

30 September 2025



Ebos Group Limited (EBO)

The company will hold its Annual Shareholders Meeting at **2.00pm Wednesday 29 October 2025.**

The location is **Park Hyatt Auckland, 99 Halsey Street, Auckland, New Zealand.**

You can also join the meeting online [at this link.](#)

Company Overview

The company is the largest Australasian marketer, wholesaler and distributor of healthcare, medical and pharmaceutical products. It is also a leading Australasian animal care products marketer and distributor. It employs over 5,700 people in 133 locations in Australia, New Zealand, and Southeast Asia. Healthcare comprises 87% of its business, with animal care the other 13%.

It is listed on the NZX and ASX.

Coline McConville was appointed to the Board in February 2025. John Cullity resigned as CEO in June 2025 and Adam Hall was appointed CEO.

Current Strategy

EBOS Group strives for leadership in its business segments and continues to pursue a robust strategic investment plan designed to strengthen its core business and target new opportunities that extend the Group's capabilities and enables it to deliver more for its stakeholders.

Previous Year Shareholder Meeting

NZSA recorded the following key items at last year's annual shareholder meeting:

1. NZSA had signalled that Liz Coutts had been in her role for much longer than any international best practice and would expect her board place to be rotated.

2. A total of 12% of voted shares were against her reappointment (7.4% of the total register). 24% of shares voted (including NZSA proxy shares, representing 17.3% of the total register) were voted against the proposed increase in board fees.
3. Revenue was up 8% on last year.

The meeting report is available [at this link](#).

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Key

The following sections calculate an objective rating against criteria contained within NZSA policies.

Colour	Meaning
G	Strong adherence to NZSA policies
A	Part adherence or a lack of disclosure as to adherence with NZSA policies
R	A clear gap in expectations compared with NZSA policies
n/a	Not applicable for the company

Governance

NZSA assessment against its key policy criteria are summarised below.

G Directors Fees: Excellent disclosure.

G Director Share Ownership: Directors are not required to own shares.

G CEO Remuneration: The company discloses its remuneration policy on its website, which includes an overview of the remuneration philosophy applicable to the company. The Remuneration Committee is responsible for implementing the policy.

Incentives: The CEO is paid a short-term incentive (STI) in cash and a long-term incentive (LTI) by way of Performance Rights.

NZSA encourages fulsome disclosure in relation to any incentive payments made to the CEO, including disclosure of measures (or measure 'groups'), weightings, targets, and the level of achievement versus target for each component associated with any awards. This methodology is supported by the new [NZX Remuneration Reporting Template](#).

Paid: We note that the company reports on base remuneration paid during FY25, STI earned in FY24 (but paid in FY25) and LTI vesting in FY25, that was initially awarded in FY20.

Earned: It also discloses the expected STI outcome for its FY25 year (payable in FY26) and the LTI 'face value' in FY25, due to be tested in three years (Tables 12-13).

This is in line with NZSA expectations of a disclosure that removes the 'timing conflation' between different periods, with clarity on the incentives *awarded* as well as those *paid*.

The methodology for both STI and LTI is well disclosed. We note that the Board retains a high degree of discretion in awarding incentives, which has the potential to offer less certainty for shareholders.

For FY25, STI was awarded at 106% - 159% of base remuneration, with LTI performance rights issued at 178% of base remuneration.

Regardless, NZSA appreciates the weighting towards the long-term, but believes the quantum is significantly above that expected by NZ shareholders. We appreciate that EBOS is functionally based in Australia, so is required to compete for executive resource within that market.

NZSA expects that the LTI methodology to include a measure related to a long-term 'shareholder return' performance. The EBOS methodology has been solely based on earnings per share compound growth rate over three years. While this offers a link to corporate performance, this does not necessarily reflect the experience of shareholders. We note that future iterations will include a ROCE component

The company discloses the gender pay gap in its Australian operations, as this is a compliance requirement, but does not disclose the gender gap in its New Zealand operations. It does not disclose the CEO/employee remuneration ratio.

Golden Parachutes: In the interests of transparency, NZSA believes there should be explicit disclosure around the severance terms and notice periods associated with the CEO, including whether specific termination payments are offered.

We note as regards John Cullity the Annual Report discloses *"An 18-month post-employment restraint will apply to Mr Cullity from the date of cessation of his employment."* There are no disclosure as regards any severance or termination payments.

As regards Adam Hall we note the Annual Report *"Mr Hall also received a sign-on award to compensate him for existing incentive arrangements foregone with his previous employer, comprising a cash payment and the issue of performance rights that will be subject to service/ continued employment conditions only."*

NZSA does not support such payments, although we recognise they are a feature of the Australian market.

G **Director Independence:** All Directors are independent.

G **Board Composition:** EBOS provides thorough disclosure of the skill sets associated with individual Directors and their relationship to the overall 'collective' skills required to govern the company, within a separate document available on the company's website.

The company does not participate in the IoD's Future Director programme designed to develop and mentor the next generation of Directors. NZSA expects NZX50 companies to participate as part of a responsibility to develop and mentor the next generation of Directors.

Notwithstanding our comments below, the nature of the company's board indicates a commitment to thought, experiential and social diversity, with relevant experience for EBOS.

We note the Chair, Liz Coutts is also Chair of Oceania Healthcare Limited and Voyage Digital (NZ) Limited, (now known as 2degrees Group Limited). NZSA prefers Directors to have no more than five roles with the Chair counting as two due to the additional time commitment.

Ms Coutts has been very conscious of her workload in recent times and has discussed this with NZSA. NZSA is comfortable with her commitments but does not encourage her to take on further board roles without considering her existing roles.

A **Director Tenure:** NZSA looks for evidence of ongoing succession or ‘staggered’ appointment dates that reduce the risks associated with effective knowledge transfer in the event of succession. We also prefer a term maximum of 9-12 years, unless there are exceptional circumstances that may apply.

We note the Chair, Liz Coutts, has served since 2003 – although an effective ‘reverse takeover’ of Symbion occurred in 2013. At the 2024 ASM our proxy questioned Ms Coutts who was standing for re-election as to her future tenure. During their exchange Ms Coutts indicated this would be her final term.

The other Directors were appointed between 2019 and 2025.

G **ASM Format:** Ebos Group Limited is holding a ‘hybrid’ meeting, (i.e., physical, and virtual), a format preferred by NZSA as a way of promoting shareholder engagement while maximising participation.

G **Independent Advice for the Board & Risk Management:** NZSA looks for evidence, through disclosures, that a Board has access to appropriate internal and external expertise to support board assurance activities. We also look for evidence that Boards are across their risk management responsibilities.

The General Counsel provides company secretarial services and is accountable to the Board through the Chair. KPMG acts as the internal auditor and reports to the Audit and Risk Committee. Directors can seek external independent advice subject to obtaining the approval of the Audit & Risk Committee prior to incurring any advisory fees.

EBOS offers good disclosure as to its risk management and governance processes, as well as thorough disclosure of its strategic, business, and financial risks and their mitigations within its Annual Report and Corporate Governance Statement. As we expect, there is good disclosure as to financial risks.

Audit

NZSA assessment against its key policy criteria are summarised below.

G **Audit Independence:** Good disclosure.

A **Audit Rotation:** The company ensures the Lead Audit Partner is rotated at 5 years as required by the NZX Listing Rules. NZSA also expects disclosure of the appointment dates of the Lead Audit Partner and Audit Firm in the Annual Report to improve transparency for investors.

Environmental Sustainability

G **Overall approach:** EBOS has applied four adoption provisions in FY25. While adoption provisions remain, the company has demonstrated significant progress over the last year in refining its disclosures and building capability to meet the full requirements of the NZ Climate Standards.

Through its long-standing partnership with Greenfleet, EBOS contributes to reforestation projects that restore biodiverse habitats and native ecosystems. In FY25, EBOS further strengthened its commitment by acquiring a 94-hectare property, which will be reforested with native species to support local wildlife. This demonstrates that EBOS is engaging with broader environmental sustainability themes.

G **Sustainability Governance:** Oversight of climate risk rests with the board, supported by the Audit & Risk Committee (ARC). The CEO and CFO report to the Board and ARC on climate risks and performance. At the management level, the ESG Steering Committee, chaired by the Executive GM Strategic Operations, ESG and Innovation, met eight times in FY25 to oversee climate metrics, targets, risks and opportunities. Importantly, EBOS discloses a board skills matrix in its Corporate Governance Statement, with Sustainability/Climate included as a capability, confirming recognition of climate expertise at the board level.

G **Strategy and Impact:** EBOS has developed a Carbon Reduction Plan with measurable initiatives, including investment in solar arrays, renewable energy procurement, and efficiency programs. The company conducted scenario analysis and reviewed physical hazards across its portfolio of owned and leased sites. While mitigation measures are more developed than adaptation planning, EBOS demonstrates the integration of climate considerations into capital projects and strategic reviews.

G **Risk and Opportunity:** Key risks include supply chain disruption, regulatory change, and the cost of offsets. Opportunities considered include renewable energy uptake and operational efficiencies, though none were assessed as material in FY25. Risks are evaluated within EBOS's broader enterprise risk framework and reported regularly to the board and ARC.

G **Metrics and Targets:** EBOS discloses Scope 1 and Scope 2 emissions in detail, with one year of comparative data. Targets include a 15% reduction in electricity intensity by FY25 (partly achieved at 12.3%), with further renewable and efficiency goals extending to FY27. Scope 3 emissions remain under review, with disclosure deferred under the adoption provisions. EBOS confirms that it has not established targets or reduction plans for Scope 3 at this stage.

A **Assurance:** Limited assurance from Bureau Veritas covers Scope 1 and Scope 2 emissions data. Other elements of the Climate Statement, including risk disclosures, targets, and Scope 3 emissions, are unaudited. Notwithstanding the recent extension of XRB adoption provisions, NZSA encourages EBOS to extend assurance scope in future years to strengthen confidence in the reliability of disclosures.

Ethical and Social

NZSA assessment against its key policy criteria are summarised below.

G **Whistleblowing:** Good disclosure.

A **Political Donations:** The Annual Report discloses donations, but does not disclose if political donations are made. NZSA expects explicit disclosure around this issue. **ON WEBSITE – ANTI-BRIBERY.**

Financial & Performance

Policy Theme	Assessment
Capital Management	G
Takeover or Scheme	n/a

Ebos' share price fell from \$36.23 to \$28.85 (as of 16th September 2025) over the last 12 months – a 20% decrease. This compares unfavourably with the NZX 50 which rose 4% in the same period. The capitalisation of EBO is \$5.9b placing it 10th out of 115 companies on the NZX by size and makes it a large company.

Metric	2021	2022	2023	2024	2025	Change
Revenue	\$9,210m	\$10,734m	\$12,237m	\$13,189m	\$12,282m	-7%
Cost of Goods Sold	\$8,847m	\$10,328m	\$11,339m	\$12,583m	\$11,726m	-7%
NPAT ²	\$185.3m	\$203m	\$263m	\$273m	\$216m	-21%
EPS ¹	\$1.13	\$1.07	\$1.32	\$1.41	\$1.06	-25%
Inventory Turnover	11.62	10.84	9.91	10.29	9.18	-11%
PE Ratio	32	36	27	26	27	
Capitalisation	\$5.8b	\$7.6b	\$7.0b	\$7.0b	\$5.9b	-16%
Current Ratio	1.13	1.22	1.13	0.95	1.18	14%
Equity / Debt Ratio	1.81	1.91	1.79	1.79	1.67	-7%
Operating CF	\$298m	\$249m	\$391m	\$348m	\$419m	20%
NTA Per Share ¹	\$0.62	-\$2.17	-\$2.06	-\$2.16	-\$1.78	n/a
Dividend ¹³	\$0.885	\$0.96	\$1.10	\$1.185	\$1.185	n/c

¹ per share figures based off actual shares at balance date (not weighted average)

² Attributable to owners of the parent.

³ Dividends are represented in NZD

Revenues and cost of goods sold both fell 7% during FY25, and subsequently revenues were \$12,282 with EBITDA at \$556m. This was in line with their forecast last year, but at the bottom end of the range predicted. In line with the fall in EBITDA, NPAT was down 21% to \$216m. EPS were \$1.06 and places EBO on a P/E of 27.

Surprisingly, EBO still paid unchanged dividends of \$1.185 for the year. This dividend payment is higher than EPS. By virtue of their revenue streams and in which jurisdiction tax is paid, dividends are fully

franked in Australia but only partially imputed in NZ. This puts NZ shareholders at a tax/returns disadvantage to their Australian counterparts.

Operating cashflows were up 20% to \$419m. We note that last year's figure was impacted by working capital changes.

Inventories rose 11% to \$1.3b and may have been a contributor to the 11% decline in the inventory turnover ratio which fell to 9.18.

The balance sheet remains strong, with EBO operating a debt equity ratio at a manageable 1.67. We note that the company reduced debt: total debt stands at \$1,102m. Of this, only \$16m is current. Debt is made up of interest-bearing bank debt.

EBO's NTA remains negative at **-\$1.78** after adding a substantial number of intangibles to their balance sheet in prior years. Total intangibles are \$2.8b and this figure is larger than their equity of \$2.7b. Intangibles are comprised of goodwill and indefinite life intangibles.

On page 25 of an [investor presentation](#), EBO provide some forward looking guidance where they are "targeting Group Underlying EBITDA of \$615 – 635m, reflecting ~7% midpoint". They also expect capital expenditure of between \$130m to \$140m.

Shares are reasonably widely held with the top 20 shareholders holding a combined 78.98% of Ebos.

Resolutions

1. To elect Coline McConville as an Independent Director.

Coline McConville was appointed to the Board 1 February 2025 and is therefore required to offer herself for election. She has over 20 years of governance experience across a wide range of organisations operating in different countries and industries, primarily in the United Kingdom and Europe. She is currently a director of 3i Group plc and a member of the Supervisory Board of German-based Tui AG. Her previous directorships include Kings Cross Central General Partnership, TUI Travel, UTV Media, Travis Perkins, Fevertree Drinks, Inchcape, Wembley National Stadium, Shed Media, Halifax, and HBOS. During her executive career, she was Chief Executive Officer and Chief Operating Officer of Clear Channel Communications (now iHeartMedia Inc.) and a management consultant with McKinsey and LEK.

We will vote undirected proxies **IN FAVOUR** of this resolution.

2. To re-elect Stuart McLauchlan as an independent Director.

Stuart McLauchlan was appointed to the Board in July 2019. He is a Chartered Fellow of the Institute of Directors and a Past President. He is a chartered accountant, partner of GS McLauchlan & Co, and a Fellow of the New Zealand Institute of Chartered Accountants. He is currently chair of

Scott Technology Ltd, ADInstruments Ltd, Cargill Hotel 2002 Ltd, Otago Community Hospice and Wood Solutions. He is a director of Argosy Property Ltd and Scenic Hotels Group, as well as a number of private companies. He is also a governor of the New Zealand Sports Hall of Fame. He was formerly a chair of Pharmac and UDC Finance, director of Ngai Tahu Tourism Ltd and member of the Marsh New Zealand Advisory Board.

We will vote undirected proxies **IN FAVOUR** of this resolution.

3. To re-elect Mark Bloom as an independent Director.

Mark Bloom was appointed to the Board in September 2022. He is currently a non-executive director of ASX listed Abacus Storage King and AGL Energy Limited and a director of JewishCare NSW. He is a former director of Pacific Smiles Group Limited and Abacus Property Group. Mark has over 35 years' experience as a finance executive, including as Chief Financial Officer at ASX listed Scentre Group Limited from its formation in July 2014 through to his retirement in April 2019. Prior to this, he was the Deputy Group CFO of Westfield Group for 11 years. Mark has also held a number of senior finance roles, including being CFO and executive director for insurance and financial services companies Liberty Life, South Africa, and Manulife Financial, Canada.

We will vote undirected proxies **IN FAVOUR** of this resolution.

4. That the Board is authorised to fix the auditor's remuneration for the coming year.

This is an administrative resolution.

We will vote undirected proxies **IN FAVOUR** of this resolution.

Proxies

You can vote online or appoint a proxy at <https://www.investorvote.com.au/>

Instructions are on the Proxy/voting paper sent to you.

Voting and proxy appointments close **2.00pm Monday 27 October 2025.**

Please note you can appoint the Association as your proxy. We will have a representative attending the meeting.

The Team at NZSA