ANNUAL REPORT 2025

Third Age Health

CONTENTS

Third Age Health

OUR MISSION

Elevating healthcare to live well.

OUR VISION

Third Age Health is the trusted leader for living well, providing personalised and comprehensive care at every life stage.

OUR VALUES

We care

Quality is key. We care for all of our stakeholders – our people, patients, facilities and shareholders.

We're committed

We are persistent, committed and driven to get the best outcomes for all of our stakeholders – our patients, our people, clients and shareholders.

We get it done, well

We have a can-do attitude. We strive to think differently. We do what needs to be done, to the best of our ability. We're innovative, visionary and resourceful. We get it done and we do it right.

We are one team

We all achieve more when we work together – working with our stakeholders in all aspects of delivering care.

FY25 BUSINESS SUMMARY

Third Age Health Services Limited ('Third Age Health', 'TAH') is New Zealand's leading provider of quality health care services for older adults, supporting those living in care homes, hospital level care, secure dementia units, retirement villages and in their own homes.

TAH operates throughout New Zealand and provides services to some of the largest aged care providers in the country. In addition, we also have a group of general practices providing quality primary healthcare for local communities.

THIRD AGE HEALTH HAS SCALED ITS REACH IN FY25

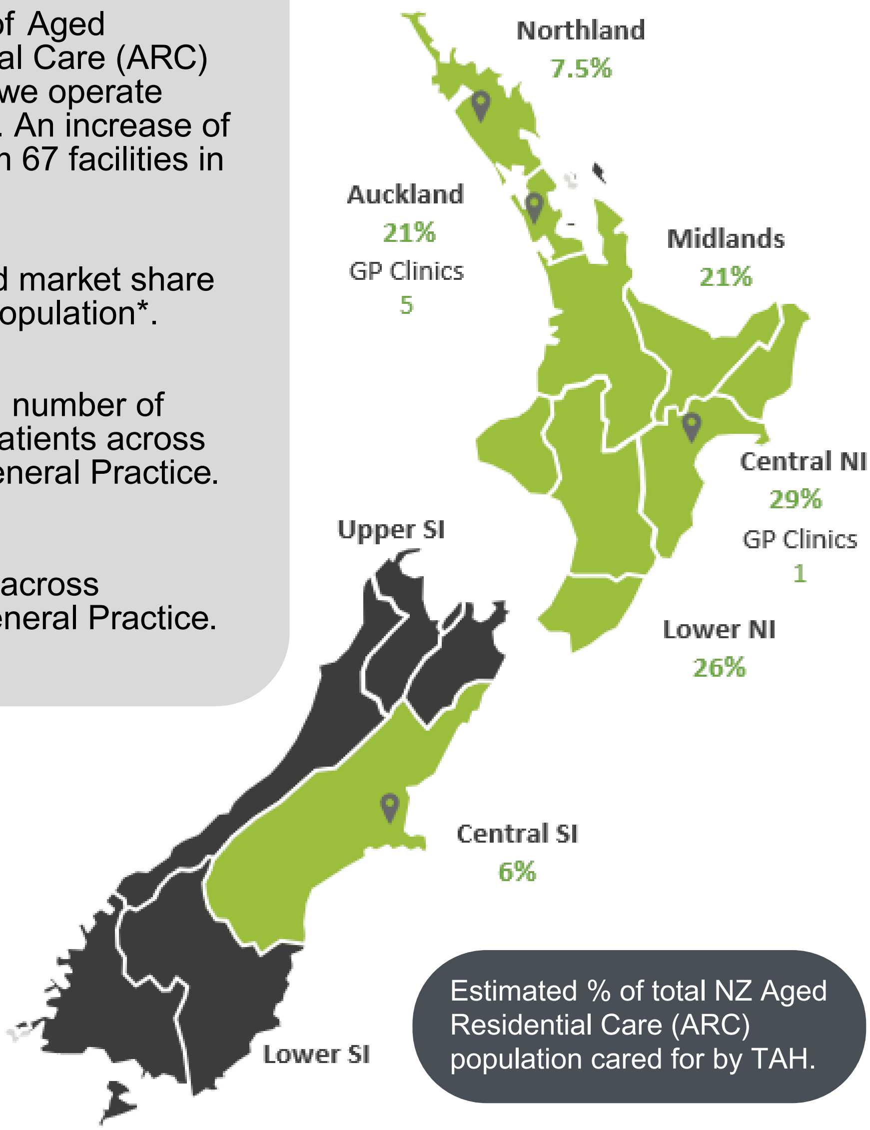
90 Number of Aged Residential Care (ARC) Facilities we operate nationally. An increase of 34% (from 67 facilities in FY24).

17% Estimated market share of ARC population*.

25,721 Combined number of enrolled patients across ARC & General Practice.

112 Clinicians across ARC & General Practice.

AREAS OF SERVICE COVERAGE



Estimated % of total NZ Aged Residential Care (ARC) population cared for by TAH.

* Based on actual enrolment to 31 March 2025 and our latest estimates of ARC occupancy across New Zealand according to the Te Whatu Ora ARC Funding / Service Assessment report (January 2024).

FY25 FINANCIAL SUMMARY

Financial Highlights $'000	Third Age Health and Controlled Entities					
	H1	H2	% Change	FY25	FY24	YOY % Change
Revenue	**9,413**	**9,668**	**+2.7%**	**19,081**	**15,151**	**+25.9%**
Underlying EBIT	2,053	2,216	+7.9%	4,269	2,606	+63.8%
Underlying EBIT Margin	21.8%	22.9%	+1.1%	22.4%	17.2%	+5.2%
Underlying NPBTA[1]	1,858	2,050	+10.3%	3,908	2,251	+73.6%
Underlying NPBTA%[1]	19.7%	21.2%	+1.5%	20.5%	14.9%	+5.6%
Underlying NPATA[2]	**1,361**	**1,525**	**+12.0%**	**2,886**	**1,708**	**+69.0%**
Underlying NPATA%[2]	14.5%	15.8%	+1.3%	15.1%	11.3%	+3.8%

Statutory NPAT	**1,154**	**1,324**	**+14.7%**	**2,478**	**1,383**	**+79.2%**
Statutory NPAT%	12.3%	13.7%	+1.4%	13.0%	9.1%	+3.9%
Diluted Earnings Per Share	10.25	12.49	+21.9%	22.74	13.59	+67.3%
Ordinary Dividends Per Share (cents)	6.83	7.88	+15.4%	14.71	10.07	46.1%
Return on Equity (TTM)	55.3%	60.9%	+5.6%	60.9%	47.4%	+13.5%
Return on Capital Employed (TTM)	35.1%	42.8%	+7.7%	42.8%	35.7%	+7.1%

[1] Underlying NPBTA is adjusted for non-cash amortisation charges arising as a result of purchase accounting rules and amortisation of software.
[2] Underlying NPATA (Net Profit After Tax before Amortisation) is adjusted for non-cash amortisation charges arising as a result of purchase accounting rules.

CHAIRMAN'S REPORT

Dear Shareholders,

It's been nearly three years since I took on the role of Chairman. In that time, we moved quickly to orient our strategy around a small number of simple ideas and to take them seriously.

That meant focusing on delighting customers, running a lean organisation grounded in Kaizen (aka Lean), and being frugal. It also meant aligning incentives, for example through implementing a profit-sharing plan for key employees and considering both opportunity cost and hurdle rates when allocating capital. All with a view to maximising the average annual rate of increase in intrinsic value per share over time.

That said, not everything has gone smoothly. I've made some mistakes, mostly from saying yes to a few things I should have said no to. In hindsight, those decisions diverted focus, consumed time, and created distractions that didn't serve our goals. While the costs aren't always visible in the financials, they are very real. It's a reminder of the importance of maintaining a high bar, filtering harder, and being highly selective in how we allocate time, attention, and capital.

We are applying these learnings as we refine our approach to future opportunities, with the aim of ensuring that we build not just momentum and sustainability but also protect the culture we are working hard to build. A key part of that is ensuring that any future partners share our values.

Financial Performance

FY25 was another year of solid overall performance. Net profit after tax rose by 79.2% to $2,478k, while underlying NPATA increased by 69.0% to $2,886k, reflecting operating leverage and improved efficiency across the group.

We completed the acquisition of Hub Aged Care ('HAC') in April 2024, extending our footprint in the Lower North Island. This business has performed ahead of expectations and has been successfully integrated. Combined with strong organic growth, this has driven meaningful gains in revenue and operating scale across our ARC business.

Our community general practices also showed encouraging signs of progress. While not all practices are yet operating at full potential, refinements to the operating model, improved leadership, and better systems and processes are beginning to translate into improved profitability. Nevertheless, a meaningful amount of work remains to be done to improve the operational and financial performance of several practices.

Overall, the financial results for FY25 reflect our efforts to run a more efficient organisation capable of creating and compounding customer value sustainably over many years.

Capital Allocation

Our approach to capital allocation is simple. We aim to evaluate each opportunity against the best alternatives available at the time, prioritising those that clear our hurdle rate and where each dollar retained has a reasonable probability of creating at least a dollar of market value over a rolling five-year period, rather than pursuing growth for its own sake. During the year, we allocated capital to investments in our digital clinical portal and AI trials, which are enhancing the customer experience and improving operational efficiency positioning us to grow market share over time.

We also repaid $790k of high-cost debt primarily related to the HAC acquisition, reducing our interest burden by around $75k p.a. based on borrowing rates at the time of discharge of the loan. Similarly, our modest on-market share buyback, repurchasing 0.50% of shares, was executed when our stock traded below our assessment of per-share value and in the context of a lower likelihood that higher-return acquisition opportunities would materialise. We also continued to pay a quarterly dividend.

While we continue to work on sourcing acquisitions within primary care, as previously mentioned, we are also casting the net wider and are open to purchasing other businesses provided they share similar commercial characteristics to our ARC business. Specifically, we are drawn to businesses with recurring and predictable revenue, favourable long-term demand tailwinds, a small but essential role within a larger value chain, a demonstrated ability to generate free cash flow and earn returns on tangible capital in line with our expectations, and potential to serve as a platform for selective consolidation.

Outlook

We continue to see opportunities to improve how we operate and serve our customers. Every part of the business, from our ARC footprint to our general practices, has room to grow, while also becoming more productive and efficient at creating customer value.

Our management team, led by Tony Wai, is making considerable efforts to deliver this. While we are cautiously optimistic that FY26 will build on the progress made in FY25, after several years of strong financial performance, we expect organic growth in both revenue and earnings to be much more modest going forward.

Thank You

I've previously mentioned our intention to work on broadening the shareholder base. I'm pleased to report that these efforts have begun to bear fruit. We've welcomed several new shareholders this year who share our focus on building a durable business that creates meaningful value over the coming decades.

I want to thank Tony and the wider team for their continued efforts to improve how we operate and serve our customers. I'm also grateful to our customers and partners for the trust they place in us every day.

Finally, thank you to all our shareholders for entrusting us with your capital. We are grateful for your continued support.

Sincerely,

John Fernandes
Chairman

Third Age Health

CEO'S REPORT

Dear Shareholders,

FY25 was a year of strong delivery across the business.
We expanded our reach, improved operational performance and made meaningful progress on key strategic initiatives that support scalable, high-quality care.

Impact at Scale
In April 2024, we acquired a majority interest in Hub Aged Care, strengthening our presence in the Lower North Island. This was followed by onboarding a new ARC facility in Northland, expanding our footprint as a national provider. These additions have increased our service coverage and brought more consistency to how we operate across regions. As a result, Third Age Health now holds an estimated 17% share of the medical services market for residents in ARC facilities across New Zealand*.

We also launched our proprietary digital clinical portal, live in 13 facilities at the end of March. The platform streamlines clinical workflows and improves access to real-time information, allowing our clinicians to spend more time with patients and less on administration. Early feedback from users has been encouraging and we continue to invest in further development of the platform to support better outcomes and operational efficiency.

Alongside the portal, we continued to explore technology that enhances care delivery. AI transcription has been introduced in our general practices to reduce clinical documentation load and virtual care solutions have been expanded to improve after-hours and remote access for ARC residents.

We have also created what we anticipate will become the primary care quality standard in aged care, ('Elder Care Standards'), a pivotal achievement in our commitment to excellence.

Building on Commitment
FY25 saw further embedding of the 'Third Age Health Way of Working', our Kaizen-based business system. This supported streamlined onboarding of new facilities and clinicians, improved client engagement, and enhanced after-hours service delivery across ARC.

* Based on actual enrolment to 31 March 2025 and our latest estimates of ARC occupancy across New Zealand according to the Te Whatu Ora ARC Funding / Service Assessment report (January 2024).

Workforce development continues to be a priority. In March 2025, our Nurse Practitioner Development Programme celebrated its first graduate, an important step in building long term clinical capacity. We also supported transitions from enrolled nurse to registered nurse roles and created pathways for early-career doctors to join our network.

We were also proud to launch the Navigating Wellness guidebook for older adults in New Zealand. Made available nationally in both digital and print, the guide aims to help older people and their families take a more active role in their health and wellbeing particularly in rural and underserved areas.

Operational Performance

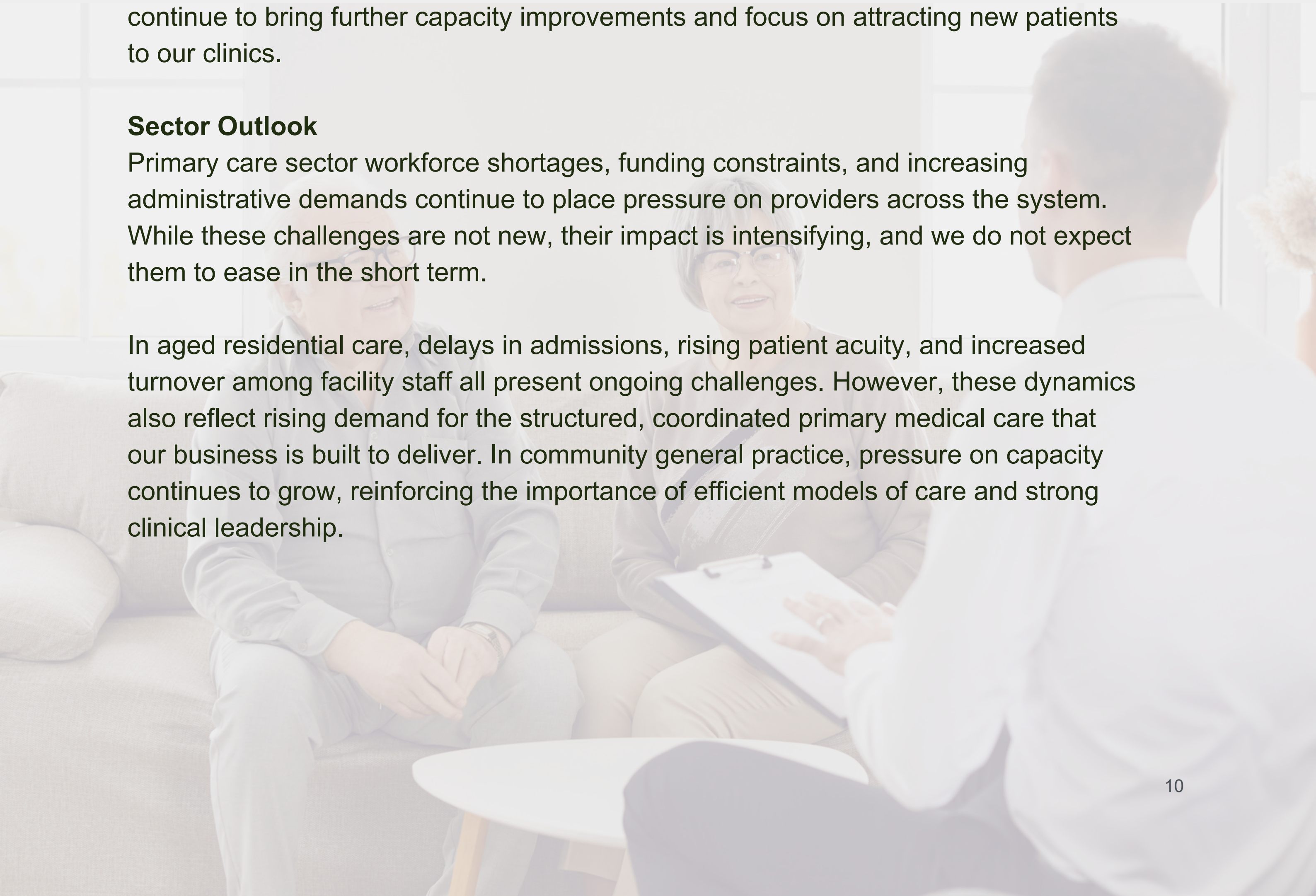
Our ARC business continues to grow steadily, underpinned by strong demand and the consistent delivery of care. Including Hub Aged Care, ARC-related enrolled patients grew to 5,371 and revenue rose 42% to $11.75 million for the year ended 31 March 2025. A range of breakthrough projects, process improvements and digital tooling have helped improve how we deliver care at scale.

In community general practice, we saw positive financial momentum. Despite a 1.3% decline in enrolled patients to 20,350, general practice revenue rose 7% to $7,329k, with a substantial increase in profitability, driven by process improvements and clearer accountability across teams. The decline in the number of enrolled patients is a concern especially given the growing demand for general practice services. We are working to stabilise our enrolled patient base with appropriate urgency, and then grow it, as we continue to bring further capacity improvements and focus on attracting new patients to our clinics.

Sector Outlook

Primary care sector workforce shortages, funding constraints, and increasing administrative demands continue to place pressure on providers across the system. While these challenges are not new, their impact is intensifying, and we do not expect them to ease in the short term.

In aged residential care, delays in admissions, rising patient acuity, and increased turnover among facility staff all present ongoing challenges. However, these dynamics also reflect rising demand for the structured, coordinated primary medical care that our business is built to deliver. In community general practice, pressure on capacity continues to grow, reinforcing the importance of efficient models of care and strong clinical leadership.



We remain focused on adapting to this evolving environment, supporting our people, investing in systems that improve productivity, and maintaining the quality and reliability of care. The fundamentals driving demand for our services remain intact, and we are confident that by continuing to execute well, we can grow sustainably while creating value for our clients, clinicians, and shareholders.

I want to thank our clinicians and operational teams for their continued commitment, and our Board for their ongoing support and guidance. I also want to acknowledge our customers and partners and thank our shareholders for your trust. We remain focused on delivering consistent, high-quality care while building a resilient, scalable, and durable organisation.

Thank you for your continued trust and support.

Sincerely,

Tony Wai
CEO

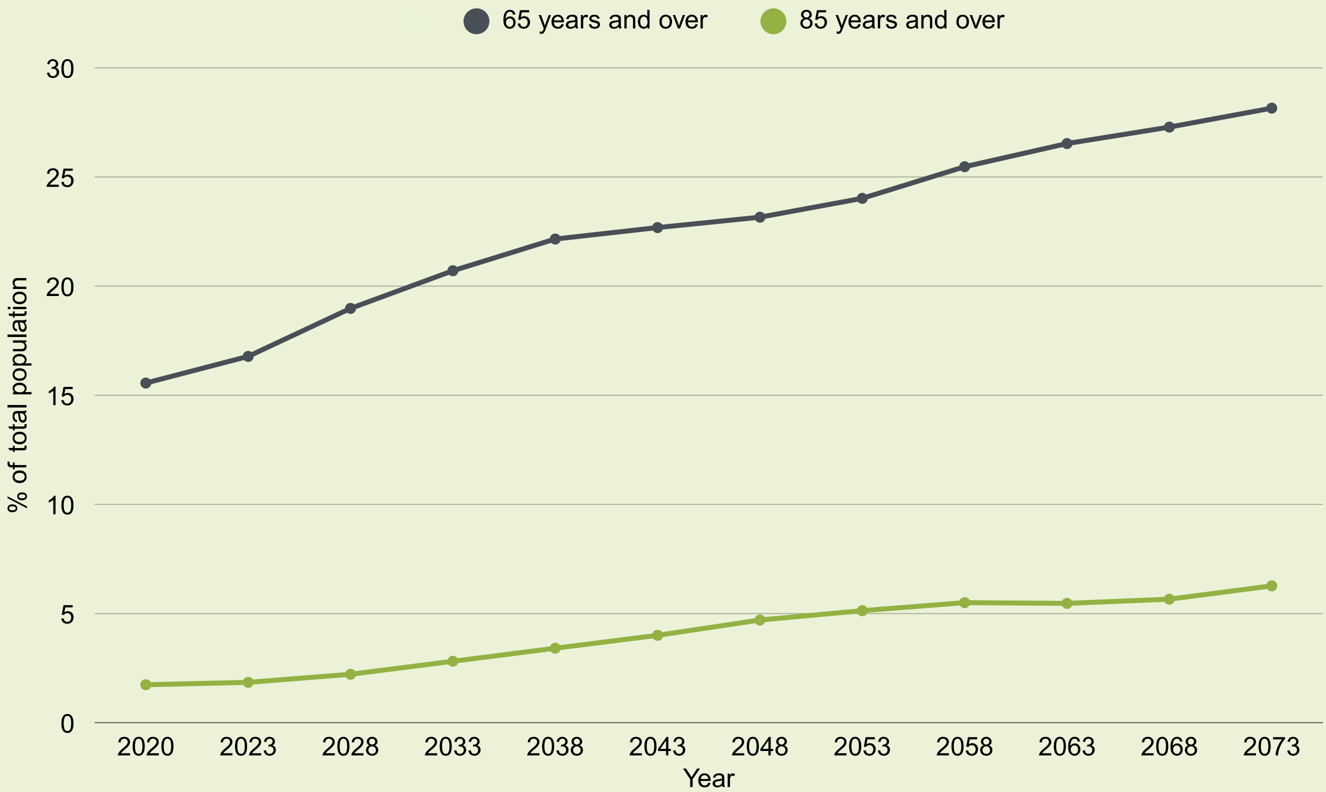
SCALE WITH PURPOSE:
EXPANDING OUR REACH, ELEVATING CARE

SHAPING AGED CARE FOR A CHANGING NEW ZEALAND

New Zealand is entering a period of significant demographic change. By 2058, people aged 65 and over are projected to make up 25% of the population, an estimated 1.6 million individuals[3]. The 85+ age group, which typically requires more complex and intensive care, will also grow substantially. This demographic shift is a key structural driver of long-term demand for aged residential care, dementia service, and integrated health solutions.

Third Age Health is strategically positioned to meet this rising demand through our national scale, diversified service model, and continued investment in workforce, infrastructure, and technology. As the population ages, the need for coordinated, high-quality care will only intensify, creating a compelling growth trajectory for our business and sustained value for shareholders.

Projected older adult population, as a percentage of the total population in New Zealand, 2020-2073



Source: Stats NZ population projections, by age and sex (50th percentile projections), 2020(base)–2073

[3] Environmental Health Intelligence NZ - https://www.ehinz.ac.nz/indicators/population-vulnerability/age-profile/

GROWTH IN ACTION

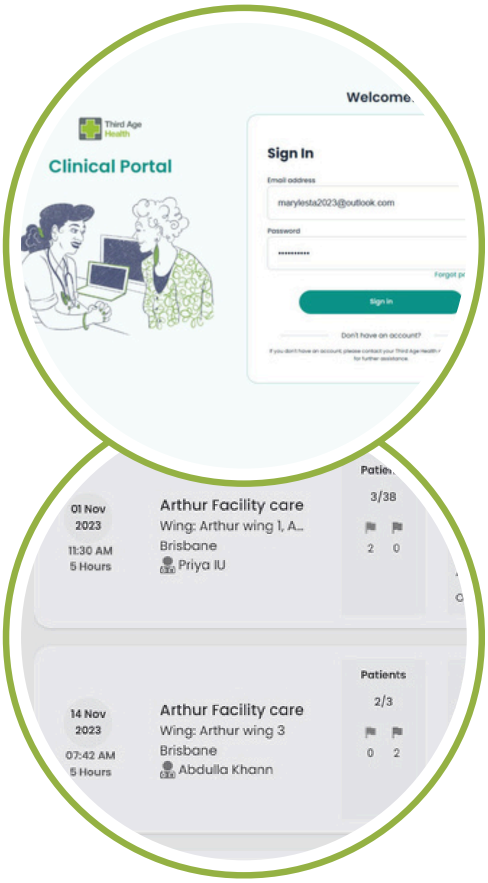
Extending National Coverage and Strength

This year, we have expanded our reach, growing from 67 to 90 ARC facilities, a 34% increase. This strong performance highlights our ability to scale effectively, meet rising customer demand, and strengthen our market position.

As New Zealand's population continues to age, the demand for consistent, coordinated care is rising. Third Age Health is at the forefront of delivering planned-care solutions that meet the evolving health needs of older adults and the wider community. Through integrated services and a proactive scaled approach, our focus on helping people age well, with dignity and support at every stage continues.

Transformative Change

The Third Age Health Clinical Portal is a proprietary integrated platform designed to streamline clinical workflows, enhance operational efficiency, and significantly reduce administrative burden for both clients and clinicians. So far, it has been rolled out to 13 facilities, and its implementation has enabled our clinical teams to continue delivering high-quality care, improve access to real-time information and provide more coordinated service delivery. Our vision is to further evolve the portal with a view to driving measurable improvements in clinical quality outcomes and unlocking additional efficiencies across the organisation.



Alongside the development of the clinical portal, trials of AI innovation continue to progress across the organisation. Key initiatives include the use of AI transcription in our general practice clinics and enhancements to overall workflow efficiency in age residential care. We are also increasing the use of virtual solutions to support remote and after-hours care delivery, improving access and flexibility.

LEADING WITH PURPOSE

Innovating Care For A Healthier Future
Third Age Health has taken a significant step forward in developing what we anticipate will become the primary care quality standards in aged care, 'Elder Care Standards'.
In doing so, we have made a further commitment to excellence in this sector, setting a new benchmark where industry standards were yet to emerge.

Over the past year, we have participated in industry events, reinforcing our presence and reputation within the sector. These engagements provided valuable opportunities to showcase our latest innovation, enabled us to connect with strategic partners, and stay informed on emerging trends and regulatory developments. Attendance at these events not only increased brand visibility but also positioned TAH as a thought leader, helping to shape the conversation around key industry topics.

- Our Clinical Change Lead featured on the eHealth panel at the Nursing and Midwifery Workshop as part of Digital Health Week NZ, hosted by Health Informatics New Zealand.

- The Third Age Health Team contributed to the NZ Association of Gerontology 'Navigating Ageing' conference as a trade sponsor, offering copies of our Navigating Wellness guidebook and supporting the theme which celebrated the essential contributions of older adults to our society.

Driving Value Through Strategic Collaboration
Third Age Health continues to work closely with the Government and the wider healthcare sector to meet the growing demand of aged care services. Together, we are exploring new projects aimed at reducing pressure on hospitals by delivering more efficient, innovative care in the community. These partnerships focus on creating smarter, more sustainable services that better meet the needs of patients, especially older people and those with ongoing health needs.

The Navigating Wellness Guidebook in partnership with CHT Foundation was launched early in the financial year and was well received by healthcare practitioners and older New Zealanders. The guidebook is available in both print and online format and has been distributed across the country, ensuring access in rural and underserved areas with limited healthcare resources.

Navigating Wellness Guidebook highlights include:

- Approximately 5,000 copies distributed
- An estimated 7,400 interactions with the digital version
- Approximately 4,200 downloads
- 100% respondents surveyed said they would recommend the guidebook to others navigating primary care in New Zealand.

This invaluable resource has empowered older adults to take greater control of their health while providing enhanced access to critical health information.

Third Age Health sponsored a podcast series with Health Informatics New Zealand. This first series has been well received and results show a sustained listenership, with early performance metrics indicating good engagement. We delivered three podcasts with a total of approximately 627 downloads. Our podcasts focused on sector-relevant topics, featured subject matter guests and thought leaders offering informed perspectives that align with our strategic priorities.

Workforce Sustainability and Growth

The primary care sector continues to navigate a complex and increasingly challenging landscape of persistent workforce shortages, constrained funding, and rising administrative burdens. Although not new pressures, they are intensifying, and further driven by global demand for healthcare professionals, an ageing clinical workforce, and evolving patient needs.

In response to these dynamics, Third Age Health is taking steps to ensure the organisation remains resilient and positioned for sustainable growth by investing in the development of structured career pathways for General Practitioners (GP) and Nurse Practitioners (NP), with a focus on attracting and retaining high-calibre clinicians.

- In March 2025, our Nurse Practitioner Development Program celebrated its first graduate, a notable achievement in building long-term workforce resilience.
- Across our clinical network, we continue to invest in the future of healthcare by supporting the development of enrolled nurses to registered nurses and providing training opportunities for emerging doctors. This proactive approach helps address the challenge of senior practitioners leaving the workforce and ensuring we maintain continuity of care and support the sustainable growth of our services.

The Partner of Choice for Facilities Today

Commitment and collaborative care

Facilities appreciate our commitment and the quality of care delivered by our GP/NP network. We take pride in offering clinical excellence, together with a holistic approach to care. Facilities value our collaborative approach and close working relationships to ensure alignment of goals, shared insights, and provide solutions that improve outcomes.

Innovative Improvements

We are constantly looking at innovative improvements to help streamline service delivery such as the introduction of the Clinical Portal to help reduce administrative burdens on practitioners so they can dedicate more time to patient care.

Reliable Support

With access to around-the-clock support, our team is often acknowledged for providing timely and helpful guidance when facilities need it most, and this reliability has founded many long-term partnerships.

The Team of Choice for Practitioners and Leadership Professionals

Empowering Through Support

Practitioners appreciate the responsiveness of TAH management and the strong sense of support from the organisation.
Leadership professionals and practitioners alike value that the work is not only rewarding but also delivers meaningful impact, both for individuals and the communities we serve.

Professional Growth

Our teams embrace the opportunity to continuously develop their skills through skills training, mentoring, and peer support; key factors that make working with us both rewarding and future-focused.

Sustainable Career

We offer flexible work arrangements that support different lifestyles and career goals. Whether it’s adjusting hours, locations, or balancing other commitments, our model empowers practitioners to shape a work life that suits them, one of the key reasons they choose to work with Third Age Health.

OUR TEAM

Driving Excellence in Action

Over the year, we have continued to expand our impact, achieving strong results that reflect our focus on growth and scale. These accomplishments are a direct result of the dedication, resilience, and collaboration of our incredible team. Their commitment to excellence, innovation, and compassionate service has been the driving force behind each milestone to date. Together, we look forward to building on this momentum and continuing to deliver high-quality care that makes a meaningful difference.

Third Age Health Team Highlights

Clockwise Top Left: TAH Team Clinical Portal Workshop, Eastmed Doctors win ProCare's Most Improved Award, Devonport Family Medical Centre celebrates team member graduation, Ponsonby Medical Centre end of year gathering, TAH attends NHC Provider Awards Event.

OUR BOARD

John Fernandes
Chairman | Appointed February 2019
John is CFO of MacroActive and Ruminant BioTech. He has experience in strategy, finance and continuous improvement within financial services, telco, media and technology businesses in New Zealand. John has held roles at Spark, MediaWorks, NZX, Elevation Capital and Goldman Sachs JBWere, and holds a Master of Business Administration from The University of Auckland.

Bevan Walsh
Founder & Non-Executive Director | Appointed November 2010
Bevan founded Third Age Health with the goal of revolutionising the way that medical services are delivered to people in New Zealand aged residential care facilities. He is deeply committed to ensuring that Third Age Health delivers its services innovatively and intelligently.

Steffan Crausaz
Independent Director | Appointed December 2023
Steffan is a transformative leader in healthcare, with experience as a pharmacist and CEO. As the former CEO of Tāmaki Health Group, he enhanced operating profits and developed telehealth options during the COVID-19 crisis. Before Tāmaki, Steffan led Pharmac.

Wayne Williams
Independent Director | Appointed June 2021
Wayne is formerly a Partner of KPMG and has close to 30 years' experience within the health sector. He has worked in line management and consulting roles within primary care, DHBs and the Ministry of Health, and he was most recently the CEO of Alliance Health Plus Trust.

Third Age Health

CONSOLIDATED FINANCIAL STATEMENTS

Third Age Health Services Limited
and subsidiaries

For the year ended 31 March 2025

Directors' responsibility statement

The Directors of Third Age Health Services Limited (the "Company") are pleased to present to shareholders the Consolidated Financial Statements for Third Age Health Services Limited and its subsidiaries ("the Group") for the year ended 31 March 2025.

The Directors are responsible for presenting financial statements in accordance with New Zealand law and generally accepted accounting practice, which present fairly in all material respects the financial position of the Group as at 31 March 2025 and the results of its operations and cash flows for the year ended on that date.

The Consolidated Financial Statements of the Group have been prepared using accounting policies which have been consistently applied and supported by reasonable judgements and estimates and all relevant financial reporting standards have been followed.

The Directors believe that proper accounting records have been kept which enable with reasonable accuracy the determination of the financial position of the Group and facilitate compliance of the Financial Statements with the Companies Act 1993, NZX Listing Rules and Financial Markets Conduct Act 2013.

The Directors ensure that they have taken adequate steps to safeguard the assets of the Group and to prevent and detect fraud and other irregularities. Internal control procedures are also considered to be sufficient to provide a reasonable assurance as to the integrity and reliability of the Financial Statements.

The Consolidated Financial Statements presented are signed on behalf of the Board on 26 June 2025 by:

John Fernandes	Wayne Williams
Chairman	Audit Committee Chair

Third Age Health Services Limited
Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the year ended 31 March 2025

	Notes	2025 $000	2024 $000
Revenue	4	**19,081**	**15,151**
Cost of services	5	(9,181)	(7,535)
Gross profit		**9,900**	**7,616**
Other income		58	85
Employees and contractors	7	(3,302)	(3,042)
Professional and consulting fees	8	(523)	(437)
Other expenses	9	(1,455)	(1,226)
Operational expenses		**(5,280)**	**(4,705)**
EBITDA		**4,678**	**2,996**
Amortisation and depreciation	10	(841)	(715)
Finance costs	11	(337)	(355)
Profit before income tax		**3,500**	**1,926**
Income tax expense	13	(1,022)	(543)
Profit for the period		**2,478**	**1,383**
Other comprehensive income		-	-
Total comprehensive income for the period		**2,478**	**1,383**
Profit and total comprehensive income attributable to:			
Shareholders of the parent		2,339	1,400
Non-controlling interests	28	139	(17)
Profit for the year		**2,478**	**1,383**
Earnings per share	15		
Basic earnings per share (cents)		23.43	13.99
Diluted earnings per share (cents)		22.74	13.59

These Consolidated Financial Statements are to be read in conjunction with the accompanying notes.

Third Age Health Services Limited

Consolidated Statement of Changes in Equity

For the year ended 31 March 2025

	Notes	Share Capital $000	Share-Based Payments Reserve $000	Retained Earnings $000	Non-controlling Interest $000	Total $000
Balance at 1 April 2023		**596**	**645**	**1,330**	**(27)**	**2,544**
Prior period error		-	-	(40)	-	(40)
Revised balance at 1 April 2023		**596**	**645**	**1,290**	**(27)**	**2,504**
Profit for the year		-	-	1,400	(17)	1,383
Total comprehensive income for the year		**-**	**-**	**1,400**	**(17)**	**1,383**
Dividend	14	-	-	(986)	-	**(986)**
Share-based payments	26.2	-	12	-	-	**12**
Balance at 31 March 2024		**596**	**657**	**1,704**	**(44)**	**2,913**
Balance at 1 April 2024		**596**	**657**	**1,704**	**(44)**	**2,913**
Profit for the year		-	-	2,339	139	2,478
Total comprehensive income for the year		**-**	**-**	**2,339**	**139**	**2,478**
Dividend	14	-	-	(1,351)	(116)	**(1,467)**
Share buyback	25	(111)	-	-	-	**(111)**
Transfer	27.1	-	(634)	634	-	**-**
Share-based payments	26.2	-	8	-	-	**8**
NCI on acquisition		-	-	-	146	**146**
Balance at 31 March 2025		**485**	**31**	**3,326**	**125**	**3,967**

These Consolidated Financial Statements are to be read in conjunction with the accompanying notes.

Third Age Health Services Limited

Consolidated Statement of Financial Position

For the year ended 31 March 2025

	Notes	2025 $000	2024 $000
Current assets			
Cash and cash equivalents	16	2,594	1,695
Trade and other receivables	17	1,059	775
Other assets		104	81
Accrued revenue		40	319
Loan receivable	18	-	-
Total current assets		3,797	2,870
Non-current assets			
Property, plant and equipment		189	123
Right-of-use-assets	19	2,181	2,514
Intangible assets	20	4,773	4,191
Financial assets		20	20
Total non-current assets		7,163	6,848
Total assets		**10,960**	**9,718**
Current liabilities			
Trade and other payables	22	1,882	1,594
Employee benefits		432	336
Provisions		22	22
Tax liabilities		648	346
Bank Loan	24, 30	59	1,342
Lease liabilities	19	330	306
Total current liabilities		3,373	3,946
Non-current liabilities			
Bank loan	24, 30	1,091	-
Other payables	22	6	1
Lease liabilities	19	2,094	2,399
Deferred tax liability	13.2	429	459
Total non-current liabilities		3,620	2,859
Total liabilities		**6,993**	**6,805**
Net assets		**3,967**	**2,913**
Equity			
Share capital	25	485	596
Share-based payment reserve		31	657
Retained earnings		3,326	1,704
Equity attributable to the parent		**3,842**	**2,957**
Non-controlling interests		125	(44)
Total equity		**3,967**	**2,913**

These Consolidated Financial Statements are to be read in conjunction with the accompanying notes.

Third Age Health Services Limited

Consolidated Statement of Cash Flows

For the year ended 31 March 2025

	Notes	2025 $000	2024 $000
Cash flows from operating activities			
Receipts from customers		22,112	16,421
Payments to suppliers and employees		(17,245)	(12,948)
Interest received		43	38
Interest paid		(331)	(372)
Income taxes paid		(878)	(462)
Net cash flows provided by operating activities	12	**3,701**	**2,677**
Cash flows from investing activities			
Payments for purchase of property, plant and equipment		(116)	(17)
Investment in developing intangible assets		(36)	(132)
Acquisition of business, net of cash acquired		(572)	-
Net cash flows used in investing activities		**(724)**	**(149)**
Cash flows from financing activities			
Shares acquired		(111)	-
Loan repayments on bank borrowings		(790)	(999)
Loan receivable repayments		-	80
Payment of lease liabilities	19	(308)	(283)
Dividend paid	14	(1,351)	(986)
Dividend paid to NCI	14	(116)	-
Proceeds from borrowings	21.1	598	-
Net cash flows (used in) / provided by financing activities		**(2,078)**	**(2,188)**
Net increase in cash and cash equivalents		**899**	**340**
Cash and cash equivalents at the beginning of the period		1,695	1,355
Cash and cash equivalents at the end of the period		**2,594**	**1,695**

These Consolidated Financial Statements are to be read in conjunction with the accompanying notes.

1. Reporting entity

These Consolidated Financial Statements are for Third Age Health Services Limited and its subsidiaries (the "Group"). The Parent is incorporated and domiciled in New Zealand and registered under the Companies Act 1993. The parent's shares are publicly traded on the New Zealand Stock Exchange (NZX) and are listed on the main board of the NZX. The principal trading activity of the Group is the provision of medical services to the aged care sector. Those companies included in the Group are disclosed in note 27.1.

The Consolidated Financial Statements of the Group are for the year ended 31 March 2025. The Financial Statements were authorised for issue by the Directors as dated in the Directors' Responsibility Statement.

2. Statement of accounting policies

2.1. Basis of preparation

The Financial Statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). They comply with the New Zealand equivalents to International Financial Reporting Standards ("NZ IFRS") and other applicable Financial Reporting Standards, as appropriate. These Financial Statements comply with International Financial Reporting Standards ("IFRS") as published by the International Accounting Standards Board. For the purposes of complying with NZ GAAP, the Group is a for-profit entity. These Financial Statements have been prepared in accordance with the Financial Markets Conduct Act 2013.

2.2. Basis of measurement

Historical cost convention
The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss and financial assets at fair value through other comprehensive income, and certain classes of property, plant and equipment.

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

2.3. Basis of consolidation

The Consolidated Financial Statements incorporate the Financial Statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.
When necessary, adjustments are made to the Financial Statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2.4. Functional and presentational currency

The individual Financial Statements of each Group entity are maintained in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated Financial Statements, the results and position of each Group entity are expressed in New Zealand Dollars (NZD), rounded to thousands, which is the functional currency of the Company and the presentation currency for the consolidated Financial Statements.

The Group has no foreign operations and the functional currency of all the Group subsidiaries is NZD.

2.5. Goods and services tax (GST)

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

- Where the amount of GST incurred is not recovered from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- For receivables and payables which are recognised inclusive of GST (the net amount of GST recoverable from or payable to the taxation authority is included as part of receivables or payables).

2.6. Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.
Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial instruments are classified into the following specified categories: 'fair value through profit or loss' (FVTPL), 'fair value through other comprehensive income' (FVOCI) and 'at amortised cost'. The classification depends on the nature and purpose of the financial instrument and is determined at the time of initial recognition.

The Group's financial assets consist of cash, short term deposits, trade receivables and related party receivables.

Financial assets – Cash and short-term deposits
Cash and short-term deposits comprise cash at bank, cash on hand and short-term deposits with a maturity of three months or less.

Financial assets – Trade and other receivables
Trade receivables are non-derivative financial assets and measured at amortised cost using the effective interest method less expected credit and loss allowance. Impairment of trade receivables is recorded through a loss allowance account - Expected Credit Loss (ECL). The amount of the loss allowance is based on the NZ IFRS 9 simplified ECL approach which involves the Group estimating the lifetime ECL at each balance date. The lifetime ECL is calculated using a provision matrix based on historical credit loss experience and adjusted for forward looking factors specific to the debtors and the economic environment.

Financial assets – Related party receivables
Related party receivables are measured at amortised cost net of any impairment related to credit losses.

Financial liabilities and equity instruments
<u>Financial liabilities and equity instruments – Equity instruments</u>
An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

<u>Financial liabilities and equity instruments – Financial liabilities</u>
Financial liabilities at amortised cost (including borrowings, related party payables and trade and other payables) are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial liabilities and equity instruments – Derecognition of financial liabilities
The Group derecognises financial liabilities when, and only when, the Group’s obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.7. Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their fair value, except deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements which are recognised and measured in accordance with NZ IAS 12 Income taxes and NZ IAS 19 Employee benefits respectively.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer’s previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer’s previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

2.8. Current and non-current classification

Assets and liabilities are presented in the Statement of Financial Position based on current and non-current classification.

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

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

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

2.9. Issued Capital

Ordinary shares are classified as equity.

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

2.10. Dividends

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

2.11. Employee benefits

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

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

2.12. Provisions

Provisions are recognised when the Company has a present (legal or constructive) obligation as a result of a past event, it is probable the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, considering the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

2.13. Changes in accounting policies

All significant accounting policies have been applied on a basis consistent with those used in the audited Consolidated Financial Statements of the Group for the year ended 31 March 2024.

2.14. Standards issued but not yet effective

There are new or amended accounting standards mandatory effective 1 January 2025 which the Group did not adopt earlier.

Amendments to NZ IFRS 1, 7, 9, 10 and IAS 7 – Annual Improvements to NZ IFRS 2024.
Amendments to NZ IFRS 7, 9 – Amendments to the classification of financial instruments
Amendments to IFRS 1 and IAS 21 – Lack of exchangeability

The Group is yet to assess the full impact of these new standards or amendments issued but not due for adoption by the Group until 1 April 2025 or later. However, they are not at this stage expected to have a material impact on the Group.

IFRS 18 - Presentation and Disclosure in Financial Statements replacing NZ IAS 1 for periods beginning or after 1 January 2027.

There is no expected material impact to the Group from the adoption of this standard. The standard is aimed at creating greater consistency in the preparation of the Consolidated Financial Statements across entities and providing more granular information. We expect changes to how we present certain items in the FY28 Consolidated Financial Statements which will retrospectively affect the comparison period of FY27 when the FY28 statements are released.

3. Use of accounting estimates and judgements

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

- Carrying value of intangible assets (note 20)

The company assesses the carrying value at each reporting date of goodwill allocated to each cash generating unit by value-in-use calculations which require the use of assumptions. These assumptions include discount rate, terminal growth rate and EBITDA growth as disclosed in note 20 and are based on Company's best estimate at the date of preparation.

- Expected Credit Loss (ECL)

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience, historical collection rates and forward-looking information that is available. The allowance for expected credit losses, as disclosed in note 17, is calculated based on the information available at the time of preparation. The actual credit losses in future years may be higher or lower.

- Estimation of useful life of assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

- Lease term

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

- Incrementation borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the company estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

4. Revenue recognition

4.1. Revenue from contracts with customers

Revenue has been categorised as consultation revenue, capitation revenue and other revenue.

Consultation revenue

The Group earns revenue from the provision of medical consultation services. Each consultation performed is a separate performance obligation satisfied at a point in time. The price for each consultation is a fixed amount based on an agreed rate card with the customer. Revenue is recognised once the consultation service has been provided. Revenue claims from contracts like ACC and MOH (General medical, maternity and immunisation claims) with customers is measured at the fair value of the consideration received or receivable and may be reduced for rebates and other similar allowances.

Capitation revenue

The Group provides various medical services on a ‘stand ready’ basis on behalf of Primary Health Organisations (PHOs). This capitation revenue is recognised monthly based on the number of enrolled patients and the agreed rate for the particular patient. The agreed rate will be affected by the characteristics of the patient, for example, their age or gender. Revenue is recognised on an over time basis measured on a time lapsed basis.

Other income

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

Revenue from contracts with customers

	2025 $000	2024 $000
Capitation revenue		
Aged medical care services	3,156	2,308
General practice medical services	4,115	3,887
Consultation revenue		
Aged medical care services	8,389	5,906
General practice medical services	2,712	2,425
Other revenue		
Aged medical care services	207	69
General practice medical services	502	556
Total revenue from contracts with customers	19,081	15,151

Geographical information

Over the two years covered by the Consolidated Financial Statements, the Group operated in New Zealand only.

Timing of revenue recognition

	2025 $000	2024 $000
Revenue recognised at point in time basis	11,810	8,956
Revenue recognised on a time lapsed basis	7,271	6,195
	19,081	15,151

Information about major customers

Included in total revenue are revenues that arose from services provided to the Group's largest customers.

The Group derived revenue from the following significant customer:

	2025 $000	2024 $000
Customer 1	2,759	2,300

No other single customers contributed 10% or more to the Group's revenue for both 2025 and 2024.

5. Cost of services

Cost of services line includes direct costs of doctors, nurses and medical supplies as well as other direct costs.

	2025 $000	2024 $000
Practitioners (GP's and nurses)	8,927	7,305
Defined contribution (KiwiSaver)	29	36
Medical supplies	225	194
Total for cost of services	9,181	7,535

6. Segment information

6.1. Products and services from which reportable segments derive their revenue

The segment results disclosed are based on those reported to the CEO and are how the Group reviews its performance. The Group's reportable segments are as follows:

- Aged medical residential care services, being the provision of medical care services to the aged care sector.
- General practice medical services, being the provision of primary care services to the community.

6.2. Segment revenues and results

The following is an analysis of the Group's revenue and results from operations by reportable segment:

Segment revenue	2025 $000	2024 $000
Aged medical care services	11,752	8,283
General practice medical services	7,329	6,868
Total for continuing operations	19,081	15,151

Segment profit before tax	2025 $000	2024 $000
Aged medical care services	2,816	1,833
General practice medical services	684	93
Total for continuing operations	3,500	1,926

Segment profit includes the following items:

For the year ended 31 March 2024	**Aged care medical services $000**	**General practice medical services $000**
EBITDA	1,839	1,157
Depreciation	(6)	(384)
Amortisation of intangibles	-	(325)
Interest expense on leases	-	(204)
Interest on bank Loan	-	(151)
Profit before tax	1,833	93
Add back: Loan impairment	-	-
Profit before tax	**1,833**	**93**
Income tax expense	(496)	(47)
Profit for the period	**1,337**	**46**

For the year ended 31 March 2025	**Aged care medical services $000**	**General practice medical services $000**
EBITDA	2,968	1,710
Depreciation	(21)	(388)
Amortisation of intangibles	(105)	(327)
Interest expense on leases	-	(186)
Interest on bank Loan	(26)	(125)
Profit before tax	**2,816**	**684**
Income tax expense	(895)	(127)
Profit for the period	**1,921**	**557**

EBITDA represents profit before tax excluding amounts for depreciation and amortisation expenses and interest expenses.

6.3. Segment assets and liabilities

Segment assets	**2025 $000**	**2024 $000**
Aged medical care services incl support functions	4,091	2,638
General practice medical services	8,416	8,281
Total segment assets	**12,507**	**10,919**
Intercompany elimination	(1,547)	(1,201)
Total segment assets	**10,960**	**9,718**

Segment liabilities

	2025 $000	2024 $000
Aged medical care services including support functions	3,200	1,461
General practice medical services	5,340	6,545
Total segment liabilities	**8,540**	**8,006**
Intercompany elimination	(1,547)	(1,201)
Total segment liabilities	**6,993**	**6,805**

7. Employees and contractors

	Note	2025 $000	2024 $000
Salaries and wages		2,664	2,513
Short term incentives		279	197
Defined contribution (KiwiSaver)		131	121
Share based payments expense	26.2	13	12
Employee benefit expense		3,087	2,843
Contractors		215	199
		3,302	3,042

The above excludes clinical employee and contractor costs included in cost of services.

8. Professional and consulting fees

	2025 $000	2024 $000
Fees payable to auditors	104	70
Accounting and taxation services	55	40
Legal expenses	54	41
Directors' fees	180	180
Listing and share registry costs	38	40
Other consultancy costs	92	66
	523	437

Fees payable to our auditor Vikas Gupta of UHY Haines Norton, of $104k relate to fees for the annual audit of the Consolidated Financial Statements; $69k related to FY25 and $35k related to additional audit fees for the prior period (2024: $70k). UHY Haines Norton does not perform other assurance or non-assurance services.

9. Other expenses

	2025 $000	2024 $000
Technology / IT	720	601
Marketing & PR	24	26
Travel & entertainment	42	38
Professional operational services	212	198
Office and General	457	363
	1,455	1,226

10. Amortisation and depreciation

	Note	2025 $000	2024 $000
Depreciation on right of use assets	19	362	360
Depreciation on plant, property and equipment		47	30
Amortisation of acquired intangibles	20.3	408	316
Amortisation of software	20.3	24	9
		841	715

11. Finance costs

	2025 $000	2024 $000
Interest expense on leases	186	204
Interest on bank Loan	151	151
	337	355

12. Reconciliation of profit for the year to net cash from operating activities

Reconciliation of profit for the year to net cash from operating activities

	2025 $000	2024 $000
Profit before income tax	3,500	1,926
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation	409	390
Amortisation of intangibles	432	325
Share-based payments expense	13	12
Other non-cash adjustments	(8)	(9)

	2025 $000	2024 $000
Working capital adjustments:		
Trade and other receivables	(284)	64
Trade and other payables	294	431
Prior period reclassification	206	-
Impact of working capital acquired	17	-
	4,579	3,139
Income tax paid	(878)	(462)
Net cash from operating activities	3,701	2,677

13. Taxation

13.1. Income tax recognised in profit or loss relating to continuing operations

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Tax expense comprises:

	2025 $000	2024 $000
Current income tax	1,205	715
Deferred income tax	(201)	(172)
Prior period adjustment	18	-
Total income tax expense recognised in the current year	**1,022**	**543**

Income tax expense for the year can be reconciled to the accounting profit as follows:

	2025 $000	2024 $000
Profit before tax	**3,500**	**1,926**
Income tax expense calculated at 28%	980	539
Effect of non-deductible expenses	24	13
Tax credit on share-based payments	-	-
Prior period adjustments	18	(9)
Income tax expense recognised in profit or loss	**1,022**	**543**

13.2. Deferred tax

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax liability

Deferred tax liability is made up of the following deferred tax assets and liabilities.

	2025 $000	2024 $000
Deferred tax asset	892	913
Deferred tax liability	(1,321)	(1,372)
	(429)	(459)
Deferred tax assets relate to:		
Provisions and accruals	203	149
Lease Liabilities	689	764
	892	913

Deferred tax liabilities relate to:	**2025**	**2024**
Right-of-use-assets	(614)	(704)
Intangible assets	(707)	(668)
	(1,321)	(1,372)

The movement on deferred tax is summarised as follows.

	Notes	Provisions and accruals $000	Right-of-use-assets $000	Leases $000	Intangible assets $000	Totals $000
Opening net deferred tax asset/(liability)		149	(704)	764	(668)	(459)
Additions through acquisitions		-	-	-	(154)	(154)
Recognised in the profit and loss		54	90	(75)	115	184
Closing net deferred tax asset/(liability)	12.2	203	(614)	689	(707)	(429)

13.3. Imputation credits

The Group had New Zealand imputation credits of $1,237,945 (2024: $891,630) available for use in subsequent periods.

14. Dividends

Ordinary shares	2025	2024
	$000	$000
Dividends to shareholders	1,351	986
Dividends to non-controlling interests of Group subsidiaries	116	-
	1,467	986

Dividends declared and paid during the year ended 31 March 2025:	Cents per share	$000
Interim dividend Q3	3.90	388
Interim dividend Q2	3.55	355
Interim dividend Q1	3.28	328
Final dividend for the year ended 31 March 2024	2.80	280
	13.53	**1,351**

Dividends declared and paid during the year ended 31 March 2024:	Cents per share	$000
Interim dividend Q3	3.31	332
Interim dividend Q2	2.34	234
Interim dividend Q1	1.62	162
Final dividend for the year ended 31 March 2023	2.58	258
	9.85	**986**

15. Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the shareholders of the parent by the weighted average number of ordinary shares outstanding during the financial year, excluding treasury shares.

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 ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

Reconciliation of earnings used in calculating earnings per share

	2025 $000	2024 $000
Net profit attributable to the ordinary shareholders of the parent	2,339	1,400
Earnings used in the calculation of basic earnings per share	2,339	1,400

Weighted average number of shares used as the denominator

	2025 Shares 000's	2024 Shares 000's
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	9,985	10,004
Adjustments for calculation of diluted earnings per share:		
Employee share options	300	300

	2025 Shares 000's	2024 Shares 000's
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share	10,285	10,304

Share options issued under ESOP plans are considered as dilutive. A prior year restatement to the diluted earnings per share has been made to account for ESOP plans.

16. Cash and cash equivalents

	2025 $000	2024 $000
Cash on hand and at bank	2,594	1,695
	2,594	**1,695**

17. Trade and other receivables

Current

	2025 $000	2024 $000
Trade receivables	1,107	763
Less provision for estimated credit loss	(59)	(26)
	1,048	737
Other receivables	11	38
	1,059	**775**

As at 31 March 2025 95% of the Group's trade receivables are current (2024: 90%). Short-term receivables from customers (excluding Health NZ funding) are recorded at the amount due, less an allowance for expected credit losses (ECL). This allowance is calculated using a simplified approach based on a lifetime ECL. Current provision recorded is immaterial.

	Expected credit loss rate		Carrying amount		Allowance for expected credit losses	
	2025 $000	2024 $000	2025 $000	2024 $000	2025 $000	2024 $000
Current (<30 days)	0%	0%	1,035	666	1	-
30 to 60 days	31%	0%	15	22	5	-
60 to 90 days	74%	0%	11	9	8	-
Over 90 days	98%	38%	46	67	45	26
			1,107	**763**	**59**	**26**

18. Loan receivable

Third Age Digital Health Limited loan	2025 $000	2024 $000
Loan receivable	-	233
Less provision for doubtful debt	-	(233)
	-	**-**

During the prior financial year, the Board authorised the write-off of the remaining balance of the loan receivable against the provision. A distribution of $80,000 was received from the liquidators in the financial year ended 31 March 2024.

19. Right of use assets and lease liabilities

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis (6-10 years).
Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on an index or a rate;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the Group's incremental borrowing rate.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability.

- any lease payments made at or before the commencement date, less any lease incentives received.
- any initial direct costs, and
- restoration costs.

Amounts recognised in the balance sheet

Right-of-use assets	**2025 $000**	**2024 $000**
Opening balance	**2,514**	**2,967**
Additions	-	-
Lease reassessments	29	(93)
Depreciation	(362)	(360)
Closing balance	**2,181**	**2,514**

Lease liabilities	**2025 $000**	**2024 $000**
Opening balance	**2,705**	**3,038**
Additions	-	-
Lease reassessments	27	(50)
Interest	185	204
Lease repayments	(493)	(487)
Closing balance	**2,424**	**2,705**
Current	330	306
Non-current	2,094	2,399
	2,424	**2,705**

Amounts recognised in the statement of profit or loss

	2025 $000	**2024 $000**
Depreciation of right-of-use assets	362	360
Interest expense (included in finance cost)	185	204
Short term office rent (included in office and general)	32	28
Variable lease (included in office and general & other expenses)	139	119

The total cash outflow for leases in the 12-month period ended March 2025 was $632k (2024: $606k). The future minimum rentals payable under non-cancellable operating leases are $844k (2024: $1,337k)

20. Intangible assets

	Notes	2025 $000	2024 $000
Goodwill	20.1	2,078	1,651
Intangibles	20.2	2,695	2,540
		4,773	4,191

20.1. Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

	Note	2025 $000	2024 $000
Opening balance		1,651	1,651
Additions from HAC acquisition	21.1	427	-
Closing balance		2,078	1,651
Goodwill impairment		-	-
Net carrying amount of goodwill		**2,078**	**1,651**

As at 31 March 2025 goodwill related to the age medical care services segment was $427k (FY24: nil) and goodwill related to the general practice medical services was $1,651k (FY24: $1,651k).

20.2. Impairment of goodwill

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Goodwill has been allocated for impairment testing purposes to Hawkes Bay Wellness Centre Limited (HBWC), Belmont Medical Centre Limited (BMC), Ponsonby Medical (Third Age Health) Limited (PMC), Devonport Family Medicine (Third Age Health) Limited (DFM), EastMed St Heliers Limited (EastMed) and Hub Aged Care Limited (HAC). Each individual acquisition is considered a Cash Generating Unit (CGU).

The allocation of goodwill for each CGU is as follows:

	2025 $000	2024 $000
Hawkes Bay Wellness Centre Limited (HBWC)	408	408
Belmont Medical Centre Limited (BMC)	13	13
Ponsonby Medical (Third Age Health) Limited (PMC)	375	375
Devonport Family Medicine (Third Age Health) Limited (DFM)	65	65
EastMed St Heliers Limited (EMSHL)	790	790
Hub Aged Care Limited (HAC) (Acquired 1 April 2024)	427	-
	2,078	1,651

For the 2025 reporting period, the recoverable amount of the CGUs was determined based on value-in-use calculations which require the use of assumptions. The calculation uses cash flow projections based on a financial forecast approved by the Board plus year 1 to 5 growth rate for the HBWC CGU. Actual FY25 results plus year 1 to 5 growth rate have been applied for all other CGU's. The most conversative approach has been taken as the base for each CGU, being either forecast or actual FY25.
A forecast was generated to model the expected growth of the six CGUs. The following table sets out key assumptions within the forecast:

Discount rate (pre-tax)	16 -18%% (2024: 18%)
Terminal growth rate	3% (2024: 2%)
Year 1 - 5 growth rate	3% (2024: 3%)

Assumption	**Approach used for determining values**
Discount rate	Based on the Company's WACC calculated using CAPM modelling.
Terminal growth rate	Based on historical long run inflation rate.
Year 1 - 5 growth rate	Based on management's estimate of available growth in patient base, historical results and industry standards.

If any one of the following changes were made to the above key assumptions, the carrying amount and the recoverable amount would be equal.

	HBWC 2025	BMC 2025	PMC 2025	DFM 2025	EMSHL 2025	HAC 2025
Year 1 – 5 growth rate	No reasonably possible movement	No reasonably possible movement	No reasonably possible movement	No reasonably possible movement	Reduction from 3% growth to negative 2% growth	No reasonably possible movement
Discount rate	No reasonably possible movement	No reasonably possible movement	No reasonably possible movement	No reasonably possible movement.	Increase from 18% to 25% pre-tax	No reasonably possible movement
Growth rate beyond year 5	No possible rate	No possible rate	No possible rate	No possible rate	Reduction from 3% to 0%	No possible rate

The value-in-use is estimated to exceed the carrying amount of EastMed by $0.2 million. As such, there has been no impairment of the asset during the year.

20.3. Other intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

As a result of the acquisition of General Practices (GP), separately identified intangible assets have been recognised from the patient enrolled database of the general practices and an ongoing funding agreement with the Primary Health Organisations (PHOs). As a result of the acquisition of Aged Residential Care (ARC) business, separately identified intangible assets have been recognised from the enrolled service users (beds under care) and an ongoing funding agreement with the Primary Health Organisations (PHOs).

	Software development $000	Patient database $000	Enrolled service users (beds under care) $000	PHO agreement $000	Total $000
Cost:					
Balance at 31 March 2024	169	1,368	-	1,796	3,333
Additions	36	-	-	-	36
Additions from acquisitions	-	-	467	84	551
Disposals / retirements	-	-	-	-	-
Balance at 31 March 2025	205	1,368	467	1,880	3,920
Accumulated depreciation:					
Balance at 31 March 2024	(12)	(332)	-	(449)	(793)
Amortisation expense	(24)	(142)	(78)	(188)	(432)
Balance at 31 March 2025	(36)	(474)	(78)	(638)	(1,225)
Carrying amount at 31 March 2025	**169**	**894**	**389**	**1,243**	**2,695**
Carrying amount at 31 March 2024	**157**	**1,036**	**-**	**1,347**	**2,540**

A patient database and PHO agreement was acquired on the acquisition of each GP clinic. A number of enrolled service users (beds under care) as well as PHO agreement was acquired on each ARC acquisition. The patient database and PHO agreement for each General Practise acquisition are amortised on a straight-line basis over ten years. The enrolled service users (beds under care) as well as the PHO agreement for the ARC acquisition is amortised on a straight-line basis over six years. The remaining useful life for each acquired GP clinic's patient database, ARC enrolled service users and PHO agreements is as follow as at 31 March 2025 is as follows:

	HBWC	BMC	PMC	DFM	EMSHL	HAC
Remaining useful life (years)	3.0	6.5	7.0	7.0	7.5	5.0

21. Business combinations

21.1. Acquisition

On 1 April 2024 the Company acquired a 70% share of Hub Aged Care Limited, a Wellington based aged residential care provider. The acquisition supports the Company's growth strategy in the Lower North Island region, an essential part of expanding our national coverage and continuing to develop the model of healthcare for older people.

The complete results of the Hub Aged Care Limited since acquisition are included in these Consolidated Financial Statements for the period ended 31 March 2025, contributing $1,626k to Group revenues and $523k to Group EBITDA.
Details of the fair value of identifiable assets and liabilities, acquired purchase consideration and goodwill are as follows:

	Hub Aged Care $000
Cash settlement 1 April 2024	598
Cash settlement 31 May 2024	26
Contingent consideration (1 April 2024) at fair value	118
Total fair value of consideration transferred	**742**
Fair value of NCI on acquisition	**135**
Current assets	
Cash and cash equivalents	52
Trade receivables	122
Non-current assets	
Property, plant and equipment	2
Intangible assets (excluding goodwill)	551
Total assets acquired	**727**
Current liabilities	
Trade and other liabilities	(13)
Accrued expenses	(66)
GST and Income Tax	(43)
Non-current liabilities	
Deferred tax liability on intangibles	(154)
Total liabilities acquired	**(276)**
Total net assets acquired	**451**
Goodwill	**427**

The total nominal consideration transferred or to be transferred to the vendors is as follows:

- $598,000 in cash paid on 1 April 2024.
- $26,090 in cash paid on 31 May 2024 as a working capital adjustment being 50% of current assets less current liabilities at acquisition date per the sale and purchase agreement.
- $130,000 in deferred contingent consideration considered payable on 1 April 2025, if certain conditions are met (discussed below).

The $130,000 in total deferred contingent consideration ($65,000 each) is payable to two of the vendors if the following conditions are met:

  - The patient numbers after 12 months are the same or greater than the forecast confirmed and agreed by the parties.
  - Net profit is maintained or greater for the 12 months post completion.

The fair value of the deferred consideration under IFRS 13 has been calculated using net present value at the incremental borrowing rate of 10.3%. No risk portion calculation is deemed necessary. The fair value of the $130,000 deferred contingent consideration is $117,860. The difference of $12,140 is recorded as a monthly interest expense until payable on 1 April 2025.

The total fair value of all consideration is $741,950.

The expenses relating to the acquisition of Hub Aged Care are the following:

- $17,200 in legal fees incurred in the 2024 financial year. These have been included in the profit and loss in the 2025 financial year.
- $12,140 in interest costs from discounting the contingent consideration payable 1 April 2025 to fair value at acquisition date.

At acquisition date the company held trade receivables with a book and fair value of $122,091. All contracted cash flows were expected to be collected on all receivables and no bad debts were recorded.

An assessment of goodwill is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired, note 20. The goodwill recognised will not be deductible for tax purposes.
Goodwill arises on the acquisition of subsidiaries. Goodwill represents the excess of the purchase consideration over the fair value of the net identifiable tangible and intangible assets at the time of acquisition. Management has used its past established experience of sales growth and synergistic savings to determine their expectations for the future. The goodwill incorporates the expected synergies from local knowledge and contacts with our national know-how and proven best practice. The goodwill on acquisition of Hub Aged Care has been allocated to the aged medical care services segment. Deferred tax liability of 28% on intangible assets is calculated at the time of acquisition, the minority interest portion is considered as immaterial.

The value of the NCI is based on the fair value of net identifiable assets acquired based on the portion of net identifiable assets owned by the NCI.

22. Trade and other payables

Current

	2025 $000	2024 $000
Trade payables	739	781
GST payable	292	253
Liability for cash settled options	-	-
Deferred consideration on acquisition	130	-
Accruals and other payables	721	560
	1,882	**1,594**

Non-current

	2025 $000	2024 $000
Liability for cash settled options	6	1
Accruals and other payables	-	-
	6	**1**

Current trade payables are typically paid within 30 days of the invoice date or on the 20th of the month following the invoice date.

23. Financial instruments

Financial assets	Notes	2025 $000	2024 $000
Financial assets at amortised cost			
Cash and cash equivalents	16	2,594	1,695
Trade receivables	17	1,059	775
Loan receivable	18	-	-
Financial liabilities			
Financial liabilities at amortised cost			
Trade and other payables	22	1,888	1,595
Bank loan	30	1,150	1,342
Lease Liabilities	19	2,424	2,705

23.1. Fair value measurements

As at 31 March 2024, the Group had one investment in Phoenix Health Hub measured at fair value consistent with the prior year. This investment was sold for $1 back to Phoenix Health Hub on the 9th of August 2024.

The net carrying value of all other financial instruments is considered a reasonable approximation of fair value.

24. Financial risks

This note presents information about the Group's exposure to each financial risk and how those risks are managed.

24.1. Interest rate risk

As at 31 March 2025, the Company had two floating rate bank loans. The balance as at 31 March 2025 on the floating rate bank loans were $540k and $607k at an interest rate of 8.05% prior to IFRS 9 adjustment. The floating facility of $200,000 of which nil has been drawn down as at 31 March 2025 has a current rate of 8.54% (note 31).

	2025 $000	2024 $000
+1% (100 basis points)	12	13
-1% (100 basis points)	(12)	(13)

24.2. Credit risk

Credit risk is the risk of the failure of a debtor or counterparty to honour its contractual obligation resulting in financial loss to the Group.

Financial assets, which potentially subject the Group to credit risk, consist principally of cash and cash equivalents, trade and other receivables, and loan receivables. The maximum credit risk at 31 March 2024 and 2025 is the carrying value of these assets on the balance sheet. The Directors consider the Group's exposure to credit risk from cash and cash equivalents and trade and other receivables to be minimal given that

- The Group's cash and cash equivalents are held with ANZ, Westpac, BNZ, ASB and Kiwibank. ANZ, Westpac, BNZ and ASB are all rated AA- based on rating agency Standard & Poors. Standard & Poors no longer rate Kiwibank, but ratings from Moody’s Investor Services and Fitch are A1 and AA respectively.
- The Group's customers are typically low credit risk and, historically, there has been minimal bad debt expense recorded.

24.3. Liquidity risk

The Group manages liquidity to ensure that it has sufficient liquidity to meet its liabilities when due. Ultimate responsibility for liquidity risk management rests with the Board of Directors. The Group manages liquidity risk through continuous cash management and monitoring of forecast and actual cash flows.

The Group and their related entities do not use supplier finance agreements to extend payment terms further than the date on the supplier invoice.

Financing arrangements

Unused borrowing facilities at the reporting date:

	2025 $000	2024 $000
Bank overdraft	200	750
Bank loans	-	-
	200	**750**

24.4. Maturity profile

The following table details the Group's exposure to liquidity risk.

Contractual maturity dates

Financial liabilities as at 31 March 2025:	**Notes**	**Less than one year $000**	**Greater than one year $000**	**Greater than five years $000**	**Total $000**
Trade and other payables	22	1,882	6	-	1,888
Lease liabilities	19	330	1,745	349	2,424
Bank loan	30	59	1,091	-	1,150
		2,271	**2,842**	**349**	**5,462**

Financial liabilities as at 31 March 2024:	**Notes**	**Less than one year $000**	**Greater than one year $000**	**Greater than five years $000**	**Total $000**
Trade and other payables	22	1,594	1	-	1,595
Lease liabilities	19	306	1,794	605	2,704
Bank loan	30	1,342	-	-	1,342
		3,242	**1,795**	**605**	**5,641**

Lease liabilities are discounted to present value and include any extended terms expected to be utilised as at balance date. Bank loans represent the principal portion only.

Capital risk management

The Group manages its capital (comprising of cash and cash equivalents) to ensure that entities in the Group will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance.

25. Share Capital

Ordinary shares
All ordinary shares rank equally with one vote attached to each fully paid share. Total issued share capital is 9,954,491 ordinary shares (2024: 10,004,149).

	Issued Share Capital	Total	Authorised issued and fully paid shares
	$000	$000	000's
Balance at 1 April 2024	596	596	10,004
Shares repurchased	(111)	(111)	(50)
Shares issued	-	-	-
Balance at 31 March 2025	**485**	**485**	**9,954**
Balance at 1 April 2023	596	596	10,004
Shares repurchased	-	-	-
Shares issued	-	-	-
Balance at 31 March 2024	**596**	**596**	**10,004**

On 19 August 2024, the Group announced an on-market share buy back programme of purchase up to 5% of its ordinary shares with resulting buyback shown in shares repurchased above.

26. Share-based payments

26.1. Employee Share Option Plan (ESOP)

ESOP - CEO

On the 4 September 2021 (grant date) the Board approved the offer of 300,000 options, 183,000 equity-settled options and 117,000 cash-settled options, under a ESOP to the CEO, Tony Wai. The options vest in three tranches; 60,000, 90,000 and 150,000. Vesting is subject to continued employment and total return to shareholders being 26% per annum achieved by 27 September 2024, 27 September 2025, and 27 September 2026 since grant date with the expiry date of the options one year after the date of vesting. Tranche one of the options did not vest at 27 September 2024 but may vest in the future should the total return to shareholders threshold be met at a future assessment date.

The company assesses valuation and corresponding expense for share-based payments using the Monte Carlo simulation valuation model.

	2025		2024	
Financial liabilities as at 31 March 2025:	**Number of options**	**Weighted average exercise price**	**Number of options**	**Weighted average exercise price**
Outstanding as at 1 April	300,000	2.36	325,000	2.33
Forfeited during the year	-	-	(25,000)	(2.00)
Exercised during the year	-	-	-	-
Granted during the year	-	-	-	-
Outstanding as at 31 March	**300,000**	**2.36**	**300,000**	**2.36**
Exercisable as at 31 March	**-**	**-**	**-**	**-**

26.2. Share-based payments expense

Employee share option plan:	**2025 $000**	**2024 $000**
Share-based payments expense equity-settled	8	11
Share-based payments expense cash-settled	5	1
Employee share purchase plan	**13**	**12**

27. Related party transactions

27.1. Group composition

The parent entity is Third Age Health Services Limited, a company incorporated in New Zealand. The Group had the following subsidiaries as of 31 March 2025.

Subsidiary name	**Country of incorporation**	**Ownership 2025**	**Ownership 2024**
Hawkes Bay Wellness Centre Limited	New Zealand	100%	100%
Belmont Medical Centre Limited	New Zealand	100%	100%
Ponsonby Medical (Third Age Health) Limited	New Zealand	100%	100%
Third Age Employee Share Purchase Plan Trust	New Zealand	-	100%
Devonport Family Medicine (Third Age Health) Limited	New Zealand	100%	100%
EastMed St Heliers Limited	New Zealand	67%	67%
Hub Aged Care Limited (acquired on 1 April 2024)	New Zealand	70%	-

On 9th August 2024, the Company sold its 10% share back to Phoenix Health Hub Limited for the nominal value of $1. The Company had not invested any funds in Phoenix Health Hub, nor had it paid for the shares. The investment was held at nil fair value as at 31 March 2024 so no profit or loss is attributable to the Group.

On 17th February 2025 the Third Age Employee Share Purchase Plan Trust was wound up, as the share purchase plan was no longer active. The remaining equity balance of the Third Age Employee Share Purchase Plan Trust has been transferred to retained earnings.

The Group's ownership interest in all subsidiaries is equal to its proportion of voting rights held. The Group has no restrictions relating to its ability to access or use the assets and settle the liabilities of the Group.

27.2. Related party transactions

			2025 $000	2024 $000
John Fernandes	Director and shareholder	Director fees	63	63
Bevan Walsh	Director and shareholder	Director fees	35	35
Norah Barlow (resigned 26 November 2023)	Director and shareholder	Director fees	-	25
Wayne Williams	Director	Director fees	45	45
Steffan Crausaz (appointed 26 November 2023)	Director	Director fees	37	12

Directors' fees for John Fernandes, Norah Barlow, Steffan Crausaz and Wayne Williams also include fees as members of the Audit Committee. Wayne Williams, Audit Committee Chair, receives a fee of $10,000 per annum, while Steffan Crausaz and John Fernandes receive a fee of $2,500 per annum.

27.3. Key management personnel compensation

	2025 $000	2024 $000
Short term benefits		
CEO remuneration: Tony Wai	456	447
Other key management personnel	1,021	958
Directors	180	180
	1,657	1,585
Long term benefits		
Share-based payments	13	12
	1,670	**1,597**

Remuneration of the CEO is based on a base of $306k and Short -Term Incentive Pool (STI) capped at $150k. The STI is at risk based on achievement of organic revenue and profit growth targets. It is only payable where actual growth exceeds a minimum threshold, with maximum payment reached when growth exceeds 15%. Payment on the due date is also conditional on compliance with all relevant laws and regulations governing the Company.

28. Non-Controlling Interests

Hub Aged Care Limited in the aged medical care services segment, a 70% owned subsidiary of the Company is material to the group and has material non-controlling interests (NCI) which was acquired on 1 April 2024.

Summarised financial information in relation to Hub Aged Care Limited, before intra-group eliminations, is presented below together with amounts attributable to NCI:

	2025 $000
Revenue	1,626
Interest income	2
Finance costs	-
Depreciation and amortisation	(94)
All other income and expenses	(820)
Income tax expense	(200)
Profit for the period	**514**
Profit / (loss) allocated to NCI	**154**

	2025 $000
Cash and cash equivalents	266
Other current assets	176
Total current assets	442
Total non-current assets	478
Total assets	920
Total current liabilities	214
Total non-current liabilities	128
Total liabilities	342
Net Assets	**578**
Net Assets attributable to the NCI	**173**

Summary Statement of Cashflows for Hub Aged Care Limited

	2025 $000
Net cash flows from operating activities	620
Net cash used in investing activities	(19)
Net cash flows (used in) / provided by financing activities	(387)
Net increase in cash and cash equivalents	**214**
Net cashflows / (outflows) NCI	**64**
Dividends paid to NCI during the year (in financing activities)	(116)

EastMed St Heliers Limited in the General practice medical services segment, a 67% owned subsidiary of the Company is not material to the group and has an NCI. Eastmed St Heliers Limited contributed the following to the group before intra-group eliminations, is presented below together with amounts attributable to NCI:

	2025 $000	2024 $000
Profit for the period	**(48)**	**(51)**
Profit / (loss) allocated to NCI	**(15)**	**(17)**

29. Contingent liabilities and contingent assets

The Group has a contingent liability for the deferred consideration for HAC as at 31 March 2025 (refer note 21.1) (2024: nil). The Group had no contingent assets as at 31 March 2025 (2024: Nil).

30. Bank loan

The Company entered into a $3 million debt facility in the financial year ending 31 March 2023 with ANZ Bank New Zealand Limited to provide capital to support the Group's planned acquisition strategy. The ANZ loan facility balance as at 31 March 2025 was as follows:

1. $541k term loan, with a floating rate of 8.05% as at 31 March 2025, maturing on 24 November 2028;
2. $609k term loan, with a floating rate of 8.05% as at 31 March 2025, maturing on 29 November 2028;
3. $200k floating facility with nil drawn, at current rate as at 31 March 2025 of 8.54%

Security for the loan and overdraft are a first ranking security over the Company and the Group which includes cross guarantees and indemnity of debt. Annual audited financial statements and annual budget are required to be provided annually to ANZ Bank New Zealand Limited.

Total interest charged on the loan in the period was $139,297 (FY24: $151,312).

Current	**2025 $000**	**2024 $000**
Bank loan	59	1,342

Non-current	**2025 $000**	**2024 $000**
Bank loan	1,091	-

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

Total facilities	**2025 $000**	**2024 $000**
Bank loan	1,150	1,342
Overdraft	200	750
	1,150	**2,092**

Used facilities	**2025 $000**	**2024 $000**
Bank loan	1,150	1,342
Overdraft	-	-
	1,150	**1,342**

Available facilities	**2025 $000**	**2024 $000**
Bank loan	-	-
Overdraft	200	750
	200	**750**

31. Subsequent events

31.1. Final dividend declared

On 30 May 2025 the Board declared a final dividend for the year of 3.98 cents per share taking the total dividend for the year to 14.71 cents per share.

No other matter or circumstances has occurred subsequent to year end that has significantly affected or may affect, the operations of the Group, the results of those operations or the state of affairs of the entity in subsequent financial years.

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Independent Auditor's Report

To the Shareholders of Third Age Health Services Limited

Opinion

I have audited the consolidated financial statements of Third Age Health Services Limited ("the Company") and its subsidiaries ("the Group"), which comprise:

- the consolidated statement of financial position as at 31 March 2025;
- the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, including a summary of material accounting policies.

I am a partner with UHY Haines Norton Chartered Accountants Sydney (the Firm) and I have used the staff and resources of the Firm to perform the audit of the Group.

In my opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 March 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with New Zealand Equivalents to International Financial Reporting Standards ("NZ IFRS") issued by the New Zealand Accounting Standards Board and IFRS Accounting Standards ("IFRS") issued by the International Accounting Standards Board.

Basis for Opinion

I conducted my audit in accordance with International Standards on Auditing (New Zealand) ("ISAs (NZ)") issued by the New Zealand Auditing and Assurance Standards Board. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of my report.

I am independent of the Group in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code)*, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other than in my capacity as auditor, neither myself, the firm or the firm's staff have no relationship with, or interests in, the Group.

Key Audit Matters

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

<table>
<tr><th>Why the audit matter is significant</th><th>How my audit addressed the key audit matter</th></tr>
<tr><td>Revenue recognition

The Group has recognised revenue of $19.08m (FY 2024: $15.15m) (Note 4). Revenue is a key focus of shareholders, directors and management in measuring the Group's progress towards its growth objectives.

The Group's principal revenue stream, the provision of consultation services, continues to be recognised at the point in time at which the service is provided.

The Group's other significant revenue stream, the provision of capitation services, is recognised over time as the service is provided.</td><td>To address the risk associated with revenue recognition, the following audit procedures were carried out:

• Reviewed revenue recognition policies for appropriateness and compliance with the requirements of the relevant accounting standard NZ IFRS 15;
• Performed Substantive Analytical review procedures;
• Selected a sample of transactions and agreed them to supporting documentation such as invoices, cash receipt and assessed whether all criteria related to revenue recognition has been met before being recognised as revenue;
• Reviewed credit notes posted after year end to ascertain correct revenue recognition during the year;
• Performed revenue cut off procedures by selecting revenue samples before and after year end and testing that revenue is recorded in the correct period;
• Reviewed manual revenue journals as part of the journal entry testing process with the criteria specifically targeting unusual entries to revenue accounts; and
• Assessed the reasonability and completeness of the revenue related disclosures to test compliance with the requirements of the accounting standards.</td></tr>
</table>

UHY
Connect to possibility

Why the audit matter is significant	How my audit addressed the key audit matter
Intangible assets & Goodwill The Group has significant intangible assets relating to the acquisitions made in current and previous periods which are subject to annual impairment testing. The Group has significant intangible assets with finite useful lives including software, patient database, enrolled service users and PHO agreement totalling $2.69m (note 20) as at 31 March 2025 that are amortised over their useful life. In addition, there is a significant goodwill balance recorded of $2.08 million (note 20) as at 31 March 2025. Significant judgements and assumptions are involved in the estimation of asset's recoverable values, including cash flow estimates, growth and discount rates. I consider this area to be significant due to the extent of significant auditor judgements and effort involved in assessing the reasonability of key assumptions.	To address the risk associated with intangible balance, the following audit procedures were carried out: • Assessed whether the methodology applied by the Group met the requirements of NZ IFRS; • For the value in use calculations, I independently calculated an auditor's estimate and compared this with management's assessment and the relevant carrying amount. This involved developing appropriate estimates of cash flows, growth rates and discount rates from a combination of company specific and publicly available information and applying those estimates using a generally accepted methodology; • Performed a sensitivity analysis on the key assumptions; and • Assessed the reasonability and completeness of the related disclosures included in the financial statements
Business acquisition During the year, the Group acquired Hub Aged Care for a total consideration of $0.74 million (Note 21). Accounting for this transaction involves significant estimates and assumptions in determining the fair value of the identifiable assets acquired and liabilities assumed. I consider this area to be significant due to the extent of significant auditor judgements and effort involved in assessing the reasonability of key assumptions.	To address the risk associated with business combination, the following audit procedures were carried out: • Assessed whether the methodology applied by the Group met the requirements of NZ IFRS; • Tested management's key estimates with reference to comparable public information and company specific documentation; • I independently developed an auditor's estimate of value for significant intangibles recognised on the acquisition by developing appropriate estimates of cash flows, growth rates and discount rates from a combination of company specific and publicly available information and applying

	those estimates using a generally accepted methodology. I analysed my resulting estimates using a WARA methodology; and • Assessed the reasonability and completeness of the related disclosures included in the financial statements

Information Other than the Consolidated Financial Statements and Auditor's Report thereon

The Directors are responsible for the annual report, which includes information other than the consolidated financial statements and auditor's report.

My opinion on the consolidated financial statements does not cover the other information and I do not express any form of audit opinion or assurance conclusion thereon.

In connection with my audit of the consolidated financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based upon the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Directors' Responsibilities for the Consolidated Financial Statements

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

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

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

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

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

This description forms part of my auditor's report.

Restriction on use of my report

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

Vikas Gupta
Audit Partner - UHY Haines Norton Chartered Accountants Sydney
Signed at Sydney, Australia on 26 June 2025

STATEMENT OF CORPORATE GOVERNANCE

Third Age Health Services Limited
and subsidiaries

The objective of the Board of Third Age Health Services Limited (“the Company”) is to to maximise both returns on capital and the average annual rate of increase in intrinsic value per share. The Board considers there is a strong link between good corporate governance and the achievement of this objective.

The Company seeks to follow the NZX Corporate Governance Code (NZCGC) recommendations for listed companies to the extent that it is appropriate to the size and nature of the Company’s operations. Other principles which the Company considers in its governance approach are the Financial Market Authority’s Corporate Governance Principles and Guidelines, and the Commonsense Corporate Governance Principles 2.0 (altogether “Principles”).

The Board considers that its corporate governance framework complies with the NZCGC recommendations, except as stated within this report. This report is presented by addressing the eight principles and the associated recommendations of the NZCGC.

The information in this report is current as at the date of release of the Annual Report for the year ended 31 March 2025 and has been approved by the Board.

The key corporate governance documents referred to in this report are available under the investors section of the Company’s website at https://www.thirdagehealth.co.nz

Principle 1 – Ethical standards

“Directors should set high standards of ethical behaviour, model these behaviours and hold management accountable for these standards being followed throughout the organisation.”

Recommendation 1.1

“The Board should document minimum standards of ethical behaviour to which the issuer’s directors and employees are expected to adhere (a code of ethics).
The code of ethics and where to find it should be communicated to the issuer’s employees. Training should be provided regularly. The standards may be contained in a single policy document or more than one policy.
The code of ethics should outline internal reporting procedures for any breach of ethics, and describe the issuers’ expectations about behaviour, namely that every director and employee:

a. acts honestly and with personal integrity in all actions;
b. declares conflicts of interest and proactively advises of any potential conflicts;
c. undertakes proper receipt and use of corporate information, assets and property;
d. in the case of directors, give proper attention to the matters before them;
e. acts honestly and in the best interest of the issuer, as required by law, and takes account of interests of shareholders and other stakeholders;
f. adheres to any procedures around giving and receiving gifts (for example where gifts are given that are of value in order to influence employees and directors, such gifts should not be accepted);
g. adheres to any procedures about whistle blowing (for example, where actions of a whistle blower have complied with the issuer’s procedures, an issuer should protect and support them, whether or not action is taken): and
h. manages breaches of the code”

The Company complies with this recommendation with a Code of Ethics which was originally published in March 2022 and it in the process of being reviewed. Directors observe and foster high ethical standards. The Company expects its directors, officers, and employees to act legally, to maintain high ethical standards, and to act with integrity consistent with the Company’s policies, guiding principles and values.

The Company adopts policies to ensure it maintains high standards of performance and behaviour when dealing with the Company's customers, suppliers, shareholders and staff. The specific governance policies in place throughout the year were a Diversity and Inclusion policy, Market Disclosure policy and the Financial Products Trading policy.

The Code of Ethics can be found on the investor section of the Company's website (https://www.thirdagehealth.co.nz).

Recommendation 1.2
"An issuer should have a financial product dealing policy which applies to employees and directors."

The Company complies with this recommendation. The Financial Products Trading Policy can be found on the investor section of the Company's website (https://www.thirdagehealth.co.nz).

Principle 2 - Board composition and Performance

"To ensure an effective board, there should be a balance of independence, skills, knowledge, experience and perspectives."

Recommendation 2.1
"The board of the issuer should operate under a written charter which sets out the roles and responsibilities of the board. The board charter should clearly distinguish and disclose the respective roles and responsibilities of the board and management."

The Company complies with this recommendation, with the board operating under a Board Charter which is available on the investor section of the Company's website (https://www.thirdagehealth.co.nz).

Recommendation 2.2
"Every issuer should have a procedure for the nomination and appointment of directors to the board."

The Company complies with this recommendation. The Board has decided that these functions will be carried out by the full board within the terms of reference of this Board Charter. A copy of the Board Charter is available on the investor section on the Company's website (https://www.thirdagehealth.co.nz).

Recommendation 2.3
"An issuer should enter into written agreements with each newly appointed director establishing the terms of their appointment."

The Company complies with this recommendation. All current Directors and senior executives have entered into written agreements with the Company setting out the terms of their appointment. In accordance with the NZX Listing Rules, all Directors are required to retire (though may be re-elected) not later than the third annual meeting following the Director's appointment, or after three years, whichever is longer. Any Directors appointed by the Board since the previous annual meeting must also retire and are eligible for election.

Recommendation 2.4
"Every issuer should disclose information about each director in its annual report or on its website, including profile of experience, length of service, independence and ownership interest and director attendance at Board meetings."

The Company complies with this recommendation. The biographies of the Directors are available in this Annual Report and on the Company's website (https://www.thirdagehealth.co.nz).

Director	Appointment Date	Length of Service to 31 March 2025
Bevan John Walsh (Director)	5 November 2010	14 years, 5 months
John Samuel Ronny Fernandes (Independent Director)	6 February 2019	6 years, 2 months
Wayne Geoffrey Williams (Independent Director)	10 June 2021	3 years, 10 months
Steffan Crausaz (Independent Director)	1 December 2023	1 year, 4 months

With regard to Board meeting attendance, the Board meets formally as often as it deems appropriate, including sessions to review the performance of the business, to consider the strategic direction and to approve annual budgets. While Board meetings are usually held in person as is common nowadays, a video conference option is also provided, which also suits the dispersed nature of the Board. Directors supplement these formal meetings with frequent ad-hoc information conversations.

The table below sets out Director attendance at Board meetings during FY25, including meetings to approve strategic plans, budgets and the release of annual and half year results.

Director	Number of meetings eligible to attend	Number of meetings attended
Bevan John Walsh	11	11
John Samuel Ronny Fernandes	11	11
Wayne Geoffrey Williams	11	11
Steffan Crausaz	11	10

Recommendation 2.5
"An issuer should have a written diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving diversity (which at a minimum should address gender diversity) and to assess annually both the objectives and the entity's progress in achieving them. The issuer should disclose the policy or a summary of it."

The Company complies with the recommendation to have a written diversity policy which can be found on the investor section of the Company's website (https://www.thirdagehealth.co.nz). The Company prioritises diversity of thought and has not set any specific measurable diversity objectives related to gender, ethnicity or other similar characteristics.

NZX listed issuers are required to report quantitative data on the gender breakdown of Directors and Officers at the financial year end.

As at 31 March 2025 the mix of male and female within the Board and Company's key management personnel (the CEO and persons that report to the CEO) was as follows:

	2025		2024	
	Male	Female	Male	Female
Non-executive Directors	4	-	4	-
Key Management Personnel	3	6	3	7

Recommendation 2.6
"Directors should undertake appropriate training to remain current on how to best perform their duties as directors of an issuer."

Members of the Board undertake regular professional training to remain current on how best to perform their duties. The Company encourages all Directors to undertake appropriate training and education so that they may best perform their duties. This may include attending presentations on changes in governance, legal and regulatory frameworks; attending technical and professional development courses; site visits and briefings from key executives; and attending presentations from industry experts and key advisers.

Recommendation 2.7
"The Board should have a procedure to regularly assess director, board, and committee performance."

The Board have a process to enable an annual assessment of the Directors, the Board and senior executives. The Board considers individual and collective performance, together with the skill sets, training and development and succession planning required to govern the business.

Recommendation 2.8
"A majority of the Board should be independent directors."

The Company complies with this recommendation. In determining directors' independence, the Board has applied factors outlined in the commentary to Corporate Governance Code recommendation 2.4.

The Board currently comprises four Directors, three of whom are independent:

- John Samuel Ronny Fernandes, Independent Chairman
- Bevan John Walsh, Non-Executive Director.
- Wayne Geoffrey Williams, Independent Director.
- Steffan Crausaz, Independent Director

Directors' interests disclosed for the financial year ended 31 March 2025 are provided in the shareholder and statutory information section of this Annual Report.

Recommendation 2.9
"An issuer should have an independent chair of the Board. If the chair is not independent, the chair and the CEO should be different people."

During the year ended 31 March 2025, the Company complied with this recommendation.

Recommendation 2.10
"The Chair and CEO should be different people".
During the year ended 31 March 2025, the Chairman and CEO were different people.

Principle 3 – Board committees

"The board should use committees where this will enhance its effectiveness in key areas, while still retaining board responsibility."

Recommendation 3.1

"An issuer's audit committee should operate under a written charter. An audit committee should only comprise non-executive directors of the issuer. One member of the committee should be both independent and have an adequate accounting or financial background. The chair of the audit committee should be an independent director and not the chair of the board"

The Company complies with this recommendation. The Board operates an Audit Committee which provides a forum for effective communication between the Board and external auditors. The Committee reviews the annual and half-yearly financial statements, prior to their approval by the Board, the effectiveness of internal control, the Company finance function, information systems, and the efficiency and effectiveness of the audit function.
During the year ended 31 March 2025 the Committee comprised of Wayne Williams (Chair and Independent Director), Steffan Crausaz (Independent Director) and John Fernandes (Independent Director). The Audit Committee Charter can be found on the investors section of the Company's website (https://www.thirdagehealth.co.nz). The Chair of the Audit Committee, Wayne Williams, is not the Chair of the Board.

The table below sets out Director's attendance at Audit Committee meetings during FY25.

Director	Number of meetings eligible to attend	Number of meetings attended
Wayne Geoffrey Williams	3	3
John Samuel Ronny Fernandes	3	3
Steffan Crausaz	3	3

Recommendation 3.2

"E*mployees should only attend the audit committee at the invitation of the audit committee."*

The Company complies with this recommendation. Employees and other non-members of the committee only attend by invitation.

Recommendation 3.3

"An issuer should have a remuneration committee which operates under a written charter (unless this is carried out by the whole board). At least a majority of the remuneration committee should be independent directors".

Given the size and nature of the Board there is no standing committee for remuneration, but the Board has decided that these functions will be carried out by the full Board within the terms of reference of the Board Charter. A copy of the Board Charter is available on the investors section of the Company's website (https://www.thirdagehealth.co.nz).

Recommendation 3.4

"An issuer should establish a nominations committee to recommend director appointments to the Board (unless this is carried out by the whole Board) which should operate under a written charter. At least a majority of the nominations committee should be independent directors."

Given the size and nature of the Board there is no standing committee for nominations, but the Board has decided that these functions will be carried out by the full board within the terms of reference of the Board Charter. A copy of the Board Charter is available on the investor section of the Company's website (https://www.thirdagehealth.co.nz).

Recommendation 3.5
"An issuer should consider whether it is appropriate to have any other board committees as standing committees. All committees should operate under written charters. An issuer should identify the members of each of its committees, and periodically report member attendance."

The Board will continue to access the requirements for further standing committees. The Board will use standing committees where this will enhance its effectiveness in key areas, while still retaining Board responsibility.

Recommendation 3.6
"The board should establish appropriate protocols that set out the procedure to be followed if there is a 'control transaction' for the issuer including the procedure for any communication between the issuer's board and management and the bidder. The board should disclose the scope of independent advisory reports to shareholders. These protocols should disclose the option of establishing an independent control transaction committee, and the likely composition and implementation of an independent control transaction committee."

In the case of a control transaction offer, the Company will form an Independent Special Committee to oversee disclosure and response and engage expert legal and financial advisors to provide advice on procedure. The Company does not have a formal Control Transaction Response Policy at this stage and so is not compliant with this recommendation.

Principle 4 - Reporting and disclosure

"The board should demand integrity in financial and non-financial reporting, and in the timeliness and balance of corporate disclosures."

Recommendation 4.1
"The issuer's board should have written continuous disclosure policy."

The Company complies with this recommendation. The Company's directors are committed to keeping investors and the market informed of all material information about the Company and its performance, in a timely manner. The company has adopted a Market Disclosure Policy to ensure that material information is identified, reported, assessed and, where required, disclosed to the market in a timely manner. A copy of the Policy is available on the investors section of the Company's website (https://www.thirdagehealth.co.nz).

Recommendation 4.2
"An issuer should make its code of ethics, board and committee charters and the policies recommended in the NZX Code, together with any other key governance documents, available on its website."

The Company complies with this recommendation. Published policies and charters are found the investor section of the Company's website (https://www.thirdagehealth.co.nz).

Recommendation 4.3
"Financial reporting should be balanced, clear and objective."

In addition to all information required by law, the Company also seeks to provide meaningful information to ensure stakeholders and investors are well informed, including financial and non-financial information.

Financial Information
Senior Management is responsible for implementing and maintaining appropriate accounting and financial reporting principles, policies, and internal controls designed to ensure compliance with accounting standards and applicable laws and regulations.

The Board's Audit Committee oversees the quality and integrity of external financial reporting, including the accuracy, completeness, balance and timeliness of financial statements. It reviews the Company's full and half year financial statements and makes recommendations to the Board concerning accounting policies, areas of judgement, compliance with accounting standards, stock exchange and legal requirements, and the results of the external audit.

For the financial year ended 31 March 2025, the Directors believe that proper accounting records have been kept that enable the determination of the Company's financial position with reasonable accuracy and facilitate compliance of the financial statements with the Financial Markets Conduct Act 2013.

The Company' full and half year financial statements are available on the investor section of the Company's website (https://www.thirdagehealth.co.nz).

Recommendation 4.4

An issuer should provide non-financial disclosures at least annually, including considering environmental, economic, and social factors and practices. It should explain how operational or non-financial targets are measured. Non-financial reporting should be informative, include forward looking assessments, and align with key strategies and metrics monitored by the board."

Non-financial information
The Company sets out, reports against and discusses its strategic objectives in a variety of communications including the Chair and CEO's commentary in reports to shareholders. Where relevant, this includes non-financial factors that are material to execution of strategy and long-term performance.

Principle 5 – Remuneration

"The remuneration of directors and executives should be transparent, fair and reasonable."

Recommendation 5.1
"An issuer should have a remuneration policy for the remuneration of directors. An issuer should recommend director remuneration to shareholders for approval in a transparent manner. Actual director remuneration should be clearly disclosed in the issuer's annual report."

The Company complies with this recommendation. Remuneration of Directors and senior executives is a key responsibility of the Board. The Board ensures that remuneration is benchmarked to the market for Director and Board positions.

Director remuneration
The total remuneration pool available for Directors was fixed at listing at a current maximum of $180,000 per annum for all non-executive Directors. The Board determines the level of remuneration paid to Directors from that pool. Directors also receive reimbursement for reasonable travelling, accommodation and other expenses incurred in the course of performing their duties.

Any proposed increases in pool of fees for non-executive Director fees and remuneration will be put to shareholders for approval. If independent advice is sought by the Board, it will be disclosed to shareholders as part of the approval process.

Approved remuneration for Board roles
The fees payable to a non-executive Chair currently amount to $60,000 per annum, fees payable to the other Directors are $35,000 per annum. The Chair of the Audit Committee receives $10,000 per annum while members receive $2,500 per annum.

No retirement benefits, share options or special exertion payments have been provided to Directors.

Recommendation 5.2
"An issuer should have a remuneration policy for remuneration of executives which outlines the relative weightings of remuneration component and relevant performance criteria."

The Company complies with this recommendation.

Executive remuneration
In general, executive remuneration comprises a fixed base salary, an at-risk short-term incentive payable annually linked to business performance and incentives linked to longer term share growth. At-risk incentives are paid against targets agreed with executives at the commencement of the period and are based on financial measures, mainly earnings targets. The Company does not provide golden parachutes or handshakes in the event of resignation or termination.

Recommendation 5.3
"An issuer should disclose the remuneration arrangements in place for the CEO in its annual report. This should include disclosure of base salary, short term incentives and long-term incentives and the performance criteria used to determine performance-based payments."

The Company complies with this recommendation. The CEO remuneration is detailed under note 27.3 of the Consolidated Financial Statements.

Principle 6 - Risk management

"Directors should have a sound understanding of the material risks faced by the issuer and how to manage them. The Board should regularly verify that the issuer has appropriate processes that identify and manage potential and material risks."

Recommendation 6.1
"An issuer should have a risk management framework for its business and the issuer's board should receive and review regular reports. An issuer should report the material risks facing the business and how these are being managed."

The Board has overall responsibility for the Company's system of risk management and internal control. While day-to-day management is delegated to the CEO, the Board receives and reviews the Company's risk management framework at each meeting, including oversight of material risks and how these are being managed.

Risk identification
The senior management team is required to regularly identify the major risks affecting the business and develop structures, practices, and processes to manage and monitor these risks. The CEO provides an updated risk assessment at each Board meeting. Additionally, the Board has regular engagement with all key management personnel, including unfettered access to them and external advisors as needed to support decision making and manage risks.

Insurance
The Company maintains insurance policies that it considers adequate to meet its insurable risks.

Recommendation 6.2
"An issuer should disclose how it manages its health and safety risks and should report on its health and safety risks, performance and management."

The Company complies with this recommendation, with formal reporting to the board on its health and safety risks, performance, and management at Board meetings.

Principle 7 – Auditors

"The board should ensure the quality and independence of the external audit process."

Recommendation 7.1
"The board should establish a framework for the issuer's relationship with its external auditors. This should include:
a. For sustaining communication with the issuer's external auditors;
b. To ensure that the ability of the external auditors to carry out their statutory audit role is not impaired, or could reasonably be conceived to be impaired;
c. To address what, if any services (whether by type or level) other than their statutory audit roles may be provided by the auditors to the issuer: and
d. To provide for the monitoring and approval by the issuer's audit committee of any service provided to the issuer other than in their statutory audit role."

The Company complies with this recommendation. The Board is committed to ensuring audit independence, both in fact and appearance, so that the Company's external financial reporting is viewed as being highly objective and without bias. The Audit Committee reviews the quality and cost of the audit undertaken by the Company's external auditors and provides a formal channel of communication between the Board, senior management, and external auditors.

The Audit Committee approves the auditor's terms of engagement, audit partner rotation (at least every five years) and audit fee and reviews and provides feedback in respect of the annual audit plan. The Company's current auditor is Vikas Gupta of UHY Haines Norton. The Audit Committee periodically has time with the external auditor without management present. The Committee also assesses the auditor's independence on an annual basis.

All audit work of the Company is fully separated from non-audit services to ensure that appropriate independence is maintained. There were no other services provided by Vikas Gupta of UHY Haines Norton in year ending 31 March 2025 (FY25). The amount of fees paid to UHY Haines Norton for audit and non-audit work are identified on note 8 of the Consolidated Financial Statements.

Vikas Gupta of UHY Haines Norton has provided the Committee with written confirmation that, in its view, it was able to operate independently during the year.

Recommendation 7.2
"The external auditor should attend the issuer's Annual Meeting to answer questions from shareholders in relation to the audit."

The Company complies with this recommendation. The Company's auditor, Vikas Gupta of UHY Haines Norton will be invited to attend the FY25 Annual Shareholders' Meeting and will be available to answer questions from shareholders at the meeting.

Recommendation 7.3
"Internal audit functions should be disclosed."

Given the size of the business the Company does not have an internal audit function. However, the Company has a number of internal controls which are overseen by the Audit Committee and / or the Board. These include controls for business continuity management, insurance, health and safety, conflicts of interest, and prevention and identification of fraud.

Principle 8 – Shareholder rights and relations

"The board should respect the rights of shareholders and foster constructive relationships with shareholders that encourage them to engage with the issuer."

Recommendation 8.1
'An issuer should have a website where investors and interested stakeholders can access financial and operational information and key corporate governance information about the issuer."

The Company complies with this recommendation. The Company's website can be found at https://www.thirdagehealth.co.nz.

Recommendation 8.2
"An issuer should allow investors the ability to easily communicate with the issuer, including by designing tis shareholder meeting arrangements to encourage shareholder participation and by providing shareholders the option to receive communications from the issuer electronically."

The Company complies with this recommendation. The Board is committed to open and regular dialogue and engagement with shareholders. The Company seeks to ensure that investors understand its activities by communicating effectively with them and giving them access to clear and balanced information.

The Company has a calendar of communications and events for shareholders, including but not limited to:
• Half and full year results announcements and Annual Report.
• Market announcements.
• Annual Shareholders' Meeting.
• Easy access to information through the Company's website (https://www.thirdagehealth.co.nz).
• Access to management and the Board via a dedicated email address, investors@thirdagehealth.co.nz.

Recommendation 8.3
"Quoted equity security holders have the right to vote on major decisions which may change the nature of the issuer in which they are invested."

The Company complies with this recommendation. Shareholders are actively encouraged to attend the Annual Shareholders' Meeting and may raise matters for discussion at this event and may vote on major decisions that affect the Company. Voting is by poll, upholding the 'one share, one vote' philosophy.

In accordance with the Companies Act 1993, the Company's Constitution and the NZX Main Board Listing Rules, the Company refers major decisions that may significantly change the nature of the Company to shareholders for approval. All shareholders are given the option to elect to receive electronic communications from the Company. In addition to shareholders, the Company has a wide range of stakeholders and maintains open channels of communication for all audiences, including brokers, the investing community, regulators, staff, customers and suppliers.

Recommendation 8.4
"If seeking additional equity capital, issuers of quoted securities should offer further equity securities to existing equity security holders of the same class on a pro rata basis and no less favourable before further equities are offered to other investors."

In the event that the Company will seek additional equity capital, the Company will seek to offer further equity securities to existing equity security holders of the same class on a pro rata basis and no less favourable before further equities are offered to other investors.

Recommendation 8.5
"The board should ensure that the notices of annual or special meetings of quoted equity security holders is posted on the issuer's website as soon as possible and at least 20 working days prior to the meeting."

The Company has complied with this recommendation.

SHAREHOLDER AND STATUTORY INFORMATION

Third Age Health Services Limited
and subsidiaries

1. Additional information required under the NZX listing rules

Twenty largest registered shareholders as of 30 April 2025

The Company has one class of equities, Ordinary Shares listed on the NZX Main Board under the ticker code TAH.

The following table shows the names and holdings of the 20 largest registered holdings of listed ordinary shares of the Company on 30 April 2025.

Shareholders	Holding	% of issued capital
Bevan John Walsh	4,266,143	42.86%
FNZ Custodians Limited	1,955,613	19.65%
Timothy Grant Livingstone & Robert Peter Webber (W W Flaunty Family Account)	840,500	8.44%
Michael Haskell & Associates Limited	626,920	6.30%
New Zealand Depository Nominee	412,874	4.15%
Diane Lynn Budres	248,392	2.49%
Jsrf Limited	203,857	2.05%
Lenore Deirdre Bauer	156,500	1.57%
Jiahuan Fu	126,936	1.27%
Brian Hazelton Walsh	126,001	1.26%
New Zealand Central Securities Depository Limited	39,627	0.40%
A Taste of New Zealand Limited	37,981	0.38%
Bruce John Mccullagh	37,049	0.37%
Dellow Nominees Limited	33,400	0.34%
Tony Andrew Wai	32,903	0.33%
Warren William Flaunty	27,829	0.28%
Norah Kathleen Barlow & Robert Noel Barlow	24,490	0.25%
Arthur Smethurst & Leigh Smethurst	23,000	0.23%
Brett Hiirini Shepherd	20,529	0.21%
Jean Paterson Marshall	20,529	0.21%
Peter John Collis	17,138	0.17%
Total top 20 shareholders	9,278,211	93.24%
Remaining shareholders	676,280	6.76%
Total shares on issue	9,954,933	100%

Spread of shareholders as at 30 April 2025

The following table is the spread of listed shareholders as of 30 April 2025

Shareholder size	Number of Holders	Total shares listed	% of listed capital
1-1,000	90	41,509	0.41%
1,001-5,000	72	212,736	2.14%
5,001-10,000	33	261,023	2.62%
10,001-50,000	23	475,487	4.78%
50,001-100,000	-	-	-
Greater than 100,000	10	8,963,736	90.05%
	228	9,954,491	100.0%

Shareholding of Directors as of 31 March 2025

Director	2025 Shares	2024 Shares
Bevan John Walsh	4,266,143	4,289,343
John Samuel Ronny Fernandes	203,857	178,792
Wayne Geoffrey Williams	-	-
Steffan Crausaz	-	-

2. Additional information required under the Financial Markets Conduct Act 2013

Substantial security holders

Information on substantial security holders is provided pursuant to section 293 of the Financial Markets Conduct Act 2013 (the "Act") and details the substantial security holders in the Company and their relevant interests in the Company's shares as of 31 March 2025. A person has a substantial holding for the purposes of the Act if the person has a relevant interest in quoted voting products that comprise 5% or more of a class of quoted voting products of the listed issuer.

Investor name	Shares held at 31 March 2025	% of issued capital
Bevan John Walsh	4,266,143	42.86%
Michael Haskell & Associates Limited	2,565,393	25.77%
Timothy Grant Livingstone & Robert Peter Webber (W W Flaunty Family Account)	840,500	8.44%
Lenore Deirdre Bauer		
Beneficial ownership[1]	1,514,972	
Direct ownership	156,500	
	1,671,472	16.71%

1. This relates to an informal agreement relating to the beneficial ownership of a share of the shares held by Bevan John Walsh, the exercise of voting rights attaching to those shares, and any acquisition or disposal of those shares.

3. Additional information required under the Companies Act 1993

Directors' remuneration and other benefits

The names of the Directors of the Company who held office and the details of their remuneration and value of other benefits received for services to Third Age Health Services Limited for the year ended 31 March 2025 were:

	Board fees $	Audit committee fees $
John Samuel Ronny Fernandes	60,000	2,500
Wayne Geoffrey Williams	35,000	10,000
Bevan John Walsh	35,000	-
Steffan Crausaz	35,000	2,500
	165,000	15,000

Disclosure of Directors' interests

The Company maintains an interests register in accordance with the Companies Act 1993 in which Directors interests are recorded.

Directors disclosed, pursuant to section 148 if the Companies Act 1993, the following relevant interests in Third Age Health Services shares during FY25:

Name	Date	Nature of Transaction	Consideration per share	Number of Shares
John Samuel Ronny Fernandes	27 May 2024	On market acquisition by JSRF Limited of ordinary shares	$1.38	18,615
	30 June 2024	Expiry of JSRF Limited's option to purchase 100,000 shares from Brian Hazelton Walsh	Nil	100,000
	24 February 2025	On market acquisition by JSRF Limited of ordinary shares	$3.0844	6,450
Bevan John Walsh	13 - 15 January 2025	On market disposal of ordinary shares	$2.813379	20,944
	20 – 23 January 2025	On market disposal of ordinary shares	$2.77	1,883
	24 January 2025	On market disposal of ordinary shares	$2.77	373

Indemnity and insurance

The Company has entered into deeds of indemnity in favour of all its Directors. The Company has insured all its Directors against liabilities and costs in accordance with section 162(5) of the Companies Act 1993.

Employees' remuneration

The number of employees or former employees, not being Directors of the Group, who received remuneration and other benefits in their capacity as employees, the value of which exceeds $100,000 is set out below:

	2025 Number	2024 Number
$100,000 - $109,999	1	7
$110,000 - $119,999	3	3
$120,000 - $129,999	3	2
$130,000 - $139,999	1	1
$140,000 - $149,999	1	-
$150,000 - $159,999	1	1
$160,000 - $169,999	1	2
$170,000 - $179,999	1	1
$180,000 - $189,999	2	1
$190,000 - $199,999	3	2
$200,000 - $209,999	1	1
$210,000 - $219,999	-	-
$220,000 - $229,999	3	1
$230,000 - $239,999	-	-
$240,000 - $249,999	-	1
$250,000 - $259,999	-	-
$260,000 - $269,999	-	-
$270,000 - $279,999	-	1
$280,000 - $289,999	-	-
$290,000 - $299,999	1	1
$300,000 - $309,999	-	-
$310,000 - $319,999	-	-
$320,000 - $329,999	-	-
$330,000 - $339,999	-	-
$340,000 - $349,999	-	-
$350,000 - $359,999	-	-
$360,000 - $369,999	-	-
$370,000 - $379,999	-	1
$380,000 - $389,999	1	-
	23	26

Subsidiaries of Third Age Health Services Limited within the Group

The following persons held office as directors of the company's six subsidiaries as at 31 March 2025.

Subsidiary	Jurisdiction	Directors
Hawkes Bay Wellness Centre Limited	New Zealand	Tony Wai Geraldine Bromley
Belmont Medical Centre Limited	New Zealand	Tony Wai Geraldine Bromley
Ponsonby Medical (Third Age Health) Limited	New Zealand	Tony Wai Geraldine Bromley
Devonport Family Medicine (Third Age Health) Limited	New Zealand	Tony Wai Geraldine Bromley
EastMed St Heliers Limited	New Zealand	John Samuel Ronny Fernandes Bevan John Walsh Steffan Crausaz Tony Wai Sivanadiyan Nachiappan Simon Clive Garlick
Hub Aged Care Limited (acquired 1 April 2025)	New Zealand	Tony Wai Balram Singh Dhillion

Auditor remuneration

Fees payable to our auditor, Vikas Gupta of UHY Haines Norton, of $104k relate to fees for the annual audit of the Consolidated Financial Statements; $69k related to FY25 and $35k related to additional audit fees for the prior period (2024: $70k).

Vikas Gupta of UHY Haines Norton has provided no other services during the FY25 and has only received remuneration for the annual audit.

Donations

The Company made $3,704 charitable donations during the year ended 31 March 2025.

Registered office
536 Kennedy Road
Greenmeadows, Napier

New Zealand company number
3189884

Directors
John Samuel Ronny Fernandes (Independent Chairman)
Bevan John Walsh (Non-Executive Director & Founder)
Wayne Geoffrey Williams (Independent)
Steffan Crausaz (Independent)

Auditors
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Third Age
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