ireland	Foreign	Ireland
CWIRE Retail 15 Limited	Body Corporate	–	70%	Ireland	Foreign	Ireland
CWIRE Retail 16 Limited	Body Corporate	–	70%	Ireland	Foreign	Ireland
CWIRE Retail 17 Limited	Body Corporate	–	70%	Ireland	Foreign	Ireland
CWIRE Retail 18 Limited	Body Corporate	–	70%	Ireland	Foreign	Ireland
CWIRE Retail 19 Limited	Body Corporate	–	70%	Ireland	Foreign	Ireland
CWIRE Retail 20 Limited	Body Corporate	–	70%	Ireland	Foreign	Ireland
CWIRE Retail 21 Limited	Body Corporate	–	70%	Ireland	Foreign	Ireland
CWIRE Retail 22 Limited	Body Corporate	–	70%	Ireland	Foreign	Ireland
CWIRE Retail 23 Limited	Body Corporate	–	70%	Ireland	Foreign	Ireland
CWIRE Retail 24 Limited	Body Corporate	–	70%	Ireland	Foreign	Ireland
CWIRE Retail 25 Limited	Body Corporate	–	70%	Ireland	Foreign	Ireland
CWIRE Retail 26 Limited	Body Corporate	–	70%	Ireland	Foreign	Ireland
CWIRE Retail 27 Limited	Body Corporate	–	70%	Ireland	Foreign	Ireland
CWIRE Retail 28 Limited	Body Corporate	–	70%	Ireland	Foreign	Ireland
CWIRE Retail 29 Limited	Body Corporate	–	70%	Ireland	Foreign	Ireland
CWIRE Retail 30 Limited	Body Corporate	–	70%	Ireland	Foreign	Ireland
CWH Pharmacy LLC	Body Corporate	–	60%	UAE	Foreign	UAE
DPP Pharmaceuticals Trust	Trust	–	N/A	N/A	Australian	N/A
DPP Pharmaceutical Pty Limited	Body Corporate	–	100%	Australia	Australian	N/A
GM Pharma International Pty Limited	Body Corporate	–	100%	Australia	Australian	N/A

Directors' Declaration
30 June 2025

In the directors' opinion:

(a) the attached financial statements and notes comply 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 consolidated entity's financial position as at 30 June 2025 and of its performance for the financial year ended on that date, and

(b) the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note to the financial statements;

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

(d) the consolidated entity disclosure statement is true and correct; and

(e) at the date of this declaration, there are reasonable grounds to believe that the members of the extended closed Group will be able to meet any liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee described in Note 30 to the financial statements.

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

On behalf of the directors

Mr Michael Sammells
Chairman

Mr Vikesh Ramsunder
Chief Executive Officer & Managing Director

27 August 2025
Melbourne

Independent auditor's report

To the members of Sigma Healthcare Limited

Report on the audit of the financial report

Our opinion

In our opinion:

The accompanying financial report of Sigma Healthcare Limited (the Company) and its controlled entities (together 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

b. complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The financial report comprises:

- the consolidated balance sheet as at 30 June 2025
- the consolidated statement of profit or loss and other comprehensive income for the year then ended
- the consolidated statement of changes in equity for the year then ended
- the consolidated statement of cash flows for the year then ended
- the notes to the consolidated financial statements, including material accounting policy information and other explanatory information
- the consolidated entity disclosure statement as at 30 June 2025
- the directors' declaration.

PricewaterhouseCoopers, ABN 52 780 433 757
2 Riverside Quay, SOUTHBANK VIC 3006,
GPO Box 1331, MELBOURNE VIC 3001
T: 61 3 8603 1000, F: 61 3 8603 1999, www.pwc.com.au

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

Independence

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Our audit approach

An audit is designed to provide reasonable assurance about whether the financial report is free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial report as a whole, taking into account the geographic and management structure of the Group, its accounting processes and controls and the industry in which it operates.

Audit Scope

Our audit focused on where the Group made subjective judgements; for example, significant accounting estimates involving assumptions and inherently uncertain future events.

In establishing the overall approach to the group audit, we determined the type of work that needed to be performed by us, as the group auditor.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. The key audit 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. Further, any commentary on the outcomes of a particular audit procedure is made in that context. We communicated the key audit matters to the Audit Committee.

Key audit matter	*How our audit addressed the key audit matter*
Business combination accounting for Sigma Healthcare Limited (Refer to note 25(a)) On 12 February 2025, Sigma Healthcare Limited ("Sigma") acquired 100% of the issued shares in CW Group Holdings Limited ("Chemist Warehouse") with the implementation of the scheme of arrangement being completed. The legal acquisition by Sigma of Chemist Warehouse is a reverse acquisition under AASB 3 *Business Combinations*. We considered this a key audit matter because it was a significant transaction in the year and there is judgement involved in determining the fair value of assets acquired.	We performed the following procedures, amongst others: • Developed an understanding of the transaction by reading the Prospectus issued to the shareholders of Sigma. • Assessed the appropriateness of the criteria used to determine the accounting acquirer and evaluated the Group's accounting treatment as a reverse acquisition against Australian Accounting Standards. • Tested the fair value of the purchase consideration with reference to the share price for Sigma at the acquisition date. • Evaluated the identification of the assets acquired and liabilities assumed against the requirements of Australian Accounting Standards. • Assessed the fair values of brand names recognised, with the support of PwC Valuation experts, by considering the appropriateness of the valuation methodology and assessing the significant assumptions, including royalty rates used in estimating the fair values. • Evaluated the reasonableness of disclosures in the financial report in light of the requirements of Australian Accounting Standards.

Key audit matter	*How our audit addressed the key audit matter*
Carrying value of goodwill and intangible assets (Refer to note 12) At 30 June 2025, the Group has recognised goodwill and intangible assets. The goodwill and intangibles assets are allocated to the Australian Healthcare cash generating unit ("CGU"). The Group performed an impairment assessment for the CGU, by preparing a value-in-use impairment model to determine if the carrying amount of the CGU is supported. We considered this a key matter given the financial significance of the balance and significant level of judgement and estimate involved in determining the value in use for the CGU.	We performed the following procedures, amongst others: • Assessed whether the allocation of the Group's goodwill and intangible assets to the Australian Healthcare CGU was consistent with our knowledge of the Group's operations and internal Group reporting. • Assessed whether the CGU appropriately included the assets, liabilities and cash flows directly attributable to the CGU. • Assessed significant assumptions within the model for appropriateness, with reference to the board approved budget for FY26 and historical growth rates. • Tested the mathematical accuracy of key data included in the impairment model calculation. • Evaluated the appropriateness of the discount rate and long-term growth rate assumptions in the model, with the support of PwC Valuation experts, by comparing them to market observable inputs. • Evaluated the reasonableness of disclosures in the financial report in light of the requirements of Australian Accounting Standards.
Related Party transactions (Refer to note 32) The Group engaged in significant transactions with related parties, including the sale of goods and services, purchases, and lease arrangements during the year ended 30 June 2025. This was considered a key audit matter due to the significance of related party transactions to the financial report, including the relevant disclosures required by Australian Accounting Standards.	We performed the following procedures, amongst others: • Assessed the design and implementation of key controls for identifying related parties and related party transactions, including review of board minutes for the Related Party Independent Board Committee. • Assessed the identification of related parties by understanding the nature of related parties, the Group's structure and the Group's assessment of Key Management Personnel.

Key audit matter	*How our audit addressed the key audit matter*
	• Considered third party external information to assess the completeness of related parties and the identification of all entities and franchisee agreements with related parties. • On a sample basis, tested the accuracy and completeness of the underlying related party transactions to supporting documentation, including sales invoices. • On a sample basis, reviewed lease agreements to assess the completeness of related party transactions. • Evaluated the reasonableness of the disclosures in the financial report in light of the requirements of Australian Accounting Standards.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2025, but does not include the financial report and our auditor's report thereon. Prior to the date of this auditor's report, the other information we obtained included the Directors report. We expect the remaining other information to be made available to us after the date of this auditor's report.

Our opinion on the financial report does not cover the other information and we do not and will not express an opinion or any form of assurance conclusion thereon through our opinion on the financial report. We have issued a separate opinion on the remuneration report.

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

When we read the other information not yet received, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and use our professional judgement to determine the appropriate action to take.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report in accordance with Australian Accounting Standards and the *Corporations Act 2001*, including giving a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or 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 the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://auasb.gov.au/media/bwvjcgre/ar1_2024.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Our opinion on the remuneration report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2025.

In our opinion, the remuneration report of Sigma Healthcare 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.

Emphasis of matter: Basis of preparation of the Remuneration Report

We draw attention to Section 1 of the Remuneration Report, which describes the Basis of Preparation for the disclosures of Key Management Personnel included in the Remuneration Report. Our opinion is not modified in respect of this matter

PricewaterhouseCoopers

PricewaterhouseCoopers

Alison Tait Milner

Alison Tait Milner
Partner

Melbourne
27 August 2025

Shareholder Information

Equity security holders

As at 1 September 2025, the Company has 11,543,702,836 ordinary shares on issue. Further details of the Company's equity securities are as follows:

Largest holders

The following table shows the 20 largest registered shareholders as at 1 September 2025 (as named on the register of shareholders):

Rank	Name	Number of shares held	% of issued shares
1	MFV FAMILY FOUNDATION PTY LTD	2,233,512,925	19.35
2	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	2,065,867,783	17.90
3	SG FAMILY FOUNDATION PTY LTD	1,421,222,384	12.31
4	JEG FAMILY FOUNDATION PTY LTD	1,395,930,781	12.09
5	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	598,086,166	5.18
6	CITICORP NOMINEES PTY LIMITED	441,900,589	3.83
7	MJV FAMILY FOUNDATION PTY LTD	285,000,000	2.47
8	AV FAMILY FOUNDATION PTY LTD	275,524,439	2.39
9	MR SUNIL NARULA	165,893,114	1.44
10	DGSR FAMILY FOUNDATION PTY LTD	127,329,615	1.10
11	NMS NOMINEES PTY LTD	86,118,340	0.75
12	BNP PARIBAS NOMS PTY LTD	81,920,748	0.71
13	BNP PARIBAS NOMINEES PTY LTD	70,593,692	0.61
14	RISPIN MOTT NOMINEES PTY LTD	67,615,674	0.59
15	CITICORP NOMINEES PTY LIMITED	57,079,279	0.49
16	NMS NOMINEES PTY LTD	55,986,218	0.48
17	BOND STREET CUSTODIANS LIMITED	50,000,000	0.43
18	MAT FAMILY FOUNDATION PTY LTD	48,144,781	0.42
19	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	41,480,857	0.36
20	SIGMA EMPLOYEE SHARE ADMIN P/L	38,853,201	0.34
Total		9,608,060,586	83.23
Balance of register		1,935,642,250	16.77
Grand total		11,543,702,836	100.00

Shareholder Information continued

Substantial shareholders

The following table shows the substantial holders as notified to the Company in substantial holding notices as at 1 September 2025:

Name	Noted date of change	Number of equity securities	Voting power
Sam Gance	12/02/2025	1,446,864,015	12.53%
Mario Verrocchi	12/02/2025	2,555,284,920	22.13%
Jack Gance	28/08/2025	1,423,948,843	12.34%

Holdings distribution

Range	Securities	%	Number of holders	%
100,001 and Over	11,272,808,660	97.65	786	2.22
10,001 to 100,000	192,526,644	1.67	6,995	19.77
5,001 to 10,000	39,719,529	0.34	5,055	14.29
1,001 to 5,000	33,373,703	0.29	12,242	34.60
1 to 1,000	5,274,300	0.05	10,307	29.13
Total	11,543,702,836	100.00	35,385	100.00
Unmarketable Parcels	0	0.00	0	0.00

Voting rights

The voting rights attaching to each class of equity securities are set out as below:

Ordinary shares

Holders of ordinary shares have the right to vote at every general meeting of the Company and at separate meetings of holders of Ordinary Shares. At a general or separate meeting, every holder of ordinary shares present in person or by proxy has, on poll, one vote for each ordinary share held.

Performance rights

Performance rights have been issued to employees as part of long-term and short-term incentive plans for the financial year ended 30 June 2025. Participants do not have voting rights.

Key Measures

	FY25	FY24	Growth vs. PCP
Chemist Warehouse (CW) Retail Network Sales ($m)			
Australia	8,968.9	7,909.9	13.4%
International	1,299.6	1,092.0	19.0%
Total Chemist Warehouse Retail Network Sales ($m)	**10,268.5**	**9,001.9**	**14.1%**
Like-For-Like CW Retail Network Sales Growth (%)			
Australia	11.3%	9.8%	
International	8.1%	14.4%	
Total Like-For-Like CW Retail Network Sales Growth (%)	**10.9%**	**10.2%**	
Financial Measures			
Normalised EBIT ($m)	834.5	590.1	41.4%
Normalised EBIT Margin (%)	13.9%	17.9%	(225) bps
Pro Forma EBIT ($m)	903.4	605.5	49.2%
Pro Forma EBIT Margin (%)	9.4%	9.1%	35 bps
Retail Network (at period end)			
Number of CW Retail Network stores	674	639	35
Number of geographies	5	4	1

Contact

Company Details

Sigma Healthcare Limited

Support Centre and Registered Address

6 Albert Street
Preston VIC 3072 Australia
www.sigmahealthcare.com.au

Tel +61 3 9462 9111

Board of Directors and Executive Leadership

www.sigmahealthcare.com.au

Company Secretary

Kara McGowan
Chief Legal Officer and Company Secretary
6 Albert Street
Preston VIC 3072 Australia
Tel +61 3 9462 9111

Corporate Affairs (investor, media or government enquiries)

Gary Woodford
Head of Corporate Affairs
6 Albert Street
Preston VIC 3072 Australia

Tel +61 3 9462 9111
Email investor.relations@sigmahealthcare.com.au

Auditors

PwC
2 Riverside Quay
Southbank VIC 3006
Australia

Share Registry Details

MUFG Corporate Markets (AU) Limited
Locked Bag A14
Sydney South NSW 1235
Australia

Tel (within Australia) 1300 554 474
Tel (international) +61 1300 554 474
Email support@cm.mpms.mufg.com.au

www.mpms.mufg.com

MPS Sites

8 Clunies Ross Court
Eight Mile Plains QLD 4113

29 Connell Road
Oakleigh VIC 3166

11 Spireton Place
Pendle Hill NSW 2145

Tel 1800 003 938 (within Australia)

Sigma Healthcare Distribution Centres

2 Imperata Close
Kemps Creek NSW 2178

36 Huntingwood Dr
Huntingwood, NSW 2148

53–101 Wayne Goss Drive
Berrinba QLD 4117

41 Tradecoast Dr
Eagle Farm QLD 4009

16 –20 Bell Street
Townsville QLD 4810

35 Burma Road
Pooraka SA 5095

30 Bedford Road
Port Adelaide SA 5015

115 Coonawarra Road
Winnellie NT 0820

10 Craft Street
Canning Vale WA 6155

22 Hyne St
South Guildford WA 6055

15 Woodrieve Road
Bridgewater TAS 7030

580-610 Dohertys Road
Truganina VIC 3029

51 Fillo Drive
Somerton VIC 3062

Sigma Healthcare