

ANSELL FY25 HALF YEAR RESULTS AND APPENDIX 4D

10 February 2025 – Ansell Limited (ASX: ANN) has released to the market today its Half Year Report and Accounts for the period ended 31 December 2024. Attached to this announcement are the Appendix 4D and the Half Year Financial Report.

This announcement was authorised for release by the Board of Directors of Ansell Limited.

ENDS

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For further information:

Investors & Analysts

Australia	Michael Evans, IR	Tel: +61 481 008 490	michael.evans@ansell.com
Belgium	Zubair Javeed, CFO	Tel: +32 2528 7585	zubair.javeed@ansell.com

Media

Australia	Nicholas Owens, Sefiani Communications Group	Tel: +61 421 977 062	nowens@sefiani.com.au
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About Ansell

Ansell (ASX: ANN) is a global leader in safety solutions and an integrated manufacturer of personal protection equipment for healthcare and industrial workplaces. Each day, over 10 million workers in more than 100 countries trust their safety to Ansell brands such as HyFlex, Ringers, MICROFLEX, TouchNTuff, GAMMEX, and AlphaTec. Driven by a vision to lead the world to a safer future, the Company continuously pursues new product and service innovations that predict, prevent, and protect against workplace risk while promoting sustainable sourcing and manufacturing.

Information on Ansell and its products can be found at www.ansell.com. #AnsellProtects

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APPENDIX 4D

For the six months ended 31 December 2024

Ansell Limited and Subsidiaries

ACN 004 085 330

Results for Announcement to the Market			US\$m
Revenue from ordinary activities	up	29.9%	1,019.7
Operating profit after tax attributable to members	up	183.5%	55.0
Net Profit for the period attributable to members	up	183.5%	55.0

Dividends (distributions)	Amount per share US cents	Franked amount per share US cents
Dividend	22.20	Nil

Record date for determining entitlements to the dividend	17 February 2025
Dividend Reinvestment Plan election cut off date	18 February 2025
Dividend payment date	6 March 2025

For non-resident shareholders, the dividend will not attract withholding tax as it is sourced entirely from the Company's Conduit Foreign Income Account

	31 December 2024 US\$m	30 June 2024 US\$m	31 December 2023 US\$m
Net Tangible Asset Backing			
Shareholders' Equity attributable to Ansell Limited Shareholders	1,905.8	1,894.9	1,568.8
Less Intangible Assets	1,638.2	1,054.8	1,062.0
Net Tangible Assets	267.6	840.1	506.8

	31 December 2024	30 June 2024	31 December 2023
Net tangible asset backing per ordinary share	\$1.83	\$5.76	\$4.06

- Refer to the accompanying Half Year Financial Report (which includes the Report by the Directors), ASX announcement and Investor Presentation for the commentary on the figures reported above and the remainder of the information requiring disclosure to comply with Listing Rule 4.2A.3.
- This report is presented in United States dollars.



Condensed Consolidated Half Year Financial Report

For the six months ended 31 December 2024

Ansell Limited and Subsidiaries

ACN 004 085 330

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Report by the Directors

This Report by the Directors of Ansell Limited (the Company) is made pursuant to the provisions of the *Corporations Act 2001* (Cth) for the half year ended 31 December 2024 and is accompanied by the Condensed Consolidated Half Year Financial Report of the Company and its subsidiaries (the Group) for the half year ended 31 December 2024, in the form of ASX Appendix 4D.

The information set out in this Report is to be read in conjunction with that appearing in the attached Half Year Results Announcement.

Directors

The name of each person who has been a Director of the Company during or since the end of the half year are:

Non-Executive

- Nigel D Garrard (Chairman)
- Leslie A Desjardins
- Morten Falkenberg
- Debra L Goodin
- William G Reilly
- Christina M Stercken
- Christine Y Yan

Executive

- Neil I Salmon (Managing Director and Chief Executive Officer)

Review and Results of Operations

Group Results

Currency Reporting

The US Dollar is the predominant global currency of Ansell's business transactions and the currency in which the Group's operations are managed and reported. Non-US Dollar values are included in this report where appropriate.

Non-IFRS measures

Ansell's financial results are reported under International Financial Reporting Standards (IFRS). Certain non-IFRS measures are presented in this report to enable understanding of the performance of Ansell without the impact of non-trading items and foreign currency impacts. Non-IFRS measures have not been subject to audit or review. The non-IFRS measures are defined as follows and apply throughout this report:

- **Cash Conversion** – defined as a ratio expressed as a percentage of net receipts from operations (as reported in the Group's Consolidated Statement of Cash Flows) excluding Significant Items, to EBITDA, and normalised for the timing of insurance and incentive payments.
- **Constant Currency** – the presentation of Constant Currency information is designed to facilitate comparability of reported earnings by restating the prior period's results at the exchange rates applied in determining the results for the current period. This is achieved by analysing and estimating, where necessary, revenue and cost transactions by underlying currencies of our controlled entities. These transactions are converted to US dollar at the average exchange rates applicable to the current period on a month by month basis. In addition, the following adjustments are made to the current and prior year's results: the profit and loss impact of net foreign exchange gains/losses is excluded; and the foreign exchange impact on unrealised profit in stock is excluded. The principles of Constant Currency reporting and its implementation are subject to oversight by the Audit and Compliance Committee of the Board.
- **Operating Cash Flow** - defined as net receipts from operations as per the Consolidated Statement of Cash Flows adjusted for net payments for property, plant and equipment and intangible assets, repayments of lease liabilities, net interest paid, and tax paid.
- **Organic Constant Currency** - compares the current period's performance to the prior period's results at Constant Currency and adjusts for the effects of acquisitions, divestments, and business exits. For the six months ended 31 December 2023, the adjustments include:
 - Incremental business performance results from the newly acquired KBU business and the impact of capital changes related to funding the KBU acquisition. The KBU business performance results have been prepared in reliance on unaudited financial information from management accounts

Report by the Directors

prior to the acquisition. To present the KBU business performance as if it was a discrete legal entity certain adjustments have been made, including the removal of one-off and non-recurring income and expense items and the inclusion of certain costs required to run the business on a standalone basis. This non-IFRS financial information is considered useful to assist in the comparability of the financial performance and condition of the business.

- Exclusion of results from the discontinued retail household gloves business.
- **GPADE** – defined as Gross Profit After Distribution Expenses. Gross Profit means sales less cost of goods sold.
- **SG&A** – defined as Selling, General and Administration expenses excluding Significant Items.
- **EBIT** – defined as Earnings Before Interest and Tax excluding Significant Items.
- **EBIT or GPADE Margin** – defined as EBIT or GPADE as a percentage of sales.
- **EBITDA** – defined as Earnings Before Interest, Tax, Depreciation and Amortisation excluding Significant Items.
- **Adjusted Profit Attributable** – defined as Profit Attributable excluding Significant Items and related tax impacts.
- **Adjusted EPS** – defined as Earnings Per Share (EPS) excluding Significant Items and related tax impacts.
- **Significant Items** – defined as income or expense items that are unusual or infrequent, also known as non-recurring. See Note 3(b) Significant Items of the Group's FY25 Condensed Half Year Financial Statements.

Dec-23 Organic Constant Currency Reconciliation

	Healthcare	Industrial	Unallocated	Group
Prior Period Sales				
Reported Sales	\$400.5m	\$384.4m	-	\$784.9m
Plus KBU Acquisition	\$82.8m	\$48.6m	-	\$131.4m
Less Exited Retail Household Gloves	-	(\$7.2m)	-	(\$7.2m)
Plus Currency Effect	-	(\$2.5m)	-	(\$2.5m)
Organic Constant Currency Sales	\$483.3m	\$423.3m	-	\$906.6m
Prior Period EBIT				
Reported EBIT	\$27.3m	\$58.2m	(\$7.3m)	\$78.2m
Plus KBU Acquisition	\$24.1m	\$4.6m	-	\$28.7m
Less Exited Retail Household Gloves	-	(\$2.7m)	-	(\$2.7m)
Plus Currency Effect	(\$3.8m)	\$0.7m	-	(\$3.1m)
Plus Net Exchange Loss	\$2.7m	\$3.1m	-	\$5.8m
Organic Constant Currency EBIT	\$50.3m	\$63.9m	(\$7.3m)	\$106.9m
Prior Period Profit Attributable				
Reported Profit Attributable				\$19.4m
Remove Significant Items				\$32.1m
Adjusted Profit Attributable				\$51.5m
Plus KBU Acquisition ¹				\$12.1m
Less Exited Retail Household Gloves				(\$2.2m)
Plus Currency Effect				(\$3.4m)
Plus Net Exchange Loss				\$4.2m
Organic Constant Currency Profit Attributable				\$62.2m
Organic Constant Currency Adjusted EPS²				42.50¢

1. KBU Acquisition adjustment to Adjusted Profit Attributable includes interest expenses (\$12.5m) arising from the additional USPP note issued to fund the KBU acquisition and the related tax impact (\$3.2m).
2. Organic Constant Currency Adjusted EPS is adjusted to reflect the effect of the additional shares issued to fund the KBU acquisition. The organic adjustment to the weighted average number of shares (in millions) is as follows:

Reported	125.2
Adjustment	21.2
Organic basis	146.4

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Report by the Directors

Group Income Statement

	Dec-24	Dec-23	Growth %	Organic Constant Currency Growth %
Sales	\$1,019.7m	\$784.9m	29.9%	12.5%
EBIT	\$127.4m	\$78.2m	62.9%	20.9%
EBIT Margin	12.5%	10.0%		
Significant Items	(\$30.3m)	(\$38.7m)	(21.7%)	N/A
Net Interest	(\$19.9m)	(\$10.3m)	93.2%	(12.7%)
Taxes	(\$21.0m)	(\$9.2m)	128.3%	20.8%
Adjusted effective tax rate ¹	23.5%	23.2%		
Minority Interests	(\$1.2m)	(\$0.6m)	100.0%	N/A
Profit Attributable	\$55.0m	\$19.4m	183.5%	32.6%
EPS	37.8¢	15.5¢		
Adjusted EPS	55.7¢	41.1¢	35.5%	33.6%
Dividend	22.20¢	16.50¢	34.5%	

1. Adjusted effective tax rate is calculated excluding Significant Items. \$4.3m income tax benefit for Dec-24 is attributable to Significant Items (Dec-23: \$6.6m). See Note 3(b) Significant Items of the Group's FY25 Condensed Half Year Financial Statements for detail.

Group Sales

Ansell FY25 H1 sales were \$1,019.7m, representing an increase of 12.5% on an Organic Constant Currency basis and an increase of 29.9% on a reported basis.

Healthcare sales increased 16.3% on an Organic Constant Currency basis and 40.4% on a reported basis. Sales recovered from the customer destocking effects experienced in the first half of FY24, and included a timing benefit from the fulfilment of Surgical orders unable to be shipped in FY24 due to Red Sea disruptions.

Industrial sales increased 8.1% on an Organic Constant Currency basis and 19.0% on a reported basis, with strong growth in both Mechanical and Chemical supported by growing customer usage and stocking of new products.

	Dec-24				Dec-23				Organic Constant Currency Growth %			
	Healthcare	Industrial	Corporate	Group	Healthcare	Industrial	Corporate	Group	Healthcare	Industrial	Corporate	Group
Revenue	\$562.3m	\$457.4m	-	\$1,019.7m	\$400.5m	\$384.4m	-	\$784.9m	16.3%	8.1%	-	12.5%
EBIT	\$64.4m	\$70.9m	(\$7.9m)	\$127.4m	\$27.3m	\$58.2m	(\$7.3m)	\$78.2m	30.0%	12.2%	8.2%	20.9%
EBIT Margin	11.5%	15.5%	n/a	12.5%	6.8%	15.1%	n/a	10.0%				

Group EBIT

Ansell FY25 H1 EBIT was \$127.4m, representing an increase of 20.9% on an Organic Constant Currency basis and an increase of 62.9% on a reported basis.

Organic Constant Currency EBIT growth was driven by higher sales, improved manufacturing utilisation and increased AP/IP savings. Partially offsetting this were higher freight costs including temporarily higher use of air freight to deliver accelerated sales growth, and higher raw material costs. EBIT margin increased from 10.0% in FY24 H1 to 12.5%, including a significant mix benefit from the acquired KBU business.

Whilst underlying foreign exchange movements were negative, a reduced loss on hedge contracts versus FY24 H1 meant the overall impact of foreign exchange on FY25 H1 EBIT was moderately favourable.

Report by the Directors

Group Balance Sheet

	Dec-24	Jun-24	\$ Change	% Change
Inventories	\$525.4m	\$457.9m	\$67.5m	14.7%
Trade receivables	\$179.5m	\$200.4m	(\$20.9m)	(10.4%)
Trade payables	(\$243.4m)	(\$225.5m)	(\$17.9m)	7.9%
Net working capital	\$461.5m	\$432.8m	\$28.7m	6.6%
Property, plant and equipment	\$362.1m	\$349.3m	\$12.8m	3.7%
Intangible assets	\$1,638.2m	\$1,054.8m	\$583.4m	55.3%
Other assets/liabilities	\$18.1m	\$21.1m	(\$3.0m)	(14.2%)
Capital employed	\$2,479.9m	\$1,858.0m	\$621.9m	33.5%
Net debt	(\$556.8m)	\$52.2m	(\$609.0m)	(1,166.7%)
Total equity	\$1,923.1m	\$1,910.2m	\$12.9m	0.7%

Net Debt

	Dec-24	Jun-24	\$ Change	% Change
Interest bearing liabilities	\$737.7m	\$766.3m	(\$28.6m)	(3.7%)
Cash at bank and short-term deposits	\$268.9m	\$909.4m	(\$640.5m)	(70.4%)
Net interest bearing liabilities	\$468.8m	(\$143.1m)	\$611.9m	(427.6%)
Lease liabilities	\$88.0m	\$90.9m	(\$2.9m)	(3.2%)
Net debt	\$556.8m	(\$52.2m)	\$609.0m	(1,166.7%)

Group Cash Flow

	Dec-24	Dec-23	\$ Change	% Change
Net receipts from operations	\$129.8m	\$137.6m	(\$7.8m)	(5.7%)
Net cash provided by operating activities	\$115.1m	\$116.2m	(\$1.1m)	(0.9%)
Net cash used in investing activities	(\$663.3m)	(\$38.0m)	(\$625.3m)	1,645.5%
Net cash used in financing activities	(\$91.6m)	(\$70.6m)	(\$21.0m)	29.7%
Net (decrease)/increase in cash and cash equivalents	(\$639.8m)	\$7.6m	(\$647.4m)	(8,518.4%)

The Group's balance sheet remains strong. FY25 H1 Operating Cash Flow was \$53.5m with Cash Conversion of 104%. Net working capital at 31 December 2024 included an incremental \$37m in inventory from the KBU acquisition (refer to the following page for detail), with limited change in underlying working capital versus 30 June 2024 as improved inventory turns and receivables offset the impact of higher sales. Strong cash generation helped fund one-off costs associated with the Accelerated Productivity Investment Program costs and the KBU transaction and integration, and supported net capex of \$28.2m including continued construction of our greenfield Surgical facility in India.

Net debt at 31 December 2024 was \$609m higher than at 30 June 2024 due to the \$635.1m cash consideration paid for the KBU acquisition. Excluding the KBU consideration, net debt reduced by \$26m in FY25 H1. The Group maintains strong liquidity with \$488.6m of undrawn debt facilities and \$268.9m of cash at 31 December 2024.

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Report by the Directors

Accelerated Productivity Investment Program (APIP)

In July 2023 we announced the commencement of APIP, a multi-year program comprising a series of productivity initiatives designed to adjust our business in response to post-pandemic operating conditions and position us for our next phase of growth. The core objectives of the program are to:

- Simplify and streamline our organisational structure.
- Reduce manufacturing headcount and improve manufacturing productivity.
- Accelerate our digitisation strategy, expanding our successful program of ERP upgrades in our manufacturing operations to our larger commercial entities.

With changes to our organisational structure completed in FY24, the focus of the program in FY25 has shifted to completing the manufacturing phase and preparing for ERP implementations.

Manufacturing initiatives completed in FY25 H1 included relocation of production of some Chemical protective clothing styles from China to Sri Lanka, and a warehouse upgrade in Mexico.

Work on commercial ERP upgrades in FY25 H1 included building and testing of systems ahead of planned initial implementations in FY26, with productivity savings from business process standardisation and automation to accrue in the years to follow.

APIP pre-tax savings of \$22m were realised in FY25 H1 (FY24 H1: \$7m), contributing to a cumulative saving of \$43m for the last twelve months. The program targets FY26 annualised pre-tax savings of \$50m, excluding benefits from the longer-dated IT initiatives.

Expected total program one-off pre-tax cash costs remain in the range of \$85-90m as previously guided, with \$8m incurred in FY25 H1 and \$52m incurred since the commencement of the program.

Acquisition of Kimberly-Clark's Personal Protective Equipment business (KBU)

The acquisition of KBU from Kimberly-Clark Corporation for \$635.1m was completed on 1 July 2024.

As previously communicated, Ansell has been operating the KBU business under a transitional services agreement with Kimberly-Clark, who continue to provide essential commercial and business support services. Cutovers to Ansell systems are planned to occur in a phased manner during the second half of FY25, and by the end of FY25 the provision of transitional services by Kimberly-Clark is expected to conclude, with integration complete.

Our primary objective is to maintain business continuity through this interim period, while taking steps to position the business for accelerated growth and synergy capture. Key integration activities completed in the first half included the creation of an integrated Ansell and KBU organisational structure, certification of Kimtech™ and KleenGuard™ product ranges, and planning for expansion of the RightCycle™ product recycling service.

KBU sales in FY25 H1 were \$140.9m, representing growth of 7.4% on an Organic Constant Currency basis, driven by strong growth in Kimtech™ cleanroom and laboratory products, more than offsetting declines in KleenGuard™ industrial safety products. Sales of KleenGuard™ products were supported by the Kimberly-Clark Professional sales force in the first half and are currently in the process of being transferred to Ansell, with renewed focus and dedicated support to help return this business to growth.

KBU EBIT in FY25 H1 was \$34.8m, representing growth of 22.1% on an Organic Constant Currency basis. Growth was driven by higher sales and overall margin favourability.

We are currently targeting FY27 annualised net pre-tax cost synergies of \$10m. With integration set to be completed by the end of FY25, we expect small initial cost synergy realisation in FY25 H2.

Report by the Directors

Segment Results

Industrial Segment

	Dec-24	Dec-23	Growth %	Organic Constant Currency Growth %
Sales	\$457.4m	\$384.4m	19.0%	8.1%
EBIT	\$70.9m	\$58.2m	21.8%	12.2%
EBIT Margin	15.5%	15.1%		

Industrial FY25 H1 sales were \$457.4m, an increase of 8.1% on an Organic Constant Currency basis and 19.0% on a reported basis.

Organic Constant Currency growth in Mechanical was 10.9%, driven by success with new products and augmented by a benefit to sales of ~\$10m as customers built safety stocks of the top-selling Ringers® R840 to target levels. Chemical grew 5.7% on an Organic Constant Currency basis, driven by growth across both hand and body protection ranges, particularly in the higher margin range of high-end chemical protection solutions.

Industrial FY25 H1 EBIT was \$70.9m, an increase of 12.2% on an Organic Constant Currency basis and 21.8% on a reported basis. Organic Constant Currency EBIT growth was driven by higher sales and increased Accelerated Productivity Investment Program savings, partially offset by higher freight costs including temporarily higher use of air freight to deliver accelerated sales growth in Mechanical.

Healthcare Segment

	Dec-24	Dec-23	Growth %	Organic Constant Currency Growth %
Sales	\$562.3m	\$400.5m	40.4%	16.3%
EBIT	\$64.4m	\$27.3m	135.9%	30.0%
EBIT Margin	11.5%	6.8%		

Healthcare FY25 H1 sales were \$562.3m, an increase of 16.3% on an Organic Constant Currency basis and an increase of 40.4% on a reported basis.

Exam/Single Use sales grew 9.3% on an Organic Constant Currency basis, including growth in our differentiated MICROFLEX® and TouchNTuff® products produced inhouse and Kimtech™ gloves used in laboratory environments. Surgical sales recovered from the effects of significant customer destocking in FY24 H1 and grew 25.8% on an Organic Constant Currency basis, augmented by a timing benefit to sales of \$17m from the fulfilment of orders unable to be shipped in FY24 due to Red Sea disruptions. Like Surgical, Cleanroom sales rebounded from the effects of destocking in FY24 H1, growing 22.4% on an Organic Constant Currency basis, including strong growth in Kimtech™ cleanroom products.

Healthcare FY25 H1 EBIT was \$64.4m, an increase of 30.0% on an Organic Constant Currency basis and 135.9% on a reported basis. Organic Constant Currency EBIT growth was attributable to increased sales including of KBU products, better operating leverage in manufacturing as production increased and growing Accelerated Productivity Investment Program savings, partially offset by higher freight costs including temporarily higher use of air freight to accelerate the reduction in Surgical back orders, and higher raw material costs.

Outlook

We expect continued Organic Constant Currency sales growth in FY25 H2, albeit slower than FY25 H1, with demand conditions remaining muted in manufacturing end markets, growth in key Healthcare segments no longer enhanced by recovery from customer destocking activity, and no expectation of significant one-time order benefits.

Earnings in FY25 H2 are expected to be supported by pricing to offset the impact of higher raw material costs in FY25 H1, reduced reliance on air freight and initial realisation of KBU cost synergies.

Tariffs have been announced on US imports of products from China, Mexico and Canada. Plans are in place to substantially offset tariff increases through pricing, with limited cost impact expected in FY25 H2.

The stronger USD means foreign exchange is expected to be a headwind to EBIT in FY25 H2, with the impact reduced by expected gains on short-term hedge contracts.

While headwinds remain in the outlook, the improved trading performance in the first half has strengthened confidence that second-half results will be slightly higher than initially anticipated.

Report by the Directors

Significant Events Since Balance Date

In the interval between 31 December 2024 and the date of this report, there have been no matters or circumstances that have significantly affected, or may significantly affect, the Group's operations, the results of those operations, or Group's state of affairs, in the future years.

Auditor's Independence Declaration

A copy of the independence declaration received from the Company's auditor, KPMG, in accordance with section 307C of the *Corporations Act 2001*, in respect of the review undertaken in relation to the Condensed Consolidated Half Year Financial Report for the half year financial period ending 31 December 2024, is set out on page 11 and forms part of this Report by the Directors.

Rounding

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors Reports) Instrument 2016/191 and in accordance with the Instrument, amounts in the Consolidated Half Year Financial Report have been rounded off to the nearest hundred thousand dollars, unless otherwise stated.

This Report is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors.



Nigel D Garrard
Chair



Neil I Salmon
Managing Director and Chief Executive Officer

Dated in Melbourne on this 10th day of February 2025.

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Auditor's Independence Declaration



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Ansell Limited

I declare that, to the best of my knowledge and belief, in relation to the review of Ansell Limited for the half-year ended 31 December 2024 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. no contraventions of any applicable code of professional conduct in relation to the review.


KPMG

A handwritten signature in black ink, appearing to read 'Chris Sargent'.

Chris Sargent

Partner

Melbourne

10 February 2025

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Condensed Consolidated Income Statement

of Ansell Limited and Subsidiaries for the six months ended 31 December 2024

	Note	31 December 2024 US\$m	31 December 2023 US\$m
Revenue			
Sales revenue	2	1,019.7	784.9
Expenses			
Cost of goods sold		(620.9)	(486.3)
Distribution		(64.7)	(52.1)
Selling, general and administration, including Significant Items	3	(237.0)	(207.0)
Total expenses, excluding financing costs		(922.6)	(745.4)
Profit before net financing costs and income tax expense		97.1	39.5
Net financing costs	3(a)	(19.9)	(10.3)
Profit before income tax		77.2	29.2
Income tax expense		(21.0)	(9.2)
Profit for the period		56.2	20.0
Profit for the period is attributable to:			
Ansell Limited shareholders		55.0	19.4
Non-controlling interests		1.2	0.6
Profit for the period		56.2	20.0

	Note	31 December 2024 US cents	31 December 2023 US cents
Earnings Per Share:			
Basic Earnings Per Share	6	37.8	15.5
Diluted Earnings Per Share	6	37.7	15.4

The above Condensed Consolidated Income Statement should be read in conjunction with the accompanying notes.

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Condensed Consolidated Statement of Comprehensive Income

of Ansell Limited and Subsidiaries for the six months ended 31 December 2024

	31 December 2024 US\$m	31 December 2023 US\$m
Profit for the period	56.2	20.0
Other comprehensive income		
<i>Items that will not be reclassified to the Income Statement:</i>		
Retained profits		
Remeasurement of defined benefit superannuation/post-retirement health benefit plans	(0.3)	(0.9)
Tax benefit on items that will not be subsequently reclassified to the Income Statement	0.1	0.2
Other reserve		
Change in fair value of equity investment designated as fair value through other comprehensive income	(1.8)	(0.9)
Tax benefit on items that will not be subsequently reclassified to the Income Statement	-	0.1
Total items that will not be reclassified to the Income Statement	(2.0)	(1.5)
<i>Items that may subsequently be reclassified to the Income Statement:</i>		
Foreign currency translation reserve		
Net exchange differences on translation of financial statements of foreign subsidiaries	(18.5)	8.9
Hedging reserve		
Movement in effective cash flow hedges for the year	5.9	2.8
Movement in time value of options for the year	0.5	(0.4)
Tax expense on items that may subsequently be reclassified to the Income Statement	(1.7)	(0.6)
Total items that may subsequently be reclassified to the Income Statement	(13.8)	10.7
Other comprehensive income for the period, net of tax where applicable	(15.8)	9.2
Total comprehensive income for the period	40.4	29.2
Attributable to:		
Ansell Limited shareholders	38.4	28.4
Non-controlling interests	2.0	0.8
Total comprehensive income for the period	40.4	29.2

The above Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

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Condensed Consolidated Statement of Financial Position

of Ansell Limited and Subsidiaries as at 31 December 2024

	Note	31 December 2024 US\$m	30 June 2024 US\$m
Current assets			
Cash at bank and short-term deposits		268.9	909.4
Restricted cash and deposits		2.9	2.9
Trade and other receivables		204.8	211.9
Derivative financial instruments		8.6	4.4
Inventories		525.4	457.9
Other current assets		48.6	37.4
Total current assets		1,059.2	1,623.9
Non-current assets			
Trade and other receivables		1.8	1.5
Derivative financial instruments		5.4	5.7
Financial assets		3.8	5.6
Property, plant and equipment		362.1	349.3
Right-of-use assets		81.9	86.2
Intangible assets		1,638.2	1,054.8
Deferred tax assets		82.3	80.2
Retirement benefit assets		2.5	2.7
Other non-current assets		36.0	32.7
Total non-current assets		2,214.0	1,618.7
Total assets		3,273.2	3,242.6
Current liabilities			
Trade and other payables		310.1	271.4
Derivative financial instruments		2.0	4.3
Interest bearing liabilities		52.5	59.7
Lease liabilities		18.3	17.8
Provisions		60.6	60.8
Current tax liabilities		14.2	9.4
Total current liabilities		457.7	423.4
Non-current liabilities			
Trade and other payables		1.0	-
Interest bearing liabilities		685.2	706.6
Lease liabilities		69.7	73.1
Provisions		10.0	9.0
Retirement benefit obligations		5.2	5.1
Deferred tax liabilities		94.2	89.9
Other non-current liabilities		27.1	25.3
Total non-current liabilities		892.4	909.0
Total liabilities		1,350.1	1,332.4
Net assets		1,923.1	1,910.2
Equity			
Contributed equity	4	1,031.4	1,028.2
Reserves		(208.2)	(193.1)
Retained profits		1,082.6	1,059.8
Total equity attributable to Ansell Limited shareholders		1,905.8	1,894.9
Non-controlling interests		17.3	15.3
Total equity		1,923.1	1,910.2

The above Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

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Condensed Consolidated Statement of Changes in Equity

of Ansell Limited and Subsidiaries for the six months ended 31 December 2024

	Note	Attributable to Ansell Limited Shareholders					Retained profits	Total	Non-controlling interests	Total equity
		Contributed equity	Share-based payment reserve	Hedging reserve	Other reserve	Foreign currency translation reserve				
31 December 2024		US\$m	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m	
Balance as at 30 June 2024		1,028.2	26.8	4.3	4.4	(228.6)	1,059.8	1,894.9	15.3	1,910.2
Comprehensive income										
Profit for the year		-	-	-	-	-	55.0	55.0	1.2	56.2
Other comprehensive income		-	-	4.7	(1.8)	(19.3)	(0.2)	(16.6)	0.8	(15.8)
Total comprehensive income		-	-	4.7	(1.8)	(19.3)	54.8	38.4	2.0	40.4
Transactions with owners										
Share-based payments expense		-	4.2	-	-	-	-	4.2	-	4.2
Transfer from retained profits		-	-	-	0.3	-	(0.3)	-	-	-
Shares used to settle the Group's Long-Term Incentive plans		3.2	(3.2)	-	-	-	-	-	-	-
Dividends paid ¹	5	-	-	-	-	-	(31.7)	(31.7)	-	(31.7)
Total transactions with owners		3.2	1.0	-	0.3	-	(32.0)	(27.5)	-	(27.5)
Total equity as at 31 December 2024		1,031.4	27.8	9.0	2.9	(247.9)	1,082.6	1,905.8	17.3	1,923.1

1. Dividends paid includes \$0.1m paid to the Ansell Limited Employee Share Plan Trust due to the Trust holding unallocated shares at the record date for the final dividend. Refer to Note 8 Ansell Limited Employee Share Plan Trust.

The above Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Condensed Consolidated Statement of Changes in Equity continued

of Ansell Limited and Subsidiaries for the six months ended 31 December 2023

	31 December 2023	Attributable to Ansell Limited Shareholders							Non-controlling interests	Total equity
		Contributed equity	Share-based payment reserve	Hedging reserve	Other reserve	Foreign currency translation reserve	Retained profits	Total		
	Note	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m
Balance as at 30 June 2023		750.7	22.9	(1.1)	15.4	(213.6)	1,026.6	1,600.9	14.5	1,615.4
Comprehensive income										
Profit for the year		-	-	-	-	-	19.4	19.4	0.6	20.0
Other comprehensive income		-	-	1.8	(0.8)	8.7	(0.7)	9.0	0.2	9.2
Total comprehensive income		-	-	1.8	(0.8)	8.7	18.7	28.4	0.8	29.2
Transactions with owners										
Share-based payments expense		-	2.0	-	-	-	-	2.0	-	2.0
Transfer from retained profits		-	-	-	0.3	-	(0.3)	-	-	-
Shares used to settle the Group's Long-Term Incentive plans		2.3	(2.3)	-	-	-	-	-	-	-
Share buybacks		(30.0)	-	-	-	-	-	(30.0)	-	(30.0)
Dividends paid ¹	5	-	-	-	-	-	(32.5)	(32.5)	-	(32.5)
Total transactions with owners		(27.7)	(0.3)	-	-	-	(32.8)	(60.5)	-	(60.5)
Total equity as at 31 December 2023		723.0	22.6	0.7	14.9	(204.9)	1,012.5	1,568.8	15.3	1,584.1

1. Dividends paid includes \$0.2m paid to the Ansell Limited Employee Share Plan Trust due to the Trust holding unallocated shares at the record date for the final dividend. Refer to Note 8 Ansell Limited Employee Share Plan Trust.

The above Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Condensed Consolidated Statement of Cash Flows

of Ansell Limited and Subsidiaries for the six months ended 31 December 2024

	Note	31 December 2024 US\$m	31 December 2023 US\$m
Cash flows related to operating activities			
Receipts from customers		1,019.4	781.7
Payments to suppliers and employees		(889.6)	(644.1)
Net receipts from operations		129.8	137.6
Income taxes paid		(18.7)	(23.1)
Interest received		4.0	1.7
Net cash provided by operating activities		115.1	116.2
Cash flows related to investing activities			
Payments for businesses	10	(635.1)	-
Payments for property, plant, equipment and intangible assets		(28.3)	(38.1)
Proceeds from the sale of property, plant and equipment		0.1	0.1
Net cash used in investing activities		(663.3)	(38.0)
Cash flows related to financing activities			
Proceeds from borrowings		17.5	34.9
Repayments of borrowings		(44.0)	(22.8)
Repayments of lease liabilities		(10.1)	(9.3)
Payments for share buybacks		-	(30.0)
Dividends paid - Ansell Limited shareholders ¹		(31.7)	(32.5)
Interest on interest bearing liabilities and financing costs paid		(21.1)	(9.1)
Interest paid on lease liabilities		(2.2)	(1.8)
Net cash used in financing activities		(91.6)	(70.6)
Net (decrease)/increase in cash and cash equivalents		(639.8)	7.6
Cash and cash equivalents at the beginning of the financial year		912.3	159.4
Effect of movements in exchange rates on cash held		(0.7)	1.1
Cash and cash equivalents at the end of the period		271.8	168.1

1. 2024 dividends paid includes \$0.1m (2023: \$0.2m) paid to the Ansell Limited Employee Share Plan Trust due to the Trust holding unallocated shares at the record date for the final dividend. Refer to Note 8 Ansell Limited Employee Share Plan Trust.

The above Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

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Notes to the Financial Statements

of Ansell Limited and Subsidiaries for the six months ended 31 December 2024

1. Summary of Material Accounting Policies

General

Ansell Limited (the 'Company') is a company domiciled in Australia. The Company and its subsidiaries (together referred to as the 'Group') is a global leader in protection solutions. The Group is a for-profit entity and designs, develops and manufactures a wide range of hand, arm and body protection solutions and clothing and is organised around two segments as detailed in Note 2 Segment Information.

- Healthcare Segment
- Industrial Segment

Statement of Compliance

The Condensed Consolidated Half Year Financial Statements are general purpose financial statements prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001* and are presented in United States dollars.

The consolidated financial statements were authorised for issue by the Board of Directors on 10 February 2025.

The Company is of a kind referred to as ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and in accordance with the instrument, amounts in the Financial Statements and Report by the Directors have been rounded off to the nearest hundred thousand dollars, unless otherwise stated. The consolidated financial statements have been prepared on a going concern basis, which assumes the continuity of normal operations.

Changes in Accounting Standards

IFRS 18/AASB 18 *Presentation and Disclosure in Financial Statements* was issued in April 2024 and replaces IAS 1/AASB 101 *Presentation of Financial Statements*. The new standard introduces new requirements for the Consolidated Statement of Comprehensive Income, additional disclosure requirements and new principles for aggregation and disaggregation of information. The new standard is effective for annual periods beginning on or after 1 January 2027 and will first apply to the Group for the financial year ending 30 June 2028. The Group is in the process of assessing the impact of the new standard.

There are no other accounting standards, amendments to accounting standards or interpretations that have been identified that will materially impact the Group.

Accounting Estimates and Judgements

In preparing these half year financial statements, management make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense and the relevant disclosures of contingencies.

The significant judgements made by management in applying the Group's accounting policies for recognition and measurement and the key sources of the related estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 30 June 2024.

Material Accounting Policies

The accounting policies applied in these half year financial statements are the same as those applied in the Group's consolidated financial statements for the year ended 30 June 2024. The accounting policies have been applied consistently by all entities in the Group.

Notes to the Financial Statements continued

of Ansell Limited and Subsidiaries for the six months ended 31 December 2024

2. Segment Information

The Group comprises the following operating segments:

Healthcare Segment: surgical and examination gloves, healthcare safety devices and active infection prevention products for healthcare professionals and patients and single use industrial application gloves.

Industrial Segment: multi-use hand and body protection solutions for industrial worker environments and specialty applications.

31 December 2024	Note	Operating Segments			Total Group US\$m
		Healthcare US\$m	Industrial US\$m	Unallocated US\$m	
Sales revenue		562.3	457.4	-	1,019.7
Profit/(loss) before significant items, net financing costs and income tax expense		64.4	70.9	(7.9)	127.4
Significant items	3(b)				(30.3)
Profit before net financing costs and income tax expense					97.1
Net financing costs					(19.9)
Profit before income tax expense					77.2
Income tax expense					(21.0)
Profit after income tax					56.2
Non-controlling interests					(1.2)
Net profit attributable to Ansell Limited shareholders					55.0
Segment depreciation and amortisation		20.0	15.1	1.6	36.7
Segment capital expenditure		20.0	8.0	0.3	28.3

31 December 2023		Operating Segments			Total Group US\$m
		Healthcare US\$m	Industrial US\$m	Unallocated US\$m	
Sales revenue		400.5	384.4	-	784.9
Profit/(loss) before significant items, net financing costs and income tax expense		27.3	58.2	(7.3)	78.2
Significant items	3(b)				(38.7)
Profit before net financing costs and income tax expense					39.5
Net financing costs					(10.3)
Profit before income tax expense					29.2
Income tax expense					(9.2)
Profit after income tax					20.0
Non-controlling interests					(0.6)
Net profit attributable to Ansell Limited shareholders					19.4
Segment depreciation and amortisation		17.8	16.6	1.8	36.2
Segment capital expenditure		27.7	9.8	0.6	38.1

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Notes to the Financial Statements continued

of Ansell Limited and Subsidiaries for the six months ended 31 December 2024

2. Segment Information continued

	Assets		Liabilities	
	31 December 2024 US\$m	30 June 2024 US\$m	31 December 2024 US\$m	30 June 2024 US\$m
Operating Segments				
Healthcare	1,700.2	1,278.5	175.3	135.8
Industrial	1,143.2	904.0	131.9	146.6
Unallocated	429.8	1,060.1	1,042.9	1,050.0
Total Group	3,273.2	3,242.6	1,350.1	1,332.4

Regional Information

Sales revenue is disclosed in the four geographical regions based on where the products are sold to external customers.

Assets (excluding cash and cash equivalents, goodwill, brand names and other intangibles) are allocated to the geographical regions in which the assets are located, such as working capital, manufacturing facilities and warehouses. Manufacturing facilities are located as follows:

Asia Pacific: Malaysia, Thailand, Sri Lanka, China, India and Vietnam.

Europe, Middle East and Africa: Lithuania and Portugal.

Latin America and Caribbean: Brazil.

Regions	Sales Revenue		Regional Assets	
	31 December 2024 US\$m	31 December 2023 US\$m	31 December 2024 US\$m	30 June 2024 US\$m
Asia Pacific	153.8	110.6	597.9	576.4
Europe, Middle East and Africa	305.8	255.6	215.8	213.2
Latin America and Caribbean	93.1	88.3	110.7	103.6
North America	467.0	330.4	249.6	240.2
Total regions	1,019.7	784.9	1,174.0	1,133.4

Country of Domicile

The Company's country of domicile is Australia. The sales revenue and assets for the Australian entities (reported within the Asia Pacific region) are as follows:

	31 December 2024 US\$m	31 December 2023 US\$m
Sales revenue	33.2	26.0
Assets	12.7	13.9

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Notes to the Financial Statements continued

of Ansell Limited and Subsidiaries for the six months ended 31 December 2024

3. Profit Before Income Tax

	31 December 2024 US\$m	31 December 2023 US\$m
(a) Net Financing Costs and Depreciation and Amortisation		
Interest expense on interest bearing liabilities	19.8	8.6
Interest expense on lease liabilities	2.2	1.8
Other financing costs	1.6	1.7
Interest income	(3.7)	(1.8)
Net financing costs	19.9	10.3
Depreciation – Property, plant and equipment	23.0	22.9
Amortisation – Intangible assets	2.1	2.2
Amortisation – Right-of-use assets	11.6	11.1
Depreciation and amortisation	36.7	36.2

(b) Significant Items

For the 6 months ended 31 December 2024, significant items include costs in relation to the Accelerated Productivity Investment Program (APIP) announced by the Group on 18 July 2023, costs directly related to the acquisition of Kimberly-Clark's Personal Protective Equipment business (KBU Acquisition costs) and costs related to the integration of KBU (KBU Integration costs) and other costs including legal costs associated with the shareholder class action (\$1.0m) as summarised below. As at 31 December 2024, \$7.6m of significant items were accrued but not yet paid (30 June 2024: \$14.0m).

	31 December 2024 US\$m			31 December 2023 US\$m		
	Significant Item expense	Tax benefit	Net loss	Significant Item expense	Tax benefit	Net loss
APIP	(6.4)	0.6	(5.8)	(37.9)	6.6	(31.3)
KBU Acquisition costs	(10.0)	1.5	(8.6)	-	-	-
KBU Integration costs	(12.9)	2.2	(10.6)	-	-	-
Other	(1.0)	-	(1.0)	(0.8)	-	(0.8)
Total	(30.3)	4.3	(26.0)	(38.7)	6.6	(32.1)
EPS equivalent			(17.9 cents)			(25.6 cents)

During the half year APIP incurred \$6.4m (Dec-23: \$37.9m) of pre-tax costs, including labour productivity improvements of \$0.4m (Dec-23: \$6.2m), manufacturing and warehousing configuration changes of \$1.9m (Dec-23: \$15.4m), including \$1.0m asset impairment (Dec-23: \$6.0m), and ERP upgrades for key commercial entities of \$4.1m (Dec-23: \$0.8m). Dec-23 also included \$15.5m costs for the implementation of new organisational structure.

The Group acquired Kimberly-Clark's Personal Protective Equipment business (renamed KBU) on 1 July 2024 (refer to Note 10 Acquisition of KBU). In accordance with AASB 3 *Business Combinations*, the acquisition was accounted for as a business combination and the costs directly related to the KBU acquisition (KBU Acquisition costs) were expensed as incurred. Total KBU Acquisition costs were \$24m, of which \$10m was recognised in the 6 months ended 31 December 2024 (FY24: \$14m). KBU Acquisition costs include costs such as legal fees, M&A fees, consultant fees and non-cash inventory provision.

Subsequent to acquisition, the Group has undertaken a number of one-time integration activities to complete the transition of KBU business from Kimberly-Clark. The incidental costs directly driven by these one-time integration activities are expensed as incurred and are recorded as significant items. These costs, referred to as KBU Integration costs, include costs such as consultant fees, contractor fees, costs to implement an integrated structure and non-cash asset impairment.

Notes to the Financial Statements continued

of Ansell Limited and Subsidiaries for the six months ended 31 December 2024

4. Contributed Equity

	Ordinary Shares		Executive Share Plan Shares		Treasury Shares		Contributed Equity	
	Number	US\$m	Number	US\$m	Number	US\$m	Number	US\$m
At 30 June 2024	145,943,984	1,044.3	900	-	(685,137)	(16.1)	145,259,747	1,028.2
Cancellation of shares	-	-	(900)	-	-	-	(900)	-
Shares used to settle the Group's Long-Term Incentive plans	-	-	-	-	147,501	3.2	147,501	3.2
Conversion of Executive Share Plan shares to fully paid	900	-	-	-	-	-	900	-
At 31 December 2024	145,944,884	1,044.3	-	-	(537,636)	(12.9)	145,407,248	1,031.4
At 30 June 2023	126,817,181	769.1	900	-	(798,638)	(18.4)	126,019,443	750.7
Buyback/cancellation of shares	(2,031,410)	(30.0)	-	-	-	-	(2,031,410)	(30.0)
Shares used to settle the Group's Long-Term Incentive plans	-	-	-	-	113,501	2.3	113,501	2.3
At 31 December 2023	124,785,771	739.1	900	-	(685,137)	(16.1)	124,101,534	723.0

5. Dividends Paid or Declared

	31 December 2024 US\$m	31 December 2023 US\$m
Dividends paid		
A final dividend of US21.90 cents per share unfranked for the year ended 30 June 2024 (June 2023: US25.80 cents unfranked) was paid on 12 September 2024 (2023: 7 September 2023)	31.7	32.5

Dividends Declared

Since the end of the half year the Directors have declared an interim dividend of US22.20 cents per share unfranked, to be paid on 6 March 2025. The financial effect of this dividend has not been brought to account in the financial statements for the half year ended 31 December 2024 and will be recognised in subsequent financial reports.

Dividend Franking Account

The balance of the dividend franking account as at 31 December 2024 was nil (2023: nil).

Notes to the Financial Statements continued

of Ansell Limited and Subsidiaries for the six months ended 31 December 2024

6. Earnings Per Share

	31 December 2024 US\$m	31 December 2023 US\$m
Earnings reconciliation		
Profit for the period	56.2	20.0
Less profit for the period attributable to non-controlling interests	(1.2)	(0.6)
Basic earnings	55.0	19.4
Diluted earnings	55.0	19.4
Number of Shares (Millions)		
Weighted average number of ordinary shares used as the denominator		
Number of ordinary shares for basic Earnings Per Share	145.4	125.2
Effect of potential ordinary shares	0.5	0.7
Number of ordinary shares for diluted Earnings Per Share	145.9	125.9
	US Cents	US Cents
Earnings Per Share		
Basic Earnings Per Share	37.8	15.5
Diluted Earnings Per Share	37.7	15.4

7. Financial Instruments

Financial risk management

Ansell has a range of financial policies designed to mitigate any potential negative impact financial risks may have on the Group's results. The Group's risk management is carried out by a central treasury department under policies approved by the Board of Directors. Group treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's business units.

These policies remain consistent with those disclosed in the consolidated financial statements for the year ended 30 June 2024.

Financial instruments carried at fair value

Fair Value Hierarchy

The table below analyses financial assets and financial liabilities carried at fair value, including their levels in the fair value hierarchy as well as the valuation method. It does not include information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

The different valuation methods have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Group currently holds Level 2 derivative financial instruments and Level 3 financial assets designated at FVOCI and FVTPL.

	31 December 2024			
	Level 1 US\$m	Level 2 US\$m	Level 3 US\$m	Total US\$m
Derivative financial assets	-	14.0	-	14.0
Derivative financial liabilities	-	2.0	-	2.0
Financial assets designated as Fair Value through Other Comprehensive Income (FVOCI)	-	-	0.8	0.8
Financial assets designated as Fair Value Through Profit or Loss (FVTPL)	-	-	3.0	3.0

In order to determine the fair value of level 2 financial instruments, management used valuation techniques in which all significant inputs were based on observable market data. The fair value of level 3 financial assets designated at FVOCI and FVTPL is calculated based on the latest available valuation inputs at each reporting date, including unlisted equity investee's financial information and recent transactions.

Notes to the Financial Statements continued

of Ansell Limited and Subsidiaries for the six months ended 31 December 2024

8. Ansell Limited Employee Share Plan Trust

The Group holds shares in itself as a result of shares purchased by the Ansell Limited Employee Share Plan Trust (the Trust). The trustee of Ansell Limited Employee Share Plan Trust is CPU Share Plans Pty Ltd. The Trust was established to manage and administer the Company's responsibilities under the Group's incentive plans through the acquiring, holding and transferring of shares, or rights to shares, in the Company to participating employees. In respect of these transactions, at any point in time the Trust may hold 'allocated' and 'unallocated' shares. This Trust is also used to facilitate the acquiring, holding and sale of shares on behalf of the Directors under the Voluntary Share Purchase Plan.

As at 31 December 2024, the Trust held 537,636 treasury shares (unallocated shares) in the Company (30 June 2024: 685,137) and 225,495 allocated shares (30 June 2024: 265,672).

9. Contingent Liabilities

Contingent liabilities are potential future cash outflows where the likelihood of payment is more than remote but is not considered probable or cannot be reliably measured. Contingent liabilities are not recognised in the Statement of Financial Position but are disclosed.

Class action

On 10 August 2023, the Group announced it had been served with a shareholder class action filed in the Supreme Court of Victoria by the law firm Slater & Gordon on behalf of the lead plaintiff, Michael Gary Warner. The claim is expressed to be made on behalf of shareholders who acquired an interest in fully paid ordinary shares in Ansell during the period between 24 August 2021 and 28 January 2022 (inclusive). It is alleged that, during this period, Ansell failed to comply with its continuous disclosure obligations and engaged in misleading and deceptive conduct prior to the release of its FY22 Trading and Business Update on 31 January 2022. Ansell denies any liability and will vigorously defend the claim.

It is not possible to determine the ultimate impact of this claim, if any, on the Group. No provision has been recognised in respect of the half year ended 31 December 2024. The associated legal costs were recorded as incurred (Refer to Note 3(b) Significant Items).

Other claims

From time to time, entities within the Group are party to various legal actions as well as inquiries from regulators and government bodies that have arisen in the ordinary course of business. Consideration has been given to such matters and it is expected that the resolution of these contingencies will not have a material impact on the financial position of the Group, or are not at a stage to support a reasonable evaluation of the likely outcome.

Notes to the Financial Statements continued

of Ansell Limited and Subsidiaries for the six months ended 31 December 2024

10. Acquisition of KBU

On 8 April 2024, Ansell announced the acquisition of 100% of the assets that constitute KBU for total consideration of US\$640m. The Group gained control of the KBU business on 1 July 2024. In accordance with AASB 3 *Business Combinations*, the acquisition was accounted for as a business combination. Post acquisition date, as the Group controls the KBU business, it is required to present consolidated financial statements that incorporates the assets, liabilities, equity, income, expenses and cash flows of the KBU business.

KBU designs and markets differentiated hand, body and eye protection products under well-known Kimtech™ and KleenGuard™ brands to customers in global Scientific (including Life Sciences) and Industrial segments.

The KBU acquisition is expected to:

- Accelerate delivery of Ansell's growth strategy, enhancing its global position in attractive and growing segments, including Scientific, where Ansell's differentiation is highly valued.
- Generate economies of scale with a focus on combined supply chain and organisational efficiency.

During the reporting period, sales and procurement of KBU are managed through a Transitional Service Agreement (TSA) between Kimberly-Clark and Ansell. The TSA prescribed a net monthly cash settlement mechanism to transfer the financial operational results of KBU to Ansell, and functions as a master netting arrangement for a single net settlement of all financial instruments covered by the agreement. The Group has a legally enforceable right to set off the financial instruments recognised under the agreement and intends to settle on a net basis. Under AASB 132 *Financial Instruments: Presentation*, receivables and payables generated from the TSA have been offset and the net amount is presented within "Trade and other receivables" on the Group's Statement of Financial Position. The corresponding cash settlement is presented net within the "Receipts from customers" line in the Statement of Cash Flows. The balance of the net receivable at 31 December 2024 and subsequently settled in January 2025 under the TSA was \$6.7m. The sales revenue and cost of goods sold of KBU are recognised and presented within the consolidated income statement in accordance with Note 3(c) in the Group's FY24 financial statements reflecting the fact that the Group is the principal in these transactions. During the reporting period, KBU contributed sales revenue of \$140.9m and profit before net financing costs and income tax expense (excluding significant items) of \$34.8m to the Group's results.

Fair value of net assets acquired

The acquisition accounting for the KBU remains provisional as the Group is in the process of finalising the identification and valuation of net assets acquired. The provisionally determined fair values of the assets and liabilities at the date of acquisition were disclosed in the Group's FY24 consolidated financial statements.

During the six months ended 31 December 2024, the provisionally determined goodwill on acquisition has been reduced by \$3.4m to \$452.1m at 31 December 2024 (30 June 2024: \$455.5m). This adjustment to the provisional acquisition accounting was due to a \$3.8m reduction in cash consideration, reflecting the customary inventory true up adjustment, and a \$0.4m provision. Total cash consideration paid was \$635.1m. The Group also confirmed that no leases will be assumed as part of the acquisition. Consequently, the associated right-of-use assets and lease liabilities have been derecognised, with no net impact on goodwill.

At 30 June 2024, in total \$651.6m of cash was designated to fund the consideration and related costs of the acquisition upon its closing on 1 July 2024.

As part of the acquisition, the Group is expected to benefit from a \$50m net present value tax deduction in the United States over 15 years due to the amortisation of intangible assets for tax purposes. According to AASB 112 *Income Taxes*, these future deductible tax benefits do not meet deferred tax asset recognition criteria upon acquisition, instead this results in the gradual recognition of a deferred tax liability in the period when the tax benefit is realised. As at 31 December 2024, a \$3.5m deferred tax liability has been recognised.

11. Subsequent Events

In the interval between 31 December 2024 and the date of this report, there have been no matters or circumstances that have significantly affected, or may significantly affect, the Group's operations, the results of those operations, or Group's state of affairs, in the future years.

Directors' Declaration

In the opinion of the Directors of Ansell Limited ('the Company'):

1. the Condensed Consolidated Interim Financial Report (including the notes to the Condensed Consolidated Interim Financial Report) of the Company and its subsidiaries (the Group) for the half year ended 31 December 2024, in the form of ASX Appendix 4D, is in accordance with the *Corporations Act 2001* (Cth) including:
 - a) giving a true and fair view of the financial position of the Group as at 31 December 2024 and of its performance for the half year ended 31 December 2024; and
 - b) complying with Australian Accounting Standard *AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.
2. as at the date of this declaration there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors:



Nigel D Garrard
Chair



Neil I Salmon
Managing Director and Chief Executive Officer

Dated in Melbourne on this 10th day of February 2025.

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Independent Auditor's Review Report

of Ansell Limited and Subsidiaries for the six months ended 31 December 2024



Independent Auditor's Review Report

To the shareholders of Ansell Limited

Conclusion

We have reviewed the accompanying **Condensed Consolidated Half Year Financial Report** of Ansell Limited.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Condensed Consolidated Half Year Financial Report of Ansell Limited does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the **Group's** financial position as at 31 December 2024 and of its performance for the Half Year ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The **Condensed Consolidated Half Year Financial Report** comprises:

- Condensed Consolidated Statement of Financial Position as at 31 December 2024
- Condensed Consolidated Income Statement, Condensed Consolidated Statement of Comprehensive Income, Condensed Consolidated Statement of Changes in Equity and Condensed Consolidated Statement of Cash Flows for the Half Year ended on that date
- Notes 1 to 11 including selected explanatory notes
- The Directors' Declaration.

The **Group** comprises Ansell Limited (the Company) and the entities it controlled at the Half year's end or from time to time during the Half Year.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

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Independent Auditor's Review Report

of Ansell Limited and Subsidiaries for the six months ended 31 December 2024



Responsibilities of the Directors for the Condensed Consolidated Half Year Financial Report

The Directors of the Company are responsible for:

- the preparation of the Condensed Consolidated Half Year Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*
- such internal control as the Directors determine is necessary to enable the preparation of the Condensed Consolidated Half Year Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Condensed Consolidated Half Year Financial Report

Our responsibility is to express a conclusion on the Condensed Consolidated Half Year Financial Report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the Condensed Consolidated Half Year Financial Report does not comply with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the Half-Year ended on that date, and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a Condensed Consolidated Half Year Financial Report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with *Australian Auditing Standards* and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Chris Sargent

Partner

Melbourne

10 February 2025

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