ASX Announcement

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

clinicallabs.com.au

Tuesday 22 September 2026

Australian Clinical Labs Limited - 2026 Annual General Meeting

The following announcements to the market are provided:

AGM Notice of Meeting

Proxy Form

Online Guide from Link Market Services

✓ Australian Clinical Labs Limited 2026 Annual Report (including the 2026 Corporate Governance Statement and 2026 Sustainability Report)

Appendix 4G

– ENDS –

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

Company Secretary
Eleanor Padman
Company Secretary
Email:
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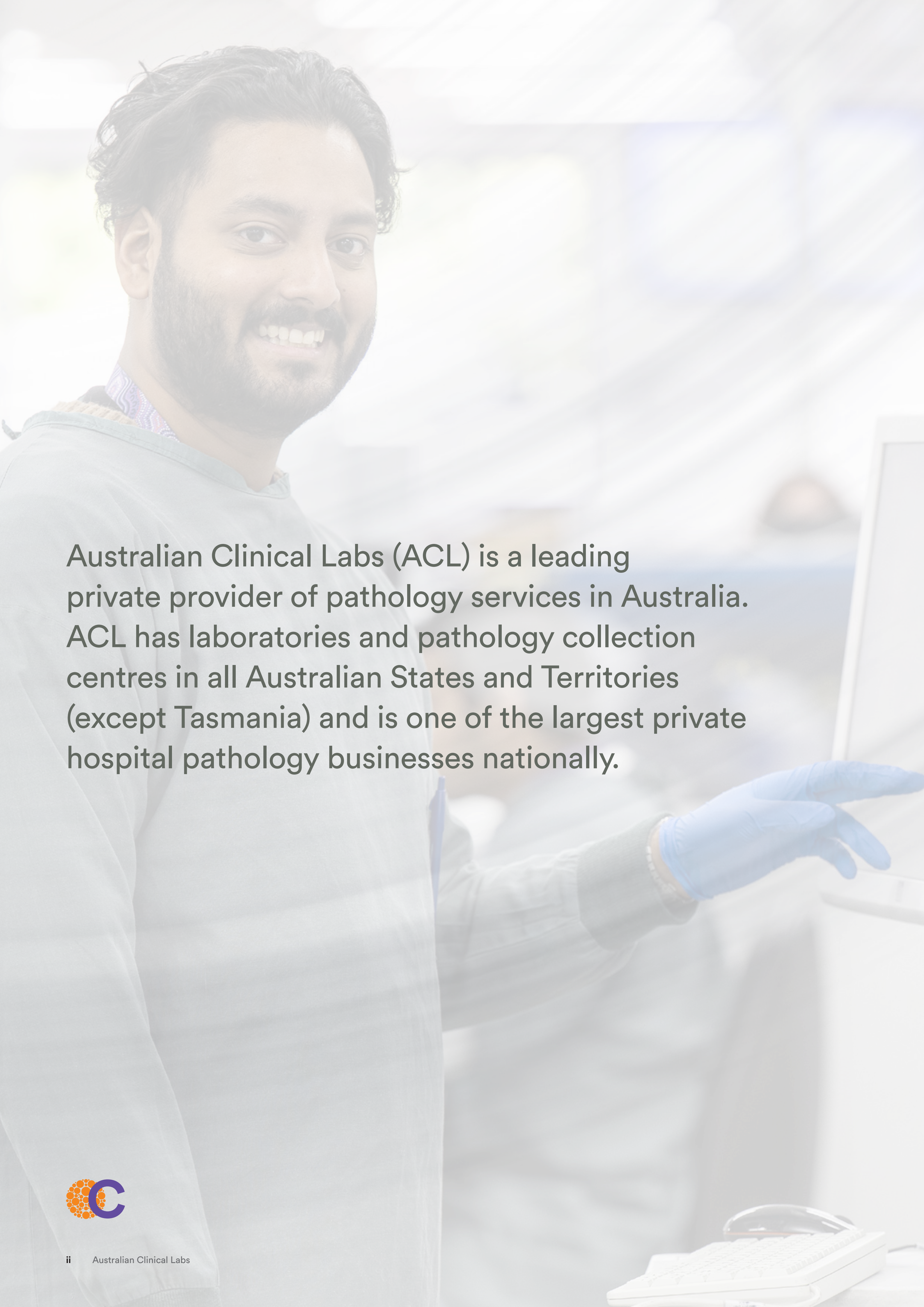
About Australian Clinical Labs

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

Annual Report **2026**

AUSTRALIAN
Clinicalabs



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

Contents

Mission and Values

Our Mission and Values were developed by our people and embody who we are, what we stand for, and the positive impact we strive to make as a healthcare organisation. They guide our decisions, shape our culture, and underpin our commitment to delivering exceptional care and service.

Across our teams nationwide, our employees demonstrate these principles every day. Their dedication, professionalism and pride in our organisation are reflected in countless examples of individuals and teams going above and beyond to bring our Mission and Values to life.

Our Mission

We combine talented people, medical and scientific leadership, with innovative thinking and technologies to empower decision making that saves and improves patients' lives.

Our Values

Our values and behaviours serve to shape the culture within the workplace; set and manage expectations for staff, patients and the community; and strengthen and further define our organisational culture. We have formal methods of promulgating our values to ensure they are felt and seen in the way we behave. The fundamental strength of our values is that they are driven by us at all levels, due to employee engagement, passion and commitment to our mission.

ACL's values are:

- Patient Focus and Medical Excellence
- Passion and Enthusiasm
- Entrepreneurship and Agility
- Efficiency and Effectiveness
- Respect and Integrity

FY26 Highlights

$735.8m

Annual Revenue

25.2%

Return on Invested Capital[1]

Through a combination of earnings growth and disciplined capital allocation.

$64.7m

Free Cash Flow[2]

Strong operating cash flow generation. Supported investment in strategic initiatives.

$69.2m

Underlying EBIT[3]

18.3cps

Underlying EPS[3]

Earnings per Share increased year-on-year, reflecting continued margin discipline and strong cash generation.

9.4%

Underlying EBIT margin[3]

$47.1m

Returned to our shareholders

1. ROIC measured as Underlying EBIT*(1 – 30%) / Average opening and closing invested capital (after adding back $4.2m prepayment write-off in FY26).
2. Free cash flow before interest, tax and financing excluding AIC settlement of $6.2m.
3. Underlying results exclude certain non-recurring revenue and expenses.
4. Increase in dividend compared to prior year FY25 includes both the interim and final dividend

9.25cps

Final dividend[4]

+0.5cps vs FY25.

+80

Net Promoter Score

From 440,007 responses.

50:50

Gender-balanced Board

189

Hybrid vehicles across Australia

2%

Reduction in carbon emissions per pathology episode

+150,00km

per month saved on courier routes

Continued roll-out of automation, artificial intelligence and digital workflow initiatives to improve productivity and service delivery.

Letter from the Chair and CEO

Dear Shareholders,

FY2026 was a year of significant change for Australian Clinical Labs.

Against a backdrop of industry funding reductions, inflationary cost pressures and subdued pathology market growth, ACL delivered a resilient financial result while continuing to strengthen the foundations of the business for the future.

Throughout the year, our focus remained clear: maintain financial discipline, improve operational efficiency, invest in long-term capabilities and allocate capital in a manner that enhances shareholder value. As a result, ACL delivered underlying EBIT growth, increased earnings per share, improved return on invested capital and returned significant capital to shareholders through dividends and share buy-backs.

These outcomes demonstrate the strength of our operating model and the commitment of our people in a challenging environment.

Resilience in a Challenging Operating Environment

A defining feature of FY2026 was ACL's disciplined response to significant structural and funding pressures across the pathology sector. Medicare fee reductions for vitamin B12 and urine testing, subdued GP consultation volumes, lower respiratory and HPV testing, and broader inflationary pressures weighed on industry growth.

The result also absorbed $1.8 million of costs arising from the initial implementation of the Fair Work Commission's gender undervaluation decision, together with the 3.5% annual increase to modern award wages and the 0.5% increase in superannuation. ACL supports fair remuneration for its people; however, the scale of these additional labour costs, when combined with constrained industry funding, reinforces the need for sustainable funding settings that protect patient access and service availability. Through labour productivity, laboratory efficiency, procurement discipline and portfolio optimisation, ACL more than offset these cost pressures while improving underlying EBIT and margin.


Stephen Roche,
Chair


Greg Horan,
Group CEO and
Managing Director

Our strategy is designed to create disciplined value from ACL's resilient national platform, without relying on a rapid recovery in market volumes.

The single national Laboratory Information System is the foundation of this strategy, enabling ACL to build once and deploy nationally across billing, automation, artificial intelligence, workflow quality, laboratory productivity and future integration. This structural advantage reduces duplication, supports consistent clinical and operational standards, and provides operating leverage as activity improves.

ACL's Growth Strategy

Our growth agenda is focused on five connected priorities:

- Expand our collection centre network and contracts only where appropriate returns can be achieved.
- Grow strategic new business in commercial pathology, research partnerships, genetics, specialised diagnostics and melanoma-related opportunities.
- Assess pathology and adjacent acquisitions, including opportunities associated with SunDoctors.
- Improve revenue quality through digitised billing, upfront payment processes, recovery of non-Medicare and unfunded tests, contract pricing and continued funding advocacy.
- Drive further operational improvement through Lab of the Future, the National Skin Laboratory, AI, automation, procurement and route optimisation.

OUR CORPORATE ADVANTAGE	**SINGLE LABORATORY INFORMATION SYSTEM**				
OUR STRATEGIC PILLARS	**Disciplined network expansion**	**Strategic New Business**	**Strategic Aquisitions**	**Revenue Initiatives**	**Operational improvement**
OUR INITIATIVES	Network and hospital services Complementary non-Medicare testing Specialists	Commercial pathology Research program partnerships Genetics Melanoma test commercialisation	AU pathology acquisitions SunDoctors GP clinics International Other strategic investments	Digitised non-Medicare billing Unfunded MBS test recovery Funding advocacy Pricing for non-MBS tests	Lab of the Future National Skin Laboratory AI and Automation Procurement
VALUE CREATION	**Increased profitability and margins**	**Revenue diversification**	**Scale and synergies**	**Revenue growth, reduced bad debts**	**Lower costs and higher efficiency**

Letter from the Chair and CEO

Strengthening Our Social and Environmental Impact

As a provider of essential healthcare services, we recognise that sustainable success is measured not only by financial performance, but also by the outcomes we deliver for patients, healthcare providers, our people and the communities we serve. Throughout FY2026, ACL continued to make meaningful progress across its Environmental, Social and Governance (ESG) priorities, delivering improvements in environmental efficiency, workplace safety, diversity and customer experience. Carbon emissions per pathology episode reduced by 2%, supported by logistics optimisation initiatives and the continued expansion of our hybrid vehicle fleet.

The adoption of digital ordering solutions also continued to grow, improving the experience for referrers while reducing administrative complexity and paper consumption.

Our commitment to quality patient care remained central to everything we do. Every day, ACL's diagnostic services support clinical decision making for patients across Australia, helping to enable timely diagnosis, treatment and ongoing management of health conditions.

During FY2026, customer advocacy remained exceptionally strong, reflected in a Net Promoter Score of +80. We also continued to invest in the health, safety and development of our workforce, achieving a Lost Time Injury Frequency Rate of 4.3, below relevant industry benchmarks.

In parallel, ACL strengthened its governance framework through the continued development of its internal audit capability, maintained gender balance across the Board and advanced leadership and inclusion initiatives to support a diverse and high-performing workforce. These achievements reinforce our commitment to creating long-term value for shareholders while maintaining the highest standards of care, integrity and operational excellence.

Update From the Board

The Board and management team remain committed to disciplined capital management. ACL generated strong cash flow, maintained a conservative balance sheet and continued to deliver shareholder returns while preserving flexibility to invest in future growth opportunities. We believe this balance of capital discipline and strategic investment will continue to support sustainable long-term value creation.

FY2026 also marks an important leadership transition for ACL. After over a decade of outstanding service, Melinda McGrath concluded her tenure as Group Chief Executive Officer/ Executive Director, and we were delighted to announce the appointment of Greg Horan as her successor.

Under Melinda's leadership, ACL successfully integrated multiple pathology businesses, established a national operating platform, completed its ASX listing and navigated the challenges of the pandemic and subsequent market adjustments. On behalf of the Board and our shareholders, we thank Melinda for her vision, leadership and significant contribution to ACL's success.

Greg brings extensive operational and healthcare leadership experience and joins ACL at a time when the business is well positioned to build on its strengths. His focus on disciplined execution, profitable growth, operational excellence and accountability aligns strongly with the strategy that has guided ACL's success to date. The Board is confident that Greg's experience and leadership will support ACL's continued growth and strategic ambitions.

Outlook and FY27 Guidance

Looking ahead, we remain confident in the long-term fundamentals of pathology. Demand for diagnostic services continues to be supported by an ageing population, rising chronic disease and the growing role of diagnostics in clinical decision making.

Our investment case does not depend on a rapid market recovery. We are focused on the levers within ACL's control: service reliability, referrer engagement, disciplined account management, improved billing and revenue capture, labour and laboratory productivity, and rigorous capital allocation. Under Greg's leadership, the strategic direction remains consistent, with greater intensity of execution, clearer accountability and a continued focus on earnings quality, cash generation and sustainable shareholder returns.

For FY2027, ACL is targeting revenue of $745 million to $765 million and underlying EBIT of $67 million to $73 million, representing an implied EBIT margin of 9.0% to 9.5%. This guidance reflects a measured view of the market and does not assume a rapid recovery in pathology volumes. It incorporates expected modest market growth, continued wage pressure and known industry funding settings, except for the final stage of the gender undervaluation outcome for pathology collectors, which remains subject to further assessment. It also reflects the anticipated benefits of initiatives already underway, including upfront episode billing, pricing changes for non-MBS funded tests, Lab of the Future, artificial intelligence initiatives and closer alignment of workforce capacity to activity.

Share buy-backs will continue subject to funding requirements, strategic investment opportunities and ongoing capital expenditure.

The FY2027 focus is therefore clear: maintain margin stability through known headwinds, execute the initiatives within our control and pursue sustainable, returns-focused growth.

Finally, we would like to thank our pathologists, scientists, collectors, couriers and support teams across Australia. Their professionalism, dedication and commitment to patient care underpin everything we achieve. We also thank our shareholders for your ongoing support and confidence in ACL. We look forward to delivering on the significant opportunities ahead and creating sustainable value for all stakeholders.

Yours sincerely,

Stephen Roche
Chair

Greg Horan
Group CEO and Managing Director

About ACL's new CEO, Greg Horan

Greg brings significant executive leadership experience across healthcare, infrastructure, private equity and industrial sectors, with a strong track record of leading complex organisations through periods of change and positioning them for long-term growth. Most recently, Greg served as Chief Executive Officer of Healthscope, where he led one of Australia's largest private hospital operators through a challenging post-pandemic operating environment, with responsibility for business performance, strategic direction and a large national workforce.

Our **footprint**

As one of Australia's largest private hospital pathology businesses, ACL has developed a significant unified network across Western Australia, Victoria, New South Wales, Queensland, South Australia, the Northern Territory and the Australian Capital Territory.

The Company maintains a strong position in community pathology services and continues to grow its operations, enhancing its reach and accessibility for patients and healthcare providers.

4,500+
Employees

28
Specialist skin cancer clinics

43
NATA accredited laboratories

90+
Public and private hospitals serviced

1,273
Approved collection centres

1
Unified laboratory network

Approved Collection Centres

Western Australia	148
Northern Territory	10
South Australia	131
Queensland	34
Australian Capital Territory	15
New South Wales	445
Victoria	490

Social **Responsibility**

At ACL, social responsibility is integral to our purpose and the way we create value for the communities we serve. Through initiatives that promote reconciliation, support healthcare education, and strengthen clinical capability, we strive to make a positive and lasting contribution to the health and wellbeing of Australians.

Reconciliation Action Plan

Our commitment to reconciliation continued to advance throughout FY26, reflecting our ongoing efforts to foster meaningful relationships with Aboriginal and Torres Strait Islander peoples and communities.

A highlight of the year was a special ceremony held during National Reconciliation Week, led by Bunurong Elder Uncle Shane Clarke.

Uncle Shane welcomed employees to Country, acknowledging the Bunurong people as the Traditional Custodians of the land and sharing the enduring connection that First Nations peoples have maintained with Country for thousands of years. Employees also witnessed a Traditional Smoking Ceremony involving the burning of native plants, a Cultural practice that promotes cleansing, wellbeing, respect and renewal.

Our Continued Commitment

Reconciliation is an important part of building a more inclusive and equitable Australia. It is founded on strengthening relationships, deepening understanding, and creating opportunities for Aboriginal and Torres Strait Islander peoples.

Through our Reconciliation Action Plan, we remain committed to fostering a workplace culture that values diversity, promotes inclusion, and encourages open and respectful dialogue. By continuing to listen, learn, and take meaningful action, we aim to contribute to positive outcomes for our employees, patients, communities, and the broader Australian society.

Bunurong Elder Uncle Shane Clarke

Dr Sowmya Sharma – NSW Lead Cytopathologist
and Senior Anatomical Pathologist (MBBS, FRCPA, FIAC)

Social Responsibility

Advancing Knowledge and Improving Patient Care

ACL is committed to supporting the ongoing development of Australia's healthcare professionals and contributing to improved health outcomes across the communities we serve.

Continuing Professional Development

Through our continuing professional development (CPD) programs, more than 5,000 general practitioners engage with educational resources designed to enhance clinical practice and support high-quality patient care. Our RACGP-registered clinical audits enable participants to evaluate outcomes, reflect on performance, and undertake targeted learning activities that drive continuous improvement.

Key areas of focus include diabetes management, skin cancer diagnosis and cervical screening, helping clinicians deliver effective care. These programs consistently receive outstanding feedback from participants, consistently achieving Net Promoter Scores of +80 or higher, reflecting their value and relevance to the medical community.

Sharing Expertise with the Medical Community

ACL's specialist pathologists continue to make a meaningful contribution to medical education by sharing their expertise with healthcare professionals across Australia. Through presentations at industry events, conferences, and educational forums, our experts help advance clinical knowledge and support evidence-based practice.

During the year, ACL pathologists delivered presentations on a range of important healthcare topics, including women's health, iron deficiency, interpretation of common laboratory tests, cervical screening and histopathology. These engagements also reinforced the vital role that general practitioners play in delivering coordinated, patient-centred care.

By sharing knowledge, encouraging professional development and fostering clinical excellence, ACL continues to play an important role in strengthening healthcare capability and improving patient outcomes across Australia.

Financial Report 2026

For the year ended 30 June 2026

Contents

Directors' Report

for the year ended 30 June 2026

The Directors of Australian Clinical Labs Limited (referred to as 'the Company') present their Report for the financial year ended 30 June 2026 (referred to as 'the year' or 'FY26') accompanied by the Financial Report of Australian Clinical Labs Limited and the entities it controlled (referred to as 'Clinical Labs', 'ACL' or 'the Group') from time to time during the year. Pursuant to the requirements of the *Corporations Act 2001* (Cth) (Corporations Act), the Directors' Report is as follows:

1. Directors

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

Directors	Position	Date Appointed/Resigned
Current		
Stephen Roche	Chair Independent Non-Executive Director	Appointed Chair 26 August 2025
Melinda McGrath	Chief Executive Officer and Executive Director	Resignation effective 30 August 2026
Mark Haberlin	Interim Chair Independent Non-Executive Director	Interim Chair – 1 May 2025 to 25 August 2025
Christine Bartlett	Independent Non-Executive Director	
Sarah Butler	Independent Non-Executive Director	
Dr Amandeep Hansra	Independent Non-Executive Director	Appointed 1 July 2026
Former		
Dr Leanne Rowe AM	Independent Non-Executive Director	Resigned 22 October 2025
Grant Jeffery	Independent Non-Executive Director	Resigned 7 April 2026

1. Directors cont.

Stephen Roche

Chair (from 26 August 2025)

Independent Non-Executive Director
Chair – Nominations and Governance Committee (from 4 December 2025)

Stephen has been a Non-Executive Director since 20 June 2025 and became the Chair of the Board on 26 August 2025. Stephen has a wealth of strategic and operational experience across several industry sectors including healthcare, retail, building materials and fast-moving consumer goods. Stephen has over 20 years' experience as a director of public companies, not-for-profits and private family offices, having held executive roles as the Managing Director and CEO of Australian Pharmaceutical Industries Limited and Bridgestone Australia & New Zealand.

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

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

Melinda McGrath

Chief Executive Officer and Executive Director

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

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

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

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

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

1. Directors cont.

Mark Haberlin

Independent Non-Executive Director

Interim Chair (from 1 May 2025 to 25 August 2025)

Chair – Audit and Risk Committee

Member – People and Culture Committee (from 10 November 2025)

Member – Nominations and Governance Committee (from 4 December 2025)

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

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

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

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

Christine Bartlett

Independent Non-Executive Director

Chair – People and Culture Committee

Member – Audit and Risk Committee

Member – Nominations and Governance Committee (from 4 December 2025)

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

Christine is currently the Chair of CEDA, the Chair of NSW Ports and a Non-Executive Director of Reliance Worldwide Corporation Limited and Firmus Technologies Pty Ltd.

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

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

Sarah Butler

Independent Non-Executive Director

Member – People and Culture Committee

Member – Nominations and Governance Committee (from 4 December 2025)

Sarah was appointed a Non-Executive Director on 1 February 2025 and has extensive experience in health, insurance, government, consumer and technology industries with a long career in strategy consulting with Booz & Company and subsequently at PwC. Sarah has worked as a strategic advisor in more than 30 countries, including five years spent living and working in China and Asia. She led PwC's Global Health Services and NSW Government practices through COVID-19, and previously led Booz & Company's Greater China business and Global Insurance.

Sarah is currently a Non-Executive Director of Nanosonics Limited (ASX: NAN), Lumonus (global cancer healthtech), Insurance Manufacturers of Australia (being a joint venture of IAG and RACV) and The George Institute for Global Health, where she is also the Chair of the People Committee. Sarah is an adjunct professor of the UNSW Medicine faculty office.

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

Dr Amandeep Hansra

Independent Non-Executive Director (from 1 July 2026)

Member – Nominations and Governance Committee (from 1 July 2026)

Dr Amandeep Hansra joined the Board as a Non-Executive Director on 1 July 2026. Dr Hansra is a General Practitioner with more than 20 years clinical experience and whose career has included clinical practice, national digital health leadership, government engagement and a number of board roles.

In her executive career, Dr Hansra has held the roles of Chief Medical Officer with Telstra Health, Head of Clinical Innovation at NIB and Deputy Chief Medical Officer at the Department of Home Affairs.

Dr Hansra has led national clinical governance frameworks across digital health, telehealth and technology-enabled care, including managing complex incidents and clinician engagement in emerging models of care.

Dr Hansra remains committed to her GP practice as a Fellow of the Royal Australian College of General Practitioners and acts a Chief Clinical Advisor to the Australian Digital Health Agency.

Dr Hansra is currently a non-executive director of Healthicare, ACHS International, MoleMap New Zealand, Healthengine and the Central and Eastern Sydney Primary Health Network.

Dr Hansra also serves as a member of the Industry Growth Committee for the Department of Industry, Science and Resources.

Dr Hansra holds a Bachelor of Medicine (Hons) from the University of Newcastle and a Masters of Public Health and Tropical Medicine from James Cook University. Dr Hansra also has a Global Executive MBA from the University of Sydney Business School and is a graduate of the AICD.

Former Directors

Dr Leanne Rowe AM

Independent Non-Executive Director (resigned 22 October 2025)

Member – People and Culture Committee (resigned 22 October 2025)

Grant Jeffery

Independent Non-Executive Director (resigned 7 April 2026)

Member – Audit and Risk Committee (resigned 7 April 2026)

2. Directorships of Other Listed Companies

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

Director	Listed Entity	Period Directorship Held
Stephen Roche	Baby Bunting Group Limited GWA Group Limited Blackmores Group Limited	September 2021 – present October 2022 – August 2025 September 2021 – August 2023
Melinda McGrath	–	–
Mark Haberlin	Abacus Property Group	November 2018 – present
Christine Bartlett	Reliance Worldwide Corporation Limited Mirvac Limited Sigma Healthcare Limited	November 2019 – present December 2014 – April 2026 March 2016 – December 2023
Sarah Butler	Nanosonics Limited	January 2026 – present
Dr Amandeep Hansra	–	–

3. Meetings of Directors and Board Committees

The number of meetings of the Board and each of the Board Committees held during the year ended 30 June 2026, and the number of meetings attended by each Director are shown below.

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

	Board of Directors		Audit and Risk Committee		People and Culture Committee		Nominations and Governance Committee	
Directors	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended
Current								
Stephen Roche	16	16	–	–	–	–	1	1
Melinda McGrath	16	15	–	–	–	–	–	–
Mark Haberlin	16	16	5	5	3	3	1	1
Christine Bartlett	16	15	5	5	4	4	1	1
Sarah Butler	16	16	–	–	4	4	1	1
Former								
Dr Leanne Rowe AM	4	4	–	–	1	1	–	–
Grant Jeffery	9	8	4	4	–	–	–	–

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

4. Directors' Relevant Interests in Shares

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

Director	Ordinary Shares	Performance Rights
Stephen Roche	70,000	–
Melinda McGrath	2,923,331	395,490
Mark Haberlin	47,500	–
Christine Bartlett	20,000	–
Sarah Butler	22,617	–
Dr Amandeep Hansra	–	–

5. Company Secretary

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

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

6. Principal Activities

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

7. Operating and Financial Review

Key financial highlights in the financial year ended 30 June 2026 compared to the financial year ended 30 June 2025 include:

- Total Revenue of $735.8m down $5.5m (-0.7%) on FY25.
- Underlying Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA[1]) of $204.5m up 0.2% on FY25.
- Underlying Earnings Before Interest and Tax (EBIT[1]) of $69.2m up 1.7% on FY25.
- Underlying EBIT[1] Margin of 9.4%, up 20 basis points on FY25.
- Statutory EBIT of $55.5m down $10.6m on FY25.
- Underlying Net Profit After Tax (NPAT[1]) of $35.5m up 4.3% on FY25.
- Statutory NPAT of $24.0m down $8.8m on FY25.
- Free cash flow before interest, tax and financing of $64.7m[2] down 8.7% on FY25.
- Declared a final fully franked dividend of 9.25 cps (9 cps for FY25).

1 Underlying figures are calculated excluding certain non-recurring revenue and expenses (AIC settlement – EBITDA/EBIT/NPAT $6.2m, Medlab contract - EBITDA/EBIT $4.2m and NPAT $2.9m, Labour – prior periods - EBITDA/EBIT $1.4m and NPAT $1.0m and Other - EBITDA/EBIT $1.9m and NPAT $1.3m).

2 Free cash flow before interest, tax and financing excludes the AIC settlement of $6.2m.

7. Operating and Financial Review cont.

Underlying EBIT was $69.2m, representing an underlying EBIT margin of 9.4% and growth of 1.7% compared with FY25. The second half of the year showed stronger operating leverage, with an underlying EBIT margin of approximately 11.1%. The improved underlying earnings was achieved in a challenging operating environment characterised by subdued pathology market volumes and changes to Medicare funding arrangements.

This performance also reflected the benefits of portfolio optimisation, improved operational efficiency, disciplined contract management and the early contribution from revenue initiatives, partly offset by award wage increases, gender undervaluation costs, higher superannuation costs and other inflationary pressures.

Revenue for the year was $735.8m, representing a decline of 0.7% on the prior corresponding period. The reduction in revenue reflected a low-growth pathology market, lower general practitioner attendances, the impact of Medicare fee changes including reductions to certain testing items. These headwinds were partially offset by revenue enhancement initiatives, including the progressive implementation of digitalised upfront patient billing and improved recovery of fees that are not reimbursed by Medicare.

ACL also effected the deliberate rationalisation of parts of our collection centre and contract portfolio where acceptable commercial returns and terms could not be achieved.

Underlying NPAT was $35.5m, an increase of 4.3% on FY25. Reported NPAT was $24.0m, a decrease of 26.8% on FY25, reflecting specific items and other matters separately addressed in the financial statements. Underlying earnings per share increased by 8.5% to 18.3 cents per share, supported by improved underlying profitability and the benefit of the on-market share buy-back program.

Free cash flow was $64.7m[1], representing a decrease of 8.7% compared with FY25. ACL maintained a strong balance sheet and continued to apply a disciplined capital allocation policy, balancing investment in strategic initiatives with shareholder returns. $47.1m was returned to shareholders through dividends and the on-market share buy-back program. A fully franked final dividend of 9.25 cents per share for FY26 was declared.

FY26 Operations

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

The network at 30 June 2026 comprises:

- Over 4,500 scientists, collectors and support staff
- Over 40 accredited laboratories
- Over 1,270 collection centres
- 28 specialist skin cancer clinics

ACL continued to benefit from its national operating model and single national Laboratory Information System. This platform remains a key strategic advantage, reducing duplication, supporting consistent processes, enabling national implementation of technology and billing initiatives, and improving the scalability of operational improvements across the network. Several of these factors contributed to the improvement in laboratory efficiency of 10.4% on a panels per FTE basis this year. This effort was supported by an enhanced procurement program that delivered a reduction in our consumables spend as a percentage of revenue over FY25.

Continual improvement in operational efficiency is a core element of business-as-usual activities, driven by a targeted KPI enhancement program. On top of this, ACL has also progressed a number of automation, artificial intelligence and digitalisation initiatives across billing, laboratory workflows and back-office functions. These initiatives support further efficiency improvements, improve billing accuracy, reduce manual processing and enhance the scalability of the business. This focus has enabled ACL to increase its underlying EBIT margin in FY26.

1 Free cash flow before interest, tax and financing excludes the AIC settlement of $6.2m.

8. Significant Changes in State of Affairs

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

9. Business Strategies and Future Developments

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

1. Disciplined network expansion
   - ACL will continue to invest in sustainable and profitable collection centre network expansion and hospital services growth, with a focus on high value specialist inpatient and outpatient services.
   - Look to add complementary non-Medicare additions to the network including Clinical Trials and Skin Cancer Clinics.
2. Strategic new business
   - ACL is focused on developing a pipeline of new tests and service opportunities through investments in partnerships to support growth.
   - Prosecution of opportunities in specialised diagnostics and genetics testing, including oncological genomics and recently accredited tests for melanoma, reproductive health testing and specialist outpatient referrals. These areas provide potential for revenue diversification and growth in higher-value testing categories over time.
3. Strategic acquisitions
   - ACL continues to actively explore strategic acquisition opportunities for the business with key targets including domestic pathology, SunDoctor clinics, strategical investments aligned to competitive advantage as well as international and adjacent pathology.
4. Revenue initiatives
   - ACL continues to focus on the improvement and digitisation of billing processes to recover unpaid patient testing.
   - Various initiatives to support the growth of non-MBS tests.
   - Application of AI to manual billing practices.
5. Operational improvement and restructuring
   - The Lab of the Future program is progressing and is expected to leverage ACL's national operating platform to increase automation and improve laboratory efficiency. The program is designed to enable a significant proportion of routine work to be processed through highly automated, extended-hours laboratory workflows, supported by robotics, artificial intelligence and machine learning.
   - Continuing to refine the national skin cancer strategy, including the development of a more automated skin laboratory model and the integration of clinical and operational capability across SunDoctors, Southern Sun Pathology and ACL.
   - AI automation of operations and diagnostics/clinical practice.

10. Key Risks and Uncertainties

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

Government policy and regulation may change

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

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

10. Key Risks and Uncertainties cont.

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

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

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

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

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

Clinical care and patient safety

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

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

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

ACL may be unable to recruit and retain key personnel

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

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

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

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

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

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

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

Pay and Entitlements

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

ACL's exposure to international developments may impact its operations

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

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

Another pandemic may impact ACL's business

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

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

11. Matters Subsequent to the End of the Financial Year

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

12. Dividends

In respect of the full year ended 30 June 2026, a final dividend of 9.25 cents per share (100% franked) has been declared with a record date of 3 September 2026 and payable 23 September 2026, bringing total dividends for FY26 to 13 cents per share (100% franked). This represented a dividend payout ratio of 69% of FY26 Underlying NPAT, which is consistent with ACL's policy of paying out 50% to 70% of Underlying NPAT as a dividend.

The dividend reinvestment plan will remain suspended for the FY2026 final dividend.

13. Share Rights and Options

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

14. Remuneration Report

The Remuneration Report which forms part of this Directors' Report is presented separately from page 31.

15. Indemnification and Insurance of Directors and Officers

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

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

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

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

16. Proceedings on behalf of the Company

In April 2026, ACL was served with a representative proceeding filed in the Supreme Court of Victoria by a Ms Michelle RaabIvanov, which is expressed to be on behalf of persons who were customers of Medlab Pathology and/or ACL prior to 15 July 2022, and whose personal information was affected by a cyberattack on Medlab Pathology in February 2022 (Claim).

The Claim seeks damages in respect of a number of allegations relating to the cyber attack.

ACL denies the allegations in the Claim and intends to vigorously defend it.

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

17. Environmental Regulation

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

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

18. Non-Audit Services

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

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

19. Auditor's Independence Declaration

AUSTRALIAN CLINICAL LABS LIMITED
ABN: 94 645 711 128

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

In accordance with section 307C of the *Corporations Act 2001*, I declare to the best of my knowledge and belief in relation to the audit of the financial report of Australian Clinical Labs Limited for the year ended 30 June 2026, there have been:

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

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

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

B POWERS
Partner

Date: 14 August 2026

PITCHER PARTNERS
Melbourne

Pitcher Partners. An independent Victorian Partnership ABN 27 975 255 196. Level 13, 664 Collins Street, Docklands, VIC 3008
Pitcher Partners is an association of independent firms. Liability limited by a scheme approved under Professional Standards Legislation.
Pitcher Partners is a member of the global network of Baker Tilly International Limited, the members of which are separate and independent legal entities

Adelaide Brisbane Melbourne Newcastle Sydney Perth

pitcher.com.au

20. Rounding Amounts

The Company is an entity of a kind referred to in ASIC Corporations *(Rounding in Financial/Directors' Reports) Instrument 2026/183*, dated 27 March 2026, and in accordance with that Instrument, amounts in this report and the Financial Report are rounded off to the nearest thousand dollars or, in certain cases, to the nearest dollar.

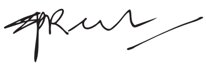
Some numerical figures included in this report have been subject to rounding adjustments. Any differences between totals and sums of components in tables or figures contained in this report are due to rounding.

21. Annual General Meeting

ACL will be holding its AGM on 28 October 2026.

Signing of Directors' Report

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



Stephen Roche
Chair

14 August 2026

Remuneration Report

For the year ended 30 June 2026

Letter from the Chair of the People and Culture Committee

Dear Shareholders,

On behalf of the Board of Australian Clinical Labs (ACL), I am pleased to present the 2026 Remuneration Report.

ACL is one of the largest providers of pathology services in Australia by revenue with a heritage of hospital-based pathology and the skills to deliver time-critical and complex hospital pathology, as well as the scale to efficiently provide community pathology. ACL also operates the SunDoctors business with 28 Medical Centres.

In FY26, ACL continued to demonstrate medical excellence and has strived for operational discipline in a challenging pathology market which has been persistently subdued as MBS outlay growth trends below long-term averages. The business has remained committed to optimising factors within its control which included closing unprofitable collection centres, achieving workforce productivity gains and deploying AI-enabled efficiencies across our portfolio in order to grow margins despite softer revenue in FY26.

Our strategy remains focused on delivering sustainable profitable growth through optimising our footprint and cost structure, capturing new revenue streams and disciplined capital allocation. We continue to progress a strong pipeline of efficiency initiatives that are expected to deliver material earnings benefits in FY27.

Our strategy remains focused on delivering sustainable profitable growth through optimising our footprint and cost structure, capturing new revenue streams and disciplined capital allocation.

FY26 performance

ACL's business performed to expectations this year, improving margins notwithstanding continuing industry cost pressures. As in FY25, ACL has continued to apply a disciplined approach to optimising its ACC portfolio and bidding for commercial contracts to focus on accretive margins. Operationally, we have begun to see the positive impact of our AI and automation projects on our operational management, leveraging our unique competitive advantage of a single national laboratory information system.

ACL continues to embed operational efficiency as a core element of its business-as-usual activities, and this approach has enabled ACL to again slightly improve its margin in FY26 despite challenging inflationary and labour cost pressures including the Fair Work Commission's determination on gender-based undervaluation in the Health Professionals and Support Services Award, which will provide for phased wage increases for pathology and health professionals in the coming years.

We met our revised FY26 revenue guidance and exceeded our underlying EBIT guidance. ACL achieved a conversion of EBITDA to operating cash flow of 119.2% underscoring ACL's continued ability to generate cash for shareholders. This efficient cash flow management has allowed ACL to return $21.8m to shareholders by way of an on-market share buy-back and pay $25.3m in dividends.

During FY26, ACL outperformed the S&P/ASX 200 Healthcare Index's return of -36% by 21%.

FY26 remuneration outcomes

The FY26 STVR program met its gateway requirement by recording an Underlying EBITDA Margin (pre AASB 16) of 9.2%. As the gate opened, based on performance against financial and strategic measures, the CEO's STVR outcome was assessed at 99% of target and the CFO's STVR outcome was assessed at 94% of target.

The FY24 LTVR grant was tested against the sole indexed total shareholder return (iTSR) measure against the ASX 300 Industrials (excl. Financials and Resources) index, which was assessed as below the threshold level of performance for the period, resulting in nil LTVR rights vesting in FY26.

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

Remuneration framework and changes for FY26 and FY27

At the 2025 AGM, ACL received a 'second strike' against its 2025 Remuneration Report. The Board has continued to engage with key investors and external stakeholders following this vote. The concerns expressed in FY25 were very similar to those raised in FY24 and related to a number of historic arrangements.

Key changes to our remuneration framework for FY27 include:

- Removal of the 20% service-rights component, for the FY27 LTVR grant, and introducing a ROIC measure (34%) with the existing EPS (33%) and rTSR measures (33%) reweighted to accommodate the new measure. This means that 100% of LTVR will be linked to performance for all KMPs.
- Changing our rTSR peer group from the ASX 300 (ex-financials and resources) index to a bespoke index comprised of a group of comparable ASX-listed healthcare services peers with sufficient market capitalisation, comparable operating models, and exposure to the same external industry forces and dynamics as ACL which the Board believes is more appropriate when assessing our comparative TSR performance.

Our detailed response to the concerns raised in relation to our 2025 remuneration report and for proposed changes for FY26/FY27 are outlined in Section 5 below.

KMP changes during the year

As announced to the ASX, after leading ACL for 10 years, Melinda McGrath has indicated that she wishes to step down from the role of Group CEO and Executive Director on 30 August 2026. Melinda has been an exceptional leader through not only the transformation of ACL's business model, but also during the COVID-19 pandemic. Melinda has driven the operational performance of ACL over the past decade. On behalf of the Board, I would like to thank Melinda for her enormous contributions to ACL.

Following a rigorous search, Greg Horan joined ACL on 1 June 2026 as CEO-elect and will assume the Group CEO and Executive Director role on 31 August 2026. We look forward to working with Greg to further progress ACL's growth.

As previously announced to the market, we welcomed Stephen Roche, our new Chair of the Board, on 26 August 2025, and Dr Amandeep Hansra was appointed as an additional Independent Non-Executive Director on 1 July 2026. Amandeep will stand for election at the forthcoming AGM. During the year, Dr Leanne Rowe AM and Grant Jeffery retired from the Board; I would like to take this opportunity to also thank Leanne and Grant for their contributions to ACL during their tenure.

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

Christine Bartlett
Chair, People and Culture Committee

Report Structure

The remuneration report is divided into the following sections:

Section	Overview
1. Key Management Personnel for FY26	Details of the Directors and Executives who are subject to the disclosure requirements of this report including Key Management Personnel (KMP).
2. Remuneration Overview	An overview of remuneration structures for FY26.
3. FY26 Remuneration Outcomes	A summary of the FY26 outcomes including both the STVR and LTVR programs for KMP.
4. The Australian Clinical Labs Remuneration Strategy, Policy and Framework	This section provides details of the elements of the remuneration framework, including market positioning, variable remuneration principles, and terms of variable remuneration.
5. Response to 'Second Strike' and FY27 Remuneration Framework	This section includes a summary of the key concerns of our external stakeholders regarding our FY25 remuneration report, and the proposed changes for the FY27 remuneration framework.
6. Statutory Disclosures	This section provides the statutory disclosures not addressed by preceding sections of the report, including statutory remuneration tables, changes in equity, KMP service agreements, related party loans/transactions, and the engagement of external remuneration consultants.

1. Key Management Personnel for FY26

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

Name	Position	Date Appointed/Resigned
Non-Executive KMP		
Current		
Stephen Roche	Board Chair Independent Non-Executive Director	Chair appointment 26 August 2025
Mark Haberlin	Interim Board Chair Independent Non-Executive Director	Chair until 25 August 2025
Christine Bartlett	Independent Non-Executive Director	
Sarah Butler	Independent Non-Executive Director	
Dr Amandeep Hansra	Independent Non-Executive Director	Appointed 1 July 2026
Former		
Dr Leanne Rowe AM	Independent Non-Executive Director	Resigned 22 October 2025
Grant Jeffery	Independent Non-Executive Director	Resigned 7 April 2026
Executive KMP		
Current		
Melinda McGrath	Chief Executive Officer and Executive Director	Resignation effective 30 August 2026
Greg Horan	Chief Executive Officer-elect	Appointed 1 June 2026
Matthew Cordingley	Chief Financial Officer	

2. Remuneration Overview

FY26 Executive KMP remuneration structure

The following diagram outlines the Executive KMP structure for FY26.

Component		FY26	FY27	FY28	FY29	FY30
Fixed	100% Cash	Base salary, superannuation and other benefits				
Short-Term	100% Cash	40% EBITDA[(i)] 40% EBITDA[(i)] Margin 20% Strategic Objectives	Payment in FY27			
Long-Term	100% Rights	30% rTSR 50% EPG CAGR 20% Service			Exercisable within two years of vesting date	

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

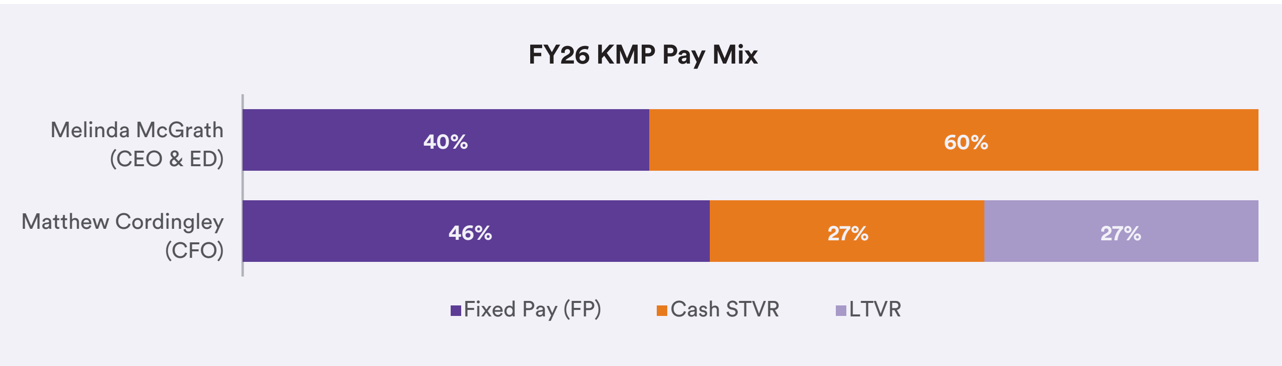
The table above represents the components of the FY26 remuneration framework, being:

- Fixed component payable during the year;
- Short-term variable remuneration payable in FY27 based on achievement of EBITDA (40% weighted), EBITDA Margin (40% weighted) and strategic objectives (20% weighted); and
- Long-term variable remuneration exercisable in FY29 based on relative TSR (30% weighted), Earnings Per Share Compound Annual Growth Rate (50% weighted) and retention (20% weighted), all measured from FY26 to FY28.

Melinda McGrath did not participate in the FY26 LTVR grant. Under the terms of her fixed term contract she was granted a one-off LTVR cash retention award in FY25, which becomes payable when her employment ceases in August 2026.

Greg Horan commenced at the Company as CEO-elect in June 2026. Greg did not participate in the STVR program or LTVR program in FY26.

The FY26 pay mix opportunity at maximum/stretch for our KMP is shown below:



3. FY26 Remuneration Outcomes

The Board views the outcomes of remuneration for FY26 performance as appropriately aligned with stakeholders' interests generally, given the performance against annual objectives and progress towards strategic objectives made by the executive team. The table below highlights some of our key financial results over the past five financial years, overlayed with some of our KMP remuneration outcomes.

	2022	2023	2024	2025	2026
Share Price as at 30 June ($)	4.59	3.44	2.51	2.78	2.24
Total full-year dividends (cents)	53.00	14.00	12.00	12.50	13.00
LTVR vesting outcome (% max)	n/a	0%	0%	0%	0%

FY26 Short-Term Variable Remuneration (STVR) outcome

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

Metric/Measure	Actual	Gate	Achieved/Failed
Gate			
Underlying EBITDA Margin (pre AASB 16)	9.2%	8.0%	Achieved

Chief Executive Officer

Metric/Measure	Weight	STVR opportunity $ (target)	STVR opportunity as a % of Fixed Remuneration (target)	STVR achieved $	% STVR target achieved	% STVR target forfeited
Underlying EBITDA (pre AASB 16)						
This metric is viewed as one of the primary financial drivers of shareholder value creation under the current strategy.	40%	600,000	40%	529,500	88%[1]	12%
Underlying EBITDA Margin (pre AASB 16)						
This metric is viewed as one of the primary financial drivers of shareholder value creation under the current strategy.	40%	600,000	40%	661,547	110%[1]	-10%
Strategic objectives						
Strategic objectives are specific to the employee and are determined and approved by the Remuneration and Nomination Committee to align with Company goals and strategy. For FY26 these goals were: Objectives for FY26 were set on leadership and development, enhancing stakeholder management and strategic growth goals.	20%	300,000	20%	300,000	100%	0%
TOTAL		1,500,000	100%	1,491,047	99%	1%

1 CEO target is per fixed term contract, where targets are different to other KMP.

3. FY26 Remuneration Outcomes cont.

Chief Financial Officer

Metric/Measure	Weight	STVR opportunity $ (target)	STVR opportunity as a % of Fixed Remuneration (target)	STVR achieved $	% STVR target achieved	% STVR target forfeited
Underlying EBITDA (pre AASB 16)						
This metric is viewed as one of the primary financial drivers of shareholder value creation under the current strategy.	40%	83,691	16%	86,352	103%	-3%
Underlying EBITDA Margin (pre AASB 16)						
This metric is viewed as one of the primary financial drivers of shareholder value creation under the current strategy.	40%	83,691	16%	100,073	120%	-20%
Strategic objectives						
Strategic objectives are specific to the employee and are determined and approved by the Remuneration and Nomination Committee to align with Company goals and strategy. For FY26 these goals were: Objectives for FY26 were set on enhancing stakeholder management, capital management and strategic and long term growth goals.	20%	41,845	8%	10,462	25%	75%
TOTAL		209,227	40%	196,887	94%	6%

FY24 Long-Term Variable Remuneration (LTVR) outcome

The FY24 LTVR grant was tested over a three-year measurement period from FY24 to FY26. Over the measurement period our indexed total shareholder return (iTSR) was below the threshold level of performance, and as a result none of the FY24 LTVR Rights will vest.

FY26 Total Remuneration Outcomes

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

Name	Role	Year	Fixed Pay (incl. Super)	STVR Awarded	LTVR Vested	Achieved Total Remuneration Package ($)	Total Remuneration Package vs max (%)
Melinda McGrath	CEO and Executive Director	FY26	$1,512,874	$1,491,047	$0	$3,003,921	65%
		FY25	$1,512,874	$1,271,749	$0	$2,784,623	63%
Greg Horan	CEO-elect and Executive Director	FY26	$90,833	$0	$0	$90,833	100%
Matthew Cordingley	CFO	FY26	$634,355	$196,887	$0	$831,242	99%
		FY25	$740,250	$0	$0	$740,250	100%

Note: The CFO Fixed Pay in FY25 includes the sign-on bonus of $523,000 to compensate him for the possibility of foregone incentives with his previous employer and provide a compelling incentive to join our organisation.

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

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

Fixed Pay

Fixed Pay comprises base salary plus any other fixed elements such as superannuation, allowances, benefits and fringe benefits tax for example. In general, Fixed Pay is intended to be targeted at P50 of market benchmarks for comparably designed roles, with consideration for level of experience and performance in the role.

Our CEO-elect, Greg Horan, joined ACL in June 2026, and will commence his role as Group CEO with effect from 31 August 2026, with a fixed annual remuneration of $1,000,000 plus superannuation. Full details of his remuneration package are contained in Section 4.

Total Remuneration Package (TRP)

Total Remuneration Package is intended to be composed of an appropriate mix of remuneration elements including Fixed Pay, Short-Term Variable Remuneration and Long-Term Variable Remuneration. The Target TRP (TTRP), being the TRP value at target/expected performance, is generally intended to fall between P50 and P75 of market benchmarks, with flexibility applied based on role criticality, performance, scarcity of skillset, and industry talent demand.

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

Short-Term Variable Remuneration (STVR) plan

A description of the STVR structure for FY26 is set out below, noting that the CEO-elect didn't participate in the plan for FY26.

Description	Overview
Purpose	To provide at-risk remuneration and incentives that rewards executives for performance against annual objectives set by the Board at the beginning of the financial year. Objectives selected are designed to support long-term value creation for shareholders, and link to the long-term strategy on an annual basis.
Measurement Period	The financial year of the Company.
Opportunity	The target value is 100% of Fixed Pay for the CEO, with a maximum/Stretch of 150% of Fixed Pay. The target value is 40% of Fixed Pay for the CFO, with a maximum/Stretch of 60% of Fixed Pay.
Gateway	STVR is subject to a gate of 8% Underlying EBITDA Margin (pre AASB 16) to ensure the plan is only payable where acceptable returns are delivered recognising market context.
Outcome Metrics and Weightings	Subject to the achievement of the financial gateway, the STVR outcome is dependent on meeting Group performance objectives. The metrics for FY26 are: • Underlying EBITDA (pre AASB 16) (40% weighting); • Underlying EBITDA margin (pre AASB 16) (40% weighting); and • Strategic goals (20% weighting). These metrics were selected because they are viewed by the Board as the primary drivers of value creation for the business, they measure the core operating and financial performance having reflected all operating costs.
Settlement	Awards are determined following auditing of accounts after the end of the financial year.
Service condition	STVR is subject to the participant remaining employed on the last day of the financial year unless otherwise determined by the Board.
Malus and Clawback	The STVR plan includes malus and clawback clauses which may apply in a range of circumstances, including material misstatements resulting in overpayment, the participant joining a competitor or being involved in actions that are deemed to have harmed other stakeholders.
Board Discretions	The Board has discretion to modify the awards payable to participants regardless of any performance outcome or gate, to ensure that outcomes are appropriate to the circumstances that prevailed over the Measurement Period.
Corporate Actions	The Board has discretion to determine the treatment of unpaid STVR in the case of major corporate actions such as a change in control, delisting, major return of capital or demerger.

Long-Term Variable Remuneration (LTVR) plan

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

<table>
<tr><th>Description</th><th>Overview</th></tr>
<tr><td>Purpose</td><td>To provide at-risk remuneration and incentives that reward executives for performance against long-term value creation objectives set by the Board at the beginning of the financial year and to align the interests of executives with the interests of shareholders.</td></tr>
<tr><td>Measurement Period</td><td>Three financial years including the financial year of grant (i.e. FY26 to FY28).</td></tr>
<tr><td>Opportunity</td><td>The target value is 40% of Fixed Pay for the CFO, with a maximum/stretch of 60% of Fixed Pay.</td></tr>
<tr><td>Instrument</td><td>The Awards that may be offered under the LTVR Plan consist of Performance and Service Rights.</td></tr>
<tr><td>Price and Exercise Price</td><td>The Price is nil, because it forms part of the remuneration of the participant.
The Exercise Price is nil.</td></tr>
<tr><td>Allocation Method</td><td>The number of Rights issued was determined by dividing the maximum value of LTVR by the Volume Weighted 20-day Average Market Price for ACL shares preceding the date of grant.</td></tr>
<tr><td>Gateway</td><td>rTSR Performance Rights are subject to a positive TSR gateway during the Measurement Period to ensure the grant does not vest when shareholders are losing value.

There are no gates in place for EPS CAGR and Service Rights.</td></tr>
<tr><td>Performance Metrics and Weightings</td><td>The LTVR is broken into three difference tranches of rights being:
• 30% Relative Total Shareholder Return (rTSR)
• 50% Earnings Per Share Compounding Annual Growth Rate (EPS CAGR)
• 20% Service Rights

rTSR Performance Rights
The vesting of such Performance Rights will be determined by comparing the Company's TSR over the Measurement Period with the TSR of the ASX 300 Ex-Financials and Resources Index.

TSR is calculated as a percentage growth in shareholder value based on share price growth and dividends, assuming that they are reinvested into Shares. During periods of nil dividends being declared, TSR is equal to change in share price.

The vesting scale for this performance vesting metric is as follows:

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

Outcomes between Target and Stretch performance are pro-rated on a straight-line basis between 50% and 100% vesting.

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

Equity grants are tested against the performance measures set. If the performance hurdles are not met at the vesting date, Performance Rights lapse.</td></tr>
</table>

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

Description	Overview
	EPS CAGR Performance Rights

The vesting of such Performance Rights will be determined by comparing the Company's EPS movement over the Measurement Period.

EPS is calculated as the net income divided by the weighted average number of shares. It is calculated over a specific period which for the purpose of this Invitation is the Measurement Period and based on weighted average number of shares in line with financial statements, which will be annualised and expressed as a Compound Annual Growth Rate (CAGR).

EPS growth will be measured by the difference between the EPS of FY26 and the EPS of FY28.

The vesting scale for this performance vesting metric is as follows:

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

Outcomes between Target and Stretch performance are pro-rated on a straight-line basis between 50% and 100% vesting.

This metric was selected as it's the broadest measure of earnings growth and a standard measure on Company performance.

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

Service Rights

The vesting of Service Rights will be determined by the continued service over the Measurement Period.

This metric was selected to encourage stability with the recent changes to the Board and planned CEO transition.

Equity grants convert to shares following completion of the Measurement Period.

Description	Overview
Service Condition	In addition to the performance conditions, continued service during the full Measurement Period is a requirement in order for any Rights to become eligible to vest.
Settlement	The Rights are 'Indeterminate' which may be settled in the form of a Company Share (including a Restricted Share), or cash equivalent, upon valid exercise.
Term	Rights must be exercised within five years of the Grant Date, otherwise they lapse.
Malus and Clawback	The LTVR plan includes malus and clawback clauses which will result in forfeiture of unvested Rights in a range of circumstances, including material misstatements resulting in overpayment, the participant joining a competitor or being involved in actions that are deemed to have harmed other stakeholders.
Board Discretions	The Board has discretion to modify vesting to participants regardless of any performance outcome or gate, to ensure that outcomes are appropriate to the circumstances that prevailed over the Measurement Period.

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

Non-Executive Director fee policy

The following outlines the principles that Australian Clinical Labs applies to governing Non-Executive Director remuneration:

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

The following outlines the Board Fees applicable as at the end of FY26:

Role/Function	Chair	Member
Base Board Fee	$250,000	$120,000
Audit and Risk Committee	$15,000	$10,000
People and Culture Committee	$15,000	$10,000
Nominations and Governance Committee	–	–

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

Other elements of the KMP remuneration governance framework

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

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

5. Response to 'Second Strike' and FY27 Remuneration Framework

There has been further refinement to the framework for FY27. The table below highlights this refinement and also key areas of the framework for FY27:

Change	Response
High CEO Remuneration • Incoming CEO's package.	Concerns were raised that the quantum of Melinda McGrath's updated package was high relative to ACL's market capitalisation and industry peers. As discussed in the 2025 Remuneration Report, the remuneration package of our former CEO Melinda McGrath was set in reference to the amount paid to the CEO of our closest competitor, which at the time given Crescent Capital had sold its major shareholding in ACL, and in light of the impending departure of two of its nominee Directors coupled with the departure of the then CFO in late FY24, the Board believed it was in the best interest of shareholders to ensure continuity during this period of both organisational change, and change in the post-COVID pathology industry. The remuneration package of the incoming CEO Greg Horan was set in reference to relevant market capitalisation and industry peers. His fixed annual pay is set at $1,000,000 plus superannuation and he will be eligible to participate in both the STVR and LTVR plans from FY27 onwards (see below). His total remuneration package (TRP) at maximum has been set approximately 43% lower than his predecessor in the role. **STVR:** The CEO-elect didn't participate in the STVR in FY26 due to timing of his commencement in June 2026. In FY27, the CEO-elect will take part in the STVR plan with the target value being 50% of Fixed Pay and a maximum/stretch of 70% of Fixed Pay. **LTVR:** Subject to shareholder approval at the Group's next AGM, the CEO-elect is eligible for participation in the LTVR and is to be invited to receive an allocation of performance rights. Achievement at target performance levels will result in partial vesting, increasing up to a maximum of 100% vesting where stretch targets are achieved.
FY27 LTVR Plan • Removal of FY27 service rights component. • Introduction of ROIC measure. • rTSR peer group change	ACL has further acknowledged feedback surrounding Service Rights, and whilst noting that at the time that the Service Rights component was included in the LTVR to reflect the need for retention of key personnel, the Service Right component will be removed from the FY27 LTVR plan. For FY27, the Board proposes to amend the current LTVR structure by replacing the service component with a Return on Invested Capital (ROIC) measure. The performance measures for FY27 are as follows: • 33% Earnings Per Share (EPS); • 33% Relative Total Shareholder Return (rTSR); and • 34% Return on Invested Capital (ROIC). This adjustment will further align with external expectations while continuing to support executive remuneration.

Change	Response
	EPS The Board will continue to set our EPS hurdles in line with our current internal budgets and capital management expectations, forecast growth in the pathology industry and related government policy. **rTSR** For the FY27 LTVR grant and onwards we will change our rTSR peer group from the ASX 300 (ex-financials and resources) to a bespoke index of 12 healthcare services companies with the intention of assessing our Company performance against a group of peers from more closely related sectors, and importantly more comparably regulated environments with similar workforce compositions and company models to ACL. For the FY27 LTVR grant the proposed rTSR peer group is as follows:

Pro Medicus	Polynovo
Sonic Healthcare	Cogstate
Ramsay Health Care	Oceania Healthcare
Regis Healthcare	Healius
Nanosonics	Monash IVF
Integral Diagnostics	Paragon Care

ROIC

The ROIC measure will be assessed against an annually set ROIC targets set with consideration of Board approved capex budgets at the end of the three-year performance period. Specific details on the ROIC targets will not be disclosed prospectively at grant due to our evolving capital targets year-on-year but will be disclosed retrospectively at vesting in that year's remuneration report.

6. Statutory Disclosures

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

			Fixed Pay					Variable Remuneration						Total for Year	Other Statutory Items
						Total Fixed Pay		Cash STVR(i)		Rights LTVR(ii)		Cash LTVR(iii)			
Name	Role(s)	FY	Salary	Super	Other Benefits(iv)	Amount	% of TRP	Amount	% of TRP	Amount	% of TRP	Amount	% of TRP	Statutory Total Remuneration Package (TRP)	Change in Accrued Leave
Current															
Ms Melinda McGrath	Chief Executive Officer and Executive Director	FY26	$1,470,000	$30,000	$12,874	$1,512,874	35%	$1,491,047	35%	$156,249	4%	$1,119,997	26%	$4,280,166	$90,280
		FY25	$1,470,068	$29,932	$12,874	$1,512,874	38%	$1,271,749	32%	$271,757	7%	$880,003	22%	$3,936,384	($20,439)
Mr Greg Horan	CEO-Elect	FY26	$83,333	$7,500	$0	$90,833	100%	$0	0%	$0	0%	$0	0%	$90,833	$7,677
		FY25	$0	$0	$0	$0	0%	$0	0%	$0	0%	$0	0%	$0	$0
Mr Matthew Cordingley	Chief Financial Officer	FY26	$493,068	$30,000	$111,287	$634,355	66%	$196,887	20%	$129,711	13%	$0	0%	$960,952	$7,708
		FY25	$202,283	$14,966	$523,000	$740,250	98%	$0	0%	$17,346	2%	$0	0%	$757,595	$14,465

(i) Note that the STVR value reported in this table is the STVR that was accrued during the reporting period. This will be paid following the release of the full year results.
(ii) Note that the LTVR value reported in this table is the amortised accounting charge of all grants that have not lapsed or vested as at the start of the reporting period. Where a market-based measure of performance is used such as TSR, no adjustments can be made to reflect actual LTVR vesting.
(iii) Note that the LTVR value reported in this table is the cash LTVR that was accrued during the reporting period for Melinda McGrath. This is expected to be paid in FY27 following completion of her two-year service contract.
(iv) Other benefits include items such as car parking, car allowances, rental assistance, FBT, cash payment for trading restriction imposed, etc. Included in this number for FY25 is a one-off cash sign-on bonus for Matthew Cordingley of $523,000 subject to the completion of his probationary period.

Non-Executive Director KMP statutory remuneration of FY26

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

Name	Role(s)	Year	Cash Board Fees	Committee Fees	Superannuation	Other Benefits	Total
Current							
Stephen Roche	Board Chair	FY26	$225,892	$0	$4,607	$0	$230,499
		FY25	$2,911	$0	$349	$0	$3,260
Mark Haberlin	Non-Executive Director	FY26	$115,467	$19,135	$16,152	$0	$150,754
		FY25	$117,652	$13,575	$15,091	$0	$146,318
Christine Bartlett	Non-Executive Director	FY26	$107,290	$22,352	$15,557	$0	$145,199
		FY25	$108,602	$21,075	$14,913	$0	$144,590
Sarah Butler	Non-Executive Director	FY26	$120,164	$10,014	$0	$0	$130,178
		FY25	$45,251	$2,263	$5,464	$0	$52,977
Former							
Grant Jeffery	Non-Executive Director	FY26	$82,565	$6,880	$10,733	$55,000	$155,178
		FY25	$45,251	$2,263	$5,464	$0	$52,977
Dr Leanne Rowe AM	Non-Executive Director	FY26	$35,861	$2,989	$4,662	$0	$43,512
		FY25	$108,602	$9,050	$13,530	$0	$131,182
Michael Alscher	Board Chair (Non-Independent)	FY26	$0	$0	$0	$0	$0
		FY25	$150,000	$8,333	$0	$0	$158,333
Nathanial Thomson	Non-Executive Director (Non-Independent)	FY26	$0	$0	$0	$0	$0
		FY25	$38,152	$3,179	$0	$0	$41,332
Andrew Dutton	Non-Executive Director	FY26	$0	$0	$0	$0	$0
		FY25	$35,087	$7,310	$4,876	$0	$47,272

6. Statutory Disclosures cont.

KMP equity interests and changes during FY26

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

		Number Held at 1 July 2025	Granted FY26		FY26 Purchased	FY26 Forfeited	Number Held at 30 June 2026	Forfeited since 30 June 2026
Name	Instrument	Number	Date Granted	Number	Number	Number	Number	Number
Melinda McGrath	Shares	2,923,331	–	–	–	–	2,923,331	–
	Rights	633,582	–	–	–	(238,092)	395,490	–
Matthew Cordingley	Shares	–	–	–	75,192	–	75,192	–
	Rights	78,961	8/12/2025	110,326	–	–	189,287	–
TOTALS		**3,635,874**	**n/a**	**110,326**	**75,192**	**(238,092)**	**3,583,300**	–

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

Name	Instrument	Number Held at 1 July 2025	FY26 Purchased	Number Held at 30 June 2026
		Number	Number	Number
Current				
Mark Haberlin	Shares	47,500	–	47,500
Christine Bartlett	Shares	20,000	–	20,000
Stephen Roche	Shares	–	70,000	70,000
Sarah Butler	Shares	–	22,617	22,617

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

Equity Grants Name	Tranche	Grant Type	Number	Vesting Conditions	Grant Date	Fair Value Each at Grant Date	Total Fair Value at Grant	Value Expensed in FY26	Max Value to be Expensed in Future Years
Melinda McGrath	FY24 – Target	LTVR Rights	197,745	rTSR	19/12/2023	$2.28	$450,858	$93,177	$0
	FY24 – Stretch	LTVR Rights	197,745	rTSR	19/12/2023	$2.28	$450,858	$63,071	$0
Matthew Cordingley	FY25 – iTSR	LTVR Rights	29,388	iTSR	2/04/2025	$3.52	$103,555	$25,754	$27,935
	FY25 – EPS CAGR	LTVR Rights	29,388	EPS CAGR	2/04/2025	$3.52	$103,555	$34,488	$37,409
	FY25 – Service	LTVR Rights	20,185	Service	2/04/2025	$3.52	$71,126	$23,688	$25,694
	FY26 – iTSR	LTVR Rights	35,462	iTSR	8/12/2025	$2.66	$94,152	$8,147	$33,343
	FY26 – EPS CAGR	LTVR Rights	59,103	EPS CAGR	8/12/2025	$2.66	$156,920	$29,711	$121,594
	FY26 – Service	LTVR Rights	15,761	Service	8/12/2025	$2.66	$41,845	$7,923	$32,425
TOTALS	**n/a**	**n/a**	**584,777**	**n/a**	**n/a**	**n/a**	**$1,472,869**	**$285,959**	**$278,400**

Note: Rights granted under the LTVR in FY24 didn't meet the performance targets and as such will be forfeited post year-end.

All rights granted in FY25 will expire in FY29 and may only be exercised after vesting which is expected to occur after release of the year ended 30 June 2027 results. All rights granted in FY26 will expire in FY30 and may only be exercised after vesting which is expected to occur after release of the year ended 30 June 2028 results.

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

6. Statutory Disclosures cont.

KMP Service Agreements

Executive KMP Service Agreements

The following outlines current executive KMP service agreements:

Name	Position Held at Close of FY26	Employing Company	Duration of Contract	Period of Notice	
				From Company	From KMP
Melinda McGrath	Chief Executive Officer and Executive Director	Clinical Laboratories Pty Ltd	2 years	6 months	6 months
Greg Horan	Chief Executive Officer-elect	Clinical Laboratories Pty Ltd	Ongoing	6 months	6 months
Matthew Cordingley	Chief Financial Officer	Clinical Laboratories Pty Ltd	Ongoing	6 months	6 months

Non-Executive Director service agreements

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

Other statutory disclosures

Loans to KMP and their related parties

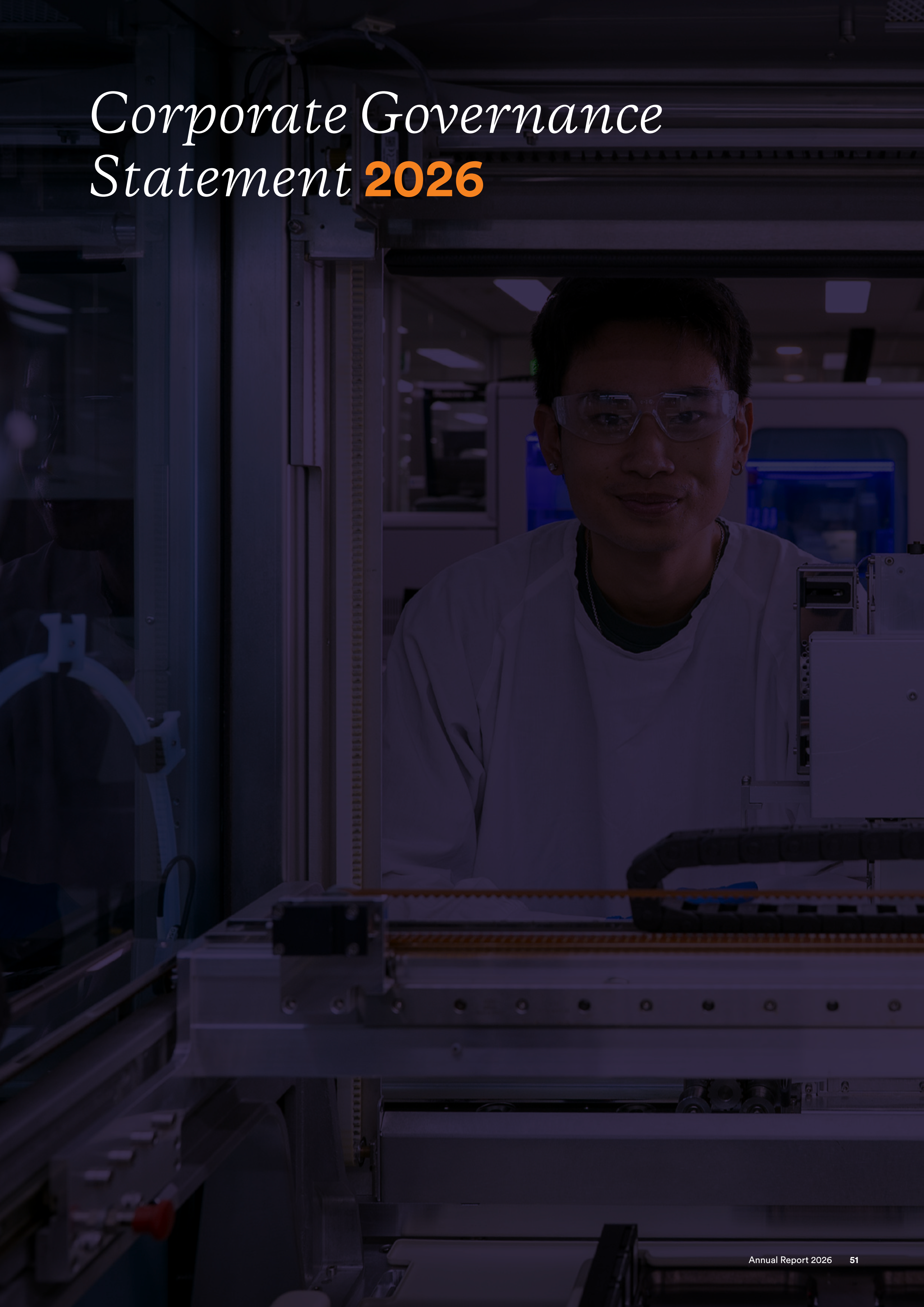
During the financial year and to the date of this report, the Company has not made any loans to Directors.

There were no other loans to any other KMP.

There are no loan balances outstanding as at 30 June 2026 with any related parties.

Other transactions with KMP

There were no transactions which occurred with entities controlled by related parties.



Corporate Governance Statement 2026

Introduction

Australian Clinical Labs Limited (ACN 645 711 128) (**ACL**) has adopted the ASX Corporate Governance Principles and Recommendations, 4th edition (**ASX 4th Principles**) that apply to entities listed on the Australian Securities Exchange as a foundation stone of its corporate governance framework.

This Corporate Governance Statement describes the corporate governance framework that was in place at ACL during the financial year ended 30 June 2026. The statement was approved by the Board on 25 August 2026.

ACL is a leading provider of pathology services, skin cancer clinics and other diagnostics modalities in Australia and one of the largest hospital pathology businesses nationally with 1,273 approved collection centres (**ACCs**) (as at 30 June 2026). ACL became a publicly listed company on the ASX on 14 May 2021 and has a national footprint on mainland Australia.

ACL generates revenue by providing pathology services across the community, hospital and other pathology segments with operations as follows:

- **Community pathology:** ACL operates 43 National Association of Testing Authorities (NATA) accredited laboratories and 1,273 ACCs from which it collects community pathology samples (as at 30 June 2026). ACL's ACCs are mostly co-located at medical centres, where ACL leases an area within the medical centre and provides an ACL employee to conduct the sample collection. ACL also operates skin cancer clinics under the SunDoctors brand across Queensland, New South Wales, South Australia and Victoria. ACL also sources pathology samples from general practitioners, specialists and patients that self-collect their samples;
- **Hospital pathology:** ACL provides services to over 90 public and private hospitals, which include large-scale hospital facilities, day hospitals, acute care facilities, 24/7 emergency departments and smaller regional hospitals; and
- **Other pathology:** ACL provides several other pathology services to other users which include veterinary clinics, phase one clinical trials providers, functional pathology providers, corporate organisations to assist compliance with workplace health and safety regulations and government organisations.

During the financial year ended 30 June 2026, the corporate governance framework that ACL adopted to enable and facilitate the performance of its operations comprised:

- a board of directors (**Board**), which is responsible for managing and directing the affairs of ACL and which is legally responsible for its operations. The Board is supported in this role by three standing committees of the Board;
- a senior executive management team (**Executive Team**), which is led by a Group Chief Executive Officer (**Group CEO**). The Group CEO and Executive Team are responsible for the day to day operations of ACL and for implementing ACL's strategy. The Group CEO is also an executive director of the Board;
- external assurance provided by its external auditor, its internal auditor and other professional advisers;
- internal assurance provided through reporting by ACL's risk team and internal quality assurance team in respect of ACL's clinical governance framework; and
- external advice and assurance provided by specialist providers in relation to cybersecurity.

The corporate governance framework in place during FY26 can be visually represented as follows:

The legal and constitutional framework that governs ACL consists principally of its Constitution, the Corporations Act 2001 and the ASX Listing Rules. ACL is also accredited by the National Association of Testing Authorities and is subject to its governance and compliance requirements.

Principle 1: Lay Solid Foundations for Management and Oversight

Roles and Responsibilities

The Board is the legal decision-making body of ACL and has responsibility for the development and approval of strategy, monitoring the implementation of strategy by the Group CEO and Executive Team and oversight of ACL's financial position and financial reporting.

The Board's main functions are:

- to strive to build sustainable value for shareholders whilst protecting the assets and reputation of ACL;
- to demonstrate leadership, including at strategic and cultural levels;
- to define ACL's purpose and to set its strategies, budgets and business plans;
- to approve ACL's statement of values and code of conduct to underpin a culture of acting lawfully, ethically and responsibly;
- to satisfy itself that ACL has in place an appropriate risk management framework (for financial and non-financial risks, as well as clinical governance risk) and setting the risk appetite within which the Board expects management to operate. The Board has reserved oversight of clinical governance and diagnostic and clinical risk to the full Board;
- to satisfy itself that ACL's remuneration policies are aligned with its purpose, values, strategic objectives and risk appetite;
- to oversee management in its implementation of ACL's strategic objectives, its role in instilling ACL's values and performance generally;
- to monitor the performance of the Group CEO and the Executive Team;
- to set measurable objectives for achieving gender diversity in the composition of ACL's Board, the Executive Team and workforce generally;
- to approve major borrowing and debt arrangements, the acquisition, establishment, disposal or cessation of any significant business of the Company, any significant transaction or capital expenditure and the issue of any shares, options, equity instruments or other securities in ACL;
- to approve ACL's annual report including the financial statements, directors' report, remuneration report and corporate governance statement, with advice from the People and Culture Committee, the Audit and Risk Committee and the Nominations and Governance Committee, as appropriate;
- to oversee ACL's process for making timely and balanced disclosure of all material information concerning ACL that a reasonable person would expect to have a material effect on the price or value of ACL's securities;
- to satisfy itself that an appropriate framework exists for relevant information to be reported to the Board by management;
- to recognise that ACL provides professional medical services and therefore, ACL should adhere to medical ethics and ACL's code of conduct, and value the importance of ACL's commitment to empower decision making that saves and improves patient's lives;
- whenever required, to challenge management and hold it to account;
- to review operating information to understand at all times the state of health of ACL;
- to oversee ACL's approach to sustainability and its environmental, social and governance activities, including the approval of applicable ACL governance policies;
- to ensure that ACL acts legally and responsibly on all matters and that the highest ethical standards are maintained;
- to ensure that ACL maintains effective workplace health and safety practices, an equitable and inclusive workplace culture and that there are robust anti-discrimination, harassment and bullying policies in place, including policies and programs to ensure the prevention of sexual harassment and sexual discrimination;
- to oversee ACL's cybersecurity arrangements, including data governance and privacy requirements, as a full Board matter;
- to develop an investor relations program to facilitate effective two-way communication with investors;
- to maintain a constructive and ongoing relationship with the ASX and regulators, and to approve policies regarding disclosure and communications with the market and ACL's shareholders;
- to ensure that ACL's relationship with its stakeholders (including employees, healthcare practitioners, government and the broader community) are managed to facilitate the achievement of ACL's objectives; and
- to monitor the effectiveness of, and approve changes to, internal governance including delegated authorities, and monitoring resources available to the Group CEO and Executive Team.

The Board has a charter which sets out its role and its responsibilities in more detail and provides guidance on the functions which it has reserved to itself. A copy of the Board Charter can be found here.

The Board is assisted in its role by three standing committees, the Audit and Risk Committee, the People and Culture Committee (formerly the Remuneration and Nominations Committee) and the newly formed Nominations and Governance Committee (each a **Committee**). Each Committee has its own charter which sets out its role and responsibilities in more detail. The Committees meet at least quarterly or more frequently if required. All Directors have a standing invitation to attend any Committee where they are not a Committee member, as well as access to Committee papers and minutes. Regular reporting on the activities of each Committee is also provided to the Board.

Under the terms of the Board charter, the Board has delegated authority and power to manage the daily operations of ACL to the Group CEO and the Executive Team within levels of authority specified by the Board. The Group CEO may delegate aspects of their authority and power but remains accountable to the Board for ACL's performance and is required to report regularly to the Board on progress being made by ACL's business units.

ACL has 29 subsidiaries and the boards of ACL's subsidiaries are generally comprised of executive directors. ACL's corporate governance framework, including its risk management and compliance framework, applies to its wholly owned subsidiaries.

In the course of the reporting period, the Board's composition varied as follows:

- Mr Stephen Roche, having been appointed as a non-executive director and Chair elect on 20 June 2025, became the Chair of the Board on 26 August 2025;
- Dr Leanne Rowe resigned from the Board on 22 October 2025;
- Mr Mark Haberlin became a member of the People and Culture Committee on 10 November 2025;
- Mr Grant Jeffery resigned from the Board on 7 April 2026; and
- All non-executive directors were appointed members of a new standing Board Committee, the Nominations and Governance Committee, on 15 April 2026.

During the 2025 financial year, the Board held 16 Board meetings, with attendance as follows:

Name of Director	Eligible to attend	Attended
Stephen Roche (Chair)	16	16
Melinda McGrath (Managing Director and Group CEO)	16	15
Christine Bartlett	16	15
Sarah Butler	16	16
Mark Haberlin	16	16
Grant Jeffery (resigned 7 April 2026)	10	8
Dr Leanne Rowe AM (resigned 22 October 2025)	4	4

Appointment of Directors

ACL's constitution provides that directors are appointed as a casual vacancy to the Board and then must stand for formal appointment by a vote of shareholders at the next AGM. Subject to the requirement that an election of directors must occur each year at ACL's AGM, a director will generally serve a term of three years from appointment and is then eligible to stand for re-election for a further term of three years. There are no maximum tenure provisions in ACL's Constitution. At the 2025 AGM, Sarah Butler, Grant Jeffery, Stephen Roche, and Mark Haberlin were re-elected for a further term of three years.

In any notice of meeting proposing resolutions to appoint directors, Shareholders are provided with information in relation to a director's biographical details, qualifications, skills and experience, as well as details of any other directorships or material interests that they hold. The Board also provides its recommendation in relation to any proposed re-election.

When a Board vacancy arises, the Nominations and Governance Committee conducts a search for a new director, having regard to ACL's commitment that the Board should comprise directors with a broad range of skills, expertise and experience from a diverse range of backgrounds and able to contribute to the effective direction of the Company. Appropriate reference and background checks are conducted when a director is first appointed to the Board.

Principle 1: Lay Solid Foundations for Management and Oversight (continued)

Service Agreements

Upon appointment, directors are provided with written agreements that set out the terms of their appointment, including the required time commitment, remuneration arrangements including superannuation, the requirement to disclose material interests and any matter which may affect their independence, the requirement to comply with key policies including ACL's code of conduct, indemnity and insurance arrangements, access to corporate records and ongoing confidentiality arrangements.

All senior executives, including the Group CEO and Executive Team, have contracts of employment that set out the terms and conditions of their employment, including rights and obligations in respect of the termination of their employment and the circumstances in which summary termination may occur.

Secretary

The Company Secretary is appointed by the Board and all Directors have direct access to the Company Secretary. The Company Secretary attends Board and Committee meetings and is responsible for providing the Board with advice on corporate governance issues. The Company Secretary is responsible for the operation of the company secretariat function and is accountable to the Board through the Chair on all matters to do with the proper functioning of the Board. The Company Secretary is also responsible for communications with the ASX about listing rule matters, including making disclosures to the ASX in accordance with ACL's Disclosure Policy.

During the reporting period the Board had access to the services and advice of Mrs Eleanor Padman, the Company Secretary. Details of the experience and qualifications of Eleanor Padman are set out in ACL's 2026 Directors' Report.

Diversity, Equity and Inclusion

The Board considers that having a diverse, equitable and inclusive workplace supports ACL's strategy and values. It also facilitates ACL achieving better overall performance by allowing it to compete for the widest possible pool of talent and to attract and retain employees, whilst also encouraging a variety of viewpoints that enhance problem solving, continual improvement and innovation.

ACL has a Diversity Policy which applies to the employees and officers of the Company and its subsidiaries. The Diversity Policy provides that the Board is responsible for setting measurable objectives to promote gender diversity and the Company's progress in achieving them. The Board has set measurable objectives for achieving gender diversity of 40:40:20 (being 40% female, 40% male and 20% any gender). A full copy of ACL's Diversity Policy can also be found here. The respective proportions of men and women on the Board, the Group CEO and the Executive Team (defined as the Group CEO's direct reports and excluding the Group CEO) as at 30 June 2026 were as follows:

	Board (including the CEO)		CEO		Executive Team	
	Number	Percentage	Number	Percentage	Number	Percentage
Men	2	40%			8	89%
Women	3	60%	1	100%	1	11%

ACL is a relevant employer under the *Australian Workplace Gender Equality Act 2012* (Cth) and remains compliant with its reporting obligations under this legislation.

Further information in respect of ACL's approach to diversity, equity and inclusion can be found in its 2026 ESG report which is available on its investor portal.

Performance of the Board

The Board charter provides that the Board will, with the guidance of the Nominations and Governance Committee, regularly review the performance of the Board, its Committees and each Director. The Committee charters provide that the performance of the Committees will be assessed bi-ennially.

During the reporting period, the Board, with the assistance of the Nominations and Governance Committee, designed and conducted a Board performance evaluation and an evaluation of the Audit and Risk Committee and People and Culture Committee, comprising of a self-assessment coupled with feedback from the Executive Team.

Performance of CEO and senior executives

A performance review of the Group CEO is performed annually by the Board, with the assistance of the People and Culture Committee where required. The Group CEO is responsible for conducting performance reviews of the other members of the Executive Team including the CFO. The Executive Team's performance is reviewed against several metrics which include:

- economic performance
- positioning the Company for growth
- culture, innovation, staff engagement and leadership
- brand and relationship management
- risk and compliance.

During the reporting period, performance reviews were completed for the Group CEO and other members of the Executive Team.

Principle 2: Structure the Board to Add Value

Nominations and Governance Committee

In 2H26, the Board established a new standing committee of the Board, being the Nominations and Governance Committee, comprised of the non-executive of the Board, all of whom are considered to be independent within the meaning of Box 2.3 of the ASX Principles.

During the reporting period, the Nominations and Governance Committee held one meeting, with attendance as follows:

Name of Director	Eligible to attend	Attended
Stephen Roche	1	1
Christine Bartlett	1	1
Sarah Butler	1	1
Mark Haberlin	1	1

As set out in its charter, the purpose of the Nominations and Governance Committee is to assist the Board in discharging the following responsibilities in relation to the Company:

- Board composition, board performance and non-executive director recruitment to ensure that the Board is the appropriate size and composition and has the rights skills, experience and diversity;
- oversee the appointment of non-executive directors to ensure that service agreements are in place and appropriate background and reference checks are undertaken;
- oversee the induction process for newly appointed non-executive directors;
- regularly assess the skills and expertise of the Board and the performance of the Board and its committees;
- develop succession plans for the Chair of the Board and non-executive directors;
- oversight of the remuneration of non-executive directors including monitoring compliance with the non-executive director remuneration pool as approved by shareholders;
- recommend to the Board the re-election of any non-executive director by shareholders under the retirement by rotation provisions of the Constitution or any non-executive director who must otherwise stand for re-election (but noting that no non-executive director may participate in any recommendation concerning their re-election);
- review and monitor ACL's corporate governance frameworks, principles and policies to ensure compliance with corporate governance standards and having regard to ACL's aspirations to excellence in corporate governance; and
- review and recommend the Corporate Governance Statement and other corporate governance policies or disclosures to the Board for approval.

A full copy of the Committee's charter can be found here.

Principle 2: Structure the Board to Add Value (continued)

Board skills matrix

During FY26, the Nominations and Governance Committee simplified and refreshed the Board skills matrix to ensure that the Board is constituted to best align with ACL's strategic objectives. The Board skills matrix provides an evaluation of the technical skills, knowledge and experience of directors and helps to ensure diversity of perspectives.

The 2026 Board skills matrix was completed through directors' self-assessment and then reviewed by the Board. It shows that the current composition of the Board has the following skills and sector experience as at the date of this report:

Capability	Key elements	Expert	Skilled	Developing
Assurance and regulatory	Risk, compliance and regulatory: experience of financial and non-financial risk management across AU markets.	✓		
Assurance and regulatory	Privacy, cyber security and data governance: management of data governance, privacy and cyber security risks.		✓	
Commercial leadership	Financial expertise: expertise in driving sustainable financial performance for the benefit of shareholders, experience of capital markets regulatory frameworks, debt and equity based capital raises.	✓		
Commercial leadership	Business acumen: C-suite experience setting organisational strategy and operational targets, awareness of industry trends and competitive landscape.	✓		
Commercial leadership	Transformation: experience leading through change, innovation and disruption, experience of managing internal crises or external shocks generating change, experience of leading through change resulting from M&A activities, corporate restructures or large capital projects.	✓		
Governance	Governance: experience of working in a listed environment with a commitment to the highest standards of governance.		✓	
Governance	ESG and community focus: experience in implementing DEI, values-based, climate and/or sustainability initiatives.		✓	
Industry and stakeholders	Clinical expertise: qualified clinical or medical practitioner or biological science leader with post doctorate academic expertise; operating within a regulated clinical environment; operating a best practice clinical governance framework.		✓	

Capability	Key elements	Expert	Skilled	Developing
Industry and stakeholders	Healthcare systems governance: expertise in governance frameworks for clinical systems, knowledge of clinical instruments and patient results workflow systems, knowledge of accreditation and regulatory processes overseen by NATA and TGA, operational experience in a clinical or medical setting.		✓	
Industry and stakeholders	Stakeholder connection: understanding of ACL's industry settings, experience in building brand and creating best in class patient experience, experience of engaging with government agencies to advocate for industry and to influence policy settings.		✓	
People	Executive engagement: experience of attracting and retaining senior executive talent, implementing succession plans, designing executive remuneration frameworks.	✓		
People	People and culture: experience with managing a national workforce and navigating Australia's complex industrial relations landscape, ensuring a WHS compliant and safe working environment, instilling and upholding an ethical work culture.	✓		
Strategic risks and opportunities	AI and new technologies: experience in the application of AI to improve business productivity; experience in the early adoption of new technologies in operational settings.		✓	
Strategic risks and opportunities	Automation and digital delivery: experience in designing and implementing an automated digital strategy that is transformative for revenue, services and patients; experience in data analytics to derive strategic insights.		✓	
Strategic risks and opportunities	Procurement and supply chains: experience in managing procurement and complex supply chains, including disruption caused by macro-economic factors.		✓	

Principle 2: Structure the Board to Add Value continued

Independence of Directors and the Chair

As at 30 June 2026, the Board was comprised of four non-executive directors and the Group CEO, who is appointed as an executive director. On 1 July 2026, a new non-executive director, Dr Amandeep Hansra, was appointed. ACL's Board charter provides that the Chair of the Board must be a non-executive director and must not hold (or have held in the previous three years) the office of Group CEO. The table below provides further information on the independence status of each current Director and their length of service as at 25 August 2026.

Name	Date appointed	Tenure on the Board	Independent as per Box 2.3 of the ASX 4th Principles
Mr Stephen Roche Non-executive Chair (with effect from 26 August 2025)	20 June 2025	1 year, 3 months	Yes
Melinda McGrath* Group CEO and executive director	19 December 2020	5 years, 6 months	No – Group CEO
Christine Bartlett Non-executive director	23 August 2023	3 years, 1 month	Yes
Sarah Butler Non-executive director	1 February 2025	1 year, 7 months	Yes
Dr Amandeep Hansra Non-executive director	1 July 2026	2 months	Yes
Mark Haberlin Non-executive director	28 April 2021	5 years, 5 months	Yes

* Melinda McGrath was a Director on the Board of Clinical Labs Pty Ltd, the main operating subsidiary of ACL prior to its IPO on May 2021.

Board induction and education

As part of the appointment process, all new directors receive detailed information outlining their duties and responsibilities and an opportunity to meet with the Group CEO and members of the Executive Team. They are also invited to attend orientation sessions to ensure that they are familiar with ACL's key business and strategic issues, as well as an understanding of the NATA regulatory framework.

Time is allocated periodically at Board and Committee meetings for the continuing education of directors on significant issues facing ACL and changes to the regulatory environment.

Principle 3: Instil a Culture of Acting Lawfully, Ethically and Responsibly

Articulate and disclose values

ACL's mission is to combine talented people, medical and scientific leadership with innovative thinking and technologies to empower decision making that saves and improves patients' lives. ACL's values reflect what it stands for as a company and are:

- **Patient focus and medical excellence**: ACL serves to protect the best interests of patients by aiming to achieve excellence in daily actions.
- **Entrepreneurship and agility**: ACL seeks to deliver its mission to as many people as possible by being vigilant of delivery cost.
- **Efficiency and effectiveness**: ACL applies innovative thinking to science and business. ACL endeavours to be agile in responding to the needs of customers and stakeholders. ACL aims to be proactive and not reactive to problems; ACL meets challenges with a 'can do' attitude.
- **Passion and enthusiasm**: ACL is passionate about pathology and enthusiastic about living out its mission.
- **Respect and integrity**: ACL is committed to ensuring the Company and its representatives act with the highest integrity and respect.

Further information about how ACL instills its values across the organisation can be found in its ESG reports which are available on its investor portal.

Code of Conduct

ACL has a Code of Conduct that applies to all employees, contractors, consultants, managers and Directors of the Company.

Material breaches of the Code of Conduct are reported to the Board and/or the Audit and Risk Committee as appropriate.

A copy of the Code of Conduct can be found here.

Whistleblower Policy

ACL is committed to a corporate culture that encourages the reporting and investigation of misconduct or serious wrongdoing. ACL has implemented a Whistleblower Policy to protect whistleblowers which includes a third-party anonymous whistleblowing reporting service, Yourcall, which can be accessed at httsp://www.yourcall.com.au/report.

Once a report is lodged, the Chair of the Audit and Risk Committee will consult in relation to the disclosure with the Chair of the Board except where the report is about the Chair of the Board.

A fully copy of the Whistleblower Policy can be accessed here.

ABC Policy

ACL's Anti-Bribery and Corruption Policy (**ABC Policy**) commits ACL to compliance with anti-bribery and corruption obligations in the countries in which it operates. The ABC Policy applies to all employees, officers and Directors and in certain circumstances consultants, secondees, contractors, agents and intermediaries.

Material breaches of the Code of Conduct are reported to the Board and/or the Audit and Risk Committee as appropriate.

A fully copy of the ABC Policy can be accessed here.

Principle 4: Safeguard the Integrity of Corporate Reports

Audit and Risk Committee

The Audit and Risk Committee is a standing committee of the Board. During the reporting period, its composition varied as follows:

- Mark Haberlin (Chair);
- Christine Bartlett; and
- Grant Jeffery (resigned 7 April 2025).

With respect to its current membership:

- each of Mark Haberlin and Christine Bartlett are considered to be independent directors within the meaning of Box 2.3 of the ASX Principles.
- the Chair, Mark Haberlin, is the former Chair of PwC Australia and has over 25 years of audit experience, as well as significant experience in financial reporting and risk. Mark is also the Chair of the Abacus Property Group.
- Christine Bartlett is an experienced CEO and senior executive with extensive line management experience gained through roles with IBM, Jones Lang LaSalle and National Australia Bank. Christine brings a commercial perspective especially in the areas of financial discipline, identifying risk, complex project management, execution of strategy, fostering innovation and taking advantage of new emerging technologies.

Under the terms of its charter, the key objective of the Audit and Risk Committee is to support the Board in fulfilling its oversight responsibilities in respect of ACL's financial reporting, internal and external audit functions, internal control structure and risk management systems. Its duties include:

- overseeing and monitoring the implementation and effectiveness of ACL's risk management framework for financial and non-financial risks (excluding diagnostic and clinical risks and cybersecurity risks which are reserved to the full Board), financial risk controls, policies, procedures and systems;
- reviewing and approving ACL's financial statements and reports;
- overseeing ACL's financial reporting, including reviewing the suitability of ACL's accounting policies and principles, assessing significant estimates and judgements in the financial reports, the appropriate disclosure of related party transactions (if any), and assessing information from the external auditor to ensure the quality of the financial reports;
- overseeing and monitoring the implementation and effectiveness of ACL's sustainability reporting framework, including ensuring that data reported complies with applicable sustainability reporting requirements and regulations and applicable statutory frameworks, assessing significant estimates and judgements in sustainability reports, and assessing information from any associated assurance report to ensure the quality of the sustainability reports;
- recommending the financial reports and sustainability reports to the Board for approval;
- Managing audit arrangements and auditor independence, including any internal audit function;
- receiving and reviewing reports from management, the external auditor and internal auditor in respect of risks (excluding diagnostic and clinical risk and cybersecurity risk) and overseeing any remediation plans implemented by management;
- ensuring that any periodic corporate reporting, including sustainability reports, that is released by ACL to the market that has not been subject to audit discloses the process taken to verify the integrity of its content;
- reviewing at least annually the effectiveness of ACL's risk management systems to ensure it continues to be sound and that ACL is operating within the risk appetite set by the Board and to ensure implementation towards continuous improvement;
- evaluating the adequacy of ACL's insurance coverage and assisting the Board with the renewal of ACL's insurance program; and
- reviewing reports from management and regulators concerning compliance with key laws, regulations, licences and standards which apply to ACL's operations.

A full copy of the Audit and Risk Committee's charter can be found here.

During the reporting period, the Audit and Risk Committee has held five meetings, with attendance as follows:

Name of Director	Eligible to attend	Attended
Mark Haberlin (Chair)	5	5
Christine Bartlett	5	5
Grant Jeffery (resigned 7 April 2026)	4	4

CEO and CFO declaration

Before the Board approves financial statements for a financial period, it receives a declaration from the Group CEO and Chief Financial Officer stating that, in their opinion:

- the financial records of the entity have been properly maintained;
- the financial statements comply with appropriate accounting standards and interpretations and give a true and fair view of the financial position and performance of the entity; and
- this opinion was formed based on sound risk management systems and internal controls, which operate effectively.

Verification of unaudited reports

ACL's 2026 Remuneration Report was subject to external audit by the Company's auditors, Pitcher Partners. ACL's 2026 Sustainability Report was subject to an assurance review conducted by Pitcher Partners in accordance with the requirements of the Australian Standard on Sustainability Assurance ASSA 5000 *General Requirements for Sustainability Assurance Engagements*. ACL does not currently release quarterly activity reports, quarterly cash flow reports or other periodic corporate reporting that investors might rely upon when making investment decisions.

Principle 5: Make Timely and Balanced Disclosure

Continuous disclosure and market announcements

ACL is committed to ensuring that all investors have equal and timely access to material information concerning the Company and maintains a Disclosure Policy to ensure compliance with its obligations. The Board has also established a Disclosure Committee comprised of the Chair of the Board, ACL's Group CEO, CFO and Company Secretary. The Disclosure Committee's responsibilities include:

- determining what information will be disclosed by ACL to the ASX;
- implementing procedures to ensure that disclosure can be made immediately to the ASX and trading halt requests lodged;
- reviewing and preparing external announcements for referral to the Board for approval; and
- providing the Board with copies of all material market announcements promptly after they have been made.

Investor and analyst presentations

ACL's Disclosure Policy provides that a copy of any new or substantive investor or analyst presentations must be released to the ASX ahead of any presentation being held, even if the information in the presentation would not otherwise require market disclosure.

The Disclosure Policy also states that the only ACL people authorised to speak on behalf of ACL to investors, potential investors, analysts or the media are the Chair, the Group CEO and the CFO and such other persons as may be approved from time to time.

A full copy of the Disclosure Policy can be found here.

Principle 6: Respect the Rights of Members

Governance information

ACL's website contains a dedicated investor centre that provides shareholders with information about the governance of the organisation, members of the Board and of the Executive Team, copies of all key governance documents and policies and a feed to its ASX announcements.

Investor relations program

ACL's investor relations program is designed to ensure engagement with its key stakeholders including retail shareholders, institutional investors, buy-side and sell-side research analysts and individual investors. The program includes an investor webinar and other scheduled engagements following the release of ACL's half year and full year financial results, as well as attending other events to provide operational updates.

The Board understands the importance of these interactions as providing an opportunity for ACL to articulate its strategy and to receive feedback from investors and other market participants on its financial performance, strategy, financial reporting and governance.

Key information released and available via ACL's investor portal includes:

- ACL's annual report and periodic financial reporting including its sustainability report;
- ACL's Corporate Governance Statements;
- ACL's historic ESG reports (now superseded by its statutory sustainability report);
- ACL's dividend reinvestment plan;
- market briefings and presentations; and
- ASX announcements.

Shareholder engagement at the AGM

ACL will be holding its AGM on 28 October 2026. The Board will promote shareholder engagement and encourage participation enabling virtual participation at the AGM. Engagement is also facilitated by:

- distributing a copy of the annual report and the notice of meeting for the AGM to shareholders via their nominated means of communication, including electronic communication;
- enabling the use of online proxy voting for shareholders who are unable to attend the AGM;
- enabling shareholders to submit questions for the Board during the AGM and answering as many questions as time permits; and
- encouraging shareholders to submit written questions in advance of the AGM. The Chair will address as many of the more frequently raised topics as possible in his AGM address.

ACL's auditors will also be attending the 2026 AGM for the purpose of answering shareholder questions about the audit report and the audit process.

Voting on resolutions by a poll

The Board acknowledges that deciding votes of shareholders on a show of hands rather than by a poll is inconsistent with the principle of 'one security one vote'. The Board is committed to ensuring that all substantive resolutions at a meeting of shareholders are decided by a poll rather than a show of hands.

Electronic communications

ACL has a continuing commitment to electronic communications with shareholders and stakeholders generally including via its dedicated web-based investor centre. Shareholders may elect to receive information about the Company electronically.

Principle 7: Recognise and Manage Risk

Audit and Risk Committee

As set out in further detail above in relation to Principle 4, the Board has established an Audit and Risk Committee which is tasked with assisting the Board to oversee ACL's internal control structure and risk management systems.

The types of risks overseen by the Audit and Risk Committee include regulatory and compliance risk, investment risk, legal risk, economic risk, environmental and social risk, digital and IT risk and operational risk. Workplace Health and Safety Risk is overseen by the People and Culture Committee and oversight of clinical governance risk and cybersecurity risk are matters that are reserved to the full Board.

The Group's risk management framework establishes a foundation for the management of strategic and operational risk during periods of organisational uncertainty or increased stress, whilst also supporting the organisation's efforts in achieving its strategic objectives. ACL has adopted a 'Three Lines of Defence' risk framework and all staff, led by the Executive Team, are responsible for the identification, assessment, management, reporting and monitoring of all risks across the operating spectrum, including emerging risks and strategic risks. Risks are expected to be escalated to the Executive Team and are discussed at the Executive Team Risk Committee, together with the tracking of any improvement plans required for potential remediation and monitoring. Regular updates are provided to the Audit and Risk Committee or on an as-required basis.

Enterprise Risk Management Framework

As part of its role, the Audit and Risk Committee conducts a program of work that includes a review of ACL's risk management framework and systems and to ensure that they continue to be sound and fit for purpose. The Audit and Risk Committee also monitors that ACL is operating within the risk appetite set by the Board. During the reporting period, the Audit and Risk Committee conducted this review.

Internal audit

ACL maintains high quality standards and internal audit processes to ensure that it continually meets licensing and accreditation standards across its business. In addition, the Company's core focus on the efficient and accurate delivery of a diverse range of diagnostic and analytical information is supported by a robust quality assurance framework comprised of internal and external quality control measures, standardised national training and competency and credentialing programs for pathologists and scientific staff.

ACL's established procedures focus on best practice, clinical excellence and continuous service improvements, which serves to mitigate operational risk and address regulatory compliance.

The Board has also engaged EY to provide internal audit services to ACL in respect of the non-clinical areas of its operations. In addition, ACL continues to regularly engage external subject-matter expert advisers to conduct audits of other specialist areas, such as its IT environment, to ensure that risks are effectively identified and mitigated.

Clinical governance framework

The Board has reserved oversight of ACL's clinical governance framework to itself and receives regular updates at Board meetings from the National Medical Director and Chief Pathologist and the National Director of Haematology. ACL's clinical governance framework sets out key principles and expectations regarding clinical governance across the business and promotes patient safety, quality improvement and risk management to support ACL's objectives of delivering safe, high-quality care. The Board reviews ACL's clinical governance framework at least annually to ensure it remains robust and comprehensive and that it aligns with evolving healthcare standards and organisational needs. The Board conducted this review during the reporting period.

Sustainability and climate risk

ACL's approach to identifying and managing its approach to climate-related risks are set out in detail in its FY26 sustainability report which can be found at page 127.

Principle 8: Remunerate Fairly and Responsibly

The People and Culture Committee is a standing committee of the Board. During the reporting period, its composition varied as follows:

- Leanne Rowe resigned as a Director and a member on 22 October 2025;
- Mark Haberlin became a member on 10 November 2025.

Christine Bartlett, Sarah Butler and Mark Haberlin are all considered to be independent within the meaning of Box 2.3 of the ASX Principles.

During the reporting period, the People and Culture Committee held three meetings and one joint meeting with the Audit and Risk Committee with attendance as follows:

Name of Director	Eligible to attend	Attended
Christine Bartlett	4	4
Leanne Rowe (resigned 22 October 2025)	1	1
Mark Haberlin (appointed 10 November 2025)	3	3
Sarah Butler	4	4

As set out in its charter, the function of the People and Culture Committee is to assist the Board in discharging the following responsibilities in relation to ACL:

- the recruitment of the Group CEO, including ensuring that appropriate background checks are performed and that an executive service agreement is entered into;
- remuneration policies, including evaluating and approving remuneration packages for the Group CEO, the Executive Team and engaging external remuneration consultants;
- developing and approving short-and long-term incentive plans and equity plans;
- executive talent management and succession planning for the Group CEO and the Executive Team;
- reviewing the performance of the Group CEO and setting annual performance objectives, oversight of performance reviews and remuneration for the Executive Team;
- workplace health and safety management including policies and practices to prevent discrimination, sexual harassment and bullying;
- diversity, equity and inclusion including setting measurable targets for diversity metrics and reviewing remuneration by gender to address any pay gap;
- organisational culture, including monitoring and reviewing strategies and policies to instill and reinforce a positive organisational culture; and
- overseeing remuneration-related disclosures required in ACL's annual statutory reporting.

A full copy of the Committee's charter can be found here.

Remuneration policies and practices

Non-executive

Under the terms of ACL's Constitution, the Company may in general meeting determine the maximum aggregate remuneration to be paid to non-executive directors for their services. Following the listing of the Company, and until a different amount is determined, the maximum aggregate non-executive directors' remuneration for the purpose of the Constitution and the ASX Listing Rules has been set at $1,500,000 per annum, of which $855,320 was utilised as at 30 June 2026. Advice was sought from external remuneration consultants prior to the initial public offering to determine the appropriate level of this remuneration pool.

During FY26, ACL introduced a new minimum shareholding requirement policy for non-executive directors, the Group CEO and the CFO. A copy of the policy can be found here. Non-executive directors do not hold any performance rights or grants under the LTVR Plan operated by the Company.

Directors may be reimbursed for travel and other expenses in attending to Company affairs, including travel to and from meetings. A director who performs additional or special duties for the Company may be paid such additional or special remuneration as determined by the Board. There are no retirement benefit schemes for Directors, other than statutory superannuation contributions.

More information on the benefits paid to non-executive directors during the reporting period can be found in ACL's 2026 Directors' Report at page 31.

Executives

The Company has established a short-term variable remuneration plan (**STVR Plan**) under which cash awards may be payable to participants subject to the satisfaction of specified performance criteria. Participation in the STVR Plan is determined by the Board in its absolute discretion and is conditional upon:

- the Company's financial performance against criteria set by the Board; and
- individual performance criteria tailored to each respective role (if any).

The Company has also established a long-term variable remuneration plan (**LTVR Plan**) to assist in the motivation, retention and reward of eligible employees. The Board has the discretion to determine which employees are eligible to participate in the LTVR Plan and the number of rights they will be offered. The rights that may be offered under the LTVR Plan consist of performance rights and service rights. The grant of rights is not subject to the payment of an acquisition price by the participant.

The LTVR Plan is designed to align the interests of employees and shareholders by providing an opportunity for employees to receive equity interests in the Company. Under the LTVR Plan, eligible participants may be offered performance rights which will be subject to vesting conditions set by the Board. The key terms of the LTVR Plan include:

- forfeiture and lapse of rights in certain circumstances, including if the Board determines that a participant has engaged in conduct that may cause harm to the Company's stakeholders, may have taken excessive risks or contributed to unacceptable culture;
- malus and clawback provisions;
- forfeiture in full in the event of cessation of employment; and
- prohibitions against participants entering arrangements to offer rights as security, or to hedge or otherwise limit the economic risk of participation.

More information on the benefits paid to KMP during the reporting period can be found in ACL's 2026 Directors' Report at page 31.

Financial Statements

For the year ended 30 June 2026

Consolidated statement of profit or loss

for the year ended 30 June 2026

	Note	2026 $'000	2025 $'000
Revenue	3	735,753	741,269
Other income	3	397	1,216
Total		**736,150**	**742,485**
Consumables		(122,742)	(128,249)
Labour costs		(319,780)	(318,992)
Labour costs – prior period underpayments	4(a)	(1,443)	–
Property costs	4(b)	(13,030)	(13,378)
Repairs and maintenance		(9,586)	(9,791)
AIC settlement	4(c)	(6,200)	–
Acquisition, restructuring and other insurance-related expenses		(6,455)	(3,084)
Other operating expenses		(66,101)	(66,813)
Depreciation	4(d)	(12,075)	(13,125)
Depreciation of right-of-use assets	4(d)	(123,033)	(122,688)
Amortisation of intangible assets		(240)	(229)
Total operating costs		**(680,685)**	**(676,349)**
Earnings before interest and tax		**55,465**	**66,136**
Net finance costs	5	(18,074)	(17,957)
Profit before income tax		**37,391**	**48,179**
Income tax expense	6	(13,375)	(15,359)
Profit for the year		**24,016**	**32,820**
Net (profit) attributable to non-controlling interests		(305)	(390)
Net profit to members of Australian Clinical Labs Limited		**23,711**	**32,430**

Earnings per share

		Cents per share	Cents per share
Basic earnings per share from continuing operations	22	12.36	16.30[1]
Diluted earnings per share from continuing operations	22	12.33	16.21[1]

1. Prior year earnings per share restated. Refer to Note 22 for further details.

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

Consolidated statement of other comprehensive income

for the year ended 30 June 2026

	2026 $'000	2025 $'000
Profit for the year	24,016	32,820
Other comprehensive income		
Items that may be reclassified subsequently to profit and loss		
Exchange differences on translation of foreign operations	(49)	142
Other comprehensive income for the year, net of tax	(49)	142
Total comprehensive income for the year	**23,967**	**32,962**
Total comprehensive income attributable to:		
Members of Australian Clinical Labs Limited	23,662	32,572
Non-controlling interests	305	390
	23,967	**32,962**

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

Consolidated statement of financial position

as at 30 June 2026

	Note	2026 $'000	2025 $'000
Current Assets			
Cash and cash equivalents	26(a)	24,733	21,442
Trade and other receivables	7	67,446	72,797
Inventories	8	14,249	15,624
Other assets	9	6,503	10,202
Total Current Assets		**112,931**	**120,065**
Non-Current Assets			
Plant and equipment	10	34,083	36,858
Right-of-use assets	11	259,636	233,255
Intangible assets	12	164,969	165,209
Other assets	9	1,954	2,483
Deferred tax assets	13	19,083	16,968
Total Non-Current Assets		**479,725**	**454,773**
Total Assets		**592,656**	**574,838**
Current Liabilities			
Trade and other payables	14	52,734	51,571
Lease liabilities	15	108,403	108,599
Provisions	16	48,032	47,241
Deferred consideration		49	49
Current tax liabilities	17	365	8,536
Other liabilities		287	411
Total Current Liabilities		**209,870**	**216,407**
Non-Current Liabilities			
Trade and other payables	14	–	880
Lease liabilities	15	166,952	139,810
Borrowings	18	62,050	41,968
Provisions	16	3,981	3,695
Deferred consideration		49	97
Total Non-Current Liabilities		**233,032**	**186,450**
Total Liabilities		**442,902**	**402,857**
Net Assets		**149,754**	**171,981**
Equity			
Issued capital	19	753,719	775,524
Reserves	20	(769,852)	(770,708)
Retained earnings		165,655	166,538
Total Parent Entity Interest		**149,522**	**171,354**
Non-Controlling Interest		**232**	**627**
Total Equity		**149,754**	**171,981**

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

Consolidated statement of changes in equity

for the year ended 30 June 2026

2026	Issued capital $'000	Reserves $'000	Retained earnings $'000	Total $'000	Non-controlling interest $'000	Total $'000
Opening balance at 1 July 2025	**775,524**	**(770,708)**	**166,538**	**171,354**	**627**	**171,981**
Profit for the year	–	–	23,711	**23,711**	305	**24,016**
Exchange differences on translation of foreign operations	–	(49)	–	**(49)**	–	**(49)**
Total other comprehensive income for the year net of tax	**–**	**(49)**	**–**	**(49)**	**–**	**(49)**
Total comprehensive income for the year	**–**	**(49)**	**23,711**	**23,662**	**305**	**23,967**
Transactions with owners in their capacity as owners						
Share-based payments (Note 21)	–	2,253	–	**2,253**	–	**2,253**
Dividend declared and paid	–	–	(24,594)	**(24,594)**	–	**(24,594)**
Dividend paid to minority interest in controlled entities	–	–	–	**–**	(700)	**(700)**
Acquisition of treasury shares net of transaction costs (Note 19)	(1,365)	–	–	**(1,365)**	–	**(1,365)**
Allocation of treasury shares (Note 19)	1,348	(1,348)	–	**–**	–	**–**
Share buy-back net of transaction costs (Note 19)	(21,788)	–	–	**(21,788)**	–	**(21,788)**
Closing balance at 30 June 2026	**753,719**	**(769,852)**	**165,655**	**149,522**	**232**	**149,754**

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

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

Consolidated statement of cash flows

for the year ended 30 June 2026

	Note	2026 $'000	2025 $'000
Cash flows from operating activities			
Receipts from customers and government grants		725,227	734,166
Payment to suppliers and employees		(520,277)	(518,884)
Cash provided by operations		**204,950**	**215,282**
Interest received	5	376	410
Interest and costs of finance paid		(18,355)	(18,463)
Income tax paid		(23,662)	(14,428)
Net cash provided by operating activities	**26(b)**	**163,309**	**182,801**
Cash flows from investing activities			
Proceeds from sale of plant and equipment		348	99
Purchase of plant and equipment		(9,576)	(8,411)
Payments for business combinations (net of cash acquired)		(49)	(583)
Net cash used in investing activities		**(9,277)**	**(8,895)**
Cash flows from financing activities			
Principal portion of lease payments		(122,246)	(121,676)
Share buy-back	19(b)	(21,787)	(19,120)
Payments for treasury shares	19(d)	(1,365)	–
Repayment of borrowings		(15,000)	(44,000)
Proceeds from borrowings		35,000	31,000
Dividends paid		(24,594)	(24,946)
Dividend paid to minority interest in controlled entities		(700)	–
Net cash used in financing activities		**(150,692)**	**(178,742)**
Net increase/(decrease) in cash and cash equivalents		**3,340**	**(4,836)**
Foreign exchange differences on cash holdings		(49)	142
Cash and cash equivalents at the beginning of the year		21,442	26,136
Cash and cash equivalents at the end of the year	**26(a)**	**24,733**	**21,442**

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

Notes to the financial statements

for the year ended 30 June 2026

Note 1: Summary of Material Accounting Policies

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

(a) Basis of preparation

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

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

The financial report was authorised for issue by the Directors on 14 August 2026.

Compliance with IFRS

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

Basis of measurement

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

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

Going concern

As at 30 June 2026, the Group recorded a deficiency in net current assets of $96.9m (2025: $96.3m). This has been caused by AASB 16 *Leases*, whereby $108.4m (2025: $108.6m) of lease liability has been recognised as current, however the corresponding right-of-use asset is non-current. Excluding the current portion of the lease liability, the Group has a current asset surplus of $11.5m (2025: $12.3m).

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

(b) Basis of consolidation

The financial report incorporates the assets and liabilities of all subsidiaries controlled by Australian Clinical Labs Limited as at 30 June 2026 and the results of all subsidiaries for the year then ended.

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consistent accounting policies are employed in the preparation and presentation of the consolidated financial statements.

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

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

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

Changes in ownership interests

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

(c) Business combination

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

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree. Deferred consideration payable is measured at its acquisition-date fair value. Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. At each reporting date subsequent to the acquisition, contingent consideration payable is measured at its fair value with any changes in the fair value recognised in profit or loss unless the contingent consideration is classified as equity, in which case the contingent consideration is carried at its acquisition-date fair value.

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

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

Common control acquisition

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

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

(d) Foreign currency translation and balances

Functional and presentation currency

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

Transactions and balances

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

Foreign subsidiaries

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

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

Note 1: Summary of Material Accounting Policies cont.

(e) Revenue recognition

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

Rendering of services

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

Clinic revenue

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

(f) Other income

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

(g) Income tax

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

Current tax

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

Deferred tax

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

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

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

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

Current and deferred tax for the year

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

Tax consolidation

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

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

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

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

(h) Cash and cash equivalents

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

(i) Inventories

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

(j) Plant and equipment

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

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

Depreciation

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

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

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

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

Note 1: Summary of Material Accounting Policies cont.

(k) Leases

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

Lease assets

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

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

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

Lease liabilities

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

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

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

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

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

(l) Intangible assets

Goodwill

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

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

Intangible assets acquired separately

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

Intangible assets acquired in a business combination

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

(m) Impairment testing of tangible and intangible assets

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

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

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

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

(n) Financial instruments

Recognition

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

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

Classification of financial assets

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

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

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

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

Classification of financial liabilities

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

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

Trade and other receivables

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

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

Note 1: Summary of Material Accounting Policies cont.

Impairment of financial assets

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

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

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

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

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

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

(o) Employee benefits

Short-term employee benefit obligations

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

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

Long-term employee benefit obligations

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

Retirement benefit obligations

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

Share-based payments

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

Bonus plan

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

(p) Provisions

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

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

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

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

(r) Goods and services tax (GST)

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

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

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

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

(s) Rounding of amounts

The Company is of a kind referred to in ASIC Corporations *(Rounding in Financial/Directors' Reports) Instrument 2026/183*, and in accordance with that instrument, amounts in the financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

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

(t) Key accounting estimates and assumptions

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

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

Employee entitlements

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

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

Impairment of tangible and intangible assets

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

Note 1: Summary of Material Accounting Policies cont.

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

Share-based payments

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

Deferred tax balances

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

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

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

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

Calculation of incremental borrowing rates

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

(u) Adoption of new and revised Accounting Standards

The Group has applied all new and revised Australian Accounting Standards that apply to annual reporting periods beginning on or after 1 July 2025. These standards do not have a material impact on the Group's financial results or position.

(v) Standards and interpretations issued but not yet effective

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

Note 2: Segment Information

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

The Group has the one reportable segment:

Pathology

Pathology/clinical laboratory services provided in Australia.

Note 3: Revenue and Other Income

	2026 $'000	2025 $'000
An analysis of the Group's revenue for the year is as follows:		
Pathology revenue	710,802	717,751
Clinic revenue	18,720	18,397
Rental revenue from subleasing right-of-use assets	1,262	1,156
Other revenue	4,969	3,965
Total revenue	**735,753**	**741,269**
Other		
Insurance claim proceeds	–	1,216
Other income	397	–
Total other income	**397**	**1,216**

Note 4: Expenses

	2026 $'000	2025 $'000
(a) Labour costs – prior period underpayments		
Employee portion	1,318	–
Associated on-costs	125	–
	1,443	**–**

Instances of employee underpayments were identified within a review period of FY17 to FY25. Payment to current employees and identified former employees has been made in FY26. Please see note 30 for further details.

(b) Property costs		
Short-term/low value lease payments	9,668	10,066
Other property expenses	3,362	3,312
	13,030	**13,378**

(c) AIC settlement		
Civil penalties	5,800	–
Contribution to AIC's legal costs	400	–
	6,200	**–**

A settlement was reached between ACL and the Australian Information Commissioner (AIC) to resolve the civil penalty proceeding commenced in the Federal Court in November 2023 relating to a cyberattack on the Medlab Pathology business acquired by ACL. Under the orders ACL paid aggregate civil penalties of $5.8m and made a contribution of $0.4m to the AIC's legal costs.

Note 4: Expenses cont.

	2026 $'000	2025 $'000
(d) Depreciation expense		
Leasehold improvements	3,544	3,742
Plant and equipment	8,531	9,383
Right-of-use assets	123,033	122,688
	135,108	**135,813**

Note 5: Net Finance Costs

	2026 $'000	2025 $'000
Finance income		
Bank deposits	376	410
Finance expenses		
Interest expense – leasing arrangements	(14,676)	(14,587)
Other borrowing costs	(3,774)	(3,780)
	(18,450)	**(18,367)**
Net finance costs	**(18,074)**	**(17,957)**

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

Note 6: Income Tax

	2026 $'000	2025 $'000
(a) Components of income tax expense		
Current tax	15,490	19,728
Deferred tax	(2,115)	(4,369)
Income tax expense	**13,375**	**15,359**

	2026 $'000	2025 $'000
(b) Income tax reconciliation		
The prima facie tax payable on profit before income tax is reconciled to the income tax expense as follows:		
Profit before tax	37,391	48,179
Domestic tax rate	30%	30%
	11,217	**14,454**
Adjustments for non-temporary differences:		
Net non-taxable and non-deductable items	2,158	905
Income tax expense	**13,375**	**15,359**

Note 7: Trade and Other Receivables

	2026 $'000	2025 $'000
Current		
Trade receivables	56,578	59,278
Allowance for expected credit loss	(9,952)	(12,725)
	46,626	**46,553**
Accrued revenue	18,143	23,775
Other receivables	2,677	2,469
	67,446	**72,797**

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

	2026 $'000	2025 $'000
Current	33,941	30,795
30 to 60 days	5,377	6,904
60 to 90 days	3,829	2,511
90 to 120 days	1,031	1,499
120 days +	12,400	17,569
Closing balance at 30 June	**56,578**	**59,278**

Note 7: Trade and Other Receivables cont.

(b) Allowance for expected credit loss

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

Movement in allowance for expected credit losses:

	2026 $'000	2025 $'000
Opening balance at 1 July	12,725	9,865
Allowance for expected credit loss expensed	5,275	5,647
Receivables written off	(8,048)	(2,787)
Closing balance at 30 June	**9,952**	**12,725**

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

(c) Foreign exchange and interest rate risk

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

(d) Fair value and credit risk

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

Note 8: Inventories

	2026 $'000	2025 $'000
Consumable supplies at cost	14,249	15,624

Note 9: Other Assets

	2026 $'000	2025 $'000
Current		
Prepayments	5,577	9,523
Bonds and securities	926	679
	6,503	**10,202**
Non-Current		
Prepayments	504	1,033
Other	1,450	1,450
	1,954	**2,483**

Other assets include convertible notes acquired in Geneseq Pty Ltd.

Note 10: Plant and Equipment

2026	Leasehold improvements $'000	Plant and equipment $'000	Capital work in progress $'000	Total $'000
Gross carrying amount	59,330	122,439	1,081	**182,850**
Accumulated depreciation	(50,477)	(98,290)	–	**(148,767)**
Total plant and equipment as at 30 June 2026	**8,853**	**24,149**	**1,081**	**34,083**

2025				
Gross carrying amount	57,864	120,061	701	**178,626**
Accumulated depreciation	(47,661)	(94,107)	–	**(141,768)**
Total plant and equipment as at 30 June 2025	**10,203**	**25,954**	**701**	**36,858**

2026	Leasehold improvements $'000	Plant and equipment $'000	Capital work in progress $'000	Total $'000
Gross carrying amount				
Balance at 1 July 2025	**57,864**	**120,061**	**701**	**178,626**
Additions	2,303	6,268	1,004	**9,575**
Disposals	(831)	(4,505)	–	**(5,336)**
Capitalisation of work in progress	-	624	(624)	**–**
Net exchange differences	(6)	(9)	–	**(15)**
Balance at 30 June 2026	**59,330**	**122,439**	**1,081**	**182,850**
Accumulated depreciation				
Balance at 1 July 2025	**(47,661)**	**(94,107)**	**–**	**(141,768)**
Disposals	725	4,338	–	**5,063**
Depreciation	(3,544)	(8,531)	–	**(12,075)**
Net exchange differences	3	10	–	**13**
Balance at 30 June 2026	**(50,477)**	**(98,290)**	**–**	**(148,767)**
Carrying amount at 30 June 2026	**8,853**	**24,149**	**1,081**	**34,083**

Note 10: Plant and Equipment cont.

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

Note 11: Right-of-use Assets

	2026 $'000	2025 $'000
Carrying amount of lease assets, by class of underlying asset:		
Buildings under lease arrangements	259,636	233,255

	2026 $'000	2025 $'000
Opening balance at 1 July	233,255	239,798
Additions and remeasurement of leases during the year	149,414	116,145
Depreciation	(123,033)	(122,688)
Closing balance at 30 June	**259,636**	**233,255**

Note 12: Intangible Assets

2026	Goodwill $'000	Brand names $'000	Customer lists $'000	Total $'000
Gross carrying amount	159,106	5,600	1,442	**166,148**
Accumulated amortisation	–	–	(1,179)	**(1,179)**
Total intangibles as at 30 June 2026	**159,106**	**5,600**	**263**	**164,969**

2025				
Gross carrying amount	159,106	5,600	1,442	**166,148**
Accumulated amortisation	–	–	(939)	**(939)**
Total intangibles as at 30 June 2025	**159,106**	**5,600**	**503**	**165,209**

2026	Goodwill $'000	Brand names $'000	Customer lists $'000	Total $'000
Gross carrying amount				
Balance at 1 July 2025	159,106	5,600	1,442	**166,148**
Balance at 30 June 2026	**159,106**	**5,600**	**1,442**	**166,148**
Accumulated amortisation				
Balance at 1 July 2025	–	–	(939)	**(939)**
Amortisation	–	–	(240)	**(240)**
Balance at 30 June 2026	**–**	**–**	**(1,179)**	**(1,179)**
Carrying amount at 30 June 2026	**159,106**	**5,600**	**263**	**164,969**

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

Note 12: Intangible Assets cont.

Impairment testing of goodwill and intangibles with indefinite useful lives

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

The recoverable amount of a CGU is based on value-in-use calculations. These calculations use cash projections based on financial budgets/forecasts approved by management for covering a minimum period of one year (maximum of five years). Management's determination of cash flow projections and gross margins are based on past performance and its expectation for the future. The present value of future cash flows has been calculated using an average growth rate of 4.3% (2025: 4.5%) for cash flows in years two to five which is based on historic growth rate and industry trends, a terminal value growth rate of 2.7% (2025: 3.4%) and a discount rate of 9.8% (2025: 9.2%) to determine value-in-use.

The carrying value of brand names at 30 June 2026 relates solely to SunDoctors. The recoverable amount of the SunDoctors brand is based on value-in-use calculations via the relief from royalty valuation method. Under this method, the fair value is based on the present value of future foregone royalty payments over the life of the asset by virtue of owning the asset. The present value of future cash flows has been calculated using a royalty rate of 3.0% (2025: 3.0%), an indefinite useful life and a discount rate of 9.8% (2025: 9.2%).

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

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

Note 13: Deferred Tax Assets

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

	2026 $'000	2025 $'000
Expected credit loss	2,986	3,818
Employee benefits	18,094	16,978
Sundry accruals	288	110
Lease liability	81,683	73,966
Share issue and transaction costs	720	1,241
Less: deferred tax liabilities offset against deferred tax assets	(84,688)	(79,145)
	19,083	**16,968**
Deferred tax liabilities offset against deferred tax assets		
Prepayments and sundry debtors	(333)	(298)
Inventories	(4,275)	(4,687)
Accrued revenue	–	157
Right-of-use assets	(76,973)	(69,430)
Intangibles	(1,759)	(1,831)
Plant and equipment	(1,348)	(3,056)
	(84,688)	**(79,145)**

Movement	2026 $'000	2025 $'000
Opening balance at 1 July	16,968	10,743
Amounts recognised in profit or loss	2,115	4,370
Amounts recognised in business combination	–	(22)
Amounts recognised directly in equity	–	1,877
Closing balance at 30 June	**19,083**	**16,968**

Note 14: Trade and Other Payables

	2026 $'000	2025 $'000
Current		
Trade creditors	16,720	20,539
Sundry creditors and accruals	36,014	31,032
	52,734	**51,571**

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

	2026 $'000	2025 $'000
Non-Current		
Sundry creditors and accruals	–	880

Note 15: Lease Liabilities

Lease liabilities	2026 $'000	2025 $'000
Current lease liabilities	108,403	108,599
Non-current lease liabilities	166,952	139,810
Total carrying amount of lease liabilities	**275,355**	**248,409**

Cash outflow	2026 $'000	2025 $'000
Total cash outflow in relation to lease liabilities and associated interest	(136,922)	(136,263)

Lease arrangements

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

Note 16: Provisions

	2026 $'000	2025 $'000
Current		
Employee benefits	46,323	45,753
Other	1,709	1,488
	48,032	**47,241**
Non-Current		
Employee benefits	3,981	3,695

Note 17: Current Tax Liabilities

	2026 $'000	2025 $'000
Current		
Tax payable	365	8,536

Note 18: Borrowings

	2026 $'000	2025 $'000
Non-Current		
Unsecured – at amortised cost		
Bank loans	62,050	41,968

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

Terms and repayment schedule

The terms and conditions of outstanding loans are as follows:

Loan	Currency	Nominal interest rate	Year of maturity	2026 $'000	2025 $'000
Bank loans	AUD	BBSY + 1.55% - 2.45%	2027	62,050	41,968

During the current financial year, the Group amended its existing facility, extending the term from 31 July 2027 to 30 September 2027.

In addition, the financial covenants are shown below:

1. Leverage Ratio is not greater than 3.50 (30 June 2025: 3.50).
2. Interest Coverage Ratio is not less than 3.00 (30 June 2025: 3.00).

The Group complied with the covenants throughout the reporting period and as such, the loan is classified as a non-current liability at 30 June 2026.

Note 19: Issued Capital

(a) Share capital

	30 Jun 2026 Shares	30 Jun 2025 Shares	30 Jun 2026 $'000	30 Jun 2025 $'000
Fully paid ordinary shares	186,518,985	195,791,386	758,944	780,732
Other equity securities				
Treasury shares	(1,472,731)	(1,324,497)	(5,225)	(5,208)
	185,046,254	**194,466,889**	**753,719**	**775,524**

Note 19: Issued Capital cont.

(b) Ordinary shares

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

Date 2026	Details	Number of shares	Value of shares $'000
1/07/2025	Opening balance of the Group	195,791,386	780,732
Nov 2025	Share buy-back	(1,317,744)	(3,603)
Dec 2025	Share buy-back	(2,252,772)	(6,363)
Feb 2026	Share buy-back	(1,460,252)	(3,224)
Mar 2026	Share buy-back	(2,063,342)	(4,295)
Apr 2026	Share buy-back	(1,074,873)	(2,196)
May 2026	Share buy-back	(1,103,418)	(2,107)
30/06/2026	**Closing balance of the Group**	**186,518,985**	**758,944**

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

(c) Options and performance rights

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

(d) Treasury shares

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

Date 2026	Details	Number of shares	Value of shares $'000
1/07/2025	Opening balance of the Group	(1,324,497)	(5,208)
22/06/2026	Treasury shares acquired on-market	(124,000)	(275)
23/06/2026	Treasury shares acquired on-market	(124,000)	(271)
24/06/2026	Treasury shares acquired on-market	(124,000)	(266)
25/06/2026	Treasury shares acquired on-market	(124,000)	(276)
26/06/2026	Treasury shares acquired on-market	(124,000)	(277)
Various	Transfer of shares to employees to satisfy exercise of rights	471,766	1,348
30/06/2026	**Closing balance of the Group**	**(1,472,731)**	**(5,225)**

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

Note 20: Reserves and Retained Earnings

2026	Share-based payment reserve $'000	Foreign currency translation reserve $'000	Common control reserve $'000	Loss reserve $'000	Total reserves $'000
Opening balance at 1 July 2025	**7,522**	**190**	**(645,632)**	**(132,788)**	**(770,708)**
Exchange differences on translation of foreign operations	–	(49)	–	–	**(49)**
Management share scheme – LTVR	2,253	–	–	–	**2,253**
Allocation of treasury shares	(1,348)	–	–	–	**(1,348)**
Closing balance at 30 June 2026	**8,427**	**141**	**(645,632)**	**(132,788)**	**(769,852)**

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

(a) Share-based payment reserve

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

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

(b) Foreign currency translation reserve

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

(c) Common control reserve

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

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

(d) Loss reserve

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

Note 21: Share-Based Payments

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

(a) Australian Clinical Labs Limited Rights Plan

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

Type	Grant date	Expiry date	Exercise price	Balance at start of year	Granted during the year	Forfeited during the year	Exercised during the year	Balance at end of year	Exercisable at end of year	Balance at date of this report
2026										
Service rights	20-Nov-21	19-Nov-26	Nil	180,630	–	–	(14,003)	166,627	166,627	166,627
Performance rights	13-Mar-23	12-Mar-28	Nil	737,654	–	(737,654)	–	–	–	–
Service rights	13-Mar-23	12-Mar-28	Nil	242,019	–	–	(120,336)	121,683	121,683	121,683
Performance rights	19-Dec-23	18-Dec-28	Nil	503,113	–	–	–	503,113	503,113	503,113
Service rights	19-Dec-23	18-Dec-28	Nil	1,587,595	–	(125,145)	(337,427)	1,125,023	516,103	1,125,023
Service rights	23-Jan-24	22-Jan-29	Nil	635,034	–	(38,121)	–	596,913	596,913	596,913
Service rights	6-Nov-24	5-Nov-29	Nil	62,995	–	–	–	62,995	–	62,995
Service rights	20-Dec-24	19-Dec-29	Nil	160,086	–	–	–	160,086	–	160,086
Performance rights	2-Apr-25	1-Apr-30	Nil	58,776	–	–	–	58,776	–	58,776
Service rights	2-Apr-25	1-Apr-30	Nil	20,185	–	–	–	20,185	–	20,185
Performance rights	8-Dec-25	7-Dec-30	Nil	–	663,168	–	–	663,168	–	663,168
Service rights	8-Dec-25	7-Dec-30	Nil	–	110,528	–	–	110,528	–	110,528
Total				**4,188,087**	**773,696**	**(900,920)**	**(471,766)**	**3,589,097**	**1,904,439**	**3,589,097**

Note 21: Share-Based Payments cont.

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

Fair value of rights granted

The average assessed fair value of performance rights granted during the year ended 30 June 2026 was $1.865 per right (2025: $2.349). The average assessed fair value of service rights granted during the year ended 30 June 2026 was $2.560 per right (2025: $3.086). The service rights generally have a higher value than the performance rights given that the only condition is a service period and not Group performance. The valuation model inputs for rights granted during the year ended 30 June 2026 and 30 June 2025 included:

Type	Grant date	Expiry date	Exercise price	Share price at time of grant	Expected life (years from date of issue)	Share price volatility	Risk free rate	Dividend yield
Service rights	6-Nov-24	5-Nov-29	Nil	$3.67	2.2	35%	4.16%	3.27%
Service rights	20-Dec-24	19-Dec-29	Nil	$3.44	2.5	35%	4.01%	3.49%
Performance rights	2-Apr-25	1-Apr-30	Nil	$3.00	2.2	35%	3.58%	5.00%
Service rights	2-Apr-25	1-Apr-30	Nil	$3.00	2.2	35%	3.58%	5.00%
Performance rights	8-Dec-25	7-Dec-30	Nil	$2.85	2.6	34%	4.00%	4.20%
Service rights	8-Dec-25	7-Dec-30	Nil	$2.85	2.6	34%	4.00%	4.20%

A Monte Carlo simulation was applied to fair value the TSR performance condition element of performance rights granted. The model simulated the Group's TSR and compared it against the peer group over the vesting periods. For non-market performance conditions and for service rights a Black-Scholes valuation model is used to value the rights.

(b) Expenses arising from share-based payment transactions

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

	2026 $'000	2025 $'000
Share-based payments expense	2,253	3,443

Note 22: Earnings Per Share

Basic and diluted earnings per share

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

	2026 Cents	2025 Cents
Basic earnings per share	12.36	16.30[1]
Diluted earnings per share	12.33	16.21[1]

Earnings	2026 $'000	2025 $'000
The earnings used in the calculation of basic and diluted earnings per share are the same and can be reconciled to the consolidated statement of profit or loss and other comprehensive income as follows:		
Profit for the year	24,016	32,820
Net (profit) attributable to non-controlling interests	(305)	(390)
Earnings used in calculating basic and diluted earnings per share	**23,711**	**32,430**

Weighted average number of shares	2026	2025
The weighted average number of shares used in the calculation of basic earnings per share	191,788,390	198,977,366[1]
The weighted average number of shares and potential ordinary shares used in the calculation of diluted earnings per share	192,342,647	200,077,186[1]

1. In the financial year ended 30 June 2025, the weighted average number of shares used in the calculation of basic and diluted earnings per share was incorrect due to a calculation error. With this calculation corrected, the weighted average number of shares used in the calculation of basic and diluted earnings per share would have been 198,977,366 and 200,077,186 respectively (previously reported as 189,126,542 and 190,226,362). Furthermore, basic and diluted earnings per share would have been $16.30 and $16.21 respectively (previously $17.15 and $17.05).

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

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

Note 23: Dividends

(a) Dividends paid	2026 $'000	2025 $'000
Interim dividend for the half-year ended 31 December 2025 of 3.75 cents (2024: 3.5 cents) per share paid on 31 March 2026, fully franked.	7,124	6,956
Final dividend for the year ended 30 June 2025 of 9 cents (2024: 9 cents) per share paid on 23 September 2025, fully franked.	17,621	18,165
	24,745	**25,121**

(b) Dividends declared after the reporting period and not recognised		
Final dividend for the year ended 30 June 2026 of 9.25 cents per share (2025: 9 cents) has been declared with a record date of 3 September 2026 and payable on 23 September 2026, fully franked.	17,253	17,621

(c) Franked dividends		
Franking credits available at year end for subsequent financial years based on a tax rate of 30%.	64,366	51,476

Note 24: Controlled Entities

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

	Country of incorporation	Percentage owned (%) 2026	Percentage owned (%) 2025
Parent Entity:			
Australian Clinical Labs Limited	Australia		
Subsidiaries of Australian Clinical Labs Limited:			
ACL MidCo Pty Ltd	Australia	100	100
ACL Finco Pty Ltd	Australia	100	100
Clinical Laboratories Pty Ltd	Australia	100	100
Clinical Laboratories (WA) Pty Ltd	Australia	100	100
Perth Medical Laboratories Pty Ltd	Australia	100	100
ACL Employee Share Trusco Pty Ltd	Australia	100	100
Malvern Pathology Laboratories Sdn Bhd.	Malaysia	100	100
Southern Sun Clinics Pty Ltd	Australia	100	100
SunDoctors Kalowen Pty Ltd	Australia	100	100
Southern Sun Practices Pty Ltd	Australia	100	100
SunDoctors Taree Pty Ltd	Australia	100	100
SunDoctors Coffs Harbour (Southern Cross) Pty Ltd	Australia	100	100
SunDoctors Pottsville Pty Ltd	Australia	100	100
SunDoctors Byron Bay Pty Ltd	Australia	100	100
SunDoctors Burleigh Heads Pty Ltd	Australia	100	100
SunDoctors Novocastrian Pty Ltd	Australia	100	100
Dermapath AI Pty Ltd	Australia	100	100
Southern Sun Pathology (Helix) Pty Ltd	Australia	100	100
Southern Sun Healthcare Pty Ltd	Australia	100	100
SunDoctors Nelson Bay Pty Ltd (formerly known as SunDoctors Joondalup Pty Ltd)	Australia	100	100
WSCC Healthcare Pty Ltd	Australia	50	50
Orange Skin Cancer Clinic Pty Ltd	Australia	100	100
Ryde Skin Cancer Clinic Pty Ltd	Australia	100	100
Bolton Street Cancer Clinic Pty Ltd	Australia	100	100
Gosford SCC Pty Ltd	Australia	100	100
Southern Sun Pathology Pty Ltd	Australia	100	100
Skin Cancer Clinic Parramatta Pty Ltd	Australia	100	100
Aussie Skin Cancer Clinics Pty Ltd	Australia	100	100
Wollongong SCC Pty Ltd	Australia	100	100

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

Note 25: Related Parties

(a) Parent entities and subsidiaries

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

(b) Key management personnel compensation

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

	2026 $'000	2025 $'000
Short-term employee benefits	4,749	4,088
Long-term employee benefits	1,138	985
Post-employment benefits	119	105
Share-based payments	286	289
	6,292	**5,467**

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

Note 26: Notes to the Statement of Cash Flows

(a) Reconciliation of cash and cash equivalents

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

	2026 $'000	2025 $'000
Cash and cash equivalents	24,733	21,442

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

	2026 $'000	2025 $'000
Profit for the year before taxation	37,391	48,179
Non-cash flows in operating profit		
Depreciation and amortisation	135,348	136,042
(Gain)/loss on sale of assets	(72)	44
Reassessment of contingent consideration	–	152
Share-based payments expense	2,253	3,442
Accrued interest income	(4)	(86)
Capitalised borrowing costs	100	(9)
	175,016	**187,764**
Changes in assets and liabilities		
Decrease in trade and other receivables	5,351	8,323
Decrease/(Increase) in other assets	4,228	(1,412)
Decrease in inventories	1,375	1,208
Increase/(Decrease) to trade and other payables	269	(28)
Increase to provisions	856	1,409
(Decrease) to other liabilities	(124)	(36)
Income tax paid	(23,662)	(14,427)
Net cash provided by operating activities	**163,309**	**182,801**

(c) Non-cash financing and investing activities

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

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

(d) Bank facilities and guarantees

At 30 June 2026, the Group had a bank overdraft available of $10.0m which had not been utilised at year end (2025: $10.0m, nil utilised).

Financial guarantees also existed in relation to rental properties. The Group has utilised $5.3m (2025: $5.6m) of its $7.5m (2025: $7.5m) facility with the Commonwealth Bank at 30 June 2026. In addition, the Group held guarantees of $0.3m (2025: $0.3m) of its $0.3m (2025: $0.5m) facility with the National Australia Bank and maintained cash-backed guarantees totalling $0.1m (2025: $0.1m) with Macquarie Bank.

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

- $28.0m funded jointly with Commonwealth Bank and HSBC, which includes the bank overdraft, short-term loan and facility in relation to the financial guarantees above, $5.3m utilised (2025: $5.6m utilised, $28.0m limit).
- $80.0m funded jointly by Commonwealth Bank and HSBC of which the Group has utilised $62.0m as at 30 June 2026 (2025: $80.0m which had $42.0m utilised).

Note 27: Financial Risk Management

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

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

Risk	Description	Strategy for management
Capital management risk	The Group manages its capital with the aim to ensure the Group's ability to continue to operate as a going concern so that it can continue to provide returns to its shareholders.	The Group proactively manages its capital structure and may issue new shares, or enter into rights issues or vary the amount of dividends paid to shareholders.
	The Group aims to optimise its debt and equity balance to reduce the cost of capital.	The capital structure of the Group is mainly monitored on the basis of the following ratios, which are also covenants under the Group's debt facilities: • Leverage Ratio – the Group's leverage ratio as at 30 June 2026 is 0.5, which is under the upper threshold of 3.50. • Interest Coverage Ratio – the Group's interest coverage ratio as at 30 June 2026 is 20.6, which is over the bottom threshold of 3.00.
Market risk		
Interest rate risk	The Group's exposure to market risk from changing interest rates relates primarily to its short-term cash investments and bank borrowings at variable interest rates.	The Group may enter into interest rate swap contracts to hedge against exposure to fluctuations in interest rates. The Group did not enter into any interest rate swaps in the current year.

Note 27: Financial Risk Management cont.

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

(a) Interest rate risk

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

			Fixed interest rate			
2026	Average interest rate %	Variable interest rate $'000	Less than 1 year $'000	1 to 5 years $'000	More than 5 years $'000	Total $'000
Financial assets						
Cash	3.76%	24,733	–	–	–	**24,733**
Financial liabilities						
Bank loans	BBSY + 1.55% - 2.45%	(62,050)	–	–	–	**(62,050)**
Lease liabilities	2.05% - 7.00%	–	(108,403)	(151,510)	(15,442)	**(275,355)**
Total		**(37,317)**	**(108,403)**	**(151,510)**	**(15,442)**	**(312,672)**

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

(b) Sensitivity Analysis

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

2026	Carrying amount $'000	Result: 1.0%/100BP increase $'000	Result: 1.0%/100BP decrease $'000	Equity: 1.0%/100BP increase $'000	Equity: 1.0%/100BP decrease $'000
Financial assets					
Cash	24,733	247	(247)	247	(247)
Financial liabilities					
Bank loans	(62,050)	(621)	621	(621)	621
Total	**(37,317)**	**(374)**	**374**	**(374)**	**374**

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

Note 28: Parent Entity Information

	2026 $'000	2025 $'000
Assets		
Current assets	203,491	226,150
Non-current assets	584,000	584,000
Total Assets	**787,491**	**810,150**
Liabilities		
Current liabilities	402	319
Total Liabilities	**402**	**319**
Equity		
Issued capital	758,944	780,732
Reserves	8,429	7,522
Retained earnings	19,716	21,577
Total Equity	**787,089**	**809,831**

	2026 $'000	2025 $'000
Financial performance		
Profit for the year	22,886	47,694
Total comprehensive income	**22,886**	**47,694**

Note 29: Auditor's Remuneration

	2026 $'000	2025 $'000
Auditor of Australian Clinical Labs Limited – Audit Services		
Audit of the financial report for the financial year	263	254
Review of the financial report for the half year	93	89
Review of sustainability report for the financial year	60	–
Total audit and other assurance services	**416**	**343**

Note 30: Contingencies

(a) Contingent assets

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

At 30 June 2026 the insurance claim had not been verified in its entirety and as such a receivable for the balance of the claim has not been recorded at 30 June 2026.

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

(b) Contingent liabilities

Labour costs – Prior period underpayments

Instances of employee underpayments were identified within a review period of FY17 to FY25 that were provisioned at 31 December 2025. Payment to current employees and identified former employees has been made in FY26. ACL has invested resources to improve payroll processes and governance and is conducting a broader review of the relevant instruments. In conjunction with this review the Group recognises that it may have a contingent liability which is yet to be quantified or verified, which has not been recognised in the financial statements.

Class Action

In April 2026, ACL was served with a representative proceeding filed in the Supreme Court of Victoria by a Ms Michelle RaabIvanov, which is expressed to be on behalf of persons who were customers of Medlab Pathology and/or ACL prior to 15 July 2022, and whose personal information was affected by a cyberattack on Medlab Pathology in February 2022 (Claim).

The Claim seeks damages in respect of a number of allegations relating to the cyber attack.

ACL denies the allegations in the Claim and intends to vigorously defend it.

The Claim does not quantify the level of any damages sought which remain uncertain, however the Group acknowledges the Claim is a contingent liability which has not been recognised in the financial statements.

Note 31: Deed of Cross Guarantee

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

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

The parent entity and subsidiaries subject to the Deed of Cross Guarantee as at 30 June 2026 are as follows:

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

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

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

	2026 $'000	2025 $'000
Revenue	722,285	728,718
Other income	397	1,216
Total	**722,682**	**729,934**
Consumables	(122,656)	(128,091)
Labour costs	(309,470)	(309,996)
Labour costs – prior period underpayments	(1,443)	–
Property costs	(12,980)	(13,261)
Repairs and maintenance	(9,514)	(9,698)
AIC settlement	(6,200)	–
Acquisition, restructuring and other one-off expenses	(6,455)	(3,084)
Other operating expenses	(64,941)	(65,704)
Depreciation	(11,722)	(12,690)
Depreciation of right-of-use assets	(123,035)	(122,688)
Amortisation of acquired intangible assets	(240)	(2)
Total operating costs	**(668,656)**	**(665,214)**
Earnings before interest and tax	**54,026**	**64,720**
Net finance costs	(18,043)	(17,906)
Profit before income tax	**35,983**	**46,814**
Income tax expense	(13,181)	(15,210)
Profit for the year	**22,802**	**31,604**
Net (profit) attributable to non-controlling interests	–	–
Net profit attributable to members of the Closed Group	**22,802**	**31,604**

Note 31: Deed of Cross Guarantee cont.

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

	2026 $'000	2025 $'000
Profit for the year	22,802	31,604
Other comprehensive income		
Items that may be reclassified subsequently to profit and loss		
Exchange differences on translation of foreign operations	–	–
Other comprehensive income for the year, net of tax	–	–
Total comprehensive income for the year	**22,802**	**31,604**
Total comprehensive income attributable to:		
Members of the Closed Group	22,802	31,604
Non-controlling interests	–	–
	22,802	**31,604**

(c) Reconciliation of retained earnings of the Closed Group

	2026 $'000	2025 $'000
Retained earnings at the beginning of the financial year	162,957	156,297
Profit from ordinary activities after income tax expense	22,802	31,604
Dividends paid during the year	(24,594)	(24,944)
Addition of SunDoctors Kalowen Pty Ltd to the Closed Group	(436)	–
Retained earnings at the end of the financial year	**160,729**	**162,957**

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

	2026 $'000	2025 $'000
Current Assets		
Cash and cash equivalents	22,654	19,371
Trade and other receivables	66,312	71,822
Inventories	14,236	15,598
Other assets	6,294	9,995
Total Current Assets	**109,496**	**116,786**
Non-Current Assets		
Plant and equipment	33,693	36,401
Right-of-use assets	256,452	232,448
Intangible assets	164,969	164,647
Other assets	1,954	2,483
Deferred tax assets	18,984	17,156
Total Non-Current Assets	**476,052**	**453,135**
Total Assets	**585,548**	**569,921**
Current Liabilities		
Trade and other payables	54,620	53,493
Lease liabilities	107,256	108,302
Provisions	47,959	47,185
Current tax liabilities	295	8,508
Deferred consideration	49	49
Other liabilities	287	411
Total Current Liabilities	**210,466**	**217,948**

Notes to the financial statements cont.

for the year ended 30 June 2026

Note 31: Deed of Cross Guarantee cont.

	2026 $'000	2025 $'000
Non-Current Liabilities		
Trade and other payables	–	880
Lease liabilities	164,877	139,255
Borrowings	62,050	41,968
Provisions	3,981	3,695
Deferred consideration	49	98
Total Non-Current Liabilities	**230,957**	**185,896**
Total Liabilities	**441,423**	**403,844**
Net Assets	**144,125**	**166,077**
Equity		
Issued capital	753,720	774,349
Reserves	(770,324)	(771,229)
Retained earnings	160,729	162,957
Total parent entity interest	**144,125**	**166,077**
Non-controlling Interest	–	–
Total Equity	**144,125**	**166,077**

Note 32: Subsequent Events

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

Consolidated Entity Disclosure Statement

for the year ended 30 June 2026

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

Consolidated Entity Disclosure Statement *cont.*

for the year ended 30 June 2026

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

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

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

Basis of preparation

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

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

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

Director's Declaration

In the Directors' opinion:

(a) the financial statements and notes set out on pages 68 to 114 are in accordance with the *Corporations Act 2001*, including:

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

   (ii) giving a true and fair view of the Group's financial position as at 30 June 2026 and of its performance for the financial year ended on that date; and

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

(c) the Consolidated entity disclosure statement as at 30 June 2026 set out on pages 115 to 117 is true and correct; and

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

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

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

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

Stephen Roche
Chair
14 August 2026

Melinda McGrath
CEO and Executive Director
14 August 2026

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

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

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Australian Clinical Labs Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration. The audit specifically excludes the enclosed Sustainability Report which has been reviewed in accordance with requirements of Australian Accounting Board Standards S2 (AASB S2).

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

(a) giving a true and fair view of the Group's financial position as at 30 June 2026 and of its financial performance for the year then ended; and
(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

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

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

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

Key Audit Matters

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

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

Key Audit Matter	**How our audit addressed the key audit matter**
Carrying value of Goodwill Refer to Note 1(l) and Note 12	
At 30 June 2026 the Group's balance sheet includes goodwill relating to one cash generating unit ("CGU"). We believe due to the significance of the goodwill balance, that the carrying value is a key audit matter. Specifically, the key audit matter for us was whether the Group's value in use model for impairment included appropriate consideration and support for significant estimates and judgements and the selection of key external and internal inputs. Management's assessment of impairment of the Group's goodwill balances incorporated significant estimates and judgements in respect of factors such as forecast: • revenues; • expenses; • capital expenditure; and • economic assumptions in the cash flow model such as, discount rates, growth rates and terminal growth rate.	Our procedures included, amongst others: • Assessing management's determination of the Group's CGU based on our understanding of the nature of the Group's business and the economic environment in which it operates. • Understanding and evaluating the design and implementation of management's processes and controls regarding valuation of the Group's goodwill assets to determine any asset impairment including the procedures around the preparation and review of forecasts. • Evaluating the Group's significant estimates and judgements used to determine the recoverable value of its assets, including those relating to forecast revenue, expenses, capital expenditure, and other economic assumptions. • Engaging an auditor's expert to evaluate the key economic assumptions to external market data. • Recalculating the mathematical accuracy of the cash flow model. • Assessing the historical accuracy of forecasting of the Group. • Performing sensitivity analysis in relation to the significant estimates and judgements made by management. • Assessing the adequacy of disclosure in the financial statements.

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

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's director's report and mandatory sustainability report for the year ended 30 June 2026, but does not include the financial report and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and the annual report, which is expected to be made available to us after that date.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of:

a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*; and

for such internal control as the directors determine is necessary to enable the preparation of:

(i) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
(ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

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

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

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

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

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

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

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

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 31 to 50 of the directors' report for the year ended 30 June 2026. In our opinion, the Remuneration Report of Australian Clinical Labs Limited for the year ended 30 June 2026, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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

B POWERS
Partner

PITCHER PARTNERS
Melbourne

Date: 14 August 2026

Shareholder Information

for the year ended 30 June 2026

Number of shareholders

As at 8 September 2026, there were 186,518,985 fully paid ordinary shares held by 6,513 shareholders.

Distribution of ordinary shares as at 9 September 2026

Number of shares held	No. of individuals
1–1,000	2,928
1,001–5,000	2,164
5,001–10,000	729
10,001–100,000	645
100,001 and over	47
TOTAL	**6,513**
Unmarketable Parcels	606

Number of Rights holders

As at 9 September 2026, there were 3,367,019 Rights held by 48 persons.

Distribution of Rights as 9 September 2026

Number of Rights held	No. of individuals
1–1,000	-
1,001–5,000	-
5,001–10,000	-
10,001–100,000	38
100,001 and over	10
TOTAL	**48**

Number of Options holders

As at 9 September 2026, the Company did not have any options on issue.

Shares held in escrow

As at 9 September 2026, there were no shares held in escrow.

Securities Exchange Listing

On 14 May 2021, Australian Clinical Labs Limited became a listed public company, incorporated and operating in Australia. The shares of the Company are listed on the ASX under the code “ACL”.

Voting rights

The voting rights of members are governed by ACL’s constitution, which provides that each member is entitled to be present at any general meeting of ACL and to vote on any resolution on a show of hands or upon a poll. A member can attend personally or by appointing a proxy, attorney or corporate representative, as appropriate. Every member present in person, by proxy, attorney or corporate representative, has one vote for every share held.

ACL’s fully paid ordinary shares carry voting rights of one vote per share.

ACL Rights do not carry voting rights. Restricted shares following exercise of a Right carry voting rights.

Top 20 Shareholders as at 11 September 2025

Rank	Name	No. of shares	% of shares on issue
1	CITICORP NOMINEES PTY LIMITED	55,971,393	30.01
2	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	37,557,976	20.14
3	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	37,083,630	19.88
4	BNP PARIBAS NOMINEES PTY LTD	7,065,526	3.79
5	BNP PARIBAS NOMS PTY LTD	3,590,445	1.92
6	MS MELINDA LEIGH MCGRATH	2,173,867	1.17
7	UBS NOMINEES PTY LTD	1,089,987	0.58
8	MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	989,644	0.53
9	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	916,237	0.49
10	MR NICHOLAS BARRY DEBENHAM & MRS ANNETTE CECILIA DEBENHAM	877,000	0.47
11	ACL EMPLOYEE SHARE TRUSCO PTY LTD	869,743	0.47
12	PACIFIC CUSTODIANS PTY LIMITED	850,450	0.46
13	ANTHONY FRIEDLI	754,390	0.40
14	TAG FAMILY INVESTMENTS PTY LIMITED	750,000	0.40
15	A.C.N. 633 176 100 PTY LTD	749,464	0.40
16	WARBONT NOMINEES PTY LTD	715,865	0.38
17	BNP PARIBAS NOMINEES PTY LTD	560,886	0.30
18	BNP PARIBAS NOMINEES PTY LTD	393,615	0.21
19	MS KIM NEO NG	270,794	0.15
20	COAD AND PRATT SUPERFUND PTY LTD	248,000	0.13
TOTAL		153,478,912	82.29

Shareholder Information *cont.*

for the year ended 30 June 2026

Substantial shareholders as per most recent notice as at 9 September 2026

Name	Number of fully paid ordinary shares	% of total issued capital as at the date of latest notice
Allan Gray Australia Ltd and funds	33,867,789	17.80%
First Sentier Investors Holdings Pty Ltd and its related bodies corporate or associates	16,242,270	8.71%
Mitsubishi UFJ Financial Group	16,242,270	8.71%
Commonwealth Bank of Australia and its related bodies corporate	15,579,048	8.31%
Superannuation and Investments HoldCo Pty Ltd and its related bodies corporate	15,391,016	8.21%
Comet Asia Holdings II Pte Ltd	15,391,016	8.21%
Pinnacle Investment Management and subsidiaries	14,476,457	7.70%
Vinva Investment Management	10,126,703	5.17%
Australian Retirement Trust Pty Ltd ATF Australian Retirement Trust	10,189,429	5.30%
Australian Retirement Trust Pty Ltd	9,413,521	5.03%
Vanguard Group and its controlled entities	9,822,394	5.02%

Indicative corporate calendar*

2026 AGM	28 October 2026
FY27 half year results announcement	16 February 2027
FY27 year end	30 June 2027
FY27 full year results announcement	17 August 2026
2027 AGM	28 October 2026

* These dates are indicative only and are subject to change.

Shareholders are reminded that under the Company's constitution any shareholder wishing to nominate themselves or another person as candidate for election as a director must serve a signed notice of nomination and a consent to the nomination on the Company by no later than 35 business days before an AGM.

Sustainability Report **2026**

Contents

Sustainability Report

Directors' declaration

The Directors declare that Australian Clinical Labs Limited (ACN 645 711 128) ("the Company", or "ACL") and its subsidiaries ("the Group") have taken reasonable steps to ensure that the sustainability report is in accordance with the *Corporations Act 2001,* including:

- Giving a true and fair view of the Group's climate-related financial disclosures as at 30 June 2026 and of its performance for the year ended on that date; and
- Complying with *Australian Accounting Standard AASB S2 Climate-related Disclosures.*

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

Stephen Roche
Chair

14 August 2026

Basis of preparation

This Sustainability Report has been prepared in accordance with *Australian Accounting Standard AASB S2 Climate-related Disclosures* and the *Corporations Act 2001.*

This report covers the same time period as the rest of the Annual Report, specifically 1 July 2025 to 30 June 2026. All financial measures are expressed in Australian Dollars (AUD) unless specified otherwise.

Overview of the Group

Key business activities

The Group operates a national pathology testing business and a network of skin cancer clinics. Pathology is the medical field of testing and diagnosing disease and illness from samples of human and animal material such as blood, urine or tissue.

ACL's patients are largely referred to ACL via their general or specialist medical practitioner. Samples for testing are collected at a collection centre (ACC) located within medical practices or in other independent locations or within hospitals. Collections are performed by phlebotomists employed by ACL.

Pathology samples include but are not limited to human and animal blood, urine, faecal matter, semen, biopsies, amputations and hair. Most samples are collected by phlebotomists however histopathology samples are collected by doctors or surgeons.

Samples are then consolidated and transported to centralised labs in the States ACL operate within by an owned and dedicated fleet of vehicles and couriers. ACL's fleet of 387 owned vehicles are small 2-4 door passenger vehicles powered by a growing mix of hybrid petrol/electric engines. Fuel usage is predominately unleaded 91 octane.

Prior to sample testing, the medical professionals request form is data entered by a team of clerks located in ACL's Malaysian operations centre. Queries from referrers and patients are taken by customer service officers located in the same Malaysian location.

Samples are tested in accordance with practitioner's request at large multi-department labs staffed by Lab Technicians, Scientists and Pathologists.

The sample testing process requires the acquisition and use of chemical reagents referred to as consumables. These consumables are manufactured by a geographically and speciality diverse range of organisations who deliver these consumables ready to use on site. ACL uses dozens of different vendors who provide thousands of different chemical reagents for different chemical process interactions.

Consumables and samples are combined in sensitive specialised instruments operated by Lab Technicians, Scientists and Pathologists who are also responsible for result interpretation and invigilation.

The results are communicated to the requesting doctor digitally, by mail or fax.

Overview of the Group (continued)

The Group generates income predominately from Federal Government health schemes (Medicare), hospital services, private health funds, business to business commercial arrangements and private paying patients.

Governance

ACL's governance structure is organised in such a way to monitor, report on and mitigate climate-related risks and opportunities (CRRO). Governance is delegated from the Board of Directors (Board) to the Audit and Risk Committee (ARC) who are advised by the Sustainability Monitoring Group (SMG). Sustainability targets are set by the Board based on advice from the ARC and SMG, who then regularly report back to the Board on the progress against these targets. Final approval of climate-related policy decisions rests with the Board.

Board of Directors

Final responsibility for monitoring CRROs at ACL rests with the Board. The Board has conducted a self-assessment of its skills as of the 25th June 2025 with relation to sustainability and climate change and assessed itself *proficient and skilled* respectively in these areas. The Board's self-assessment of their skills was reviewed by the Board through the use of a skills matrix.

The Board has utilised external contractors to receive training on its obligations regarding mandatory sustainability reporting under the *Corporations Act 2001* and *AASB S2*. The Board does not have climate-related performance metrics included in remuneration policies.

Audit and Risk Committee

The ARC is a sub-committee of the Board and assists the Board in fulfilling its responsibilities for oversight of ACL's financial reporting, internal and external audit functions, internal control structure and risk management systems. The ARC is governed by the *Audit and Risk Committee Charter*, a publicly available document which outlines membership, responsibilities, reporting and auditing. In doing so, the ARC has the responsibility to maintain free and open communication with the external and internal auditor and ACL's management.

The ARC receives updates, regular and ad hoc reports and advice on climate from the SMG. These updates are delivered at the ARC's quarterly meetings or at out-of-cycle updates when required. This includes but is not limited to advice on climate-related risks and opportunities, Scope 1, 2 and 3 emissions, mandatory climate reporting standards and requirements and progression against targets set by ACL. These updates are communicated back to the Board at scheduled Board meetings at least twice a year.

Furthermore, the ARC (either in isolation or based on advice given to it), identifies any requirements on the establishment of systems to identify, assess and monitor CRROs. The ARC has led the establishment of the Sustainability Management Group, a body designed to establish controls, policies and procedures for overseeing, managing and preparing sustainability reports as well as the maintenance of sustainability records.

Climate risks and opportunities deemed material are regularly reviewed for materiality and likelihood by the ARC in order to ensure the Board remains vigilant of any possible disruptions facing the business.

Sustainability Management Group

The ARC relies upon the subject matter expertise of the SMG to advise the Board on climate matters. In turn, the SMG is empowered to execute ACL's climate and sustainability strategy and mitigate advised climate risks.

The SMG meets to review currently identified CRROs against materiality thresholds and the already established ACL risk matrix. CRROs that have not previously met materiality or probability thresholds will be retested regularly to ensure management, ARC and the Board are updated on the current landscape and appropriate mitigations can be put in place. The SMG works with external consultants when specific skills or advice are required to make decisions or produce reports.

Chaired by the Head of Sustainability, the SMG includes the Financial Controller and the Group Risk Manager who meet quarterly. This enables the timely monitoring of the execution of the Group's climate strategy. The SMG is governed by the *Sustainability Management Group Charter*.

The Head of Sustainability administers the process of deriving, monitoring and mitigating CRROs within and outside the Sustainability Management Group. They are also responsible for the production of mandatory climate reporting.

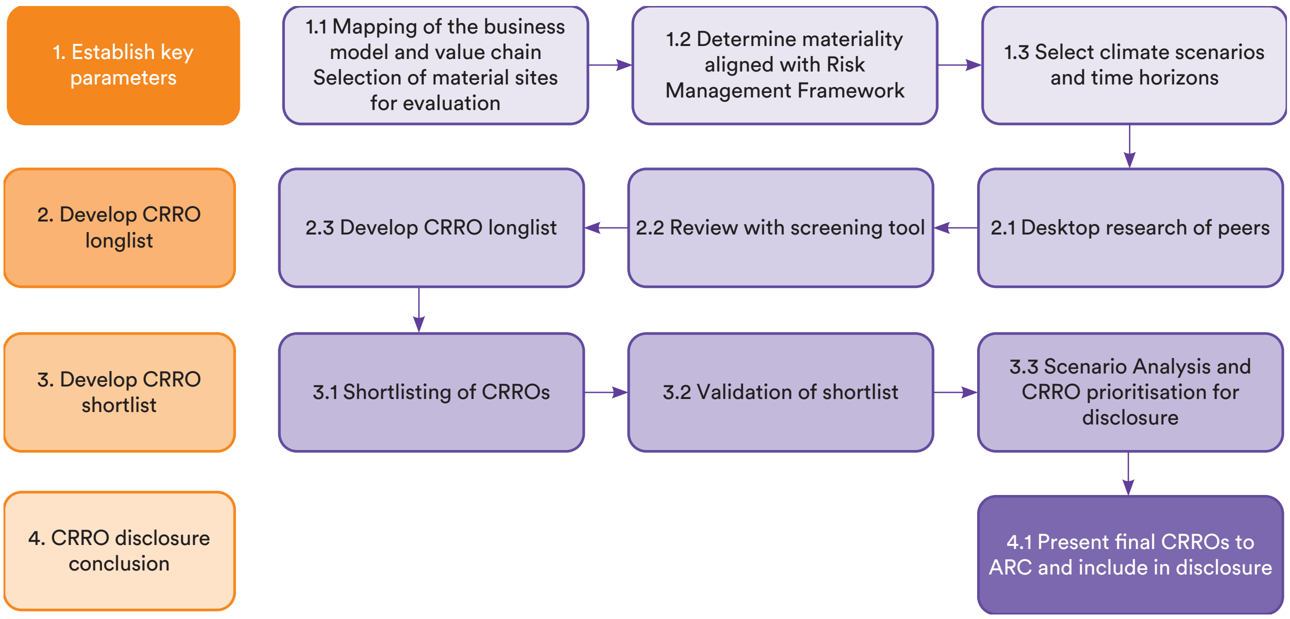
The Financial Controller analyses and validates the materiality of CRROs and assists in the identification of said CRROs based on their knowledge of key financial metrics within the business.

The Group Risk Manager provides expertise on the application of the Group's risk framework, with specific emphasis on likelihood and impact risk matrix system. Additionally, they validate the definition of climate risks and opportunities within the broader business-wide risk register. A more detailed discussion of risk management is included in the Risk Management section of this report.

Climate Risks and Opportunities – Basis of Preparation

Purpose and Introduction

This Basis of Preparation (BoP) outlines the methodologies, assumptions, scope and data sources used to perform identification and assessment of climate-related risk and opportunities.



This process forms the basis of Risk Management pillar (AASB S2) disclosures which describe the process of CRRO identification and assessment. The results of this process form the basis for the Strategy pillar (AASB S2) disclosures relating to CRROs that may impact the Group.

Overview of the CRRO identification process

The process of CRRO identification and analysis included four major phases, with various sub-processes as per:

Phase 1 – Establish key parameters

This phase involved defining essential parameters for the CRRO identification and analysis process.

Mapping of the business model and value chain

The value chain is divided into three main components:

Upstream/supply – consisting of inputs that ACL depends on for its operations that it procures from other parties. The main inputs to the business model are:

- Chemical reagents use in pathological analysis
- Pathology instruments (analysers etc)
- Human and animal biological samples to be analysed

Core services – representing functions controlled/performed by ACL:

- Sample collection from patients on leased or owned sites
- Sample transport by an owned fleet of vehicles
- Sample analysis at ACL laboratories

Climate Risks and Opportunities – Basis of Preparation (continued)

Downstream/customers – Doctors and other medical professionals receive the results of pathological analysis and communicate the results to patients in tandem with any medical intervention they deem necessary.

Within core services, ACL sites were selected for physical risk analysis to limit the number of sites to a suitable, representative sample. Site selection involved consideration of:

- **Materiality** – management's estimate of the importance of a site based on dollars/revenue. This therefore was predominately focused on large labs and operations hubs. ACL operates a network of ~1,400 collection centres with overlapping geographical and demographic responsibility, reducing their importance at an individual site level.
- **Criticality** – the extent to which a site is critical to operations or alternatively could easily be backed up by diversion of samples to another site.
- **Representation** – is the site a proxy for numerous sites in a region, based on the climate. ACL's footprint is focused in Victoria, New South Wales, South Australia, Northern Territory and Western Australia, with limited market penetration in Queensland and no market presence in Tasmania.

Determination of Materiality aligned with Risk Management Framework

Materiality for CRROs was aligned with ACL's overall Risk Management Framework and the matrix of likelihood and consequence. Risks with a likelihood of *likely* and *almost certain* and consequences of *major* or *catastrophic* were considered material.

A risk consequence of *catastrophic* (with respect to CRROs) is defined as meeting at least one of the following criteria:

- A catastrophic breach of Regulation leading to a cancellation of trading licences.
- Termination of service or accreditation by regulators due to non-compliance (e.g. Medicare Australia, National Association of Testing Authorities (NATA), WorkSafe).
- Major long-term or permanent damage to the environmental viability of the impact area.
- Hazardous materials release off-site with detrimental effect to the environment, outside assistance required to manage.
- Fire or hazardous substances spill requiring evacuation of the premises.
- Direct loss or opportunity cost where the impact is >10% reduction in NPAT.
- Multiple fatalities/single fatality.
- Widespread staff engagement issues at a national level.
- Inability to recruit employees with necessary skills across the national business.
- Significant industrial disputation at a national level.

A risk consequence of *major* (with respect to CRROs) is defined as meeting at least one of the following criteria:

- A major breach of Regulation with a restriction of operations/service by regulators (e.g. Medicare Australia, NATA, WorkSafe).
- Severe unintended impact on the environment.
- Direct loss or opportunity cost where the impact is between 5-10% reduction in NPAT.
- Multiple/single significant injury/s requiring hospitalisation.
- Widespread staff engagement issues at a state level.
- Inability to recruit employees with necessary skills within a state business.
- Significant industrial disputation at a State level.

A risk likelihood of *almost certain* is defined as 90% or greater likelihood of occurring at least once within the next 12 months, relative to whether a short, medium or long-term timeframe scenario is being considered.

A risk likelihood of *likely* is defined as being expected to occur within the next 1-2 years, with a greater than 50% chance in the next 12 months, relative to whether a short, medium or long-term timeframe scenario is being considered.

For opportunities, the terminology of the Risk Management Framework was modified as the existing risk framework within ACL does not accommodate the identification, measurement or recording of opportunities. Material opportunities were defined as those with either a *major* or *very significant potential benefit* and a likelihood of *likely* and *almost certain*. Opportunities were defined as having an equivalent and opposite level of severity to their corresponding risk.

The Group considers CRROs on equal weighting with other non-climate-related risks.

Selection of climate scenarios and time horizons

Scenarios for low and high global warming were selected based on the published recommendations of the Australian Department of Climate Change, Energy, the Environment and Water (DCCEEW) and those mandated by the *Corporations Act 2001*. The selection period took place during the financial year ended 30 June 2026. They were isolated as a stringent test of climate-related transition and physical risks. This resulted in the selection of scenarios:

- **Low emissions**: SSP1-2.6 (IPCC)
- **High emissions**: SSP3-7.0 (IPCC)

These scenarios, whilst selected by the DCCEEW, are based upon Shared Socioeconomic Pathways (SSPs) published by the Intergovernmental Panel for Climate Change (IPCC). These pathways (1-5) outline various socioeconomic circumstances based on changes in human socioeconomic behaviours and their impacts on reduction in greenhouse gases.

SSP1-2.6 is a positive scenario, which predicts changes in behaviour to incentivise sustainable climate action, with a likely range in temperature increase of 1.3°C – 2.4°C. This scenario captures the global temperature increase aligned with the *Paris Agreement* mandated by the *Corporations Act 2001* of 1.5°C.

SSP3-7.0 predicts greater international competition for resources and the lowering of importance and focus on climate change mitigations, with a very likely range in temperature of 2.8°C – 4.6°C. This scenario captures the alternative global temperature increase mandated by the Standard of >2.5°C.

Time horizons were selected based on consideration of:

- The Group's budgeting and strategic planning cycle.
- Asset useful lives.
- Lifecycle of investment decisions.
- Peer and industry practice.

The specific time horizons selected for scenario analysis were:

- Short term: 0-1 years. This was chosen to match the budgeting cycle of the business
- Medium term: 1-5 years. This was chosen to match the strategic planning cycle of the business
- Long term: 5-25 years. This was chosen to match the lifecycle of long-term strategic investments made by the business

The selection of climate scenarios and time horizons was done against consideration of the whole Group's operation in Australia and Malaysia.

Phase 2 – Develop CRRO longlist

Desktop research of peers

Desktop research was undertaken based on examples of pathology service providers in any global region with published TCFD or IFRS S2 aligned reporting such as disclosures of CRROs.

Review with screening tool

Transition risks are those *"that arise from efforts to transition to a lower-carbon economy. Transition risks include policy, legal, technological, market and reputational risks."* (AASB S2 A6)

Transition risks were screened for long-listing based on the ACL value chain and the TCFD defined categories and the sub-categories of Policy and Legal, Technology, Market, Reputation, Resource Efficiency, Energy source, Products and Services and Resilience. This CRRO longlist was designed to be a pool of ACL-relevant CRROs irrespective of materiality concerns. Research was performed to assess the potential impact of each of the categories on the business. Documentation screened included local and global policies and regulations, healthcare sector specific policies, research papers on pathology-specific technologies and chemicals.

Physical risks are those *"resulting from climate change that can be event-driven (acute physical risk) or from longer-term shifts in climatic patterns (chronic physical risk). Acute physical risks arise from weather-related events such as storms, floods, drought or heatwaves, which are increasing in severity and frequency. Chronic physical risks arise from longer-term shifts in climatic patterns including changes in precipitation and temperature which could lead to sea level rise, reduced water availability, biodiversity loss and changes in soil productivity."* (AASB S2 A3)

Climate Risks and Opportunities – Basis of Preparation (continued)

Physical risks were screened for applicability using the value chain definition, ACL sites selected in consideration of *Climate Impact Drivers (CIDs)* sourced from the IPCC. These are defined by the IPCC Sixth Assessment Report FAQ as a *change in physical condition that directly impacts society or ecosystems as long-term, common or extreme events*. Research and analysis was conducted to understand the likelihood of climate impacts on sites and the value chain based on precedent events.

The CRRO longlist was based on converting the exposures identified in the screening tool analysis into a narrative description of how the CRRO could impact ACL. This ensured that risks identified from market analysis were relevant to ACL's market and geographic position. For physical risks this involved combining research of precedent events such as heatwaves and floods, with the impact of business continuity events on the business. For transition risks, further research was conducted to explore each of the identified risk exposures and assess their unique potential to impact ACL.

Phase 3 – Develop CRRO shortlist

Shortlisting of CRROs

The CRRO longlist was plotted on a matrix of likelihood and consequence as a preliminary assessment of materiality. Based on the level of exposure (likelihood and consequence), CRROs were then filtered to a shortlist for further analysis and validation.

The proposed CRRO shortlist was reviewed and validated against the likelihood and consequences of CRROs, as well as describing mitigating controls/factors already established in the business. This led to refinement of the preliminary assessment and resulted in a shortlist of CRROs for evaluation using scenario analysis.

Scenario Analysis and CRRO Prioritisation

Scenario analysis included the following steps:

- For physical risks – selected the most suitable available dataset for the CRRO and the relevant climate impact drivers over the short/medium /long-term time horizons.
- For transition risks and opportunities – selected datasets reflecting transition variables, e.g. expected market carbon prices under different scenarios.
- Analysed the impact of the projected changes in climate variables or transition variables on the CRRO. The projected changes were assessed for likelihood of exacerbating CRROs identified, including establishing chronic or acute impacts, or reducing effectiveness of mitigations.

For CRROs that were likely material, high-level quantification of the impacts was performed for internal decision support purposes as follows:

- Determined financial statement line items that would potentially be impacted by the CRRO, e.g. P&L expenses or revenues, cash flows, balance sheet assets/liabilities.
- Gathered available data for use in impact quantification.
- Prepared a high-level range estimate of the quantitative impact of the CRRO.

The quantitative assessment was only to consider materiality and not a detailed quantification suitable for disclosure. The Group lacks the comprehensive data on emissions, value chain/scope 3 GHG potential and stress test outcomes to produce a reliable estimate of the impact of these CRROs across discrete timelines.

Phase 4 – CRRO disclosure conclusion

Present final CRROs to ARC and include in disclosure

A final list of CRROs considered material was presented to ARC with the following categorisation:

- Disclosure of the CRRO in the climate statements and inclusion in the risk register.
- Non-disclosure of the CRRO in the climate statements, but inclusion of the CRRO in the risk register for ongoing monitoring.
- Non-disclosure of the CRRO and no need for ongoing monitoring in the risk register.

Determination of prescription to each category was made with assessment against the ACL consequence/likelihood risk matrix. CRROs with materiality (likely/almost certain and major/catastrophic) were presented for disclosure. Non-material CRROs with enough concern to meet lower consequence/likelihood measures were included in the risk register for ongoing monitoring until such time they are deemed to have no potential impact on the business.

The Group has elected to record CRROs separately from other non-climate related risks, however CRROs are given equal weighting to non-climate related risks relative to internally determined materiality.

Climate-related risks and opportunities

The Group has identified two climate-related risks and opportunities that could reasonably be expected to affect its prospects.

Name/Description	Risk Type	Time horizon	Financial impact
Expected increase in reagent costs	Transition risk	Medium and Long Term	No impact in FY26. Increased consumable costs in medium term.
Increased service demand due to climate-related health trends	Opportunity	Long-term	No impact in FY26. Increased revenue in long term.

The above identified CRROs have been analysed relying on information which is variable in nature. Global macroeconomic, monetary and fiscal policy in the long term can rarely be predicted reliably. Disease and disaster, whose eventual occurrence is certain on a long enough time horizon, can manifest in an infinitely diverse range of ways. This diversity creates fundamental uncertainty to the timing, severity and impacts on the ACL business.

This level of measurement uncertainty has been assessed as so high that resulting quantitative information would not be useful, save for the fact that each CRRO has met the Group's internal definition of materiality for inclusion herein.

Expected increase in reagent costs

Summary/Overview

Reagents are an essential input for most pathology tests and a significantly material tangible purchase category for the business. Reagents are largely produced from industrial processes with petrochemical inputs and have significant carbon intensity. Reagents are sourced from a diverse range of suppliers and manufactured across the globe. There are two factors likely to increase the cost of reagents in the medium and long term, being the impact of carbon pricing and demand shifts away from fossil fuels respectively.

Medium term

The introduction of carbon pricing mechanisms in the future could have a material impact and add to the cost structure of ACL's business. Carbon pricing mechanisms effectively impose a cost on corporations and individuals directly (through taxation) or indirectly (through market mechanisms) on their GHG emissions. Regulatory changes involving carbon pricing are also being considered and implemented across the globe. Scenario analysis has identified that it is likely this change could take place in the medium term (2030) and almost certain it will be in place in the long term (2050).

This risk was assessed against the two identified climate scenarios (SSP1-2.6 and SSP3-7.0) and deemed material in both circumstances.

Long term

The trend to reduce reliance on fossil fuels is a market-driven dynamic that is expected to gain momentum. Feedstocks for reagent inputs such as methanol are currently sourced from natural gas, which is still in abundant supply. In the long term, global Net Zero pathways and the preference for circularity in product lifecycles is expected to lead to widespread substitution of fossil fuels, significantly reshaping chemical cost structures and industrial processes. It is expected costs will increase significantly, at least for a transitional period until low carbon/sustainable product production processes and manufacturing capacity reach maturity.

It is acknowledged that additional costs for production of low carbon/renewable reagents will reduce the burden of carbon taxes, however it is expected there will be an overall increase in the cost of reagents.

There is also uncertainty around the level of exposure to carbon pricing mechanisms, based on the current, limited understanding of the carbon intensity of reagents. There are many reagents involved in ACL's business and the carbon intensity of these inputs is not yet known at a granular level. Based on limited, spend-based emissions factors it looks to be significant. A clearer picture will emerge as the Scope 3 inventory measurement process matures and suppliers are requested to provide emissions factors for each specific reagent. Carbon pricing schemes and Cross-Border Adjustment Mechanisms (CBAM) will also drive transparency between suppliers and ACL of GHG emissions in industrial processes.

Impact on business model and value chain

The anticipated effect of this change is to increase an input cost for ACL. This impact is expected to be industry-wide and is not expected to impact ACL any more or less than its competitors. The change will generate activity in the upstream value chain as suppliers seek to reduce carbon intensity and develop sustainable alternatives. It is possible suppliers' competitive positions will change; however, this is not likely to force a change to ACL's business model. ACL

Climate-related risks and opportunities (continued)

will still procure reagents from suppliers who offer the best value quality, service and price. As this is an upstream industry-wide impact, there is no feasible mitigation that can be adopted for this risk. The financial impact and determination on materiality and disclosure is discussed in the Financial Impact section below.

Effect on Strategy

This risk is expected to have a minor impact on ACL's strategy. ACL will further explore the carbon footprint within its value chain while preparing its Scope 3 emissions inventory in the next reporting period. This will enable ACL to understand the carbon footprint of its inputs in more granular detail and facilitate interaction with the upstream supply chain to work jointly on reducing carbon intensity and developing sustainable/renewable alternatives.

Financial Impact

The financial impact of a carbon price would likely be material and lead to an increase in consumable costs. Likewise, the cost of developing renewable alternatives to fossil fuel-based reagents is expected to be material and lead to significant consumable cost increases until the alternative products reach maturity and scale. Consumable costs are <20% of total operating costs.

Consumables are an inventory item for the Group, and therefore there is expected to be no impact to the valuation of assets, nor is there expected to be an impact on capital requirements. There is no currently identifiable impact of this risk on the Group's business model or value chain. As the identified CRROs are projected to have medium and long-term impacts, there is not expected to be any material risk to the carrying amounts of assets and liabilities in the next annual reporting period. The diversity of supply in the consumable supply chain means that it will not be possible to separately identify the impacts of this risk if it does eventuate.

The determination that this CRRO is material is based on high level assumptions of carbon intensity for reagents based on generalised spend-based emissions factors. Emission factors project emissions based on a ratio of CO^2-e to AUD consumable expenses. Additionally, these assumptions are not necessarily representative of the granular industrial process unique to each of the thousands of different reagents used in a modern full scope pathology laboratory. Finally, the specific chemical components and the manufacturing process behind them are often held as confidential corporate information for suppliers in the reagent industry, further obscuring specific emissions data and creating a high level of measurement uncertainty. This level of measurement uncertainty is so high that any quantitative information provided would not be useful to users of ACL's sustainability report.

Further assumptions were required regarding the scope and size of future carbon taxes. The development of alternatives to fossil fuels is a long-term undertaking and there is no reliable information to estimate costs as this stage. For this reason, quantitative information has not been disclosed given that the significant measurement uncertainty involved such that resulting information would not be useful to the users of ACL's sustainability report.

ACL does not use an internal carbon price for the purposes of sustainability modelling.

Increased business volume in the long term due to climate-related health trends

Summary/Overview

Climate-related health trends, such as increased heat-related illness and infectious disease incidence, may drive higher demand for diagnostic testing and pathology services, supporting both profit and revenue growth. Long-term climate-driven shifts in temperature, humidity and rainfall are recognised risk multipliers for communicable diseases and could contribute to an increase in disease occurrence driving demand for services. This opportunity is assessed primarily in the long-term time horizon (2031 to 2051).

Impact on business model and value chain

Climate-driven increases in service demand are difficult to predict, and could occur in line with changes in temperature, or with sudden spikes in the case of pandemic outbreaks. Based on the experience of the COVID-19 pandemic the business has demonstrated it can pivot and scale services quickly to respond. As this opportunity is assessed as material in the long term, there is no anticipated impact on the business model and value chain at this stage.

Effect on Strategy

The business will remain alert to health trends, including any that are climate-driven. This will inform strategic decisions regarding service offerings and the geographical footprint of the business. These activities are incorporated within overall planning, and any climate-driven effects will be monitored, but not considered differently to other non-climate health trends.

Financial Impact

This opportunity has potential to increase revenues and profits in the long term. Based on high-level assumptions the increases could be material, however there is no basis for detailed and reliable quantification as the opportunity is decades in the future. Additionally, no information exists as to the potential clinical basis of any such disease and the specific pathological testing methodology required to detect it. The level of measurement uncertainty involved is so high that resulting financial information would not be useful.

Non-material climate-related physical risk for ongoing monitoring

There was one climate-related physical risk that was assessed as immaterial in the short, medium and long-term time horizons based on likelihood and existing mitigation factors but will be monitored for ongoing impact and future re-assessment.

Extreme heatwave events causing operational disruption

Pathology services rely on the operation of a logistics system that ensures patient samples with known time and storage condition related deterioration are delivered to laboratories and can be tested within accreditation based and validation parameters to meet the diagnostic requirements of the particular test. Extreme heat events could place stress on the cold chain process and lab operations. The main mechanisms for this would be through employee absenteeism due to heat, and stress to critical energy infrastructure causing loss of power to laboratories for an extended period of time.

This risk was evaluated considering a scenario of a protracted (>5 days) heatwave of over 35°C which will likely be a more common occurrence in the future. The resilience of business processes was evaluated as satisfactory at present, based on precedent experiences of extreme heat events and ultimately the risk was evaluated as non-material. It is acknowledged the likelihood and intensity of extreme heat events will increase in future so systems will be tested to a greater level than in the past. As part of ongoing monitoring of this risk the business will introduce some more specific controls such as the monitoring of absenteeism during heat events.

Strategy for climate resilience

Based on the number and significance of CRROs and the mitigation measures already in place, management conclude that the Group's strategy and business model appear appropriately resilient over all time horizons and internally identified and tested climate scenarios out to 2051. Based on both internal and external information made available to ACL, it is unlikely that the Group would need to adapt the Group's strategy in response to climate. The Group expects it can respond to climate-related matters within its existing financial resources and will not require additional sources of finance.

There are several features of the business model that limit the potential impact of climate and contribute to resilience:

Emissions intensity

The operations of ACL are not emissions intensive. There is some upstream emissions intensity in the production of reagents and consumables that will require upstream suppliers to lead on decarbonisation, but this impact will be industry-wide and not disadvantage ACL disproportionately.

Ability to capture climate-related health opportunities

The business is well positioned to capitalise on future opportunities from climate-related diseases or acceleration of the spread of disease due to climate change. The experience of COVID demonstrated ACL's ability to respond quickly, scale capacity and implement new processes and tests, to achieve profitable outcomes in a rapidly changing political, clinical and operational environment.

Site location and diversification

The business model is based on large numbers of collection centres and labs concentrated in population centres proportional to demographic densities with relatively resilient infrastructure. The workload for most sites can be diverted to alternative sites at short notice and work can be prioritised to ensure time-critical tests are delivered if capacity is constrained. The learned experience of operating during the COVID-19 pandemic has given the business expertise in pivoting the logistical networking using a series of overlapping solutions.

Strategy for climate resilience (continued)

Workforce exposure

The ACL workforce is located predominately indoors in air-conditioned commercial premises. Couriers are in air-conditioned vehicles and have only minor outdoor exposure.

Nature dependencies

The value chain does not have significant identified nature dependencies; hence the impact of climate is indirect.

Insurance and Business Continuity

ACL has invested in comprehensive insurance products that protect business-critical assets such as laboratories and logistical vehicles from a variety of events, including climate-driven occurrences. Additionally, the business has developed and tested a comprehensive set of business continuity plans for unplanned interruptions. These interruptions are root cause agnostic and therefore can be applied to a variety of climate events such as floods, bushfires and extreme heat events.

Climate scenarios

Two different climate scenarios were overlayed on any consideration of CRROs. These climate scenarios are based on a set of assumptions around socioeconomic behaviours with likely climate outcomes projected therein. ACL has considered CRROs in terms of both the socioeconomic backdrop precipitating these risks, as well as the actual climate change which will potentially occur. It is against these climate scenarios that ACL believes these CRROs to be material.

Risk Management Framework and Background

Data and Available Information

ACL relies on a large and complex dataset to analyse risk and the Group's climate emissions. All CRROs are analysed and presented assuming that underlying data and information is robust in nature and has been reviewed through reliable frameworks.

Risk Management Framework

ACL recognises risk management as a key component of good governance. The Group utilises risk management to support its mission to empower decision making that saves and improves patients' lives, and to enhance achievement of Company objectives.

ACL has established a fit-for-purpose framework that reflects the Group's values and is focused on ensuring material risks are recognised, managed, and appropriately reported across the business. The design of this framework meets the guidance outlined in the international standard for risk management (ISO 31000). The Managing Director supported by the National Executive Team is accountable for maintaining this framework in alignment with the Board's expectations.

Risk management is fundamental to the ongoing success of the Group and through its application, ensures we capitalise on opportunities and manage threats within our risk appetite.

In FY27, ACL's Mandatory Climate Reporting (MCR) program will formalise ACL's business-as-usual (BAU) climate risk management (currently operated as a standalone exercise to establish foundational capabilities).

Metrics and Targets

Greenhouse Gas Emissions

The guidelines used for GHG assessments are in accordance with *The GHG Protocol: A Corporate Accounting and Reporting Standard (Revised Edition) ("The GHG Protocol").*

To conduct a GHG assessment, both the organisational and operational boundaries must be set. The GHG Protocol is the universally recognised standard in setting these boundaries. This gives ACL consistency when accounting for and setting the scope of its emission sources.

Setting the operational boundaries involves identifying emissions associated with its operations, categorising them as direct and indirect emissions, and choosing the scope of accounting and reporting for indirect emissions.

The GHG assessment for ACL included the following location types:

- ACL Nationwide Laboratories
- ACL Nationwide Accredited Collected Centres (ACC)
- SunDoctors Sites
- Other facilities (including carparks, offices, and multi-vendor leases)

For setting organisational boundaries, two distinct approaches can be used to consolidate GHG emissions; the equity share and the control approaches:

- **Equity Share:** where an organisation accounts for GHG emissions from operations according to its share of equity in the operation.
- **Control Approach:** an organisation accounts for 100% of the GHG emissions from operations over which it has control. It does not account for GHG emissions from operations in which it owns an interest but has no control. Control can be defined in either financial or operational terms.
  - An organisation *"has financial control over the operation if the former has the ability to direct the financial and operating policies of the latter with a view to gaining economic benefits from its activities." (The GHG Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)*
  - Alternatively, the approach of *"operational control over an operation exists if the former or one of its subsidiaries … has the full authority to introduce and implement its operating policies at the operation." (The GHG Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)*

ACL accounts for its emissions under the financial control approach.

A GHG assessment separates emissions into three scope levels: Scope 1, Scope 2, and Scope 3. ACL has adopted the transition relief available under AASB S2.C4 and has not disclosed its Scope 3 greenhouse gas emissions. The separation of scopes ensures that no double accounting occurs.

- Scope 1 emissions are direct emissions over which a company has direct control. For ACL, this is predominately combustible fuels used in our fleet of courier vehicles. The inventory of fuel types purchased and used by the Company is managed by a specialised third-party fleet management organisation, ensuring accuracy and accountability for the data used to calculate Scope 1 emissions.
- Scope 2 is purchased electricity, heat, or steam. ACL uses a specialised third party to capture electricity and gas volumes consumed. For sites where ACL's operation is embedded within medical practices and individual meter readings are not available, consumption is extrapolated using operational models. Electricity and gas volumes are converted to GHG emissions using *The GHG Protocol* Scope 2 location-based method.

The Group's methodology for calculating and extrapolating Scope 1 and 2 emissions has been validated by a third-party specialist.

Metrics and Targets (continued)

Unless otherwise stated, the calculation methodologies and emission factors used in this assessment are derived from the National Greenhouse Accounts (NGA) Factors in accordance with *Method 1* from the *National Greenhouse and Energy Reporting (Measurement) Determination (2008)* for the current reporting period. Specifically, ACL utilises a location-based Scope 2 measurement approach, where the emission intensity is a direct function of the mean of the energy grid supplying electricity.

A summary of the key reporting policies is set out below:

Item	Note
Greenhouse gases	All GHG emissions figures are reported in tonnes of carbon dioxide equivalents (tCO_2-e)
Organisational boundary	Direct GHG emissions and indirect GHG emissions have been reported using the Financial Control Approach as defined by the GHG Protocol. 100% of emissions for ACL within the organisational boundary have been reported.
Operational boundary	All Scope 1 (direct GHG emissions) and Scope 2 (indirect GHG emissions) have been reported for operations within the organisational boundary.
Geographical scope	Only GHG emissions that fall within the operational boundary of the Group have been reported.
Conversion factors	The GHG emissions associated with ACL have been determined on the basis of direct measurement, purchase invoices or estimations multiplied by relevant carbon conversion factors using Method 1 of the NGER Determination, unless otherwise stated.

ACLs emissions summary is as follows:

Operational Boundary	Examples of Inclusions	(tCO^2-e)	% Contribution to Total
Scope 1	Direct emissions such as those resulting from fuel use.	2,105	24%
Scope 2	Purchased electricity.	6,722	76%
Scope 1 & 2 Emissions Total		**8,827**	**100%**

All greenhouse gas emissions reported arise from the consolidated accounting group. There are no other investees or entities included in the disclosed emissions.

Metrics and Targets

ACL has developed a list of climate targets which are sustainable in the long term and balance the need for action to reduce emissions with fiscal responsibility.

Fleet operations and logistics has been identified as an area of the Group's value chain where ACL has direct operational control and can make meaningful and sustainable change in order to reduce emissions. Progress towards these goals is set by the Board on advice from ARC.

ACL operates a fleet of 387 vehicles, with the majority being small 2-4 door passenger vehicles fully owned and operated for the purpose of moving samples from collection centres, medical practices and hospitals to laboratories.

Vehicle Operations Optimisation

Replace petrol vehicles

ACL currently operates a fleet of 51.2% petrol only vehicles and 48.8% hybrid vehicles. Trials on viability are ongoing for electric vehicles. ACL has committed to no longer purchasing ICE (Internal Combustion Engine) only vehicles. ACL has committed to replacing 30 ICE-only fleet vehicles with hybrid or electric vehicles each year.

Objective	Reduce Scope 1 emissions
Scope	All Group-owned logistics vehicles
Period End	End 2031
Base period	FY25
Target type	Absolute
GHG target	None
Alignment with international agreements	Aligned with Paris Agreement (2016)
Review and monitoring process	Via Governance meetings as described above
Performance	48.8% of vehicles are hybrid

Reduce kms driven per episode

ACL has a complex and expansive logistical network to move human and animal samples between collection points and laboratories, or between different laboratories where differing specialisations and departments exist.

ACL relies on the following strategies to reduce overall kilometres driven per episode each year and commits to further reduce this ratio each year in the future.

- Route optimisation software utilisation to minimise backtracking or inefficient driving routes
- Collections management to reduce the collection of multiple samples from the same location per day when not necessary
- Collection on demand utilisation to prevent futile logistical stops by drivers when not required.

ACL has committed to reducing kms driven per episode collected by 5% each year until 2030, at which point the target will be reviewed for future operational considerations.

Objective	Reduce Scope 1 emissions
Scope	All Group-owned logistics vehicles
Period End	End 2031
Base period	FY25
Target type	Absolute
GHG target	None
Alignment with international agreements	Aligned with Paris Agreement (2016)
Review and monitoring process	Via Governance meetings as described above
Performance	1.27 km/episode (5.2% reduction on FY25)

Auditor's Independence Declaration

AUSTRALIAN CLINICAL LABS LIMITED
ABN: 94 645 711 128

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

In accordance with section 307C of the *Corporations Act 2001*, I declare to the best of my knowledge and belief in relation to the review of the specified Sustainability Disclosures in the Sustainability Report for the year ended 30 June 2026, there have been:

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

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

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

B POWERS
Partner

Date: 14 August 2026

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Melbourne

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Independent Auditor's Review Report on Specified Sustainability Disclosures

PITCHER PARTNERS

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

INDEPENDENT AUDITOR'S REVIEW REPORT ON SPECIFIED SUSTAINABILITY DISCLOSURES
TO THE MEMBERS OF
AUSTRALIAN CLINICAL LABS LIMITED

Review Conclusion

We have conducted a review of the following sustainability disclosures (the "specified Sustainability Disclosures") in the Sustainability Report of Australian Clinical Labs Limited (the "Company") and its controlled entities ("the Group") for the year ended 30 June 2026 as required by Australian Standards on Sustainability Assurance ASSA 5010 *Timeline for Audits and Reviews of Information in Sustainability Reports* under the *Corporations Act 2001* issued by the Auditing and Assurance Standards Board (AUASB):

Sustainability Disclosures	Reporting requirement of Australian Sustainability Reporting Standard AASB S2 *Climate-related Disclosures* ("AASB S2") (including related general disclosures required by Appendix D)	Location in Sustainability Report
Governance	Paragraph 6	Section labelled Governance on pages 130 and 131
Strategy (risk and opportunities)	Subparagraphs 9(a), 10(a) and 10(b)	Specific disclosures included within Section labelled Climate-related risks and opportunities being the contents of columns labelled "Name/Description" and "Risk Type" within table on page 135, and subsections labelled "Summary/Overview" on pages 135 and 136.
Scope 1 and 2 emissions	Subparagraphs 29(a)(i)(1) to (2) and 29(a)(ii) to (v)	Subsection labelled Greenhouse Gas Emissions in section labelled Metrics and Targets on pages 139 and 140

The requirements of AASB S2 identified in the table above form the criteria relevant to the specified Sustainability Disclosures and apply under Division 1 of Part 2M.3 of the *Corporations Act 2001* (the "Act").

We have not become aware of any matter in the course of our review that makes us believe that the specified Sustainability Disclosures do not comply with Division 1 of Part 2M.3 of the *Corporations Act 2001*.

Basis for Conclusion

Our review has been conducted in accordance with Australian Standard on Sustainability Assurance ASSA 5000 *General Requirements for Sustainability Assurance Engagements* ("ASSA 5000") issued by the AUASB. Our review includes obtaining limited assurance about whether the specified Sustainability Disclosures are free from material misstatement.

In applying the relevant criteria, we note that subsection 296C(1) of the Act includes a requirement to comply with AASB S2.

Our conclusion is based on the procedures we have performed and the evidence we have obtained in accordance with ASSA 5000. The procedures in a review vary in nature and timing from, and are less in extent than for, an audit. Consequently, the level of assurance obtained in a review is substantially lower

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AND CONTROLLED ENTITIES
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INDEPENDENT AUDITOR'S REVIEW REPORT ON SPECIFIED SUSTAINABILITY DISCLOSURES
TO THE MEMBERS OF
AUSTRALIAN CLINICAL LABS LIMITED

than the assurance that would have been obtained had an audit been performed. See the *Summary of the Review Work Performed* section of our report below.

Our responsibilities under ASSA 5000 are further described in the *Auditor's Responsibilities for the Review of the specified Sustainability Disclosures* section of this report.

We are independent of the Group in accordance with the applicable ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (November 2018 incorporating all amendments to June 2024) (the "Code"), together with the ethical requirements in the Act, that are relevant to our review of the specified Sustainability Disclosures and public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code.

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

Our firm applies Australian Standard on Quality Management ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

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

Other Information

The directors of the Company are responsible for the other information. The other information comprises the information included in the Sustainability Report for the year ended 30 June 2026 but does not include the specified Sustainability Disclosures.

Our conclusion on the specified Sustainability Disclosures does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our review of the specified Sustainability Disclosures, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the specified Sustainability Disclosures, or our knowledge obtained when conducting the review, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

First Year of Preparation of a Sustainability Report and Sustainability Disclosures Not Subject to Review

The year ended 30 June 2026 is the first year the directors of the Company have been required to prepare a Sustainability Report under the *Corporations Act 2001* and obtain assurance over certain sustainability disclosures in the Sustainability Report. Thus, the Sustainability Report does not disclose comparative information and, includes sustainability disclosures subject to review (as identified in the *Review Conclusion* section of our report) as well as sustainability disclosures that are not subject to review.

Responsibilities of the Directors for the specified Sustainability Disclosures

The directors of the Company are responsible for:

- The preparation of the specified Sustainability Disclosures in accordance with the Act; and
- Designing, implementing and maintaining such internal control necessary to enable the preparation of the specified Sustainability Disclosures, in accordance with the Act that are free from material misstatement, whether due to fraud or error.

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

INDEPENDENT AUDITOR'S REVIEW REPORT ON SPECIFIED SUSTAINABILITY DISCLOSURES
TO THE MEMBERS OF
AUSTRALIAN CLINICAL LABS LIMITED

Inherent Limitations in Preparing the specified Sustainability Disclosures

Greenhouse gas emissions quantification relating to Scope 1 and Scope 2 is subject to significant measurement uncertainty, which arises because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases. The comparability of sustainability information between entities and over time may be affected by inconsistencies in the methods to estimate or measure those emissions, due to different, but acceptable, methods applied.

Auditor's Responsibilities for the Review of the specified Sustainability Disclosures

Our objectives are to plan and perform the review to obtain limited assurance about whether the specified Sustainability Disclosures are free from material misstatement, whether due to fraud or error, and to issue a review report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the specified Sustainability Disclosures.

As part of a review in accordance with ASSA 5000, we exercise professional judgement and maintain professional scepticism throughout the engagement. We also:

- Perform risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify and assess the risks of material misstatements, whether due to fraud or error, at the disclosure level but not for the purpose of providing a conclusion on the effectiveness of the entity's internal control.
- Design and perform procedures responsive to assessed risks of material misstatement at the disclosure level. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of the Review Work Performed

A review is a limited assurance engagement and involves performing procedures to obtain evidence about the specified Sustainability Disclosures. The nature, timing and extent of procedures selected depend on professional judgement, including the assessed risks of material misstatement at the disclosure level, whether due to fraud or error.

In conducting our review, we performed limited assurance procedures based on our professional judgement, including:

- Enquiring with Group personnel to obtain an understanding of internal controls, governance and processes applicable to the specified Sustainability Disclosures;
- Evaluating the appropriateness of the specified Sustainability Disclosures in relation to the AASB S2 requirements (the relevant criteria);
- Validating the specified Sustainability Disclosures to underlying supporting information and data sources on a sample basis;
- Assessing assumptions and estimates utilised in the specified Sustainability Disclosures;
- Testing the arithmetic accuracy of calculations within the specified Sustainability Disclosures on a sample basis; and
- Performing analytical procedures applicable to the specified Sustainability Disclosures.

B POWERS
Partner

PITCHER PARTNERS
Melbourne

Dated: 14 August 2026

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