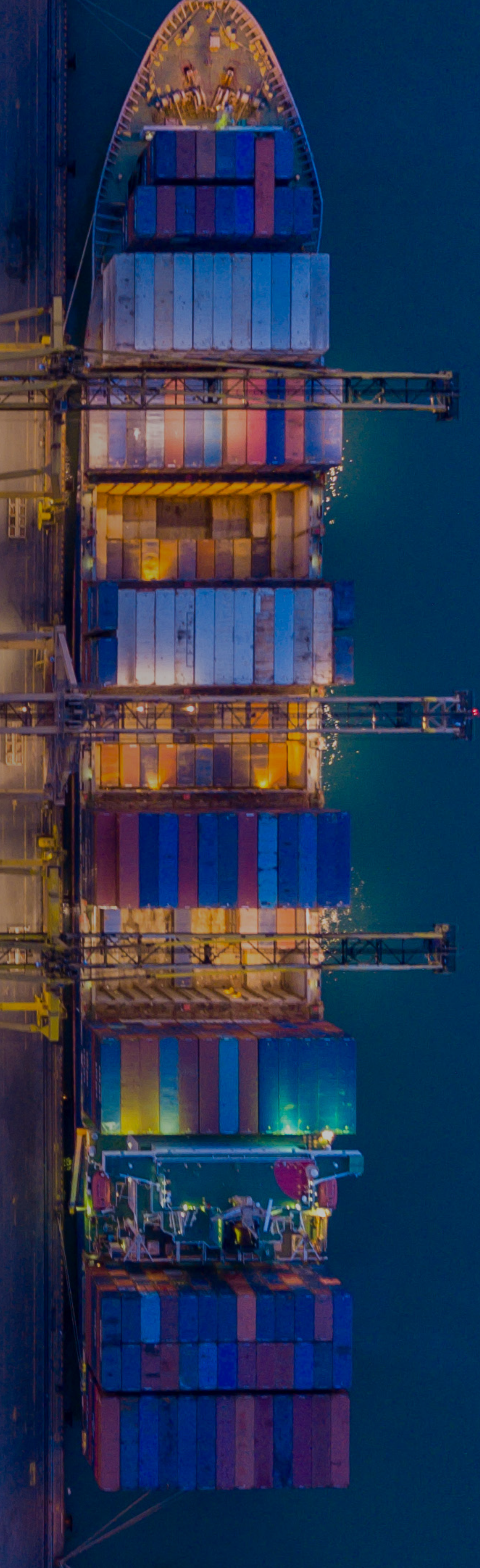

REDOX

Prospectus

Initial Public Offering of Shares

Redox Limited
ABN 92 000 762 345

Sole Global Co-ordinator
and Bookrunner and
Joint Lead Manager

UBS

Joint Lead Manager

Ord Minnett

Issuer Counsel

HERBERT
SMITH
FREEHILLS

Important Notices

Offer

The Offer contained in this Prospectus is an invitation for you to apply for fully paid ordinary shares (**Shares**) in Redox Limited (ABN 92 000 762 345) (the **Company**). This Prospectus is issued by the Company and Redox Group Limited (ACN 650 345 332) (**SaleCo**) for the purposes of Chapter 6D of the *Corporations Act 2001* (Cth). See Section 7 for further information on the Offer, including details of the securities that will be issued and transferred under this Prospectus.

Lodgement and Listing

This Prospectus is dated 21 June 2023 and was lodged with the Australian Securities and Investment Commission (**ASIC**) on that date (**Prospectus Date**). It is a replacement prospectus which replaces the prospectus dated 13 June 2023 (**Original Prospectus Date**) and was lodged with ASIC on that date (**Original Prospectus**). The differences between this Prospectus and Original Prospectus include: (a) a clarification to the statement in the CEO's letter relating to sourcing of products which help recover critical minerals; (b) the insertion of the sources and proposed use of funds raised under the Offer in Section 1.5; (c) amendments to Statutory Forecast Income Statements for FY23F and FY24F in Table 4.1 in Section 4.3.1 to reflect the impact on certain Offer costs and Employee Gift Offer costs of Completion of the Offer occurring in FY24F rather than FY23F and associated amendments to the pro forma adjustments to the Statutory Forecast EBITDA and Statutory Forecast NPAT for FY23F and FY24F in Table 4.4 and Table 4.5 in Section 4.3.4 and to the Return on Invested Capital key financial metric in Table 4.6 in Section 4.3.5; and (d) amendments to the Pro forma and Statutory Forecast Cash Flows for FY23F and FY24F in Table 4.8 in Section 4.4.1 to reflect the cash flow impact of Completion of the Offer occurring in FY24F rather than FY23F and associated amendments to the pro forma adjustments to Statutory Forecast Net Cash Flows before Offer Impacts for FY23F and FY24F.

The Company has applied to the ASX within seven days after the Original Prospectus Date for admission of the Company to the Official List and quotation of the Shares on the ASX (**Listing**).

Neither ASIC nor the ASX takes any responsibility for the content of this Prospectus or for the merits of the investment to which this Prospectus relates.

Expiry Date

No Shares will be issued or transferred on the basis of this Prospectus after the expiry date, being 13 months after the Original Prospectus Date.

Note to Applicants

The information contained in this Prospectus is not financial product advice and does not take into account the investment objectives, financial situation or particular needs (including financial and tax issues) of any prospective investor.

It is important that you read this Prospectus carefully and in its entirety before deciding whether to invest in the Company. In particular, in considering the prospects of the Company, you should consider the risk factors that could affect the performance of Redox. You should carefully consider these risks in light of your investment objectives, financial situation and particular needs (including financial and tax issues) and seek professional guidance from your stockbroker, solicitor, accountant, financial adviser or other independent professional adviser before deciding whether to invest in the Shares. Some of the key risk factors that should be considered by prospective investors are set out in Section 5. There may be risk factors in addition to these that should be considered in light of your personal circumstances.

You should also consider the assumptions underlying the Forecast Financial Information set out in Section 4 and the risk factors set out in Section 5 that could affect the Company's business, financial condition and results of operations.

No person named in this Prospectus, nor any other person, guarantees the performance of the Company, the repayment of capital by the Company or the payment of a return on the Shares.

Exposure Period

The Corporations Act prohibits the Company from processing applications to subscribe for, or acquire, Shares offered under this Prospectus (**Applications**) in the seven-day period after lodgement of the Original Prospectus with ASIC (**Exposure Period**). This Exposure Period may be extended by ASIC by up to a further seven days.

The purpose of the Exposure Period is to enable this Prospectus to be examined by market participants prior to the raising of funds. The examination may result in the identification of deficiencies in this Prospectus, in which case any Application may need to be dealt with in accordance with Section 724 of the Corporations Act.

Applications received during the Exposure Period will not be processed until after the expiry of the Exposure Period. No preference will be conferred on any Applications received during the Exposure Period.

Photographs and Diagrams

Photographs and diagrams used in this Prospectus that do not have descriptions are for illustration only and should not be interpreted to mean that any person shown in them endorses this Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale or accurately represent the technical aspects of the products. Unless otherwise stated, all data contained in charts, graphs and tables is based on information available at the Original Prospectus Date.

Disclaimers and Forward-Looking Statements

No person is authorised to give any information or make any representation in connection with the Offer which is not contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company, SaleCo, the Directors, the SaleCo Directors, the Joint Lead Managers or any other person in connection with the Offer. You should rely only on information in this Prospectus when deciding whether to invest in Shares. Except as required by law, and only to the extent so required, neither the Company nor any other person warrants or guarantees the future performance of the Company, or any return on any investment made pursuant to this Prospectus.

This Prospectus contains forward-looking statements which are statements that may be identified by words such as 'may', 'will', 'would', 'should', 'could', 'believes', 'estimates', 'expects', 'intends', 'plans', 'anticipates', 'predicts', 'outlook', 'forecasts', 'guidance' and other similar words that involve risks and uncertainties. The Forecast Financial Information is an example of forward-looking statements. These statements are based on an assessment of present economic and operating conditions and on a number of best estimate assumptions regarding future events and actions that, at the Original Prospectus Date, are expected to take place (including the key assumptions as set out in Section 4.7).

No person who has made any forward-looking statements in this Prospectus (including the Company) has any intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, other than to the extent required by law.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and Management of the Company and SaleCo. Forward-looking statements should therefore be read in conjunction with, and qualified by reference to, the general and specific assumptions set out in Sections 4.7.1 and 4.7.2, the sensitivity analysis set out in Section 4.9, and other information in this Prospectus. The Company and SaleCo cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements. As set out in Section 7.7.3, it is expected that the Shares will be quoted on the ASX initially on a deferred settlement basis. The Company, SaleCo, the Company's service provider, Computershare Investor Services Pty Limited (**Share Registry**) and the Joint Lead Managers disclaim all liability, whether in negligence or otherwise, to persons who trade shares before receiving their holding statement.

UBS Securities Australia Limited (**UBS**) and Ord Minnett limited (**Ord Minnett**) have acted as Joint Lead Managers to the Offer and have not authorised, permitted or caused the issue or lodgement, submission, dispatch or provision of this Prospectus and there is no statement in this Prospectus which is based on any statement made by the Joint Lead Managers or by any of its respective affiliates or related bodies corporate (as defined in the Corporations Act) (Related Bodies Corporate), or any of its respective officers, Directors, employees, partners, advisers or agents. To the maximum extent permitted by law, the Joint Lead Managers, their respective affiliates and Related Bodies Corporate, and any of their respective officers, Directors, employees, partners, advisers or agents expressly disclaim all liabilities in respect of, make no representations regarding, and take no responsibility for, any part of this Prospectus other than references to their name and make no representation or warranty as to the currency, accuracy, reliability or completeness of this Prospectus.

Statements of Past Performance

This Prospectus includes information regarding the past performance of the Company. Investors should be aware that past performance should not be relied upon as being indicative of future performance.

Taxation

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.

Neither the Company nor SaleCo proposes to give any taxation advice and, to the maximum extent permitted by law, the Company, SaleCo, their respective Directors, officers and each of their respective advisers accept no responsibility or liability for any taxation consequences of acquiring Shares under this Prospectus. You should consult your own professional tax advisers in regard to taxation implications of the Offer.

Financial Information Presentation

All references to FY21, FY22, FY23F and FY24F appearing in this Prospectus are to the financial years or periods ending 30 June 2021, 30 June 2022, 30 June 2023 and 30 June 2024, respectively, unless otherwise indicated.

All references to H1 FY22 and H1 FY23 appearing in this Prospectus are to the half-years or periods ending 31 December 2021 and 31 December 2022 respectively, unless otherwise indicated.

All financial amounts contained in this Prospectus are expressed in Australian dollars unless otherwise stated. Any discrepancies between totals and sums and components in tables, figures and diagrams contained in this Prospectus are due to rounding.

Section 4 sets out in detail the Financial Information referred to in this Prospectus. The basis of preparation of the Financial Information is set out in Section 4.2.

The Historical Financial Information has been prepared and presented in accordance with the recognition and measurement principles of Australian Accounting Standards (as adopted by the Australian Accounting Standards Board), which comply with International Financial Reporting Standards (**IFRS**) and interpretations issued by the International Accounting Standards Board (**IASB**).

This Prospectus includes Forecast Financial Information based on the best estimate assumptions of the Directors on their assessment of present economic and operating conditions, and a number of assumptions regarding future events and actions that, as at the Original Prospectus Date, the Directors expect to take place (including the key assumptions set out in Section 4.7). The basis of preparation and presentation of the Forecast Financial Information, to the extent relevant, is consistent with the basis of preparation and presentation for the Historical Financial Information. The Forecast Financial Information presented in this Prospectus is unaudited.

The Financial Information in this Prospectus is presented in an abbreviated form. It does not include all of the presentation and disclosures required by the Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act. Investors should note that certain financial data included in this Prospectus is not recognised under the Australian Accounting Standards and is classified as 'non-IFRS financial information' under ASIC Regulatory Guide 230 Disclosing non-IFRS financial information (**RG 230**). The Company considers that this non-IFRS information provides useful information to users in measuring the financial performance and condition of Redox. The non-IFRS financial measures do not have standardised meanings under the Australian Accounting Standards and therefore may not be comparable to similarly titled measures presented by other entities; nor should they be interpreted as an alternative to other financial measures determined in accordance with the Australian Accounting Standards. Investors are cautioned therefore not to place undue reliance on any non-IFRS financial information and ratios included in this Prospectus.

The Financial Information in this Prospectus should be read in conjunction with, and it is qualified by reference to, the information contained in Sections 4 and 5.

Market and Industry Information

The information attributed to Frost & Sullivan in this Prospectus has been prepared by Frost & Sullivan Australia Pty Ltd (**Frost & Sullivan**) for the Company.

This Prospectus (and in particular Section 2) contains statistics, data and other information (including projections) relating to the industry, market size, market share, market segments, market categories and other industry data pertaining to Redox's business and markets in which it operates (**Industry Data**). The Company has obtained significant portions of this information from market research prepared by third parties. In particular, where indicated, such information is based on a report titled 'Market Report on the Chemicals and Ingredients Market' dated March 2023 that the Company commissioned from Frost & Sullivan (**Industry Report**).

Investors should note that market data and statistics are inherently predictive and subject to uncertainty and not necessarily reflective of actual market conditions. There is no assurance or guarantee that any of the projections in Industry Data in this Prospectus will be achieved. Whilst the Industry Report provides that the views, opinions, forecasts and information contained in it are based on information believed by Frost & Sullivan in good faith to be reliable, Frost & Sullivan has not independently verified or audited the information. In addition, the Company has not independently verified and cannot give any assurances to the accuracy or completeness of this market and industry data or the underlying assumptions used in generating this market and industry data. Estimates involve risks and uncertainties and are subject to change based on various factors, including those discussed in the risk factors set out in Section 5.

Obtaining a Copy of this Prospectus

This Prospectus is available in electronic form to Australian and New Zealand residents on the Company's offer website, redox.com/investors. The Offer constituted by this Prospectus in electronic form is available only to Australian and New Zealand residents accessing the website within Australia or New Zealand. Copies of this Prospectus are not available to persons in any other jurisdictions.

A hard copy of the Prospectus is available free of charge during the Offer Period to any person in Australia or New Zealand by calling the Redox Offer Information Line on 1800 955 908 (toll free within Australia) or +61 3 9415 4163 (outside Australia) between 8.30am and 5.00pm (Sydney time), Monday to Friday.

Applications for Shares may only be made on the Application Form attached to, or accompanying, this Prospectus in its hard copy form, or in its soft copy form available online at redox.com/investors, together with an electronic copy of this Prospectus. By making an Application, you declare that you were given access to the Prospectus, together with an Application Form.

The Corporations Act prohibits any person from passing the Application Form on to another person unless it is attached to, or accompanied by, this Prospectus in its paper copy form or the complete and unaltered electronic version of this Prospectus.

No Cooling-off Rights

Cooling-off rights do not apply to an investment in Shares pursuant to the Offer. This means that, in most circumstances, you cannot withdraw your Application once it has been accepted.

Selling Restrictions

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to register or qualify the Shares or the Offer, or to otherwise permit a public offering of the Shares, in any jurisdiction outside Australia or New Zealand. The distribution of this Prospectus (including in electronic form) outside Australia or New Zealand may be restricted by law; and persons who come into possession of this Prospectus outside Australia and New Zealand should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

This Prospectus does not constitute an offer to sell, or a solicitation of any offer to buy, securities in the United States. In particular, Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any State of the United States, and may not be offered or sold, directly or indirectly, in the United States or to or for the account or benefit of a US Person, except in transactions exempt from or not subject to the registration requirements of the US Securities Act and any other applicable US securities laws. The Offer is not being extended to any investor outside Australia or New Zealand, other than to certain Institutional Investors as part of the Institutional Offer. The Offer is being extended to New Zealand investors under the New Zealand Mutual Recognition Regime.

See Section 9.8 for more detail on selling restrictions that apply to the Offer and sale of Shares in jurisdictions outside Australia and New Zealand.

Important Notice to New Zealand Investors

This Offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 (Aust) and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.

This Offer and the content of the offer document are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act 2001 (Aust) and the regulations made under that Act set out how the Offer must be made.

There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.

The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.

Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this Offer. If you need to make a complaint about this Offer, please contact the Financial Markets Authority, New Zealand (http://www.fma.govt.nz). The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian financial products is not the same as for New Zealand financial products.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of a financial advice provider.

The offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

If the financial products are able to be traded on a financial product market and you wish to trade the financial products through that market, you will have to make arrangements for a participant in that market to sell the financial products on your behalf. If the financial product market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the financial products and trading may differ from financial product markets that operate in New Zealand.

A copy of this Prospectus, other documents relating to the Offer and a copy of the Constitution have been, or will be, lodged with the New Zealand Companies Office and are, or will be, available at www.business.govt.nz/disclose (offer number, OFR13549). While the Offer is being extended to New Zealand investors under the Mutual Recognition Regime, no application for listing and quotation is being made to NZX Limited.

Privacy

By completing an Application Form, you are providing personal information to the Company and SaleCo through the Share Registry, which is contracted by the Company to manage Applications. The Company and SaleCo, and the Share Registry on their behalf, and their agents and service providers may collect, hold, disclose and use that personal information to process your Application, service your needs as a Shareholder, provide facilities and services that you request and carry out appropriate administration, and for other purposes related to your investment listed below.

If you do not provide the information requested in the Application Form, the Company, SaleCo and the Share Registry may not be able to process or accept your Application.

Once you become a Shareholder, the Corporations Act and Australian taxation legislation require information about you (including your name, address and details of the Shares you hold) to be included on the Share register. In accordance with the requirements of the Corporations Act, information on the Share register will be accessible by members of the public. The information must continue to be included on the Share register if you cease to be a Shareholder.

Your personal information may also be used from time to time to inform you about other products and services offered by the Company, which it considers may be of interest to you.

The Company and the Share Registry may disclose your personal information for purposes related to your investment to their agents and service providers including those listed below or as otherwise authorised under the *Privacy Act 1988* (Cth):

(a) the Share Registry for ongoing administration of the Share register;

(b) the Joint Lead Managers to assess your Application;

(c) printers and other companies for the purposes of preparation and distribution of documents and for handling mail;

(d) market research companies for analysing the Company's shareholder base; and

(e) legal and accounting firms, auditors, management consultants and other advisers for administering, and advising on, the Shares and for associated actions.

The Company's agents and service providers may be located outside Australia where your personal information may not receive the same level of protection as that afforded under Australian law.

The information contained in the Shareholder register must remain there even if that person ceases to be a Shareholder. Information contained in the Shareholder register is also used to facilitate dividend payments and corporate communications (including the Company's financial results, annual reports and other information that the Company may wish to communicate to its Shareholders) and compliance by the Company with legal and regulatory requirements.

You may request access to your personal information held by or on behalf of the Company and SaleCo. You may be required to pay a reasonable charge to the Share Registry in order to access your personal information.

You can request access to your personal information or obtain further information about the Company's privacy practices by contacting the Share Registry as follows:

Telephone: (outside Australia)
+61 3 9415 4163 (toll free within Australia)
1800 955 908.

Address: Yarra Falls, 452 Johnston Street,
Abbotsford VIC 3067.

The Company aims to ensure that the personal information it retains about you is accurate, complete and up to date. To assist with this, please contact the Company or the Share Registry if any of the details you have provided change.

Financial Services Guide

The provider of the Independent Limited Assurance Report on the Financial Information is required to provide Australian retail clients with a Financial Services Guide in relation to that review under the Corporations Act. The Independent Limited Assurance Report and accompanying Financial Services Guide are provided in Section 8.

Intellectual Property

This Prospectus may contain trademarks of third parties, which are the property of their respective owners. Third party trademarks used in this Prospectus belong to the relevant owners and use is not intended to represent sponsorship, approval or association by or with Redox.

Company Website

Any references to documents included on the Company's website are provided for convenience only, and none of the documents or other information on the Company's website, or any other website referred in this Prospectus, is incorporated in this Prospectus by reference.

Defined Terms and Abbreviations

Defined terms and abbreviations used in this Prospectus, unless specified otherwise, have the meaning given in the glossary in Section 11. Unless otherwise stated or implied, references to times in this Prospectus are to Sydney time.

Unless otherwise stated or implied, references to dates or years are calendar year references.

Questions

If you have any questions in relation to the Offer, contact the Redox Offer Information Line on 1800 955 908 (toll free within Australia) or +61 3 9415 4163 (outside Australia) between 8.30am and 5.00pm (Sydney time), Monday to Friday. Instructions on how to apply for Shares are set out in Section 7 of this Prospectus and on the back of the Application Form.

If you have any questions about whether to invest in the Company, you should seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding whether to invest in Shares.

This document is important and should be read in its entirety.

Redox is a leading chemical and ingredients distributor active in more than 1,000 specialty and commodity products. We scour the world and bring only the best quality materials to customers globally.

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Key Offer Statistics[1]

Offer Price	**$2.55**
Total proceeds of the Offer	**$402 million**
Total number of New Shares available under the Offer[2]	**94.5 million**
Total number of Existing Shares to be sold under the Offer	**63.2 million**
Total number of Shares on issue on Completion of the Offer	**525.1 million**
Total number of Shares held by the Existing Shareholders on Completion of the Offer[3]	**367.3 million**
Indicative market capitalisation (at the Offer Price)[4]	**$1,339 million**
Pro forma Net Debt/(Net Cash) including leases[5,6] (as at 31 December 2022)	**$46 million**
Pro forma Net Debt/(Net Cash) excluding leases[5,6] (as at 31 December 2022)	**$6 million**
Enterprise value on Completion of the Offer (at Offer Price)[7]	**$1,345 million**
Enterprise Value/Pro Forma FY23F EBITDA[7]	**10.7x**
Enterprise Value/Pro Forma FY23F EBITDAFX[7]	**10.0x**
Enterprise Value/Pro Forma FY23F EBIT[7]	**11.4x**
Enterprise Value/Pro Forma FY24F EBITDA[7]	**9.1x**
Enterprise Value/Pro Forma FY24F EBITDAFX[7]	**9.1x**
Enterprise Value/Pro Forma FY24F EBIT[7]	**9.6x**
Indicative market capitalisation (at the Offer Price)/Pro Forma FY23F NPAT	**16.5x**
Indicative market capitalisation (at the Offer Price)/Pro Forma FY24F NPAT	**13.75x**
Annualised pro forma FY23F dividend yield[8]	**4.2%**
Annualised pro forma FY24F dividend yield[9]	**5.1%**

1. Certain Key Offer statistics in this table contain Forecast Financial Information. The Forecast Financial Information is set out in Section 4 and has been prepared on the basis of the best estimate assumptions set out in Section 4.7 and the accounting policies set out in Appendix A and should be read in conjunction with the discussion of the Financial Information in Section 4.8 (including the sensitivities set out in Section 4.9), and the risk factors set out in Section 5. Certain Key Offer statistics in this table contain non-IFRS financial measures, which are discussed in Section 4.2.3.
2. Includes 114,072 shares expected to be issued under the Employee Gift Offer
3. All of these Shares will be subject to voluntary escrow arrangements. See Section 9.7 for further details of these voluntary escrow arrangements.
4. Calculated as the total number of Shares on issue following Completion of the Offer multiplied by the Offer Price. Shares may not trade at the Offer Price after Listing.
5. Current lease liabilities of $5.6 million and non-current lease liabilities of $34.2 million (totalling $39.8 million) recognised under AASB *16 Leases* as set out in Section 10.4.12.
6. The Company expects to generate net cash from operations on a statutory basis of $57.4 million in H2 FY23F, which is not reflected in the Pro Forma Balance Sheet as at 31 December 2022. As a result, the Company expects to be in a net cash position upon Completion of the Offer and is not forecasting to draw on the Company's debt facilities during FY24.
7. Enterprise Value is calculated as the sum of market capitalisation at the Offer Price plus pro forma net debt (excluding leases) as at 31 December 2022.
8. Calculated as the implied dividend per Share based on a 70% payout ratio (being the mid-point of the 60 – 80% payout ratio range) of pro forma FY23F NPAT divided by the Offer Price.
9. Calculated as the implied dividend per Share based on a 70% payout ratio (being the mid-point of the 60–80% payout ratio range) of pro forma FY24F NPAT divided by the Offer Price. The payment of a dividend by the Company is subject to the discretion of the Board and will be a function of a number of factors the Board may consider relevant. For more details on the dividend policy see Section 4.11. The first dividend after listing is expected to be declared for the period ending 31 December 2023 and is forecast to be paid in March 2024.

Important Dates

Prospectus Date	**21 June 2023**
Opening Date of the Offer	**21 June 2023**
Closing Date of the Offer	**27 June 2023**
Expected commencement of trading on the ASX on a conditional and deferred settlement basis	**3 July 2023**
Settlement of the Offer	**4 July 2023**
Issue and allotment of Shares (Completion of the Offer)	**5 July 2023**
Shares expected to begin trading on a normal settlement basis on the ASX	**5 July 2023**
Expected despatch of holding statements	**6 July 2023**

Dates may change

This timetable is indicative only and may change. Unless otherwise indicated, all times are stated in Sydney, Australia time. The Company, in consultation with the Sole Global Co-ordinator and Bookrunner, reserves the right to vary any and all of the above dates and times without notice (including, subject to the ASX Listing Rules and the Corporations Act) to close the Offer early, to extend the Closing Date, or to accept late Applications or bids, either generally or in particular cases, or to cancel or withdraw the Offer before Settlement, in each case without notifying any recipient of this Prospectus or Applicants.

If the Offer is cancelled or withdrawn before the allocation of Shares, then all Application Monies will be refunded in full (without interest) as soon as possible in accordance with the requirements of the Corporations Act. Investors are encouraged to submit their Applications as soon as possible after the Offer opens. No cooling-off rights apply to the acquisition of Shares under the Offer. The admission of the Company to the Official List and the commencement of quotation of the Shares are subject to confirmation from the ASX.

How to invest

Applications for Shares can only be made by completing and lodging the Application Form included in or accompanying this Prospectus.

Instructions on how to apply for Shares are set out in Section 7 and on the back of the Application Form.

Chairman's Letter

Dear investor

On behalf of the Directors, it is my pleasure to invite you to consider becoming a shareholder of the Company.

Redox has a rich operating history spanning back to 1965, and has since grown to become a leading chemicals, ingredients and raw materials supplier and distributor. The Board believes Redox's ability to consistently provide and deliver a broad range of products to its clients along with Redox's continued investment in its digital and physical infrastructure creates an ongoing sustainable source of competitive advantage, and expects this to drive continued growth in sales and profits.

This Prospectus contains detailed information about the Offer, the industry in which Redox operates and Redox's historical and forecast financial performance.

Redox's business has achieved a revenue CAGR of approximately 11.9% over the 30 years to 30 June 2022, driven by Redox's strategy focusing on diversifying revenue across new product groups, capturing greater market share in the core market of Australia and New Zealand and expanding the business in offshore markets, with particular recent focus on the United States.

Redox is led by a highly experienced and long-serving Management team and will continue to benefit from the passion, knowledge and experience of the Coneliano family, who will remain active in the business as both Executives and Shareholders post listing. The Company's Chief Executive Officer and Managing Director, Raimond Coneliano, has worked at Redox for 27 years, overseeing the development of Redox's largest bulk product lines and expansion opportunities. Redox intends to organically grow its share of the Australia and New Zealand market by continuing to improve upon its offerings to customers, including by leveraging the sales opportunities recorded within the Company's self-built computer software, Redebiz. Redox also intends to continue growing its offshore presence in the United States and Asia and will continue to assess the financial and strategic merit of acquisition opportunities within a currently highly fragmented market.

The purpose of the Offer and listing on the ASX is to position Redox for success over the long term for a large and growing family shareholder base who are reliant on a steady and strong dividend income stream and to protect the long-term interests of all family shareholders through public market investor oversight, ASX governance and capital management regulations and an independent Board structure. The Existing Shareholders include 16 members of the Coneliano family, who will together retain a majority ownership interest post the IPO.

This Prospectus contains detailed information about the Offer, the industry in which Redox operates and Redox's historical and forecast financial performance.

Before investing in the Company, you should read this Prospectus carefully and in its entirety, as well as consult with your stockbroker, accountant or other independent and qualified professional adviser. I also encourage you to read information on some of the key risks associated with an investment in the Company in Section 5 of this Prospectus.

On behalf of my fellow Directors, I look forward to welcoming you as a shareholder of the Company.

Yours sincerely

Ian Campbell

Ian Campbell

Chairman

Chief Executive Officer's Letter

Dear investor

Redox has grown from humble beginnings to being ranked in 2023 as the largest chemicals and ingredients distributor in Australia by revenue, as well as the 13th-largest in the Asia Pacific region and the 34th-largest worldwide.[9] Redox is indelibly stamped with the ethos of my grandfather, Roland, who started the Company with my grandmother, Silvia, who was Redox's first secretary. Utilising his personal relationships across Europe, Roland established a business that bridged continents at a time when the tyranny of distance made communication difficult. Roland was already a highly successful businessman when he arrived in Australia, however it was through his hard work and persistence the Company is the success it is today. Robert, Renato and Richard joined their father during the 70s, 80s and 90s, modernising, expanding and leading Redox to new heights. I'm very proud that three generations of the Coneliano family have contributed to the success of Redox over the past 58 years.

The Redox Management team prides itself on our long track record of consistently delivering growth year on year. The business has enjoyed particularly strong sales growth recently despite the ongoing impacts of COVID and global supply chain disruptions being felt across all communities and industries.

We believe our consistent growth is a testament to the value Redox provides its customers and supplier partners. One of our great strengths has been our diverse product portfolio which continues to expand, offering clients a one-stop-shop solution for their procurement needs.

Our products are being used in everyday society in unique and delightful ways, from the latest feed ingredients responsible for improved yields for our farmers, to the fluoride that delivers dental hygiene for millions of Australians. You will find Redox playing a vital role in sourcing cutting edge products from overseas manufacturers and suppliers, like mining collectors (such as sustainably sourced tall oil fatty acids[2]) which help recover critical minerals such as Lithium and Rare Earths which will power our low emissions future – our tagline of *'1,000 products, endless possibilities'* has never rung truer.

> *We believe that our consistent growth is a testament to the value that Redox provides its customers and supplier partners.*

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1. Based on the ICIS Top 100 Chemical Distributors 2023 rankings. Rankings based on calendar year 2022 revenue.
2. Redox sources products from over 940 active suppliers. One such product is tall oil fatty acid which is sourced from Kraton Corporation, who state that their tall oil fatty acid product is 100% biobased and is certified by the European Biobased Certification Scheme, which verifies if a product is wholly or partially derived from biomass. Source: Kraton Corporation; url:https://kraton.com/publications/tofa/.

There have been a number of challenges to the industry in recent years, including COVID, supply chain issues and macroeconomic volatility. At Redox we have put in place a number of initiatives to ensure the ongoing safety of our staff and to minimise disruption to our operations throughout this period. Our growth despite recent macroeconomic volatility demonstrates the resilient nature of our business. As customers and suppliers turn to partners who have stood the test of time and have proven to be reliable and trustworthy, Redox remains well placed to continue gaining further market share and winning new customers.

I take heart in the fact we have a great team, from Management to the front line, all working in harmony to deliver the best customer experience and proving ourselves worthy of the trust of our stakeholders again and again.

To our current and future shareholders, suppliers, customers and loyal employees I would like to thank you for your continued support and I look forward to an even brighter future together.

Yours sincerely

Raimond Coneliano

Chief Executive Officer
and Managing Director

Section One

Investment Overview

1. Investment Overview

1.1 Company Overview

Topic	Summary	Further information
Who is Redox?	Redox is a leading supplier and distributor of chemicals, ingredients and raw materials. Currently, Redox primarily serves the Australian and New Zealand market and is growing its presence in the US. The business also has operations in Malaysia. Redox purchases a wide range of products from both Australian and overseas manufacturers and sells these products to businesses at cost effective rates.	Section 3.1
What is the history of Redox?	Redox was established in 1965 by Roland Coneliano, who utilised his contacts and personal relationships across Europe to deliver sought-after, quality products to the Australian marketplace. Since 1965, Redox has grown to become a major distributor with 16 offices across four countries. This includes almost all major cities across Australia and New Zealand as well as a growing presence in the USA and Malaysia. To augment the organic growth Redox has achieved, a number of businesses have been strategically acquired to further diversify and strengthen its market position.	Sections 3.1.2 and 3.2
What are Redox's core operations?	Redox's core operations consist of the following key activities: • Sourcing, negotiating and regulatory management – Accessing overseas suppliers – Comparing global pricing from alternative sources – Obtaining bulk purchase rates – Arranging international shipping and customs clearances – Negotiating regulatory requirements • Warehousing, value-add services, testing and packaging – Warehousing and storage – Mixing, blending and formulating – Filling, packaging and labelling – Laboratory testing • Transport facilitation to customers – Logistics co-ordination – Bundling and delivery	Section 3.4

Topic	Summary	Further information
How has Redox invested in IT and Technology?	Redox's information and technology systems include its website and integrated Enterprise Resource Planning (ERP), Customer Relationship Management (CRM), Business Intelligence (BI) and Document Management software platform, Redebiz. Redox's IT systems underpin its operations and have a broad range of functionality to assist in everyday decision making. Redebiz facilitates all aspects of Redox's business model, from tracking market opportunities and forecasting costs to monitoring customer orders and managing Redox's regulatory and compliance obligations. Redebiz is specifically designed with the functionality to assist Redox in a variety of ways, including the navigation of multiple regulatory complexities and real-time database management across an extensive range of products, suppliers and customers.	Sections 3.3.6 and 3.5
What are Redox's key product categories?	The chemicals, ingredients and raw materials which Redox purchases from manufacturers and sells to businesses ('Redox's products') can be broadly categorised as follows: • Organic commodity chemicals; • Inorganic commodity chemicals; • Specialty chemicals; • Plastics and Rubbers; and • Other. Over its operational history, Redox has expanded its portfolio to over 1,100 active product groups and 4,750 active SKUs and continues to review its offering for gaps and opportunities. Redox offers a range of products supplied in 1kg to 1,200kg cartons or bags, or in drums, in IBCs, or in bulk.	Sections 2.1 and 3.6
Who are Redox's main suppliers?	Redox sources its very broad range of products across a diverse pool of suppliers globally, with generally the flexibility to source individual products from multiple suppliers in different countries. Redox has a low level of dependency on any individual supplier, with no single supplier's products accounting for more than 3.1% of total FY22 revenue and the top five suppliers accounting for no more than 12% of total FY22 revenue. Management believes that sourcing from a diversified supplier base provides Redox with the stability of supply, cost efficiencies and differentiated product offerings to ensure Redox retains a strong competitive advantage in the market. Redox also maintains a number of exclusive distribution partnerships in its key geographical regions with chemicals and ingredients manufacturers.	Section 3.7

Topic	Summary	Further information
Who is Redox's target customer?	With over 6,400 active customers from approximately 170 different industries, Redox maintains a diverse pool of customers ranging from small and medium-sized businesses to listed global corporations. There are no individually material customer contracts, with Redox's largest customer accounting for approximately 1.8% of total FY22 revenue and the top five customers accounting for only approximately 7% of total FY22 revenue. Given Redox's diverse product range and diverse base of customers, Redox in turn sells into a diverse range of industries. The industries which Redox sells into can broadly be captured under the following industry sectors: • Human Health and Nutrition; • Crop Production and Protection; • Plastics, Rubber and Foam; • Industrial; • Animal Health and Nutrition; • Household and Personal Care; • Surface Coatings; • Mining and Explosives; and • Watercare.	Section 3.8
What is Redox's sales and marketing strategy?	Redox's sales strategies are underpinned by a focus on collecting market information to enable sustainable sales growth whilst simultaneously managing risk, with a focus on expansion into new products and markets and leveraging customer relationships. Redox aims to sustainably grow sales whilst ensuring that growth does not incur unacceptable risk – this is achieved through maximising Redox's market share through the expansion of its existing product range, whilst introducing new products when significant opportunities are identified. Pricing is tailored to market demands to deliver profitability and maintain sustainable growth. Redox also deploys a range of marketing strategies to gain new business, which have been carefully formulated through years of in-house experience and expertise. Marketing strategies are underpinned by the market intelligence Redox has accumulated in Redebiz. This information provides Redox with extensive market information to service its broad range of suppliers and customers.	Section 3.9

1. Investment Overview continued

Topic	Summary	Further information
What is Redox's operational footprint?	Redox has an in-house managed domestic distribution network of warehousing facilities. Redox currently operates from 16 locations across four countries. Redox's principal operations are predominately situated across Australia and New Zealand, with offices located in almost all major cities. Redox's long-term strategy is to continue building upon its strong position in Australia and New Zealand, and to continue its recent successful expansion of its North American and South East Asian operations. Redox currently operates from five offices in the USA with plans to open a further three locations over the next 24 months.	Section 3.10
How are Redox's personnel organised?	Management believes that Redox's people are its greatest asset, and that the safety of its employees is the number one priority. As at 30 June 2022, Redox employed 391 staff, with 370 employees located across Australia and New Zealand and 21 employees located internationally. As at 30 June 2022, across its departments Redox employed: • 182 individuals in the Sales and Marketing team; • 151 individuals in the Warehousing and Supply Chain team (which includes logistics, manufacturing, quality assurance, shipping, warehousing and purchasing); and • 58 individuals in the Finance and Administration team (which includes Administration, Finance, Legal, Human Resources and Information Technology).	Section 3.12

Topic	Summary	Further information
How does Redox manage risk?	Risk management is important to Redox – first and foremost to protect the health and safety of its employees and wider stakeholders, but also to enable safe and efficient management of its business. Redox has implemented systems and procedures in order to minimise operational risk and to comply with the wide and complex range of regulations that apply to the various products that it supplies to its customers across a range of industry sectors as well as to ensure that Redox complies with relevant laws and regulations. Redox maintains over 26,500 regulatory and compliance documents within Redebiz pertaining to its product, supplier and customer databases, which Management believes delivers best-of-class practices in an industry driven by regulatory requirements which are constantly evolving and updating over time. Redox also has a comprehensive risk management framework in place and is constantly assessing its risk profile and working closely with its insurance providers to ensure Redox remains protected against any identified risks which may impact Redox's operations and/or financial position.	Section 3.13
How does Redox view and consider its Corporate Social Responsibility?	At Redox, corporate social responsibility (CSR) is about demonstrable, responsible and pro-active business leadership. CSR considerations influence how business is conducted, interactions with stakeholders, and the value contributed to society. Redox is constantly seeking out opportunities to minimise any adverse environmental impacts and maximise positive social impacts. Redox remains committed to a range of practices to ensure it continues to be an ethical and sustainable enterprise.	Section 3.14
How has Redox dealt with the impact of COVID-19 and global supply chain disruptions?	The financial impact of COVID-19 on Redox is impossible to reliably quantify, given the varying impacts of government restrictions and macroeconomic factors which have weighed on Redox's ongoing operations. Notwithstanding the challenges associated with rising input and logistic costs caused by COVID on global supply chains, Redox's scale and decisive actions taken by Management allowed the business to continue to meet the demands of its customers.	Section 3.15

1. Investment Overview continued

Topic	Summary	Further information
What industry does Redox operate in?	Redox is a leading supplier and distributor of chemicals, ingredients and raw materials. Suppliers and distributors, such as Redox, purchase chemicals, ingredients and raw materials from manufacturers and sell to businesses which utilise the chemicals, ingredients and raw materials as inputs into their manufacturing or production processes. The significant majority of those products are sourced outside of Australia.	Section 2.1
Who are Redox's main competitors?	In Australia, significant chemicals, ingredients and raw materials suppliers and distributors include Ixom, DKSH, IMCD and Brenntag. Broadly, Management believes domestic competition emanates from the following sources: • Long-established direct local competitors; • Recently-established direct local competitors; • Local offices of Multinational Traders; • Relationship-specific suppliers and distributors; • Japanese and Korean trading houses; • Companies purchasing direct from manufacturers; • Local chemical producers selling directly to businesses; or • Multinational chemical producers selling directly to businesses.	Section 2.5
What is Redox's historical financial performance?	Redox's successful execution of its business strategy has delivered consistently strong financial performance with revenue growth of approximately 11% per annum and approximately 12% per annum over the past 10 and 30 years to FY22 respectively. For further information, please refer to Section 4.3.	Sections 3.4 and 4.3

Topic | **Summary** | **Further information**

What is Redox's consolidated pro forma historical and forecast financial performance?

$ millions	FY21	FY22	FY23F	FY24F
Revenue	796.3	1,081.8	1,244.1	1,328.2
Gross profit	**164.9**	**243.8**	**255.2**	**275.5**
EBITDAFX	**71.2**	**134.6**	**134.7**	**148.2**
EBITDA	**79.3**	**138.6**	**125.2**	**148.2**
Depreciation and amortisation	(6.7)	(7.2)	(7.6)	(7.7)
Net finance costs	(1.8)	(1.5)	(1.5)	(1.3)
Profit before tax	**70.8**	**129.9**	**116.1**	**139.1**
NPAT	**49.4**	**92.3**	**81.3**	**97.4**

Section 4.3

What is Redox's consolidated statutory historical and forecast financial performance?

$ millions	FY21	FY22	FY23F	FY24F
Revenue	796.3	1,081.8	1,244.1	1,328.2
Gross profit	**164.9**	**243.8**	**255.2**	**275.5**
EBITDAFX	**73.9**	**134.2**	**135.4**	**142.7**
EBITDA	**82.0**	**138.3**	**125.8**	**142.7**
Depreciation and amortisation	(6.7)	(7.2)	(7.6)	(7.7)
Net finance costs	(7.1)	(7.2)	(10.9)	(1.3)
Profit before tax	**68.2**	**123.9**	**107.3**	**133.6**
NPAT	**47.6**	**88.0**	**75.1**	**94.0**

Section 4.3

What are Redox's key pro forma historical and forecast operating and financial metrics?

	FY21	FY22	FY23F	FY24F
Key operating metrics				
Pending sales contracts ($m)	366	527		
Number of active customers	6,437	6,407		
Key financial metrics				
Revenue growth (% increase)	10.8%	35.8%	15.0%	6.8%
EBITDAFX growth (% increase)	12.7%	89.0%	0.1%	10.0%
EBIT growth (% increase)	42.2%	81.1%	(10.5%)	19.5%
Gross profit margin	20.7%	22.5%	20.5%	20.7%
EBITDAFX margin	8.9%	12.4%	10.8%	11.2%
EBIT margin	9.1%	12.1%	9.4%	10.6%
Working capital as a % of revenue	32.9%	38.2%	34.1%	32.5%
Return on Invested Capital	16.7%	24.2%	18.1%	21.1%

Section 4.3.5

1. Investment Overview continued

<table>
<tr><th>Topic</th><th>Summary</th><th>Further information</th></tr>
<tr><td>What is Redox's consolidated pro forma net cash position post Completion of the Offer?</td><td>
<table>
<tr><th>$ millions</th><th>Pro Forma at 31 December 2022 (post Completion of the Offer)</th></tr>
<tr><td>Cash and Cash Equivalents</td><td>–</td></tr>
<tr><td>Non-current borrowings</td><td>–</td></tr>
<tr><td>Lease liabilities</td><td>(39.8)</td></tr>
<tr><td>Current borrowings</td><td>(6.2)</td></tr>
<tr><td>Net cash/(debt)</td><td>(46.0)</td></tr>
</table>
</td><td>Section 4.6</td></tr>
<tr><td>Who is on the Board of Directors of the Company?</td><td>The Board of Directors of the Company is comprised of:

Ian Campbell (Non-Executive Chair);
Raimond Coneliano (Chief Executive Officer and Managing Director);
Renato Coneliano (Executive Director and Marketing Director);
Mary Verschuer (Non-Executive Director); and
Garry Wayling (Non-Executive Director).

As at Prospectus Date Robert Coneliano is also a Director. Robert has resigned, with his resignation to take effect immediately prior to Completion of the Offer.</td><td>Section 6.1</td></tr>
<tr><td>Who is on the Executive Management Team of the Company?</td><td>The Executive Management Team of the Company is comprised of:

Raimond Coneliano (Chief Executive Officer and Managing Director);
Renato Coneliano (Executive Director and Marketing Director);
Roy Brown (Director of Finance);
Richard Coneliano (Group General Manager);
Kim Yap (Chief Financial Officer);
Ken Perrins (Food Industry Group Director);
Nick Osmo (General Manager, North America);
Erika Jasarevic (Group General Counsel and Company Secretary); and
Mark Shoukry (Senior Business Manager).
</td><td>Section 6.2</td></tr>
</table>

1.2 Key Strengths

Topic	Summary	Further information
Major distributor of chemicals, ingredients and raw materials in ANZ	Redox has grown to its current scale by having made significant investments of resources and capital to develop its core competencies over its 58 years of operational history. Due to its operating scale and global reach, Redox is able to offer its customers a selection of over 4,750 different SKUs across over 1,100 different product groups.	Section 3.3.1
Extensive global network of suppliers	Redox has over 940 active suppliers from over 50 different countries. Management believes this provides Redox with the stability, purchasing cost efficiencies, reliability of supply and broad product offering to ensure it retains its competitive advantage in the market.	Section 3.3.2
Diversified customer industries	Redox distributes products to a diversified range of over 6,400 active customers from approximately 170 industries which has historically provided Redox with a highly stable revenue profile as it is not over-exposed to specific clients or industry sector dynamics such as cyclicality.	Section 3.3.3
Network of specifically configured in-house managed warehouses and sites	Redox operates eight warehouses in Australia including two sites which offer value-added services, and utilises over 100 externally managed warehouses internationally. Redox's sites hold licences and permits for the storage of chemicals, raw materials and ingredients, and are configured such that they can store products from dangerous chemicals to ingredients as required by health, safety and environmental regulations.	Section 3.3.4
Highly resilient business model that has delivered consistent growth for decades	Redox is a highly resilient business that supplies a diverse range of products, from a broad range of suppliers, to a vast and typically recurring customer base. No one supplier, product or customer is significant to Redox's earnings. Redox has demonstrated resilience and consistent long-term growth in adverse market conditions including during the COVID-19 environment and recent global supply chain disruptions.	Section 3.3.5

1. Investment Overview continued

Topic	Summary	Further information
Real-time high visibility into operations and market opportunities through Redebiz, Redox's custom in-house ERP and CRM system	Redox's business is underpinned by its custom built, in-house Enterprise Resource Planning ('ERP') and Customer Relationship Manager ('CRM') system, Redebiz, which took over 10 years to develop and was launched in 2012. Redebiz has custom built functionality including business intelligence applications which helps Redox manage its complex suite of products, suppliers, customers and regulatory requirements, and also serves as a market knowledge database enabling the sales force to identify and deliver new sales opportunities. Redebiz has also been specifically designed to facilitate inorganic and geographical growth as the extensive sourcing and product databases can be rapidly leveraged for new customers in new markets.	Section 3.3.6
Expertise and experience within a complex regulatory environment	Redox has significant in-house regulatory expertise and experience and maintains a database of over 26,500 licences, permits and accreditations within Redebiz, which are required to operate in the highly regulated chemicals, raw materials and ingredients industries. As an ISO 9001 certified company, Redox also regularly audits and tests its processes to ensure that it maintains efficient business practices and quality systems while acting in accordance with the relevant industry standards.	Section 3.3.7
Highly skilled and experienced team with strong technical know-how	Redox has an experienced and knowledgeable workforce with significant expertise in highly specialised areas such as customer and supplier negotiation, inventory and logistics management, and regulatory compliance. Redox also employs technical experts in various industry sectors such as agronomists, animal nutritionists and tribologists. Redox's Executive Management Team combine over 220 years of industry experience and seven of the 10 members of the Executive Management Team have been with the business for 20 years or more and have overseen the growth of Redox during that time.	Section 3.3.8

1.3 Key Risks

Topic	Summary	Further information
Customer demand may fluctuate and could be impacted by various factors	Redox does not typically have formal long-term written contracts in place with its customers. Redox customers often engage with Redox on an as needed basis. There is therefore a risk that Redox's existing customers may decide not to continue their business with Redox in the future or at the same level as in prior periods. Redox's ability to retain and grow existing customer relationships and develop new ones may be impacted by changes in customer demand which is in turn impacted by various factors including underlying industry trends and economic activity. Customers may change their demand patterns from time to time in order to adjust to changes in market conditions, consumer demand for their products, changes in product purchasing to address environmental considerations and/or ongoing operational considerations. Redox may seek to increase its prices for its existing customers, in response to changes in product pricing or changes in other circumstances. Redox's future financial performance may be materially impacted by Redox's ability to successfully increase the pricing of the products supplied to its customers. Redox's operating results may be adversely affected by weather conditions or other natural events. Certain weather conditions and natural disasters may impact agricultural markets and reduce the level of demand for products sold or distributed by Redox.	Section 5.1.1

1. Investment Overview continued

Topic	Summary	Further information
Risks involving suppliers and third-party providers	Redox does not typically have formal long-term written contracts in place with a number of its key suppliers and freight and logistics providers, who may engage with Redox on a transactional basis. Therefore, Redox is exposed to the risk that its existing suppliers and freight and logistics providers may decide not to continue their business with Redox in the future or at the same level as in prior periods, change the availability of their products or services (whether due to capacity constraints or otherwise), encounter financial or other material difficulties in providing products or services to Redox, or seek to increase pricing for the products or services provided to Redox, which Redox may not be able to pass on to its customers in whole or part. There are risks that the quality of the products being supplied deteriorates or that certain batches are contaminated, defective, incorrectly packaged, damaged, detained or delayed en-route or otherwise and do not meet the stated specifications. Furthermore, there are risks that suppliers or other third-party providers fail to comply with packaging, import or other applicable laws or industry standards. Should any of these events occur, Redox may not be able to fulfil customer orders or fulfil them to the requirements, specifications or within the time frame required by its customers or it may be required to source products from alternative suppliers at higher prices than those agreed with the customer. There may also be a lag between any potential suppliers or third-party providers ceasing arrangements with Redox and Redox being able to establish new business arrangements with alternative partners. There may be instances where a Redox supplier, or the country from which the relevant product or service is sourced, or through which it transits, becomes subject to Australian or international sanctions. An inability to secure ongoing supply of products or services may potentially adversely impact Redox's operations, which in turn may have an adverse effect on Redox's financial position and performance.	Section 5.1.2

Topic	Summary	Further information
Information technology	Redox has invested significant resources and capital in developing its information and technology systems including its website and integrated ERP/CRM system, Redebiz. While Redox has several measures in place to prevent IT disruption including offsite data back-ups, anti-virus software, and an IT disaster recovery plan, its systems are susceptible to malfunctions, interruptions, damages and failure which could impact Redox's operations and reputation. There is a risk that the measures taken to protect or enhance Redox's information technology systems from accidental or deliberate events may prove to be inadequate and may result in a significant disruption to Redox's systems and operations, loss of confidential or proprietary information or intellectual property, a loss of confidence in Redox and its platform or other reputational damage, loss of customers, legal and financial exposure, potential breaches of applicable laws and regulatory scrutiny or actions. Redox may also incur costs to rectify concerns, including system vulnerabilities or in introducing additional safeguards to minimise the risk of future events of this nature. Redox is also required to comply with strict data protection and privacy laws. There is also a risk that Redox's data could be wrongfully accessed and misused, inadvertently lost or disclosed or processed in breach of applicable data protection regulations, which could lead to reputational damage to Redox, which in turn may have an adverse effect on Redox's financial position and performance.	Section 5.1.3
Intellectual property rights	Redox has a portfolio of important intellectual property rights including the 'Redebiz' system, trademarks, logos, trade secrets and know-how which it seeks to protect. Redox relies on contractual arrangements with its employees and third parties and intellectual property laws to assist in protecting its intellectual property. However, there are risks that Redox may fail or be unable to protect its property rights, that others may infringe Redox's intellectual property rights or that others may claim that Redox has infringed upon their intellectual property rights. This could lead to adverse impacts on Redox's operations as well as substantial costs to defend and protect Redox's intellectual property rights or defend any claims brought against Redox for infringement of others' intellectual property rights, which in turn may have an adverse effect on Redox's financial position and performance.	Section 5.1.4

Topic	Summary	Further information
Health, safety and environmental risks	Risks of accidents, injuries and potential health hazards in Redox's workplaces must be minimised in line with applicable Work, Health and Safety laws and industry standards. Whilst Redox has strict policies and procedures in place, there is a risk of accidents, negligence or other unforeseen events potentially resulting in injuries and substantial damages to property and the environment and breaches of applicable laws. This could lead to revocation of permits and licences, requirement for Redox to remediate any issues, civil and criminal action being brought against Redox as well as reputational damage impacting supplier and customer relationships.	Section 5.1.5
Other regulatory risks	In each jurisdiction in which it operates, Redox must comply with a range of other laws, regulations and industry standards including product quality requirements, import regulations, fair trade laws, anti-bribery and corruption legislation, sanctions legislation, food safety, drug and chemical weapons precursors, consumer protection laws, employment laws and taxation laws. Failure by Redox to comply with those laws, regulations and industry compliance standards may result in litigation, regulatory enquiry or investigation, fines and penalties, or significant reputational damage which could have an adverse effect on Redox's financial position and performance. New or amended laws, regulations or industry compliance standards, or new or changed interpretations of existing laws, regulations or industry standards, could restrict Redox's ability to provide its services, result in changes to Redox's business model, reduce Redox's profit margins or make compliance more difficult or expensive, any of which may have an adverse impact on Redox's financial position and performance. A breach of any laws or regulations applicable to Redox may lead to prosecution, investigations, inquiries and result in the imposition of conditions, fines and penalties or other sanctions on Redox, which could have an adverse effect on Redox's business, reputation, operating and financial position and performance.	Section 5.1.6

Topic	Summary	Further information
Increasing competition	Redox competes with a number of other suppliers, distributors, wholesalers, brokers, and suppliers who supply customers. Several factors could negatively impact Redox's competitiveness in the markets in which it operates which could lead to lower sales volumes, sales prices and margins for Redox which in turn may have an adverse effect on Redox's financial position and performance.	Section 5.1.7
Inventory management risks	Redox manages a significant level of inventory and for some products estimates customers' product requirements to make purchasing decisions. There is a risk that Redox may underestimate demand which could lead to loss of sales or having to pay higher prices to suppliers that cannot be passed to customers or having to sell products at lower prices to customers. Redox may also overestimate demand which could lead to obsolete inventory. Prices of Redox's products as well as transportation costs also fluctuate over time, which Redox may not necessarily be able to pass on to its customers.	Section 5.1.8
Reliance on key personnel	Redox's Executive Management Team and employees are skilled in areas such as customer and supplier negotiation, chemical industry expertise and regulatory compliance. There is a risk that competition within the labour market could increase the demand and cost for quality employees. If Redox is unable to attract or retain employees or key personnel, this may result in a loss of operational knowledge and capabilities, key supplier and customer relationships, and industry expertise, which in turn may have an adverse effect on Redox's financial position and performance.	Section 5.1.9

1. Investment Overview continued

Topic	Summary	Further information
Reliance on leased properties	Redox's business utilises an extensive footprint of warehouses and storage facilities to store products prior to distribution to customers, including eight in-house managed facilities leased from Ceneda Investments Pty Ltd, which is a related party of Redox. While the terms of those related party leases grant Redox options to renew, the rent is subject to increase during the initial term of those leases and any extension. In particular, the rent payable under those leases is subject to a CPI review on each anniversary of the lease, except on the fifth and tenth anniversaries, where they will be subject to a market review. There is a risk that Redox may not be able to secure appropriate sites on commercially acceptable terms, either by exercising options to renew, or finding alternate sites. Due to the nature and size of the sites Redox requires to operate its business, Redox may need to accept less favourable terms (including increased rent) or terms that are more onerous than the prevailing market terms at the time. A number of Redox's leases contain change of control provisions which may be triggered by the change of control resulting from the acquisition of a substantial interest by another entity. If the change of control provision is triggered, consent of the relevant landlord is required and Redox cannot guarantee that such consent will be forthcoming or, if forthcoming, that such consent will not be subject to conditions that are unfavourable to Redox.	Section 5.1.10
COVID-19	Despite the increasing prevalence of COVID-19 vaccinations, measures taken in response to COVID-19 and easing of COVID-19 related restrictions, there remains continued uncertainty as to the emergence and impact of new COVID strains and the future response of governments and authorities. Given this uncertainty, there also remains a possibility of an economic downturn of unknown duration or severity in certain jurisdictions going forward.	Section 5.1.16

Topic	Summary	Further information
General economic conditions in Australia and New Zealand may worsen	Redox's business is predominantly based in Australia and New Zealand, with the balance of its business based in the United States and Malaysia. The operating and financial performance of Redox is influenced by the general economic conditions in Australia and New Zealand as well as general economic conditions globally. An escalation in the current conflict between Russia and Ukraine may trigger a downturn in general economic conditions. High inflation and rising interest rates may impact Redox's operating costs, which may not be able to be offset by corresponding increases in product prices. A prolonged downturn in general economic conditions may impact the demand for Redox's products as customers change their demand patterns to adjust to such downturn in economic conditions. Economic conditions in Australia and New Zealand may also encourage increased competition, either from domestic competitors or from overseas competitors. These factors may in turn have an adverse impact on Redox's financial position and performance.	Section 5.1.17
Other risks	A number of other risks relating specifically to an investment in the Company are set out in Section 5 including: • fluctuation of the purchase and resale prices of, and market demand for, the products supplied and distributed by Redox; • litigation risks; • insurance risks; • risks associated with international expansion; • inorganic acquisition risks; and • general investment risks.	Section 5

1.4 Growth Strategies

Topic	Summary	Further information
Increasing market penetration of existing product portfolio	While Redox is a major independent chemicals, ingredients and raw materials supplier and distributor in Australia and New Zealand, its market share of the industries within which it operates is small. This is because of the highly fragmented chemicals, ingredients and raw materials distribution market in which Redox operates, as well as the fact that a number of large corporations import chemicals directly without the use of a supplier or distributor. As such, Management believes that there remains significant further opportunities for Redox to continue increasing its domestic market share within its market segments over a sustained period of time.	Section 3.11.1
Entry into new products, expanding market share	Redox believes that there is also great opportunity for it to broaden its product offering and the industries it services. Management's strategy is to seek to be a supplier of many products to its individual customers, in which case the customers become more reliant on Redox, and Redox becomes an important and valuable partner to those customers.	Section 3.11.2
Offshore expansion into major new markets	Redox has established sales offices in various geographic regions, having entered New Zealand in 1994, Malaysia in 2011, and the United States in 2015. Redox favours markets with strategic alignment to its existing domestic operations and undertakes considerable time and effort in researching and considering new markets. In expanding to new markets, Redox's strategy is to first establish headquarters in regions such as the Californian offices for North America, and the Kuala Lumpur office for South-East Asia. Redox will then utilise these headquarters to conduct further regional operations, expanding as required, to provide suppliers and customers with a global presence and reach for their products.	Section 3.11.3
Pursuing inorganic acquisition opportunities	Under the management of Redox, acquired businesses have consistently been able to either successfully grow sales in the acquired product groups, supply acquired products across an expanded customer base, or deliver new product sales opportunities to newly acquired customers. Redox intends to continue to maintain a disciplined approach to inorganic growth, and does not intend that its growth strategy is contingent on the acquisition of sales.	Section 3.11.4

1.5 Offer Summary

Topic	Summary	Further information
Who are the issuers of the Prospectus?	Redox Limited (the **Company**) and Redox Group Limited (**SaleCo**).	Section 7.1
What is the Offer?	The Offer is an initial public offering of new Shares by the Company and the sale of Existing Shares by SaleCo at an Offer Price of $2.55 per Share. A total of 157.7 million Shares will be offered under the Offer.	Section 7.1
Why is the Offer being conducted?	The purpose of the Offer is to: • continue to position Redox for success over the long term for a large and growing family shareholder base who value a steady and strong dividend income stream; • protect the long-term interests of all family shareholders through public market investor oversight, ASX governance and capital management regulations, and an independent Board structure; • provide Redox with access to public capital markets to help fund potential future growth initiatives as required; • allow Existing Shareholders to realise part of their investment in the Company through the sale of Existing Shares through SaleCo; • repay related party loans and repay existing bank facilities; • broaden the Company's shareholder base and provide a liquid market and valuation basis for the Company's Shares; • provide Redox with the benefits of an increased brand profile that arises from being a publicly listed entity; and • assist Redox in attracting and retaining quality staff.	Section 7.1.2

1. Investment Overview continued

<table>
<tr><th>Topic</th><th>Summary</th><th>Further information</th></tr>
<tr><td>What are proposed use of proceeds from the Offer?</td><td>The Offer is expected to raise gross proceeds of approximately $402 million. The proceeds of the Offer received by SaleCo in respect of the sale of Shares by it will be paid to SaleCo and paid by SaleCo to the Selling Shareholders. The proceeds of the Offer received by the Company are expected to be applied in the manner set out in the below table:
<table>
<tr><th>Sources of funds</th><th>$ million</th><th>Uses of funds[2]</th><th>$ million</th></tr>
<tr><td>The Company</td><td></td><td></td><td></td></tr>
<tr><td>Cash proceeds received by the Company under the Offer from the issue of Shares</td><td>240.7</td><td>Repayment of related party loans</td><td>130.3</td></tr>
<tr><td></td><td></td><td>Repayment of existing bank facilities</td><td>74.0</td></tr>
<tr><td></td><td></td><td>Offer costs[1]</td><td>12.8</td></tr>
<tr><td></td><td></td><td>Working capital and growth funding</td><td>23.7</td></tr>
<tr><td>SaleCo</td><td></td><td></td><td></td></tr>
<tr><td>Cash proceeds received under the Offer from the sale of Shares by SaleCo</td><td>161.2</td><td>Payments to Selling Shareholders</td><td>161.2</td></tr>
<tr><td>Total sources</td><td>401.9</td><td>Total uses</td><td>401.9</td></tr>
</table>
Notes:
(1) Offer costs includes the fees payable to advisers as referred to in Section 6.3.1, as well as other costs such as registry fees, ASX listing fees and other adviser fees.
(2) The Board retains the right to vary these uses of funds, acting in the best interests of Shareholders and as circumstances require.</td><td>Section 7.1.3</td></tr>
<tr><td>Who is making the Offer?</td><td>The Offer is made in part by the Company who will issue new Shares to investors and in part by SaleCo who will sell Existing Shares to investors.</td><td>Section 7.1</td></tr>
<tr><td>What is SaleCo?</td><td>SaleCo is a special purpose vehicle, established to facilitate the sale of Existing Shares by the Selling Shareholders.
The Existing Shares which SaleCo acquires from the Selling Shareholders will be transferred to Successful Applicants at the Offer Price.</td><td>Section 9.4</td></tr>
</table>

Topic	Summary	Further information
Will the Shares be quoted?	The Company has applied within seven days of the Original Prospectus Date to the ASX for admission to the Official List and quotation of Shares on ASX (which is expected be under the code '**RDX**'. Completion of the Offer is conditional on the ASX approving this application. If approval is not given within three months after such application is made (or any longer period permitted by law), the Offer will be withdrawn and all Application Monies received will be refunded without interest as soon as practicable in accordance with the requirements of the Corporations Act.	Section 7.7.1
How is the Offer structured?	The Offer will comprise: • The Broker Firm Offer; • The Employee Offer; • The Employee Gift Offer; and • The Institutional Offer. No general public offer of Shares will be made under the Offer.	Section 7.1.1
Will the Offer be extended into New Zealand?	Yes. All Shares offered to investors in New Zealand under the Offer are being offered under the Mutual Recognition Regime. No offer of Shares is being made to investors in New Zealand until such time as the relevant notice and accompanying documents required to be lodged under the Mutual Recognition Regime have been lodged. Investors in New Zealand should refer to the Section "Important Notice to New Zealand Investors" on page 2 of this Prospectus.	"Important Notice to New Zealand Investors" on page 2
Is the Offer underwritten?	The Offer (other than the Employee Gift Offer) is underwritten by the Sole Global Co-ordinator and Bookrunner, except for the Broker Firm Offer allocation to Ord Minnett which is underwritten by Ord Minnett, pursuant to the Underwriting Agreement. Details are provided in Section 9.5.1.	Section 9.5.1

1. Investment Overview continued

Topic	Summary	Further information
What is the allocation policy?	The allocation of Shares between the Institutional Offer and Retail Offer (including the Broker Firm Offer, the Employee Offer and the Employee Gift Offer) was determined by agreement between the Sole Global Co-ordinator and Bookrunner, the Company and SaleCo, having regard to the allocation policy outlined in Sections 7.3.1.4, 7.3.2.4, 7.3.3.4 and 7.4.2 of this Prospectus. For Applicants under the Broker Firm Offer, it is a matter for the Brokers as to how they allocate Shares among their retail clients. Subject to the guaranteed minimum allocation of $2,000 of Shares for each Eligible Priority Employee who applies under the Employee Offer, the allocation of Shares under the Employee Offer is at the absolute discretion of the Company, provided that the allocations do not exceed $1.75 million in aggregate. All Eligible Gift Offer Employees will be offered the opportunity to apply for an amount of $1,000 worth of Shares.	Section 7.2
What is Redox's dividend policy?	Depending on available profits and the financial position of the Company, it is the current intention of the Directors to pay interim dividends in respect of half-years ending 31 December and final dividends in respect of full-years ending 30 June each year. It is intended that all future dividends will be franked to the maximum extent possible. Subject to conditions and capital requirements of the business, the Directors intend to target a payout ratio between 60% to 80% of statutory NPAT. The level of payout ratio is expected to vary between periods depending on a number of factors including the uncertainties outlined in Section 5 and, in particular, should strategic growth, acquisition or investment opportunities arise, it may result in a payout ratio in the future that is less than the above target. The first dividend is currently expected to be paid for the period ending 31 December 2023. No assurances can be given by any person, including the Directors, about the payment of any dividend or the level of franking credits attaching to any such dividend.	Section 4.11

Topic	Summary	Further information
Who are the Existing Owners and what will be their interest in the Company on Completion of the Offer?	The Company's ownership structure on the Prospectus Date, following Completion of the Offer (but prior to the distribution of Shares in Silvia Coneliano's estate) and following the distribution of the Shares in Silvia Coneliano's estate (which is expected to occur on or around the date of Completion of the Offer and in the manner set out in her will) is set out in the table below.	Sections 7.1.5 and 7.1.6

	Prospectus Date[4]		Completion of the Offer (but prior to the distribution of Shares in Silvia Coneliano's estate)		Completion of distribution of Shares in Silvia Coneliano's estate[5]	
Shareholder[6]	Shares (million)	%	Shares (million)	%	Shares (million)	%
Raimond Coneliano	11.9	2.8	8.6	1.6	13.0	2.5
Renato Coneliano[1]	79.0	18.3	63.2	12.0	63.2	12.0
Robert Coneliano[2]	67.8	15.7	54.2	10.3	54.2	10.3
Estate of Silvia Coneliano[3]	139.1	32.3	139.1	26.5	-	-
Richard Coneliano	16.1	3.7	11.8	2.3	70.5	13.4
Claudia Walters	25.8	6.0	18.7	3.6	41.9	8.0
Other Existing Shareholders	90.9	21.1	71.7	13.7	124.6	23.7
New Shareholders[7]	-	-	157.7	30.0	157.7	30.0
Total	430.6	100	525.1	100	525.1	100.0

Notes:

1. Renato Coneliano holds Shares directly and has an interest in the Shares held by his wife, Catherine Coneliano.
2. Robert Coneliano holds Shares directly and has an interest in the Shares held by his wife, Bedriye Coneliano.
3. Silvia Coneliano is deceased. Probate has been granted in connection with her estate and the distribution of Shares in her estate is expected to occur on or around the date of Completion of the Offer.
4. The Share numbers presented in this column are shown on a 'post-conversion' basis assuming that all Class 'B' shares and Class 'C" shares currently on issue and held by Existing Shareholders have been converted into Shares. Conversion of the Class 'B' shares and Class 'C" shares into Shares will occur immediately prior to the Completion of the Offer.
5. The Share numbers presented in this column assume that the distribution of the Shares in Silvia Coneliano's estate occurs on the date of Completion of the Offer and in the manner set out in her will. Probate has been granted in connection with her estate and the distribution of Shares in her estate is expected to occur on or around the date of Completion of the Offer.
6. Shareholders may hold their interests in Shares directly, or through entities associated with them (e.g. through holdings by companies or trusts).
7. Includes 114,072 Shares expected to be issued to Eligible Gift Offer Employees under the Employee Gift Offer, and any Shares that may be acquired by the Non-Executive Directors, members of the Executive Management Team or other employees (or their associated entities) under the Offer.

The Share numbers presented in the above table have been rounded up. At Completion of the Offer, approximately 70% of the Shares will be subject to voluntary escrow arrangements.

The Directors do not expect any single Shareholder to control the Company on Completion of the Offer.

1. Investment Overview continued

<table>
<tr><th>Topic</th><th>Summary</th><th>Further information</th></tr>
<tr><td>What are the escrow arrangements?</td><td>The Existing Shareholders have entered into voluntary escrow deeds in respect of all of the Shares that they will hold on Completion of the Offer (representing approximately 70% of the Shares on Issue). Voluntary escrow deeds prohibit Existing Shareholders from dealing in their Shares until the end of the relevant Escrow Period:
Management Shareholders (including Raimond Coneliano and Renato Coneliano) – the period ending at 4.15pm on the date on which the Company releases its financial results for the period ending 30 June 2025; and
Other Existing Shareholders – the period ending at 4.15pm on the date on which the Company releases its financial results for the period ending 30 June 2024.
The Management Shareholders who are expected to receive a distribution of the Shares in Silvia Coneliano's estate based on her will have agreed that, upon receipt of those Shares, those Shares will be subject to the longer escrow period applicable to the Management Shareholders set out above.</td><td>Section 9.7</td></tr>
<tr><td>Significant benefits and interests of Directors and other persons</td><td><table>
<tr><th>Key people</th><th>Interest or benefit</th><th>For more information</th></tr>
<tr><td>Directors and Management Shareholders</td><td>Directors' fees
Remuneration</td><td>Sections 6.3.2, 6.3.3 and 6.3.4</td></tr>
<tr><td></td><td>Shares</td><td>Section 6.3.2.3</td></tr>
<tr><td>Other Management</td><td>Remuneration</td><td>Section 6.3.4</td></tr>
<tr><td>Advisers and other service providers</td><td>Fees for services</td><td>Section 6.3.1</td></tr>
</table>The Non-Executive Directors have indicated that they intend to apply for Shares under the Offer.</td><td>Sections 6.3.1, 6.3.2, 6.3.3 and 6.3.4</td></tr>
<tr><td>Are there any related party transactions?</td><td>The Company operates part of its business from premises leased by Ceneda Investments Pty Ltd (Ceneda), an entity controlled by Robert Coneliano, a substantial shareholder of the Company (Related Party Leases). The aggregate annual rent payable under these Related Party Leases in FY22 was approximately $6.3 million.

The rent payable under these leases is subject to a CPI review on each anniversary of the lease, except on the fifth and tenth anniversaries, where they will be subject to a market review.</td><td>Section 9.6</td></tr>
<tr><td>Is there any brokerage, commission or stamp duty payable by applicants?</td><td>No brokerage, commission or stamp duty is payable by Applicants on the acquisition of Shares under the Offer.</td><td>Section 7.2</td></tr>
</table>

Topic	Summary	Further information
What are the tax implications of investing in the Shares?	Given that the taxation consequences of an investment will depend upon the investor's particular circumstances, it is the obligation of the investors to make their own enquiries concerning the taxation consequences of an investment in the Company. If you are in doubt as to the course you should follow, you should consult your stockbroker, solicitor, accountant, tax adviser or other independent and qualified professional adviser. An overview of the tax treatment for Australian resident investors is included in Section 9.11.	Section 9.11
How can I apply for Shares?	You may apply for Shares under the Offer by completing a valid Application Form attached to or accompanying this Prospectus or available online for Applicants in Australia at redox.com/investors. • Applicants under the Broker Firm Offer should contact their Broker to request the Prospectus and Broker Firm Offer Application Form and for information about how to submit your Broker Firm Offer Application. • If you are an Eligible Priority Employee, and you wish to apply for Shares under the Employee Offer, you should follow the instructions in the email that you received. • If you are an Eligible Gift Offer Employee, and you wish to apply for Shares under the Employee Gift Offer, you should follow the instructions in the email that you received. • If you are an Institutional Investor, separate instructions in relation to the Institutional Offer will be provided to you by the Sole Global Co-ordinator and Bookrunner. To the extent permitted by law, an Application under the Retail Offer by an Applicant may not be varied and is irrevocable.	Sections 7.3, 7.4 and 7.5
When will I receive confirmation that my Application has been successful?	It is expected that initial holding statements will be dispatched by standard post on or around 6 July 2023.	'Key dates' on page 7
Can the Offer be withdrawn?	The Company reserves the right not to proceed with the Offer at any time before the issue of Shares to successful Applicants. If the Offer does not proceed, Application Monies will be refunded. No interest will be paid on any Application Monies refunded as a result of the withdrawal of the Offer.	Section 7.6
Where can I find out more information about this Prospectus or the Offer?	Call the Redox Offer Information Line on 1800 955 908 (within Australia) or +61 3 9415 4163 (outside Australia) from 8.30am to 5.00pm (Sydney time), Monday to Friday (excluding public holidays). If you are unclear in relation to any matter or are uncertain as to whether the Shares are a suitable investment for you, you should seek professional guidance from your stockbroker, solicitor, accountant, financial adviser or other independent professional adviser before deciding whether to invest.	Section 7.2

Section Two

Industry Overview

2. Industry Overview

2.1 Introduction

Redox is a leading supplier and distributor of chemicals, ingredients and raw materials. Currently, Redox primarily serves the Australian and New Zealand market and is growing its presence in the US. The business also has operations in Malaysia.

Suppliers and distributors, such as Redox, purchase chemicals, ingredients and raw materials from manufacturers and sell to businesses which utilise the chemicals, ingredients and raw materials as inputs into their manufacturing or production processes. The significant majority of those products are sourced outside of Australia.

The chemicals, ingredients and raw materials which Redox purchases from manufacturers and sells to businesses ('Redox's products') can be broadly categorised as follows:

Category	Description
Organic commodity chemicals	Compounds that contain carbon-hydrogen bonds, such as: • Organic salts • Hydrocarbons • Alcohols
Inorganic commodity chemicals	Compounds that typically lack carbon-hydrogen bonds, such as: • Mineral and other salts • Concrete and cement additives • Acids, alkalis and oxides
Specialty chemicals	Compounds used based on their performance or function, often developed for specific applications, such as: • Ingredients • Antioxidants • Rheology modifiers • UV stabilisers • Specialty coatings • Adhesives and sealants • Surfactants • Corrosion inhibitors • Trace elements

Category	Description
Plastics and rubbers	Synthetic or semi-synthetic materials that use polymers as a main ingredient, such as: • Polyethylene • Polypropylene • Plastic film • Synthetic rubbers
Other	Other products, such as: • Proteins • Starches • Vitamins • Amino acids

There are many chemicals, ingredients and raw material manufacturers worldwide that suppliers and distributors source those products from, including for example:

- BASF;
- Lanxess;
- Dow;
- P&G Chemicals; and
- Sinochem.

Suppliers and distributors will sell such sourced products to a broad range of businesses across a variety of different industry sectors. Redox considers that businesses operating in the following industry sectors are the core consumers of Redox's products:

- Human Health and Nutrition;
- Crop Production and Protection;
- Plastics, Rubber and Foam;
- Industrial;
- Animal Health and Nutrition;
- Household and Personal Care;
- Surface Coatings;
- Mining and Explosives; and
- Watercare.

Redox supplies chemicals and raw materials to businesses operating in all of the above industry sectors, and ingredients to businesses operating in the Human Health and Nutrition and Animal Health and Nutrition industry sectors.

Suppliers and distributors may specialise in limited product ranges and specific industry sectors, or distribute a wide range of products to multiple industry sectors. Distributors generally source individual products exclusively from one single manufacturer, whereas suppliers will generally source individual products from a number of different manufacturers.

When seeking to access a particular market, Management believes there are a number of reasons why manufacturers may sell their products to suppliers and distributors in that market rather than trying to sell directly to businesses, including that suppliers and distributors will:

- facilitate access to a particular market in a different country from place of manufacture;
- address regulatory requirements in that market;
- identify and access many businesses in that market for the products;
- buy products in bulk quantities;
- store, pack and distribute products locally;
- provide technical support to the businesses; and
- provide credit to a large number of businesses of different sizes which would otherwise need to be provided by the manufacturer.

Similarly, Management believes businesses may prefer to purchase their products through suppliers and distributors rather than directly from manufacturers because the suppliers and distributors:

- are better able to locate and source relevant products in overseas jurisdictions;
- simplify sourcing by providing a large number of products from one consolidated domestic source;
- can purchase the exact quantity required;
- can provide multiple products, sourced from different parts of the world;
- provide technical advice;
- have expertise in addressing regulatory requirements;
- add value with services such as decanting, product formulation, blending and mixing;
- have expertise in inventory and logistics management;
- often assist in reducing a business' working capital requirements because the business would generally only purchase and pay for the goods once they have reached the local market rather than before they leave the country of manufacture; and
- allow the customer to focus on their business operations instead of diverting attention and resources towards inventory procurement capabilities.

Figure 2.1 outlines the key role that suppliers and distributors play in the value chain for chemicals, ingredients and raw materials.

Figure 2.1 Suppliers' and distributors' role in the supply chain

Source: Frost & Sullivan, Market Report on the Chemicals and Ingredients Markets, March 2023.

The fragmentation in both the supply and use of chemicals, ingredients and raw materials has created a key role for suppliers and distributors in the value chain.

2.2 Overview of the Global Chemicals, Ingredients and Raw Materials Market

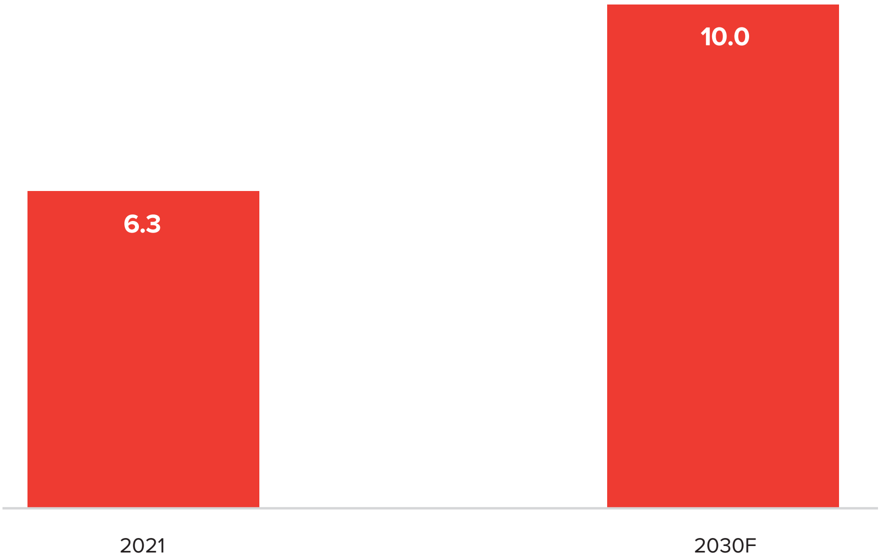
2.2.1 Market size and growth

The global chemicals, ingredients and raw materials market is large[1], and critical in the supply of inputs used across a broad range of industry sectors.

According to the World Health Organisation, the chemical industry was the second-largest manufacturing industry in the world in 2007 and more than 160 million different chemicals are known to humans[2].

According to Frost & Sullivan, total global chemicals sales were approximately $6.3 trillion in 2021 and are forecast to reach $10 trillion by 2030. Total global ingredients sales were smaller, estimated at $777 billion in 2021, with the fastest growth coming from the Asia Pacific region[3].

Figure 2.2 Global chemicals sales ($ trillions)



Source: Frost & Sullivan, Market Report on the Chemicals and Ingredients Markets, March 2023.

China has grown to become the world's largest market for chemicals manufacturing, accounting for 43% of global chemicals sales in 2021, mostly through export channels, and is anticipated to reach 49% by 2030. After China, the next-largest markets for chemical sales are the European Union (15%) and the US (11%). Australia and New Zealand are estimated to account for approximately 0.6% of the global total in 2021.

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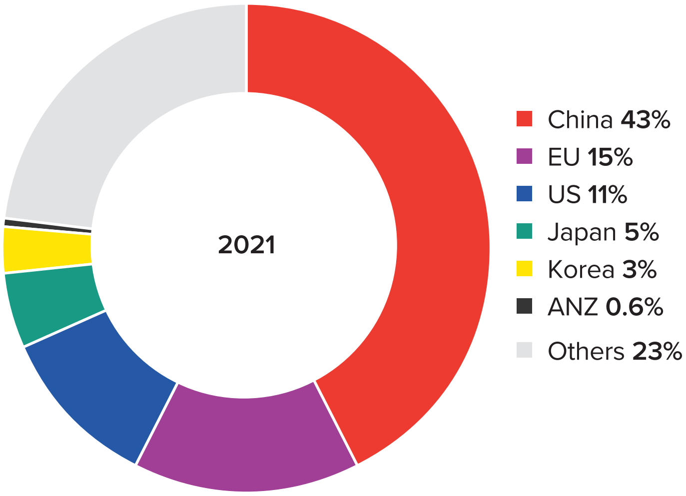
1. The raw materials market includes such products as iron ore, timber and cotton (none of which Redox supplies), but given raw materials are only a small part of Redox's commercial offering, most of the industry analysis in this section has been concentrated on the ingredients and chemicals markets.
2. Source: Compendium of WHO and other UN guidance on health and environment (Guidance on chemicals and health); url:https://www.who.int/tools/compendium-on-health-and-environment/chemicals.
3. Source: Frost & Sullivan, Market Report on the Chemicals and Ingredients Markets, March 2023.

Figure 2.3: Global chemicals sales by country/region (2021)



Source: Frost & Sullivan, Market Report on the Chemicals and Ingredients Markets, March 2023.

2.2.2 Trends and growth drivers

Given the vast size of the global chemicals and ingredients markets, and their importance in so many global manufacturing and production industries, the key growth driver on a global scale is economic growth.

There may be different growth drivers at industry sector levels in different geographical jurisdictions, and some of these will be outlined later for Redox's particular industry sectors (please refer to Section 2.3.2 for further detail).

Economic and trade growth

The global chemicals, ingredients and raw materials market is correlated with global macroeconomic conditions.

After a reduction in global GDP of 3.0% in 2020 driven by COVID-19, global GDP increased by 6.0% in 2021. Although the growth rate declined in 2022 and is forecast to decline further in 2023 resulting from factors such as withdrawal of government economic stimulus, outbreak of the war in Ukraine and global supply chain pressures, GDP growth is forecast to recover in 2024 and average 3.2% from 2022 to 2027[4].

Global economic recovery following COVID-19 drove a 10.2% increase in global export volumes in 2021. Whilst this growth moderated significantly in 2022 and is expected to continue to do so in 2023, from 2024 onwards global export volumes are anticipated to increase at an average annual growth rate of 3.4% to 2027[5].

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[4] Source: Frost & Sullivan, Market Report on the Chemicals and Ingredients Markets, March 2023.

[5] Source: Frost & Sullivan, Market Report on the Chemicals and Ingredients Markets, March 2023.

Figure 2.4 Global GDP growth (constant prices)

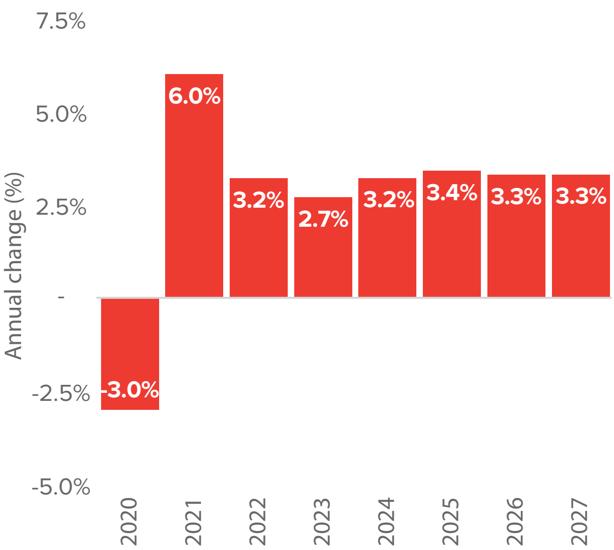
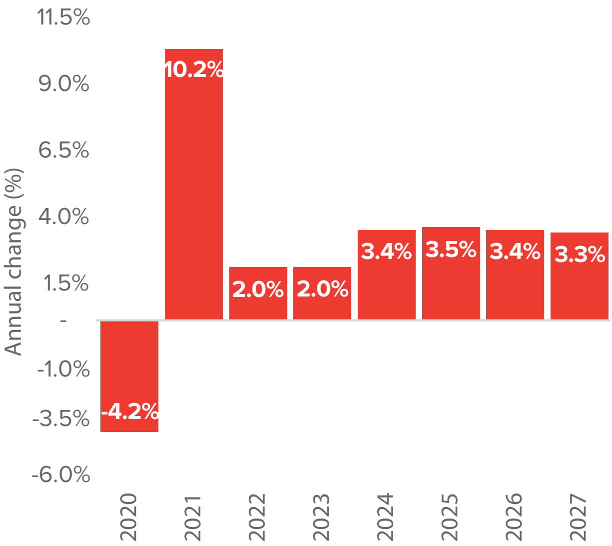


Figure 2.5 Global export volumes growth



Source: Frost & Sullivan, Market Report on the Chemicals and Ingredients Markets, March 2023.

2.2.3 The global chemicals and ingredients distribution market

2.2.3.1 Market size and growth

The value of the global chemical distribution market was estimated at $425 billion in 2021. However, the share of third-party distribution in total global chemicals sales (excluding non-distributable products) is relatively low at approximately 9% in 2021 in comparison to industries such as steel (65%), building materials (75%), and pharmaceuticals (80%), leaving significant room for growth in the share of chemical sales taken by suppliers and distributors[6].

The global chemicals distribution market is anticipated to grow at 5.4% CAGR between 2020 and 2028, ahead of growth in the broader chemicals, and ingredients markets[7].

2.2.3.2 Trends and growth drivers

Use of suppliers and distributors by manufacturers of chemicals, ingredients and raw materials is a growing trend, which Management believes is driven by a number of factors:

- increased complexity in regulations at a local level, driving demand for suppliers and distributors with expertise in local regulatory settings;
- many chemicals are classed as hazardous products or dangerous goods, and businesses with expertise and certification in handling, transporting and storing hazardous products or dangerous goods have an advantage in managing compliance with relevant legislation such as the Australian Dangerous Goods Code (ADG Code) and Poisons regulations;
- a fragmented base of customers which can be better reached and serviced by an extensive sales, marketing and distribution network;

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[6] Source: Frost & Sullivan, Market Report on the Chemicals and Ingredients Markets, March 2023.

[7] Source: Frost & Sullivan, Market Report on the Chemicals and Ingredients Markets, March 2023.

- a desire by manufacturers to reduce business complexity to focus on core manufacturing competencies and outsource activities such as sales and marketing, distribution and storage, regulatory compliance, technical support and financing;
- increasing customer demand for local services such as product formulation, innovation support and consulting;
- increasing complexity in international freight management;
- manufacturers' preference to trade with a small number of large-scale distributors as opposed to multiple smaller customers;
- customers' preference to consolidate their supplier base, and trade with a small number of large-scale distributors who can supply many products, as opposed to multiple manufacturers; and
- the emergence of new sources of chemicals, ingredients and raw materials supply, especially in China, seeking to connect with businesses.

2.3 Overview of the Australian Chemicals, Ingredients and Raw Materials Market

Suppliers and distributors play a key role in the chemicals, ingredients and raw materials market in Australia, given the country's reliance on imports for a large part of its product requirements.

2.3.1 Market Size

Based on total Australian import expenditure on the product categories currently supplied by Redox, the Australian chemicals and ingredients distribution market in 2021-22 is estimated at approximately $36.1 billion, including $28.3 billion on chemicals (approximately 79% of the market) and $7.7 billion on ingredients (approximately 21% of the market)[8].

Redox currently has a share of less than 3.0% of that market (refer to Section 3.11.1 for further detail).

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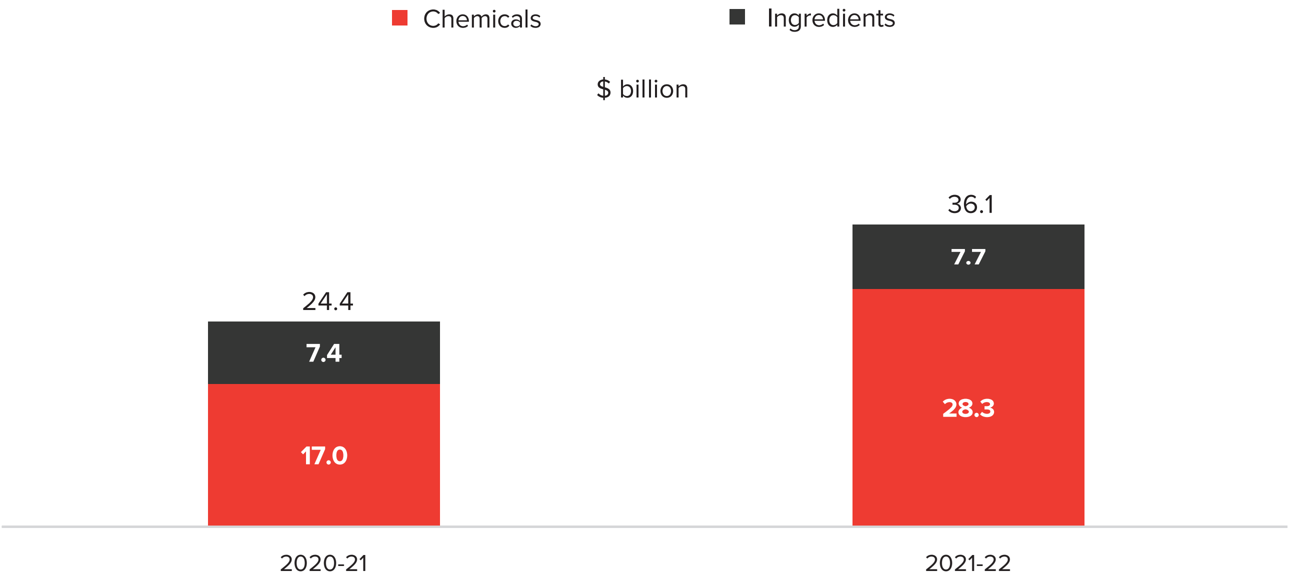
[8] Source: Frost & Sullivan, Market Report on the Chemicals and Ingredients Markets, March 2023.

Figure 2.6 Australian chemicals and ingredients sales (based on product categories supplied by Redox)



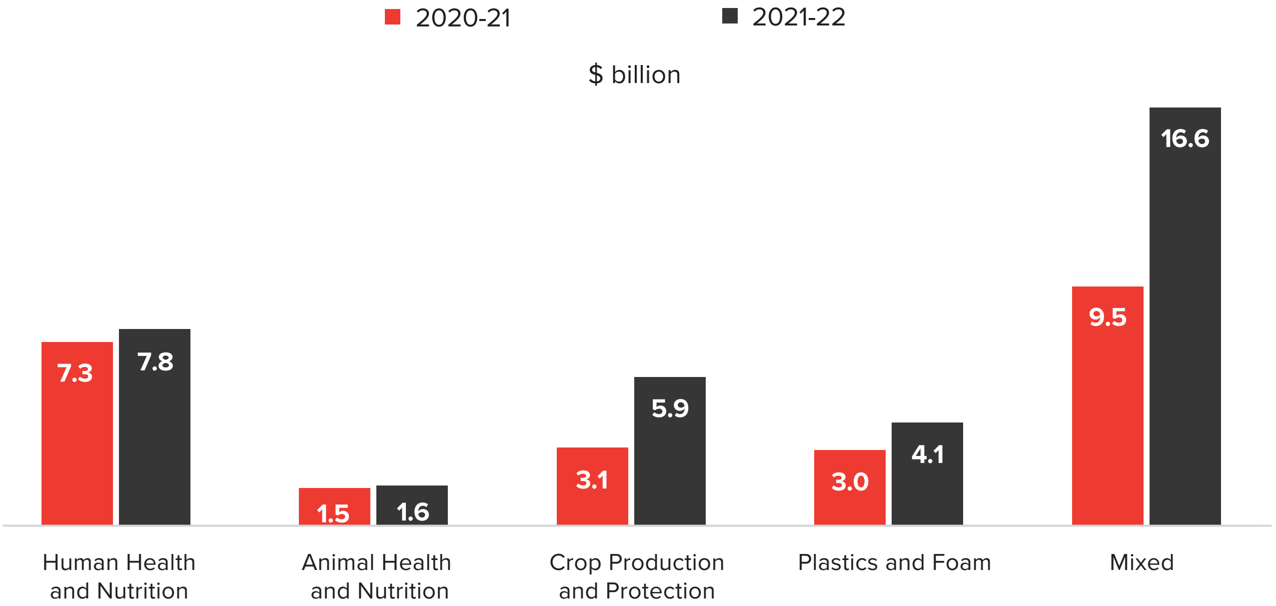
Source: Frost & Sullivan, Market Report on the Chemicals and Ingredients Markets, March 2023.

2.3.2 Australian market drivers

This section describes four of the largest industry sectors (based on Redox's FY22 revenue, excluding Industrial which comprises a diverse range of smaller industries that do not fall under Redox's other categories) into which Redox sells its products: Human Health and Nutrition; Animal Health and Nutrition; Crop Production and Protection; and Plastics, Rubber and Foam.

In 2021-22, these four industry sectors were estimated to comprise approximately $19.4 billion (or approximately 54%) of Redox's Australian chemicals and ingredients distribution market (refer to Figure 2.7 below). These four industry sectors also account for approximately 60% of Redox's sales in FY22. Redox's other industry sectors include Surface Coatings, Household and Personal Care, Mining and Explosives, Industrial and Watercare.

Figure 2.7 Australian chemicals and ingredients sales by industry sector (based on product categories supplied by Redox)



Source: Frost & Sullivan, Market Report on the Chemicals and Ingredients Markets, March 2023.

2.3.2.1 Human Health and Nutrition

Human Health and Nutrition incorporates a wide variety of food and beverage product manufacturing as well as nutraceutical and pharmaceutical manufacturing. In total, the Human Health and Nutrition industry in Australia spent $7.8 billion on chemicals, ingredients and raw materials imports in 2021-22, an increase of approximately 7% from 2020-21[9].

Food and beverage product manufacturing in Australia has benefited and is expected to continue to benefit from an increase in onshore production, driven by supply chain security concerns arising from the COVID-19 pandemic and a preference by consumers for domestically manufactured products. In addition to this, growth in export opportunities, encouraged by free trade agreements, and the continually growing overseas demand for Australian sourced products also supports growth in food manufacturing and nutraceuticals.

Consumer interest in health and nutrition has been growing, with food manufacturing experiencing growing demand in innovative food products based on factors such as health, wellness and authenticity, with beverage product categories such as organic dairy and functional beverages such as protein beverages also experiencing strong growth.

2.3.2.2 Animal Health and Nutrition

Animal Health and Nutrition includes poultry, livestock and pet feed manufacturing, with Australia having a significant positive trade balance in animal feed, exporting to a variety of Asian markets including Japan, Korea and Indonesia. Management believes this consequentially helps support demand for domestic production of Animal Health and Nutrition goods, driving further demand for production inputs. In total, the Animal Health and Nutrition industry spent $1.6 billion on chemicals, ingredients and raw materials imports in 2021-22, an increase of approximately 7% from 2020-21[10].

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[9] Source: Frost & Sullivan, Market Report on the Chemicals and Ingredients Markets, March 2023.

[10] Source: Frost & Sullivan, Market Report on the Chemicals and Ingredients Markets, March 2023.

Animal feed production in Australia is anticipated to continue to grow, driven by increased livestock numbers partly driven by the re-establishment of herd sizes post-drought conditions, growth in exports and an increased focus on animal nutrition, such as using protein enhanced additives to increase livestock yields, which has driven product innovation. Pet food is also a high growth market, which is driven by increasing pet ownership and growing focus on pet nutrition.

2.3.2.3 Crop Production and Protection

Fertiliser suppliers and producers, pesticides suppliers and producers as well as pastoral suppliers comprise a large component of Crop Production and Protection. In total, the Crop Production and Protection industry spent $5.9 billion on chemicals, ingredients and raw materials imports in 2021-22, an increase of approximately 95% from 2020-21 which Management believes is likely a result of a recovery from drought conditions and COVID-19 related temporary farming activity declines during the 2020-21 period[11].

With approximately 55%[12] of Australian land use dedicated to agriculture, Australia is a large global market for fertilisers and pesticides. While fertiliser and pesticide use can be volatile and dependent on weather conditions as well as the agricultural economy, growth is anticipated to be driven by increased agricultural production, the drive for greater agricultural productivity and product innovation, particularly in more environmentally-friendly products. Additionally, the breaking of the drought in Australia and ensuing growth in agricultural production are expected by Management to drive increasing demand for fertilisers and pesticides.

2.3.2.4 Plastics, Rubber and Foam

Plastics, Rubber and Foam incorporates polymer and rubber product manufacturing including synthetic resins, synthetic rubber products, natural rubber products, and polymer and polymer foam products in various forms. In total, the Plastics, Rubber and Foam industry spent $4.1 billion on chemicals, ingredients and raw materials in 2021-22, an increase of approximately 36% from 2020-21. This is likely a result of the recovery from COVID-19 related temporary declines in end-user demand during 2020-21[13].

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[11] Source: Frost & Sullivan, Market Report on the Chemicals and Ingredients Markets, March 2023.

[12] Source: ABARES Insights: Snapshot of Australian Agriculture 2023, url: https://www.agriculture.gov.au/abares/products/insights/snapshot-of-australian-agriculture.

[13] Source: Frost & Sullivan, Market Report on the Chemicals and Ingredients Markets, March 2023.

2.4 Other Markets Redox Serves

This section describes the New Zealand, USA and Malaysian markets that Redox currently serves. According to Frost & Sullivan, these chemical and ingredients import markets together have a cumulative market size of approximately $250 billion[14]. Key drivers for each country are broadly in line with global chemicals, ingredients and raw materials market drivers.

2.4.1 New Zealand

Domestic production of chemicals in New Zealand is very limited, with the country largely reliant on imports to satisfy domestic demand. In 2020, New Zealand imported approximately $5.8 billion of chemicals and $0.4 billion of ingredients[15]. Key end-use markets in New Zealand include agriculture and food product manufacturing. As with Australia, suppliers and distributors play a key role in the chemicals, ingredients and raw materials market in New Zealand, given the importance of imported products in the country.

Redox currently has three sales offices in Auckland, Hawke's Bay and Christchurch. Refer to Section 3.10.2 for further detail.

2.4.2 United States of America

The USA is the world's second-largest chemicals market, after China, with chemicals sales of approximately $682 billion in 2021[16]. After a significant decline in chemicals sales in 2020, the industry rebounded in 2021, with sales growth exceeding 11%. The USA is a net exporter of chemicals, however it imported approximately $191 billion of chemicals in 2021, a value which is expected to increase by 31% to reach $251 billion in 2026. Imports of ingredients were $31 billion in 2020[17].

Redox currently has five locations in Los Angeles, Oakland, Seattle, Dallas and Houston. Please refer to Section 3.10.3 for further detail.

2.4.3 Malaysia

Malaysia has a significant domestic chemicals market, largely centred on petrochemicals and oleochemicals. In 2020, Malaysia imported approximately $20 billion of chemicals, with the largest origin markets being China, Singapore, the USA and Japan. Imports of ingredients were $4 billion, giving a total value of chemicals and ingredients imports of $25 billion[18].

Redox currently has a sales office in Subang Jaya, Kuala Lumpur. Refer to Section 3.10.3 for further detail.

2.5 Competitive Landscape

In 2023, Redox was ranked as the largest Australian chemicals and ingredients supplier and distributor[19], the 13th-largest in Asia Pacific and 34th-largest globally, measured by revenue[19].

Globally, the chemicals, ingredients and raw materials supplier and distribution market is highly fragmented, with an estimated 10,000 distributors operating, and the top three global distributors having only 9.1% of global market share. Major global chemicals, ingredients and raw materials suppliers and distributors include Brenntag, Univar Solutions, IMCD, DSKH and Azelis[21].

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[14] Source: Frost & Sullivan, Market Report on the Chemicals and Ingredients Markets, March 2023.

[15] Source: Frost & Sullivan, Market Report on the Chemicals and Ingredients Markets, March 2023. Ingredients is not a defined product category within import data. Agricultural raw materials have been used as a proxy for ingredients.

[16] Source: Frost & Sullivan, Market Report on the Chemicals and Ingredients Markets, March 2023.

[17] Source: Frost & Sullivan, Market Report on the Chemicals and Ingredients Markets, March 2023.

[18] Source: Frost & Sullivan, Market Report on the Chemicals and Ingredients Markets, March 2023.

[19] Source: Based on the ICIS Top 100 Chemical Distributors 2023 rankings. Rankings based on calendar year 2022 revenue

[20] Source: Based on the ICIS Top 100 Chemical Distributors 2023 rankings. Rankings based on calendar year 2022 revenue

[21] Source: Frost & Sullivan, Market Report on the Chemicals and Ingredients Markets, March 2023.

In Australia, the distribution of chemicals, ingredients and raw materials is also highly fragmented. Many distributors focus on limited product ranges or on specific end-use industry sectors. In addition to Redox, other significant chemicals, ingredients and raw materials suppliers and distributors in Australia include Ixom, DKSH, IMCD and Brenntag.

Broadly, Management believes domestic competition emanates from the following sources:

- long-established direct local competitors;
- recently-established direct local competitors;
- local offices of Multinational Traders;
- relationship-specific suppliers and distributors;
- Japanese and Korean trading houses;
- companies purchasing direct from manufacturers;
- local chemical producers selling directly to businesses; or
- multinational chemical producers selling directly to businesses.

However, the market has seen much consolidation in recent times, and that trend is expected to continue. Management believes this has been driven by:

- customer demands for larger distributors to be able to source a wider range of products;
- customer demands for best in market pricing;
- many smaller distributors struggling to manage increasing regulatory and supply chain complexities;
- customers preferring to outsource their supply chains;
- smaller distributors struggling to meet increasing working capital demands;
- family-owned businesses seeking to sell their business; and
- strong involvement of private equity firms in the supply and distribution side of the chemicals industry[21].

2.6 Barriers to Entry

Management believes that the principal barriers to entry into the Australian market for chemicals, ingredients and raw materials distributors include:

- capital required to fund bulk overseas purchases;
- regulatory management of licences and accreditation portfolio;
- distribution infrastructure for dangerous and hazardous goods;
- existing distributors having exclusive contracts with manufacturers for supply and distribution of certain products;
- scale, which drives the ability to negotiate better prices with suppliers;
- expertise in supply chain management;
- product diversity, which enables a ‘one stop shop’ service to businesses;
- system linkages with suppliers and customers;
- integrated IT solutions to provide transparency, traceability and adequate reporting;
- offering value-added services such as blending and mixing; and
- the ability to work with customers on product development and formulation and provide technical advice and support for a large product range.

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[21] Source: Frost & Sullivan, Market Report on the Chemicals and Ingredients Markets, March 2023.

2.7 Regulatory Landscape

Redox is required to comply with the laws and regulations in each jurisdiction with respect to the broad range of products that it supplies to its customers across a range of industry sectors. The regulatory landscape is complex and multi-faceted and continues to evolve.

Redox is required to ensure relevant permits, approvals, product registrations, certifications and licences are obtained and maintained and that its business is operated in accordance with all related requirements. In Australia, this extends to ensuring compliance with a range of State and Federal laws, including those relating to the importation, manufacture, testing, storage, marketing, safety and reliability of the many types of products that Redox supplies. With respect to high-risk products (e.g. ingredients for manufacturing explosives and illegal drug precursors), there are additional, more stringent regulatory requirements that must be complied with.

Redox is also subject to Work Health and Safety Laws (WHS). WHS obligations in Australia arise under individual State and Territory legislation and the common law. Although there are differences in the requirements of each Australian jurisdiction, Redox's WHS duties generally require it to, among other things, ensure:

- the health and safety of its employees, contractors and other persons affected by its business activities;
- that workplaces under its management or control are, so far as is reasonably practicable, without risks to safety and health;
- the provision and maintenance of safe plant, equipment and systems of work;
- the provision of adequate facilities for the welfare at work of workers in carrying out work; and
- the provision of any information, training, instruction or supervision that is necessary to protect all persons from risks to their health and safety arising from work carried out as part of Redox's business.

WHS laws require Redox to take all reasonably practicable steps to discharge its obligations.

Due to the nature of its operations as a chemical and ingredients distributer and manufacturer, Redox also has specific duties under the WHS regulations in each jurisdiction in which it operates to manage WHS risks associated with the importation, transport, use, handling and storage of hazardous chemicals, dangerous goods and high-consequence goods at its workplaces.

Additional WHS obligations arise in respect of Redox's operation and management of a Major Hazard Facility (MHF). MHFs are regulated under WHS laws in Australia with MHF operators being granted licences of up to five years at a time. MHF regulations generally require operators to, among other things:

- identify all major incident hazards for the facility and implement control measures that eliminate or minimise the risk of a major incident occurring;
- carry out and document a safety assessment on how the facility operates, including a comprehensive investigation and analysis of all aspects of WHS risks that could happen when the facility is operating;
- prepare an emergency plan in consultation with emergency service organisations and other relevant stakeholders;
- establish a safety management system for the MHF; and
- prepare a safety case for the MHF that demonstrates that its safety management system will control risks arising from major incidents and major incident hazards.

More generally, Redox is required to comply with, without limitation, environmental, anti-bribery, corruption and sanctions, data use and security, intellectual property, privacy, anti-money laundering, migration, modern slavery, competition and privacy laws.

Section Three

Business Overview

3. Business Overview

3.1 Introduction to Redox

3.1.1 Summary

Redox is a leading supplier and distributor of chemicals, ingredients and raw materials. Currently, Redox primarily serves the Australian and New Zealand market and is growing its presence in the US. The business also has operations in Malaysia.

Redox:

- purchases a wide range of products from both Australian and overseas manufacturers; and
- sells such products to businesses across Australia, New Zealand, the United States and Malaysia at cost effective rates.

In 2023, Redox was ranked the largest chemicals and ingredients distributor in Australia by revenue, as well as the 13th-largest in the Asia Pacific region and the 34th-largest worldwide[1].

3.1.2 Establishment of Redox

Redox was established in 1965 by Roland Coneliano, who utilised his contacts and personal relationships across Europe to deliver sought-after, quality products to the Australian marketplace. From these beginnings, Redox has grown to become a major distributor with 16 locations across four countries. This includes almost all major cities across Australia and New Zealand as well as a growing presence in the USA and Malaysia. After over 50 years at the helm of Redox, Roland handed over leadership of the business to his eldest son Robert in 2007 (which formally became a joint role with his second-oldest son Renato in 2022), and eventually retired at the age of 84 in 2013. Continuing the family legacy, Robert's son Raimond has recently been promoted to Chief Executive Officer and Managing Director.

Redox's culture and operations are indelibly stamped with Roland's ethos and vision for success. Roland's legacy is now carried on by his sons Robert, Renato and Richard, and grandsons Raimond and Ken who, along with other family members in the Management team, worked alongside Roland for many years.

Figure 3.1: Snapshot of Redox[2]

$1,244 million FY23F Sales	**$135 million** FY23F EBITDAFX[3]
15.0% FY23F Sales growth	**$510 million** Pending sales orders as at 31 December 2022

The size of the Redox team has grown with the business. As at 30 June 2022, Redox employed approximately 370 staff across ANZ and a further 21 staff outside of ANZ, with over 180 employees occupying roles in the Sales and Marketing team.

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[1] Based on ICIS Top 100 Chemical Distributors 2023 rankings. Rankings based on calendar year 2022 revenue.

[2] Investors should refer to the Forecast Financial Information set out in Section 4.3, which has been prepared on the basis of the best estimate assumptions set out in Section 4.7 and should be read in conjunction with the sensitivities set out in Section 4.9 and the risk factors set out in Section 5.

[3] EBITDAFX excludes any unrealised currency revaluations. Unrealised currency revaluations relate to non-cash mark to market adjustments on Redox's open forward exchange contracts at period end. These amounts arise as Redox secures purchasing prices on or around the date of agreeing the related purchase order. Under the terms of AASB 9 *Financial Instruments*, Redox is required to include the non-cash gain or loss on open foreign exchange positions at period end within its statutory results. Please refer to Section 4.2.4 for further detail.

3. Business Overview continued

In FY22, Redox also coordinated the movement of over 23,000 shipping containers, and approximately 566,000 tonnes of road and rail shipment to transport products from overseas suppliers to customers, acting as a route to market for over 940 global suppliers.

In FY22, Redox serviced over 6,400 customers from a diverse range of industry sectors including Crop Production and Protection, Human Health and Nutrition, Animal Health and Nutrition, Watercare, Mining and Explosives, Household and Personal Care, Industrial, Surface Coatings and Plastics. Redox offers over 1,100 product groups and 4,750 stock-keeping units (SKUs), as well as value-add services including mixing, blending, formulation, bulk breaking, packaging and labelling.

Redox has a low level of dependency on any individual suppliers and customers – no single supplier's products accounts for more than approximately 3.1% of total FY22 revenue and there are no individually material customer contracts, with Redox's largest customer accounting for approximately 1.8% of total FY22 revenue.

Figure 3.2: Key FY22 operational statistics

16 international offices/ operational locations	380+ employees located across the world
6,400+ active customers	940+ active suppliers
1,100+ specialty and commodity product groups	4,750+ SKUs
20,000+ purchase orders	140,000+ sales invoices
45,000+ freight quotes maintained at all times	23,000+ shipping containers handled
582,000+ tonnes sold	65,000+ in-house pallet storage capacity

3.2 Company History

Redox was established as a chemical products distributor with a focus on European sourcing – by the 1980s, it had grown to diversify its supplier base across various parts of the world. As Redox gained further momentum, in-house managed distribution centres were added to Redox's storage and distribution network that was expanding across Australia to manage the growing demand being experienced for its products.

Redox commenced bulk importation of dry and liquid products by the late 1990s, and experienced significant growth in its operations which subsequently enabled it to become more price competitive and gain market share in Australia through leveraging its increased purchasing power.

Redox's New Zealand operations were established in 1994, and through steady growth and customer support, have grown into a network of three branches servicing all parts of the North and South Islands and some Pacific countries.

In 2012 Redox undertook its second international venture, establishing a Kuala Lumpur sales office, which continues to service sales to the Malaysian market and identify regional supply sources for all markets.

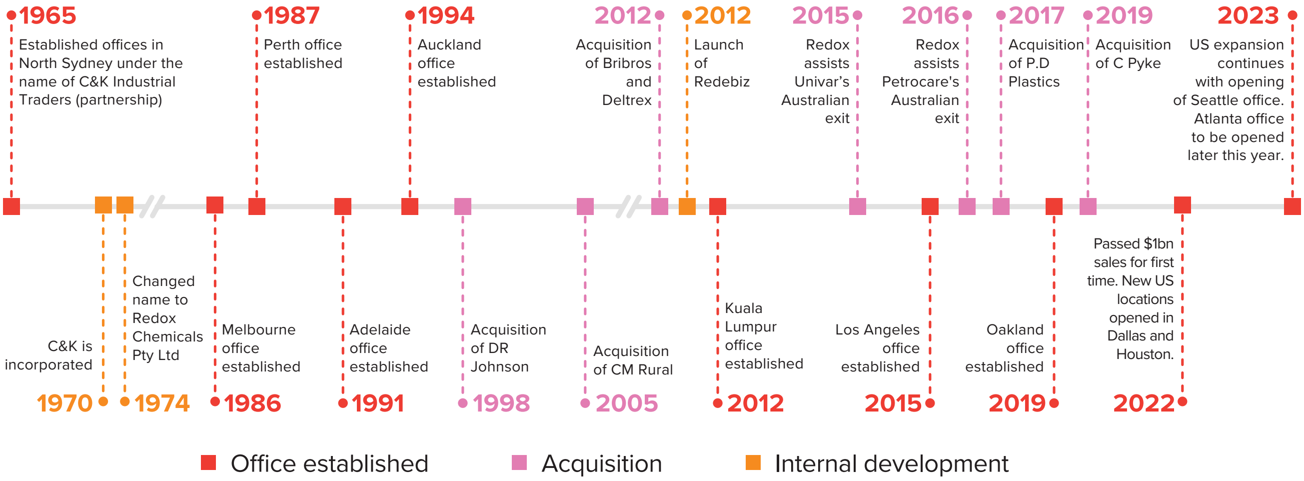
To augment the organic growth Redox had achieved, two businesses were strategically acquired in 2012 to further diversify and strengthen its market position: Bribros and Deltrex. The Bribros acquisition provided a strategic share of the plastic, foam and rubber market with a highly experienced team, while the Deltrex acquisition added two large pallet stores, bulk liquid storage facilities, as well as value-add capabilities such as dilution and mixing, and a sales team with diverse experience across a multitude of industries. More information on Redox's historic acquisitions and approach to acquisition opportunities is set out in Section 3.11.4.

In 2012, Redox upgraded its Customer Relationship Management (CRM) and Enterprise Resource Planning (ERP) systems with the Redox-designed and built 'Redebiz' database, which was deployed to facilitate all aspects of Redox's business model from tracking market opportunities and forecasting costs to monitoring customer orders and managing Redox's regulatory and compliance obligations. More information on Redebiz is set out in Section 3.5.

Redox expanded into the United States in 2015, opening an office in Los Angeles (California), to service the North American market. The opening of a second Californian office in Oakland followed in 2019. The business has continued to focus on US growth in recent years, opening up its Dallas and Houston locations in 2022, and a Seattle office in 2023. An Atlanta office is scheduled to be opened later in the year. More information on the opportunity for offshore growth is set out in Section 3.11.3.

3.2.1 Timeline of Redox

Figure 3.3: Timeline of Redox



3.3 Key Strengths

Redox believes it has a number of key competitive strengths. These are set out in Sections 3.3.1 to 3.3.8 below.

3.3.1 Major distributor of chemicals, ingredients and raw materials

Redox has grown to its current scale by having made significant investments of resources and capital to develop its core competencies over its 58 years of operational history.

Due to its operating scale and global reach, Redox is able to offer its customers a selection of over 4,750 different SKUs across over 1,100 different product groups, which provides Redox with an approximate 2.6% share within the highly fragmented $36.1 billion Australian chemicals, raw materials and ingredients market (based on the product groups Redox currently supplies)[4].

3.3.2 Extensive global network of suppliers

Redox has over 940 active suppliers from over 50 different countries. Management believes this provides Redox with the stability, purchasing cost efficiencies, reliability of supply and broad product offering to ensure it retains its competitive advantage in the market (see Section 3.7 for further detail).

3.3.3 Diversified customer industries

Redox distributes products to a diversified range of over 6,400 active customers from approximately 170 industries which has historically provided Redox with a highly stable revenue profile as it is not over-exposed to specific clients or industry sector dynamics such as cyclicality. Redox's customers include some of the largest ASX-listed Industrial companies, which Redox has serviced for many years.

3.3.4 Network of specifically configured in-house managed warehouses and sites

Redox operates eight warehouses in Australia, including two sites which offer value-added services, and also utilises over 100 externally managed warehouses internationally. Redox's sites hold licences and permits for the storage of chemicals, raw materials and ingredients, and are configured such that they can store products from dangerous chemicals to ingredients as required by health, safety and environmental regulations. A number of Redox's facilities are able to store food and food grade chemicals, and its South Australian facility has been licensed as a Major Hazard Facility (being one of only a few chemical Major Hazard Facilities located in Australia). This enables Redox to store and distribute certain products that are more hazardous and cannot be stored at a site that has a basic Dangerous Goods licence.

3.3.5 Highly resilient business model that has delivered consistent growth for decades

Redox is a highly resilient business that supplies a diverse range of products, from a broad range of suppliers, to a vast and typically recurring customer base. No one supplier, product or customer is significant to Redox's earnings. Redox has demonstrated resilience and consistent long-term growth in adverse market conditions including during the COVID-19 environment and recent global supply chain challenges (see Section 3.15 for further detail).

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[4] Source: Frost & Sullivan, Market Report on the Chemicals and Ingredients Markets, March 2023.

3.3.6 Real-time, high visibility into operations and market opportunities through Redebiz, Redox's custom in-house ERP and CRM system

Redox's business is underpinned by its custom built, in-house Enterprise Resource Planning ('ERP') and Customer Relationship Manager ('CRM') system, Redebiz, which took over 10 years to develop and was launched in 2012. Since then, Redox has further improved the system, adding greater functionality. Redebiz has custom-built functionality including business intelligence applications which helps Redox manage its complex suite of products, suppliers, customers and regulatory requirements, and also serves as a market knowledge database enabling the sales force to identify and deliver new sales opportunities. Redebiz has also been specifically designed to facilitate inorganic and geographical growth as the extensive sourcing and product databases can be rapidly leveraged for new customers in new markets (see Section 3.5 for further detail).

3.3.7 Expertise and experience within a complex regulatory environment

Redox has significant in-house regulatory expertise and experience and maintains a database of over 26,500 licences, permits and accreditations within Redebiz, which are required to operate in the highly regulated chemicals, raw materials and ingredients industries. As an ISO 9001 certified company, Redox also regularly audits and tests its processes to ensure that it maintains efficient business practices and quality systems while acting in accordance with the relevant industry standards (see Section 3.13 for further detail).

3.3.8 Highly skilled and experienced team with strong technical know-how

Redox has an experienced and knowledgeable workforce with significant expertise in highly specialised areas such as customer and supplier negotiation, inventory and logistics management, and regulatory compliance. Redox also employs technical experts in various industry sectors such as agronomists, animal nutritionists and tribologists. Redox's Executive Management Team combine over 220 years of industry experience and seven of the 10 Executive Management Team members have been with the business for 20 years or more and have overseen the growth of Redox during that time (see Section 6.2 for further detail).

3.4 Operational Overview

3.4.1 Redox's business model

Redox generates revenue through the sale of products to customers from a broad range of industry sectors primarily across Australia, as well as New Zealand, the United States and Malaysia.

Redox sources products from global supply partners who meet certain licensing and accreditation standards. Redox generally avoids any obligation to exclusively source any products from any single supplier (refer to Section 3.7 for more detailed information on Redox's suppliers).

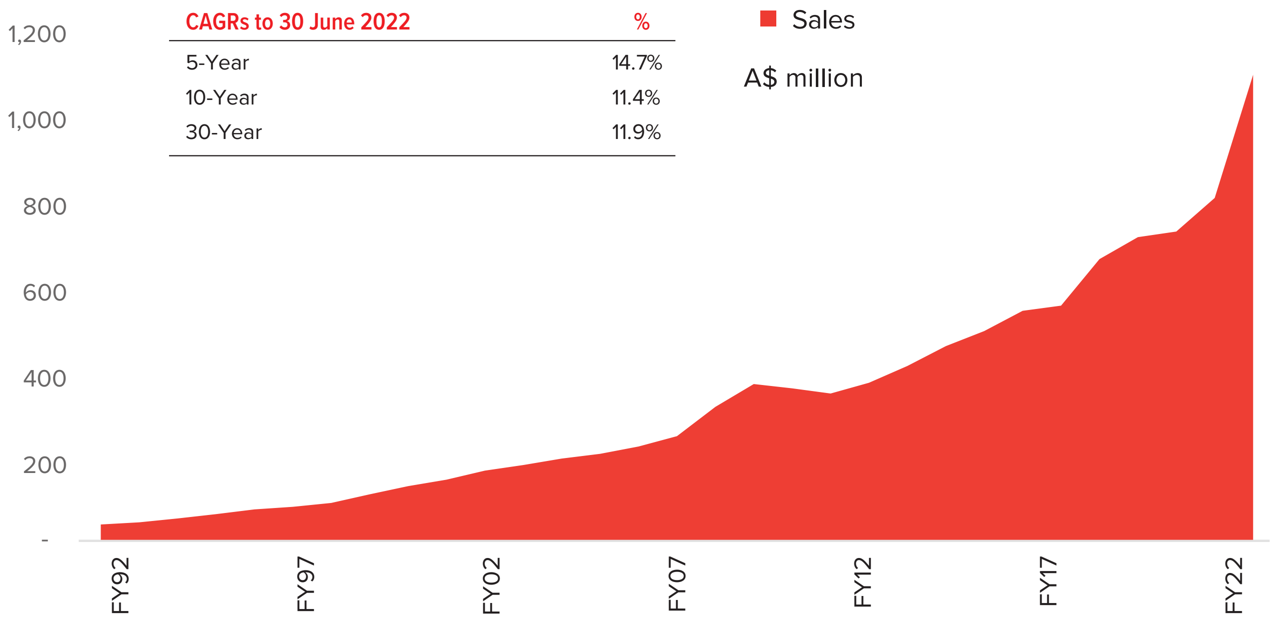
Redox's customer service teams process customers' sales orders. Some sales orders are fulfilled through inventory held in Redox's warehouses (approximately 15% by value), but the majority are fulfilled from Redox's global supplier network, with the sale price being negotiated with customers by the Sales and Marketing team simultaneously with the corresponding purchase price being negotiated with overseas manufacturers. This means that approximately 85% of purchases are made based on contracted sales.

As Redox grows, Management believes its purchasing power increases, enabling it to become even more competitive.

Please refer to Section 3.9.1 for an overview of Redox's Sales and Marketing team and Section 3.8 for further detail on Redox's customer base.

Redox's successful execution of its business strategy has delivered consistently strong financial performance with revenue growth of approximately 14.7%, 11.4% and 11.9% per annum over the past five, 10 and 30 years to FY22 respectively. Management expects near-term future organic growth in sales to come from the Australian and New Zealand market given the scale of the current Australian and New Zealand business and market share growth opportunities available in the Australian and New Zealand market, although in the longer term a greater share of future organic growth may be derived from international markets, as evidenced by encouraging recent sales growth in the United States.

Figure 3.4: Long-term revenue growth



CAGRs to 30 June 2022	%
5-Year	14.7%
10-Year	11.4%
30-Year	11.9%

3.4.2 Redox's operations

Redox is a leading supplier and distributor of chemicals, ingredients and raw materials. Currently, Redox primarily serves the Australian and New Zealand market and is growing its presence in the US. The business also has operations in Malaysia.

This effectively enables manufacturers to access demand from businesses and markets which they may not otherwise be able to service, and also enables local businesses to access Redox's regulatory and supply chain expertise and select from a diverse range of products manufactured in multiple locations across the globe at cost-effective rates.

In almost all cases (approximately 99% of revenue), Redox purchases the inventory from the manufacturer, and owns it until it is delivered to the customers' facilities. Management believes this provides customers with the option of not having to pay for goods until 30 days or longer after they reach the customers' facilities.

Redox also provides a differentiated service offering with extensive technical and regulatory support, custom formulation, quality assurance and reliable delivery with over 180 sales and marketing employees, many of whom have specialised knowledge across various industries, product groups and categories. These are functions which overseas suppliers are often unable to provide directly to domestic customers.

The Company's operations consist of the following key activities:

- **Sourcing, negotiating and regulatory management**
  - Accessing overseas suppliers
  - Comparing global pricing from alternative sources
  - Obtaining bulk purchase rates
  - Arranging international shipping and customs clearances
  - Negotiating regulatory requirements
- **Warehousing, value-add services, testing and packaging**
  - Warehousing and storage
  - Mixing, blending and formulating
  - Filling, packaging and labelling
  - Laboratory testing
- **Transport facilitation to customers**
  - Logistics co-ordination
  - Bundling and delivery

Figure 3.5: Overview of Redox's operations

These functions are supported by Redebiz, which has been custom built internally at Redox to enable efficient and accurate management of the complex regulatory environment, and also provides the Sales and Marketing team with real-time data and up-to-date costings for potential product sales.

Redebiz also facilitates the efficient fulfilment of the high volume of orders and inventory movements generated by Redox's operations across a complex network, as highlighted in Figure 3.5.

3.4.2.1 Sourcing, negotiating and regulatory management

Redox sources, negotiates, purchases, and arranges the inwards shipping of, large-scale quantities of diverse products. Purchasing decisions are made in response to customer orders or in anticipation of customer orders based on historical customer behaviour (refer to Section 3.4.3 for further detail). Approximately 93% of all products sourced are manufactured outside of Australia, and multiple supply sources in different countries are often identified and compared prior to deciding on the most cost-effective or efficient source for individual products.

In FY22, Redox managed over 4,750 SKUs from over 940 active suppliers from over 50 different countries globally, distributing products across its worldwide warehouse network. With the assistance of Redebiz, Redox is able to track, cost and monitor its large database of inventory at every location within the supply chain.

Redox's scale offers multiple business advantages when compared to smaller players. For example, Redox is able to purchase in bulk volumes which optimise freight utilisation to drive down average costs, and is also able to leverage the high volumes it purchases from individual suppliers to assist in price negotiations.

Redox has long-standing direct relationships with a number of the largest international shipping agencies, which enable it to access contracted rates and pre-booked shipping slots at times of peak demand, hence helping enable continued supply to its customers at competitive prices.

Redox is an Australian Border Force Accredited Trusted Trader with recognised compliant trade regulation practices and a secure international supply chain. Redox is ultimately responsible for customs clearance for products, including ensuring compliance with packaging and labelling requirements.

Redox diligently monitors its own quality and compliance procedures, and has systems to enable each inventory movement to be accompanied by the necessary permits and certifications to comply with government, customs, State and industry regulations.

Redox requires its suppliers satisfy its Supplier Assessment and Approval Program for products sold. Redox also has experience conducting due diligence on potential partners to ensure that Redox complies with industry and regulatory requirements.

3.4.2.1.1 Warehouse facilities

Redox mainly transports products to its in-house or externally managed warehouses. Redox utilises an extensive footprint of warehouse and storage facilities across Australia and internationally, consisting of eight in-house managed warehouses operated under finance leases, and 100+ externally managed sites over four countries, with the majority of externally managed sites operated on a pallet rate basis. Redox uses external warehouse providers in both Australia and offshore, to provide additional storage capacity, logistics efficiencies by storing products near to remote customer locations, and for regulatory compliance by ensuring that regulated maximum inventory holding levels held at in-house managed warehouses of certain products are not exceeded. These multiple warehouse locations enable just-in-time delivery for Redox's customers in diverse global locations.

Cumulatively, the eight in-house managed facilities provide Redox with capacity of over 65,000 pallets (both non-dangerous goods and dangerous goods), tank capacity of approximately 960 cubic metres and total bulk solid storage capacity of approximately 14,000 cubic metres.

All eight facilities are leased from the same company (Ceneda Investments Pty Ltd, which is a related party as further explained in Section 9.6), and operate with high class safety and regulatory procedures, with frequent internal and external audits testing ongoing compliance with complex and evolving health, safety and environmental regulations. These eight facilities are also fitted with bunding to contain any spills, and in some cases exceed regulatory requirements with a three-stage bunding system. The Dry Creek Site in South Australia operates as a Major Hazard Facility which enables Redox to store and distribute many hazardous chemicals in quantities which cannot be managed at other sites.

3.4.2.1.2 Value-added capabilities

Redox's principal manufacturing sites, located at Girraween (NSW) and Laverton North (VIC), have capabilities to provide value-added services through mixing, blending and formulation services including acid and alkali dilution and solutions, decanting, custom blending, as well as repackaging and labelling. Both sites have similar capacities with numerous liquid bulk holding tanks.

3.4.2.1.3 Laboratory facilities

The in-house technical staff at Redox's laboratories prepare, analyse and test product samples which Redox dilutes, mixes or manufactures, to ensure customers receive products that adhere to the relevant contracted specifications. Redox's facilities at the Girraween and Laverton North sites house laboratories which are capable of conducting numerous standard and specialised tests.

Redox has historically invested in specialised equipment to supplement existing testing capabilities where relevant and required. Redox will also outsource external specialised tests for unusual or less frequent procedures.

Redox has also partnered with universities, customers, suppliers and research bodies to develop tailor-made specialty chemicals and ingredients for specific industries and businesses, and has in place a number of exclusive supply arrangements for specialty products which are marketed by in-house technical experts.

3.4.2.2 Transport facilitation to customers

Through third-party logistics providers, Redox offers the facilitation of transportation services on behalf of its customers and has processes in place to ensure goods are delivered reliably, accurately and on schedule.

Road freight services

In Australia there are a limited number of companies capable of transporting dangerous goods. All drivers are required to be licensed and carry appropriate public liability insurance to transport dangerous goods and all vehicles are checked on a regular basis to ensure compliance with dangerous goods requirements. Drivers or vehicles not complying with requirements are not permitted on site.

Redox will seek pricing offers from such transport contractors for the provision of freight services, valid for a set period of time, and these costs are passed on to the customer in the sales invoice (via factoring into the selling price).

Generally, Redox seeks to avoid the movement of products interstate by shipping the goods directly to the port nearest to where the goods are required. However, in some circumstances, Redox may require interstate transportation.

3.4.3 Redox's Sales Model

Almost all customers transact with Redox in one of the following ways:

Forward Order Sales – accounts for approximately 26.1% of sales. These sales are where a customer contracts with Redox to source product(s) on its behalf for a specific quantity on a specified delivery date. Redox will already have or will then identify a global source for the product(s), obtain multiple quotes for purchase and delivery of the product(s) to the customer, select the best quote and then offer a price to the customer based on the quotes received and internal costs associated with making the sale. The purchase price will be hedged using forward exchange contracts, ensuring that Redox minimises any foreign exchange risk or inventory holding risk on the sale. Whilst these sales relate to individual shipments, they will often be for large quantities, and are often repeated on a recurring basis. When the customer returns to Redox for a further shipment a new sales price and contract will be set based on the foreign exchange rates and overseas supplier and logistics pricing which Redox is able to procure at the time.

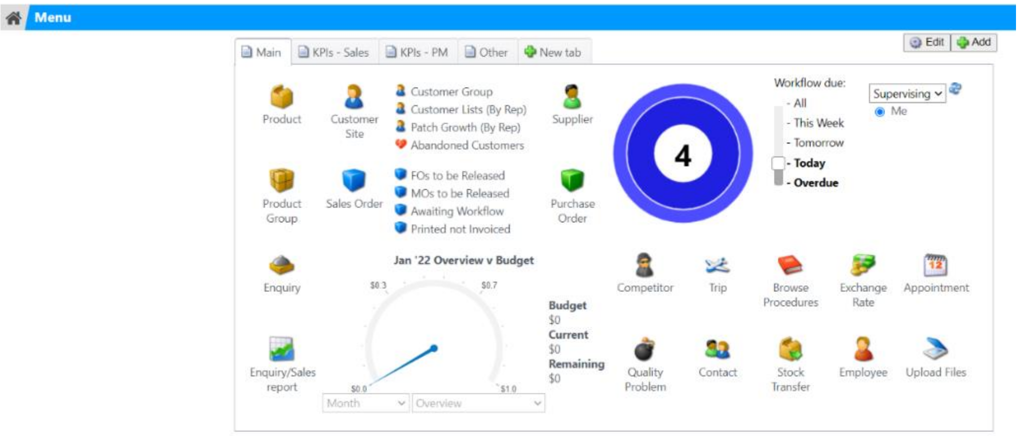
Master Order Sales – accounts for approximately 58.5% of sales. These sales are where a customer requests Redox to source product(s) on its behalf and indicates that it is prepared to enter into a contract for multiple deliveries, usually for an agreed total volume over a specified period of time. The price is usually set on or around the date of entering into the contract. Redox will already have or will then identify global sources for the product(s), obtain quotes for purchase and delivery of the product(s) to the customer, select the best quote and then offer a price to the customer based on market rates prevailing at the time and with due consideration to logistics and other associated costs. The purchase price will typically also be agreed and contracted with the supplier for the same duration and same volume as the contract (noting Redox does not usually accept periods greater than one year), or on an estimated replacement cost pricing basis with orders placed on manufacturers to ensure adequate inventory levels are available. The scheduled periodic purchases will be supported by forward exchange contracts at the expected purchase dates, helping Redox reduce any foreign exchange risk or inventory holding risk on the sale. Some smaller master order sales may be supplied on an ongoing basis out of warehouse stock.

Ex-Inventory Sales – accounts for approximately 15.4% of sales. These sales are where Redox will build up inventory in its warehouses to satisfy ongoing daily demand from non-contracted customers who prefer not to, or do not have the scale to, contract with Redox on a forward sales order or master sales order basis. Often these sales are made to smaller customers, or to any customers who need products within a short time frame.

3.5 Redebiz

Redox operations are managed and controlled through Redox's custom built, in-house fully integrated database, Redebiz, which facilitates all aspects of Redox's business model from tracking market opportunities and forecasting costs to monitoring customer orders and managing Redox's regulatory and compliance obligations. Redebiz is a fully integrated Enterprise Resource Planning (ERP), Customer Relationship Management (CRM), Business Intelligence (BI) and Document Management software platform custom-built for Redox and tailored for the chemical distribution industry. The database has a broad range of functionality which Management believes provides a significant operating advantage to Redox over its competitors.

Figure 3.6: Illustrative overview of the Redebiz operating system



Redebiz is specifically designed with the functionality to assist Redox in a variety of ways, including the navigation of multiple regulatory complexities and real-time database management across an extensive range of products, suppliers and customers.

3. Business Overview continued

Redebiz functionality includes:

Functionality	Commentary
Customer database	Storing details on Redox's customers including quality and packaging preferences. This includes notes since 1990 showing details of prices quoted (and accepted or rejected). Over time this provides benchmarking information to allow optimised price setting for existing business or quotes for new business.
Market opportunities database	Stores details of market opportunities which Redox does not currently supply. The identified potential market opportunities recorded in Redebiz would typically relate to opportunities to supply products to businesses which currently source particular products from Redox's competitors. The sales team are trained to request information from customers, and based on the reply, record within Redebiz the purchasing requirements and products used of the customers they meet. This information is then used as a source of sales leads to win new business which may relate to potential new customers as well as existing customers which source only some of their product requirements from Redox. There is over $14 billion of potential business in Australia and over $19 billion in total across over 350,000 different product sales leads which Redox does not currently supply recorded in the database.
Competitor database	Tracks information collated across 30 years on competitors' activity, including which customers they are supplying or providing offers to, products and prices historically offered by them where known, and other information that the relevant sales and marketing staff can access live, and use in price negotiations.
Regulatory database	Manages Redox's regulatory and compliance database. All product, supplier, customer and site permits, licences and certification requirements are held and tracked within Redebiz. This includes functionality to record expiry dates on all permits, so that as Redox's, or its customers' or suppliers' individual licences reach expiry, the business is unable to transact on the related products until updated permits have been received and input into Redebiz. Blocks any potential inventory movement transactions which have not satisfied all regulatory and commercial requirements, helping to avoid potential errors or unapproved transactions.

Functionality	Commentary
Product database	Maintains product specifications, and actual product analysis by batch of every relevant shipment, with the capability to generate digital documents. Safety Data Sheet and Emergency Procedure Guides are automatically despatched to customers and logistics contractors when required. Redebiz also maintains an up-to-date record of which documents have been sent externally to which companies, alongside which individuals within each organisation received them.
Supplier database	Maintains a database of many supply sources and historical purchase prices to ensure that product is accessed at competitive prices and sourcing reliance is limited. This information can be accessed in all geographical locations to ensure each country has access to the best available global pricing, and is updated with each new quote received. Redebiz contains over 75,000 product sourcing records.
Costing and pricing optimisation	Tracking costs by product code and SKU, which helps Redox determine price-setting strategies to ensure cash profits are maximised, and provides real-time cost information for the sales force to use in their daily pricing negotiations.
Logistics cost planning	Provides forecast costs for any inventory movement using global freight quotes that are continuously being updated for any inventory movement. Redebiz automatically and instantly calculates every known route to market for its products from an extensive list of logistics contractors, defaulting to the cheapest cost but providing the option to select the next best alternatives if any impediments are found.
Replacement cost into-store estimate	Automatically recalculates accurate into-store cost in the currency of the country where Redox's warehouse is located, using exchange rates which are automatically updated every hour.
Order tracking	Tracks outstanding orders and demand forecasts as well as shipments and inventory holdings, and automatically generates documentation for sending to customers as needed.
Material Requirement Planning (MRP)	Assists Management in planning more accurately inventory replenishment including shipment and arrival dates.
Audit trails	Creates and records an electronic audit trail which allows Redox to delve into the history and details of any transaction.

Proprietary market intelligence is secured in the Redebiz database and cannot easily be downloaded or copied. The system is regularly tested by independent experts to ensure that it is as secure and protected as possible. Each individual employee only has access to information relevant to their role, product speciality and geographical location.

The database is capable of rapid deployment in new countries following entry of key inputs such as local tax rules and import duties. This enables new operations or acquisitions to leverage Redox's product sourcing contacts, product applications, and large purchasing power available through Redox's scale. This assists greatly in delivering new customer opportunities in new markets as well as onboarding new customers and projects more effectively.

3.5.1 Cyber and information security

Redox maintains a disciplined approach to cyber and information security, conducting rigorous ongoing testing on its IT infrastructure and networks to ensure information stored in Redebiz and other systems is safe from both internal and external breaches. The Group considers IT paramount to its continued success; hence testing, monitoring, training, and alerting of security matters is always treated with the utmost importance.

Within its IT team, Redox employs 11 individuals with a diverse range of backgrounds and experience. The team is broadly split between Redox's software development team, which consists of software developers and architects, along with testing, support and training staff, and Redox's infrastructure team, which consists of engineers, administrators and support staff adept in both hardware and software. Overall, Redox's IT team has over 94 years' experience at Redox and decades more within the industry.

As part of Redox's business continuity plans, data and services stored on the Redebiz system are replicated in real time to dedicated and secure on-site and off-site data centres to allow for rapid recovery from natural and man-made disasters. Redox's disaster recovery process is well documented and regularly tested.

Redox's networks, servers and devices are also secured using best-in-class firewalls and threat detection systems, with monitoring implemented across all systems to immediately prompt key staff about a range of threats to its systems.

Redox further protects itself from cybercrime using industry-leading email protection systems and multi-factor authentication.

On an ongoing annual basis, Redox engages third-party testing of its systems and networks to validate all facets of its security implementation, and also act upon alerts from trusted government bodies and organisations, such as the Australian Cyber Security Centre. Redox then seeks to implement recommendations as a priority.

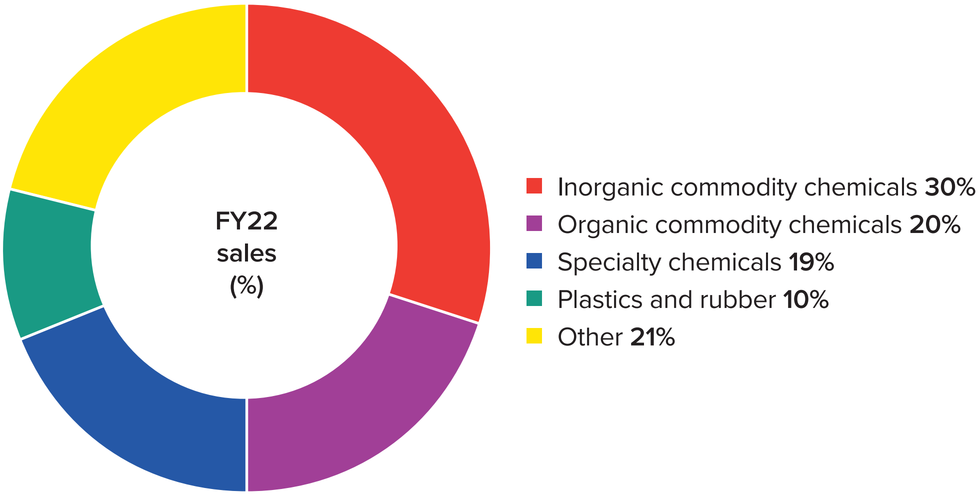
3.6 Product Offering

Redox maintains a diversified product offering.

Over its operational history, Redox has expanded its portfolio to over 1,100 product groups and 4,750 SKUs, and continues to review its offering for gaps and opportunities. Redox offers a range of products supplied in 1kg to 1,200kg cartons or bags, or in drums, in IBCs, or in bulk.

As shown in the figure below, Redox is not overly exposed to any individual product category:

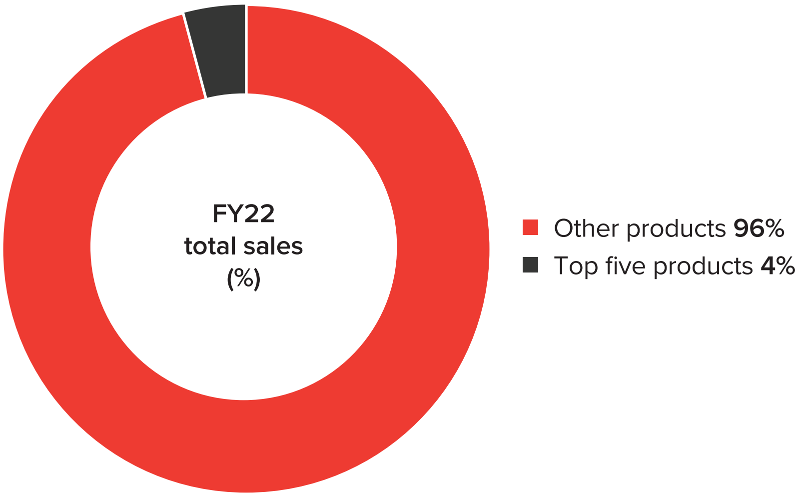
Figure 3.7: Percentage of FY22 sales by product category (%)



Over recent years Redox has targeted growth in its speciality chemicals products and has achieved a 21.2% four-year CAGR to 30 June 2022. These products now represent 19.4% of FY22 sales (vs 14.8% in FY18).

Consistent with its long-term growth strategy to expand its product offering and market share, Redox continues to expand into other products beyond inorganic, organic and specialty chemicals. This includes specific foods and food ingredients, animal and human food supplements, and a range of fertilisers and pastoral supplies.

Figure 3.8: Top five products by sales as a portion of FY22 total sales (%)



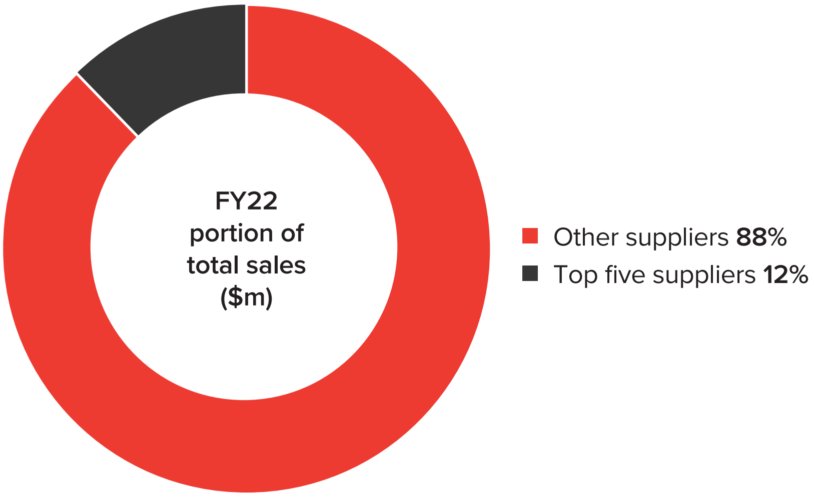
Redox sales are also not significantly skewed towards any individual product, with the top five products representing only approximately 4% of FY22 revenue and Redox's largest product accounting for approximately 1% of total FY22 revenue.

Redox's Sales and Marketing team continually monitors Redox's product portfolio as input prices, foreign exchange rates and supply and demand factors change. Using profitability analysis compiled within its Redebiz database, Redox will exit products when it considers that they do not provide an adequate return and improvement is thought to be unachievable.

3.7 Global Supplier Network

Redox sources its products from a diverse pool of suppliers globally and generally has the flexibility to source individual products from multiple suppliers in different countries. Redox has a low level of dependency on any individual supplier, with no single supplier's products accounting for more than 3.1% of total FY22 revenue and the top five suppliers accounting for no more than 12% of total FY22 revenue.

Figure 3.9: Top five suppliers by FY22 sales as a portion of total sales (%)



Sourcing from a diversified supplier base provides Redox with the stability of supply, cost efficiencies and differentiated product offerings which Management believes ensures Redox retains a strong competitive advantage in the market.

Redox sources products from over 50 different countries and scours the globe to find high quality products at competitive pricing, which in turn ensures Redox is able to position its customer pricing at highly competitive rates. Maintaining a large global network of different suppliers for similar products is a key strategy of the business. Management believes this means that suppliers are aware that they will have to submit competitive pricing on each purchase in order to win business or continue to supply products to Redox. Historically, Redox has sourced a small quantity of products from Russia (FY21 sales value of approximately $3 million); but, since the recent imposition of Australian and international sanctions on Russia in connection with the conflict in Ukraine, Redox has ceased supply of those products from Russia and has identified alternative sources for the supply of the relevant products.

Redox also maintains a number of exclusive distribution partnerships in its key geographical regions with chemicals and ingredients manufacturers.

Wherever possible, products are purchased to fulfil specific customer orders (approximately 85% of sales were made this way in FY22). Prior to COVID-19, committed purchases were approximately 86% of sales. The slight decrease relates to higher uncommitted purchases in recent years in order to provide an additional inventory buffer during ongoing global supply chain issues. Forward exchange contracts are arranged on overseas shipments (excluding goods purchased and then sold in United States dollars) to ensure that the Australian dollar price of purchased goods is fixed at around the same time as the sales contract is entered into, reducing any potential foreign exchange risk on profit margins.

Having multiple supply sources for many commodity products also helps Redox to maintain sufficient inventory holding levels, and ensures continued supply is not reliant on the production of any one particular manufacturer, which has proven important in managing the COVID-impacted operating environment.

There are approximately 34 employees within Redox's purchasing and sourcing team as at 30 June 2022, and there are also over 100 sales and marketing employees with product management and sourcing responsibilities for their allocated product groups.

Sea freight

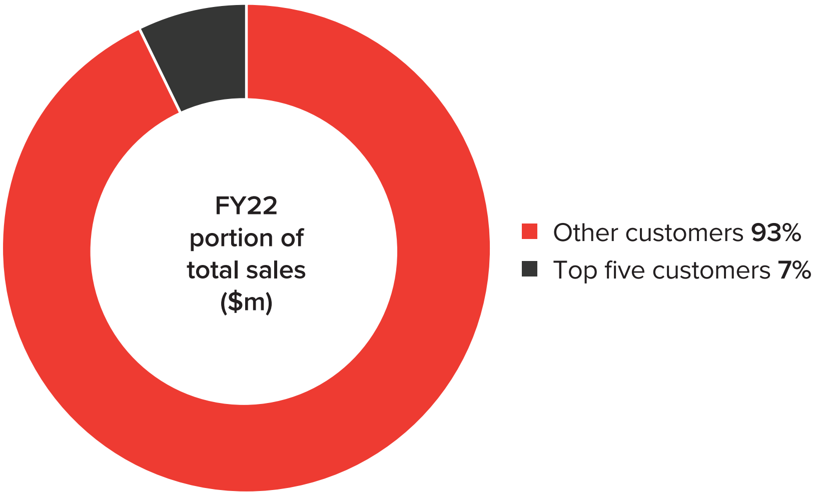
Generally, Redox will either be responsible for negotiating sea freight rates (for freight on board ('FOB') purchases) or be subjected to freight prepaid terms (when arranged for by the manufacturer of the given product). Under either scenario, Redox will be liable for disbursing the cost of freight, which is subsequently reflected in the selling price to customers.

Accordingly, Redox negotiates sea freight rates (for a minimum of three months validity) that cover the port-pairs most frequently used for importing Redox's products, with reserved space per sailing with those lines. Shipping space is subject to cargo acceptance at the time of shipment. Rates are also negotiated with shipping lines for less frequently used port-pairs. Redox negotiates its fixed sea freight rates across a concentrated number of shipping lines that have a prominent position in the industry, including Maersk, MSC, COSCO and CGM/AML.

3.8 Customers

Redox has over 6,400 customers from approximately 170 different industries. Its customers range from small and medium sized businesses to listed global corporations. There are no individually material customer contracts, with Redox's largest customer accounting for approximately 1.8% of total FY22 revenue and the top five customers accounting for only approximately 7% of total FY22 revenue.

Figure 3.10: Top five customers by sales as a portion of FY22 total sales (%)

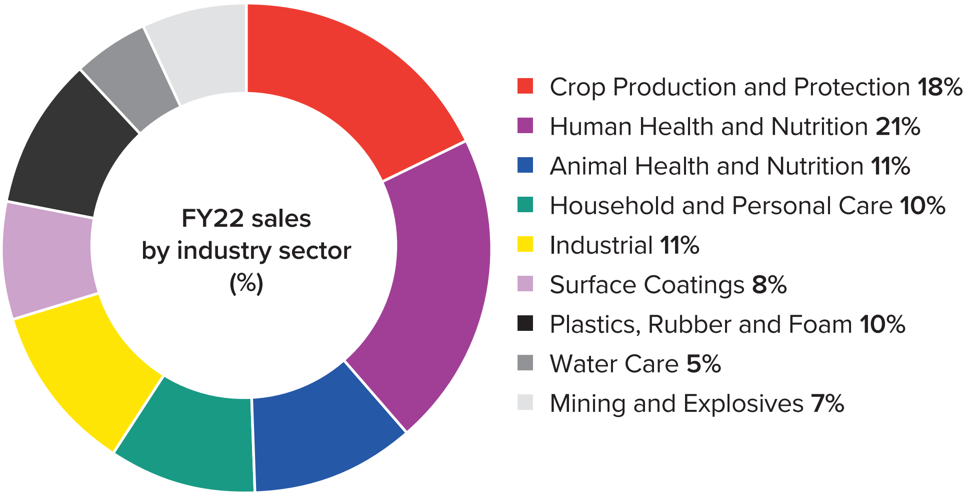


3. Business Overview continued

The industries which Redox sells into can broadly be captured under the following industry sectors:

- Human Health and Nutrition;
- Crop Production and Protection;
- Plastics, Rubber and Foam;
- Industrial;
- Animal Health and Nutrition;
- Household and Personal Care;
- Surface Coatings;
- Mining and Explosives; and
- Watercare.

Figure 3.11: Percentage of FY22 sales by industry sector (%)



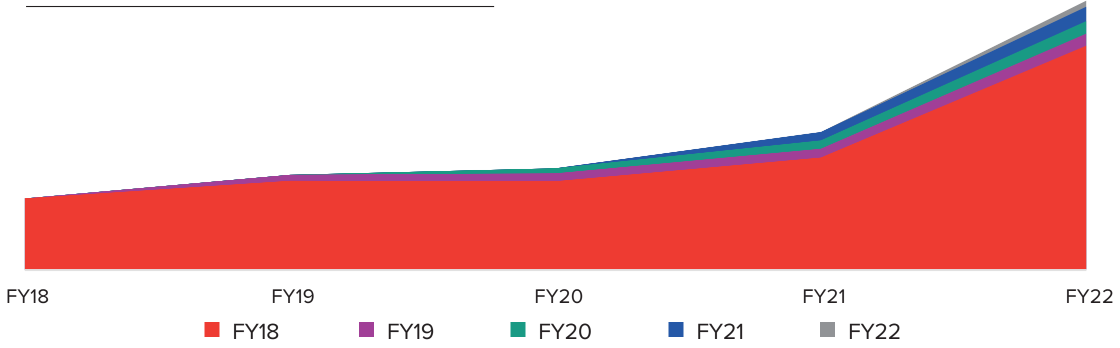
Redox's long-term customer relationships are supported by its experienced Sales and Marketing team. The team includes industry technical specialists who understand the desires and requirements of Redox's supplier and customer base, and can provide tailored solutions and advice on more standard products.

Management believes that Redox's long-term relationships, both with customers and product and freight suppliers, also afford Redox preferred status, particularly in difficult periods such as the recent COVID-19 affected environment and global supply chain disruptions, in which customers and suppliers have looked to distributors with strength, stability and a track record of reliability of supply. Customer relationships are further enhanced as a result of Redox being capable of offering and selling to customers a number of products which they require for their businesses.

As shown in Figure 3.12 below, Redox has a strong retention rate of its customers, with approximately 91% of FY22 sales originating from customers who purchased from Redox pre-FY19. Revenue within each cohort has grown year-on-year as a result of growth within key customer accounts, resulting in increases in average sales by customer.

Figure 3.12: Sales by customer cohort[5]

Metric	%
FY18 cohort 4Y CAGR %	10.7%
FY19 cohort 3Y CAGR %	26.8%
FY20 cohort 2Y CAGR %	58.7%
FY21 cohort 1Y growth %	77.6%

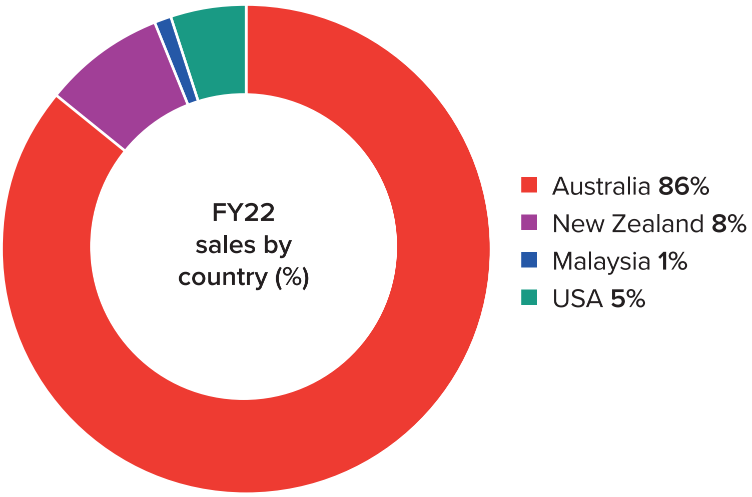


Redox's core operations have historically been located and focused within the Trans-Tasman region. Thus, the majority of Redox's sales in FY22 were derived across Australia and New Zealand; however, sales in the USA and Malaysia also constituted a portion of Redox's FY22 sales.

Momentum in Redox's USA business increased significantly in FY22, up 166.3% year-on-year from $19.1 million in FY21 to $50.7 million in FY22. This was supported by the Australian sales personnel transferred across to the USA and the new staff hired, who have leveraged existing customer relationships to win new business and drive profitable growth. The USA continues to be a key focus for Redox Management, with the opening of an additional three locations in Houston, Dallas and Seattle during 2022 and 2023, and a further three locations planned to be established over the next 24 months.

Redox's Malaysian operations also experienced strong growth during FY22 increasing 71.6% from $7.6 million in FY21 to $13.0 million in FY22. This was driven principally by growth in servicing the Mining and Explosives sector. Redox has also successfully grown its supply sources out of Malaysia and is targeting further growth in supply through its Malaysian operations.

Figure 3.13: Percentage of FY22 sales by country (%)[6]



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[5] Customer cohorts determined based on a customer's first year of orders with Redox.

[6] USA sales includes a small amount of sales made to the Mexican market.

Given Redox's diverse product range and supplier base (which in turn are from a broad range of customers and industries), Redox's earnings base and future growth is highly resilient, with through-the-cycle stability from low exposure to specific actions by individual clients and/or sector dynamics and industry factors. Redox's diverse product offering and industries also gives Redox the flexibility, should it desire, to shift resources from industries and product categories exhibiting slowing growth or declining profitability into areas demonstrating accelerating growth or profitability.

3.9 Sales and Marketing

3.9.1 Sales and Marketing team

The growth and size of the Sales and Marketing team has been a strategic focus of Redox to ensure that it can provide superior customer support, with the Sales and Marketing team consisting over 180 employees as at 30 June 2022, many of whom have tertiary qualifications in either business or science disciplines. One of Redox's key strategic objectives is to maintain a large Sales and Marketing team to support the numerous growth opportunities available, and Redox Management believes that its sales force is far bigger than any of its competitors in the ANZ region. A key focus of Management has been investing in and expanding Redox's sales and marketing staff, which has resulted in Redox employing an additional 72 individuals within the team since 30 June 2012.

The sales and marketing force is important in seeking opportunities through developing mutually beneficial and deep relationships with customers and new product offerings. Redox undertook a major expansion of its Sales and Marketing team during FY21, with over 20 employees being added, which supported sales growth in FY22 and H1 FY23. Redox is seeking to further increase global sales and marketing staff by six employees during H2 FY23F and nine employees during FY24F.

Figure 3.14: FY22 total sales and marketing staff by location

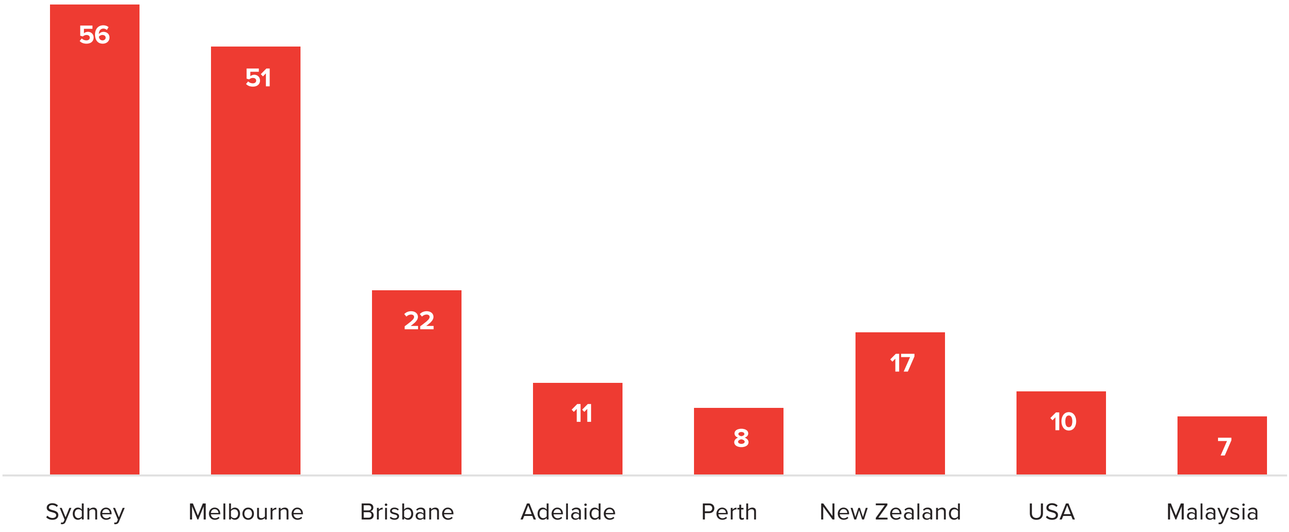


Figure 3.15: Total sales and marketing staff over time

Based on industry enquiries and feedback from employees with experience at other industry participants, Management believes Redox's Sales and Marketing team is one of the largest of its kind in Australia and provides Redox with a competitive advantage given the material investment required to hire a sales force of this size and the difficulties in finding experienced or adequately skilled personnel to fill such roles.

To allow Redox to continue expanding the size of its Sales and Marketing team, Management seeks to hire both experienced individuals with relevant industry relationships and knowledge, and university graduates with relevant degrees.

Redox's sales force are selected, trained and incentivised to pursue opportunities for Redox to win new business, which Management believes has been crucial in Redox's ongoing success to date.

New hires are required to undertake Redox-designated internal training courses (some of which are delivered through Redebiz) alongside supplementary external programs to assist them with their relevant roles. Management also provides mentoring programs within specified industry groups, providing new hires with access to industry experts who are employed by Redox in a sales and marketing capacity. This is coupled with supplier-specific product training opportunities where appropriate.

The sales force is supported by product managers who specialise and are experts in sourcing of their relevant products. Further, industry experts alongside customer service and logistics teams help ensure high quality customer service is maintained. The industry experts have a deep technical understanding of relevant product areas and can assist customers and other team members to provide further value add and suggest new product offerings or alternatives to customers.

To help align the Sales and Marketing team with Redox's objectives, individuals are able to earn up to approximately 40% of their salary in bonuses based on sales uplift hurdles being achieved (contingent on gross margin targets being met). Each new financial year, sales targets are reset with prior year sales being the starting point from which new sales uplift bonus hurdles are calculated. Annual salary increases are based exclusively on gross profit achievements. This remuneration structure helps monetarily incentivise individuals to continue to deliver sales growth and helps align their interests with those of Redox.

3.9.2 Sales strategies

Redox aims to sustainably grow sales whilst ensuring that growth does not incur unacceptable risk – this is achieved through maximising Redox's market share through the expansion of its existing product range when significant opportunities are identified. Pricing is tailored to market demands to deliver attractive profitability and maintain sustainable growth.

Redox also seeks to continue expanding its sales and client base in existing and new markets, with an ongoing focus on its North American expansion. Management continues to remain focused on leveraging existing and new customer relationships to generate additional sales, utilising the intelligence of Redebiz to help identify these opportunities.

For further detail regarding Redox's sales strategies and how they will underpin forecast growth, please refer to Section 3.11.

3.9.3 Marketing strategies

Redox deploys a range of marketing strategies to gain new business, which have been carefully formulated through years of in-house experience and expertise.

Marketing strategies are underpinned by the market intelligence captured and stored in Redebiz (as described in Section 3.5). This provides Redox with extensive market information to service its broad range of suppliers and customers and win new business.

Redox staff are trained to up-sell new products to existing customers with a view to providing customers with a large proportion of their various product input needs. This helps customers consolidate their supplier base and provides efficiencies in logistics arrangements.

Outlined below are some of the marketing strategies Redox deploys to support its success:

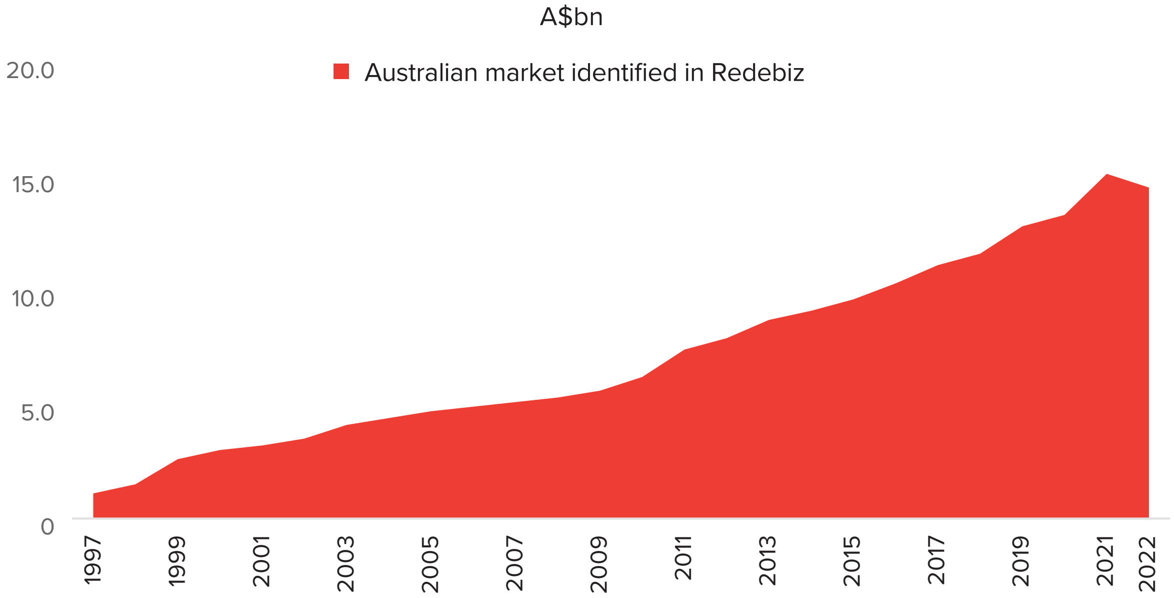
- **Marketing materials –** Redox regularly produces industry-specific content to support sales efforts, including Company and industry brochures, capability statements, flyers and information sheets.
- **Digital and social media –** Redox utilises digital and social media platforms to engage with existing and prospective clients, suppliers and employees to improve knowledge of the Redox brand and drive lead generation. Social and digital media channels include LinkedIn, Twitter, Facebook, Instagram and the Redox website.
- **Advertising and trade shows –** From time to time Redox engages in targeted advertising through industry specific journals and websites. Redox staff will also participate in major trade shows where Management believes participation will yield a reasonable return on cost and time.
- **Packaging –** Redox is continuing to roll out Redox-branded packaging for Redox's products.

Redox's marketing strategy is underpinned by its focus on sustainably growing sales, managing risk appropriately, expanding into new markets, and building long-term supply relationships.

3.9.4 Leveraging Redebiz as part of Redox's sales and marketing strategy

Through the market intelligence captured and stored in Redebiz, Management has been able to successfully expand Redox's understanding of its potential market opportunities across its product offerings over time. The opportunities identified in Redebiz provide the Sales and Marketing team with potential targets or leads on which to focus their efforts to win new sales. The identified potential market opportunities recorded in Redebiz would typically relate to opportunities to supply products to businesses who currently source particular products from Redox's competitors. These opportunities may relate to potential new customers as well as existing customers who source only some of their product requirements from Redox. Redox's team works to convert these identified opportunities into new sales by attracting customers based on a number of key factors including price, availability/reliability of supply, convenience through Redox's breadth of product offering and in some cases through exclusive distribution agreements with suppliers.

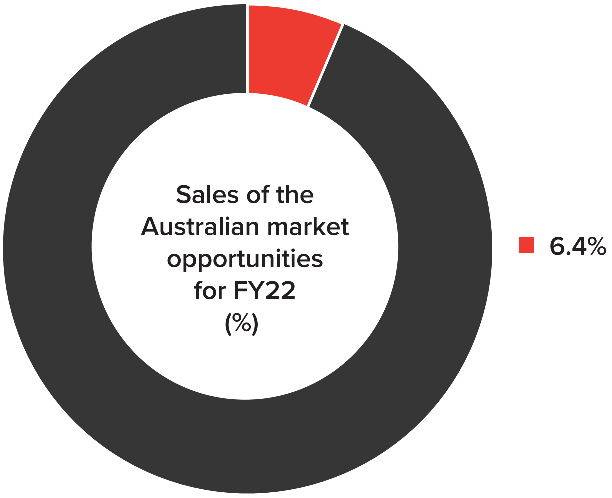
Figure 3.16: Australian market opportunities captured and stored in Redebiz over the past 25 years (A$ billions)



Having regard to Redox's FY22 sales of $1,082 million (of which almost 86% is from Australia) as compared to the Australian market opportunities of over $14 billion captured and stored in Redebiz (including Redox's own sales), Management believes there remains a significant number of identified opportunities for Redox to pursue within Australia, through targeted marketing strategies. The Sales and Marketing team are trained to continually identify new opportunities through their conversations with existing or potential customers which consequently increases the overall level of identified market opportunities captured and stored within Redebiz.

Identifying new opportunities and recording them in Redebiz to be used as a source of sales leads is a key focus of the Sales and Marketing team, as Management believes this is a critical enabler of future growth. Management closely monitors the value of potential market opportunities recorded within Redebiz, and has historically set out to ensure that every year the value of those recorded opportunities grows faster than annual sales.

Figure 3.17: Redox's Australian sales as a percentage of the Australian market opportunities identified in Redebiz for FY22 (%)



3.9.5 Impact of digitisation on strategic marketing

Redox's in-house programming team are further innovating Redebiz to support the Sales and Marketing team in the pursuit of industry leading service and in delivering on key targets. Redox is currently developing the Redebiz platform to improve forecasting, price formulation, logistics optimisation and other systems for business intelligence and decision support. It is intended further enhancements will help the sales team by linking to customer contacts and sourcing information captured and stored within the Redebiz database to predict when and which customers to contact, and what pricing offers to make based on historical tender successes or failures and market changes in supplier pricing and exchange rates. Competitor pricing information stored within the Redebiz database will also be used when formulating appropriate selling prices for Redox products to customers.

3.10 Key Locations and Assets

Redox has an in-house managed domestic distribution network of warehousing facilities. Redox currently operates from 16 locations across four countries. Redox's principal operations are predominately situated across Australia and New Zealand, with offices located in almost all major cities.

Redox's long-term strategy is to continue building upon its strong position in Australia and New Zealand, and to continue its recent successful expansion of its North American and South East Asian operations. Redox currently operates from five locations in the USA with plans to open a further three locations over the next 24 months.

Figure 3.18: Redox's global footprint

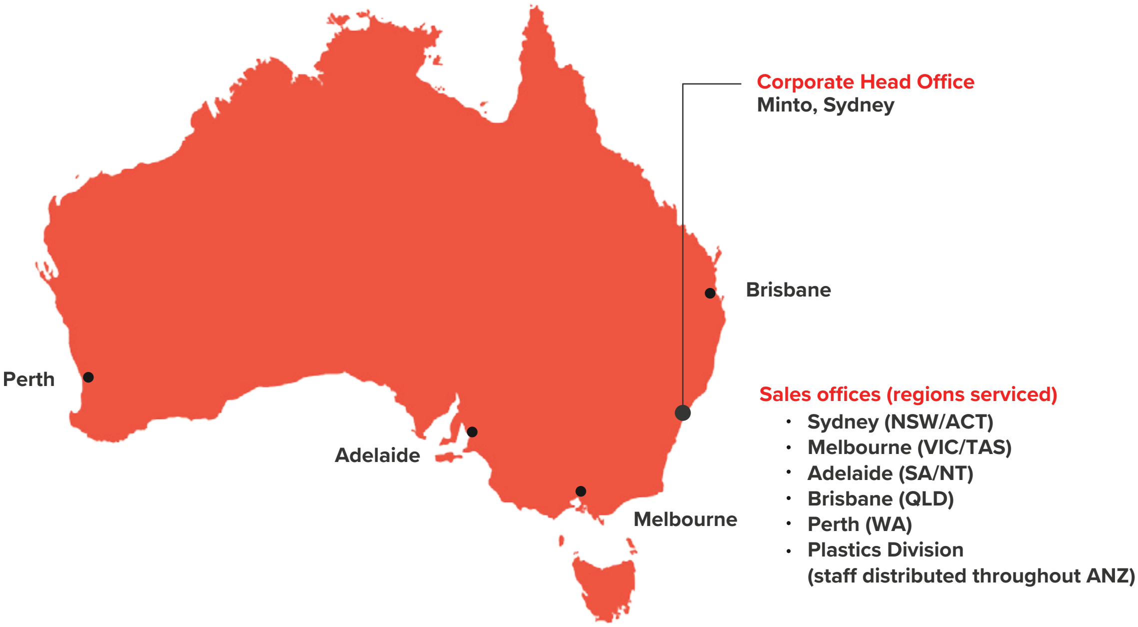
3.10.1 Australia

Redox's corporate head office is in Minto, Sydney, and services local customers as well as a number of small overseas markets. This office is supported by sales offices across Australia.

Australia is Redox's largest market, and consequentially has the largest operational footprint.

Redox's Brisbane office also services the New Guinea market.

Figure 3.19: Redox's Australian footprint



3.10.2 New Zealand

Redox's New Zealand sales offices support its continued focus on maintaining its position as a major independent chemicals supplier and distributor. Offices are leased from external third parties and Redox uses contract warehouses located in fast growing commercial zones and close to international airports. Redox's New Zealand operations also manage enquiries for Fiji and the Pacific Islands.

Redox's three sales offices are located in Auckland (North Island), Hawke's Bay (South/Eastern side of North Island), and Christchurch (South Island).

Figure 3.20: Redox's New Zealand footprint

3. Business Overview continued

3.10.3 Key international operations

United States

Redox is focused on the growth of its United States business, expanding from two to five locations in the United States from 2022. Recent expansion locations are Seattle, Dallas and Houston, with an Atlanta location planned for later in 2023. Redox currently utilises third-party warehouses throughout the United States and is seeking to open an additional three locations over the next 24 months.

Figure 3.21: Redox's USA footprint

Malaysia

Redox established its Malaysian operations in 2011 and has a focus on industry sectors including food ingredients, paint, mining and sales to chemical manufacturers. Redox's Malaysian head office opened in 2012 and is located in Subang Jaya, Kuala Lumpur. It also has third-party operated warehouses in Penang, Shah Alam and Johor Bahru.

Figure 3.22: Redox's Malaysian footprint

Other international operations – Mexico, Singapore and the UK

Redox has recently established registered offices in Saltillo, Mexico, and in Singapore, principally for administrative purposes. Sales into Mexico are supported by Redox's operations in the USA, and sales into Singapore are supported by Redox's operations in Malaysia.

Redox is in the early stages of exploring the possibility of establishing an office in England to service the UK market and source European suppliers. That office would be expected to eventually act as a foundation to also service the broader European market.

3.10.4 Key Redox facilities and assets

Figure 3.23 provides an overview of Redox's major operating sites.

Figure 3.23: Redox site portfolio summary

Location	Use	Storage capacity	Portfolio holding
Minto, NSW*	Corporate Head Office Sales Office Warehouse	17,828 pallets	Leased/In-House Managed
Girraween, NSW*	Sales Office Value-add Facility Warehouse Laboratory Facility	2,242 pallets plus 205m^3 bulk	Leased/In House Managed
Laverton North, VIC*	Sales Office Warehouse	13,887 pallets plus 14,000m^3 bulk	Leased/In-House Managed
Laverton North, VIC*	Plastics Sales Office Warehouse Value-add Facility Laboratory Facility	5,119 pallets plus 759m^3 bulk	Leased/In-House Managed Leased/In-House Managed
Richlands, QLD*	Sales Office Warehouse	9,615 pallets	Leased/In-House Managed
Dry Creek, SA*	Sales Office Warehouse (Major Hazard Facility)	7,039 pallets	Leased/In-House Managed
Bibra Lake, WA*	Sales Office Warehouse	9,801 pallets	Leased/In-House Managed
Auckland, NZ**	Sales Office	n/a	Leased/Third Party Contracted
Christchurch, NZ**	Sales Office	n/a	Leased/Third Party Contracted
Havelock North, NZ**	Sales Office	n/a	Leased/Third Party Contracted
Subang Jaya, Malaysia**	Sales Office	n/a	Leased/Third Party Contracted
Los Angeles, California**	Sales Office	n/a	Leased/Third Party Contracted
Oakland, California**	Sales Office	n/a	Leased/Third Party Contracted
Seattle, Washington	Sales Office	n/a	Leased/Third Party Contracted

Location	Use	Storage capacity	Portfolio holding
Dallas, Texas	Sales Office	n/a	Leased/Third Party Contracted
Houston, Texas***	n/a	n/a	n/a
Saltillo, Mexico	Registered Business	n/a	n/a
Singapore	Registered Business	n/a	n/a

* Leased from related party Ceneda Investments Pty Ltd (See Section X).

** Leased from various third parties where Redox is charged by the number of pallets stored at the facility.

*** One employee working from a home office

3.11 Growth Initiatives

As shown in Section 3.4, Redox has a consistent history of robust long-term growth. In Australia, this has been driven by increasing market penetration of its existing product portfolio and entry into new products, expanding market share, alongside opportunistic strategic acquisitions.

Despite Redox's highly diversified end market exposure, Redox has been able to maintain consistent revenue growth beyond that of the rate of growth of the Australian economy as measured by nominal GDP, reflecting the success Management has been able to achieve through Redox's proven business model. Over the last 30 years Redox has grown its sales at a CAGR of 11.9% which compares to broader Australian economic CAGR of 5.9% over the same period as measured by nominal Australian GDP[7].

Redox has also continued to develop its global network of suppliers, which has helped build security of supply and deliver cost-effective sourcing solutions, both of which have helped enhance long-term customer relationships.

Looking forward, Redox will continue to focus on driving sustainable long-term growth through the same channels and methodologies referred to above. This is because Redox is under-penetrated in its current market, with FY22 sales representing less than 3% of the available potential in its principal Australian market based on Frost & Sullivan analysis[8], or less than 7% of the potential opportunities identified in Redebiz based on FY22 sales.

3.11.1 Increasing market penetration of existing product portfolio

While Redox is a major independent chemicals, raw materials and ingredients distributor in Australia, its market share of the industries within which it operates is small. Redox's market share in the Animal Health and Nutrition sector is approximately 7%, and its market shares in the Human Health and Nutrition, Crop Production and Protection and Plastics sectors are approximately 3%. This is because of the highly fractured chemicals, ingredients and raw materials distribution market in which Redox operates, as well as the fact that a number of large corporations import chemicals directly without the use of a supplier or distributor.

As such, Management believes that there remains significant further opportunities for Redox to continue increasing its domestic market share within its market segments over a sustained period of time.

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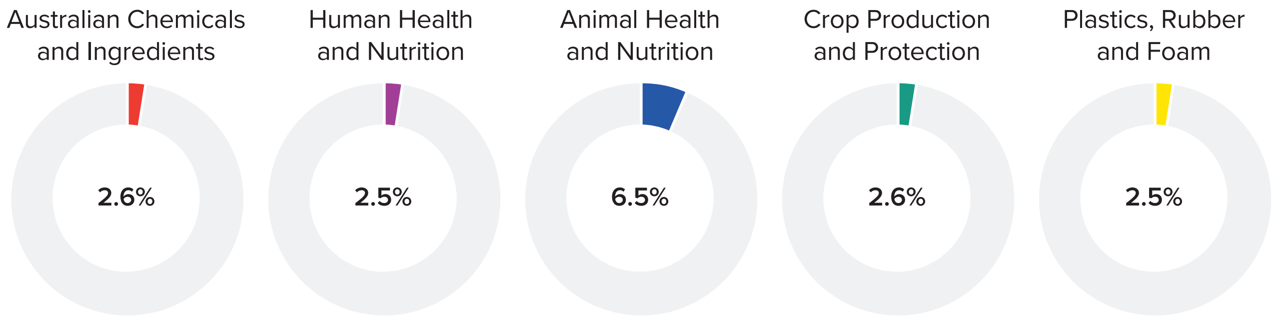
[7] Australian nominal GDP CAGR of 5.9% calculated as CAGR from FY92 to FY22 of Nominal Gross Domestic Product Series ID GGDPECCPGDP published by the ABS.

[8] Frost & Sullivan, Market Report on the Chemicals and Ingredients Markets, March 2023. Redox's Australian market share calculated as Australian FY22 sales as a percentage of the total market size.

Figure 3.24: Redox FY22 market share[9]



3.11.1.1 Sales force expansion

Notwithstanding significant historical investment in its Australian sales force, Redox made the strategic decision to further expand the scale of its domestic sales force during FY21. There are further plans to continue with this expansion strategy through Redox's focus on upscaling the USA sales force in particular. This will provide the business with the ability to execute on a number of new sales opportunities. Redox's sales force has historically targeted share of wallet and market share gains, and will continue to target further gains over the forthcoming future.

Please refer to Section 3.9.1 for further detail.

3.11.1.2 Leveraging scale

Management believes that as Redox's scale continues to grow its buying leverage is often enhanced with its suppliers. This may allow Redox to reduce the cost of the products it purchases and logistics services it utilises. This in turn may provide the opportunity for cost savings to be passed on to customers through reduced sales prices, which may afford Redox competitive advantages in price-setting.

3.11.2 Entry into new products expanding market share

Redox believes that there is also great opportunity for it to broaden its product offering and the industries it services.

To gain access to new products, Redox is seeking to expand and deepen its knowledge of existing customer product portfolios and requirements, and identify competitive sources of supply for those products. The sales force is trained to ask customers for details regarding their product requirements. Once those details are obtained, they are recorded in Redebiz, and the product managers will investigate whether Redox can find ways to source such products not already supplied by Redox. Management's strategy is to seek to be a supplier of many products to its individual customers, in which case the customers become more reliant on Redox, and Redox becomes an important and valuable partner to those customers.

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[9] Frost & Sullivan, Market Report on the Chemicals and Ingredients Markets, March 2023. Redox's Australian market share calculated as Australian FY22 sales as a percentage of the total market size.

Where Redox is able to secure a competitive source for a new product, sales staff will be informed via the Redebiz database and will subsequently reach out to potential customers to try to secure new sales.

Redox is also working with its global supplier network to identify new products which could potentially be used to attract new customers and sell to existing customers.

Redox has had particular success in expanding its market share during FY22 within the Human Health and Nutrition and the Animal Health and Nutrition industry sectors and intends to maintain a strong focus on delivering growth by expanding the market share in the same industries during FY23, as well as within Household and Personal Care.

3.11.3 Offshore expansion into major new markets

Redox has established sales offices in various geographic regions, having entered New Zealand in 1994, Malaysia in 2011 and the United States in 2015. Redox favours markets with strategic alignment to its existing domestic operations and undertakes considerable time and effort in researching and considering new markets.

In expanding to new markets, Redox's strategy is to first establish headquarters in the regions, such as the Californian offices for North America, and the Kuala Lumpur office for South-East Asia. Redox will then utilise these headquarters to conduct further regional operations, expanding as required, to provide suppliers and customers with a global presence and reach for their products.

Regardless of where an employee is located, all employees will have access to the Redebiz database, which is a key enabler of Redox's international expansion as it provides regional sales executives with the ability to access Redox's global supplier network and suite of products for use in their individual markets. Efforts can therefore be concentrated on identifying new customers in new geographical locations in the knowledge that product quality, regulatory permits and specifications and supply sources are all easily and swiftly accessible within Redebiz.

Figure 3.25: Expansion strategy across different regions

North America	• Redox expanded into the United States in 2015 establishing its office in Los Angeles (California); the office in Oakland (California) was opened in 2019. • The United States business is a key current growth focus for Redox. Three locations were established in Seattle (Washington), Dallas (Texas) and Houston (Texas) since 2022, with an Atlanta (Georgia) location expected to be opened later in 2023. A further two locations are also planned to be opened over the next 24 months. • In 2020, the USA ingredients import market was worth approximately A$31 billion, and in 2021, the USA chemical import market was worth approximately A$191 billion[10]. • The USA offices also provide the necessary infrastructure required to service sales in both Canada and Mexico. • Having gained valuable experience since 2015 and set up critical infrastructure for growth, momentum in the USA is building, with H1 FY23 sales growth of approximately 137% compared to H1 FY22.
APAC	• Redox made its first venture into Malaysia in 2011, and opened its Malaysian sales office in 2012 to service the Malaysian market and establish a regional sourcing presence. • In 2020, the Malaysian chemical and ingredients import market was worth approximately A$24 billion[11]. • The Malaysian sales office has recently been growing quickly and is finding success, having implemented learnings and lessons from initial setbacks. • Redox grew its Malaysian sales by 71.6% in FY22.
EMEA	• Redox is investigating establishing a new sales office in the United Kingdom, which represents a new geography that provides access to new suppliers and markets. • In 2020, the UK chemical and ingredients import market was worth approximately A$98 billion[12].

Case study on Redox's expansion into the USA market

Seeking to capture further organic growth opportunity offshore, after careful consideration of viable and attractive markets, Redox established its first operations in the USA in 2015 via the opening of its first office in Los Angeles (California).

As Redox increased its understanding of the regulatory and operating landscape in the USA market, and particularly after the transfer of three Australian employees to the US, Redox's USA business gathered momentum. This momentum led to additional sales locations being established in Oakland (California) in 2019, Dallas (Texas) and Houston (Texas) in 2022 and Seattle (Washington) in 2023. The USA division employed 12 staff as at 30 June 2022, with further plans to establish three more locations over the next 24 months.

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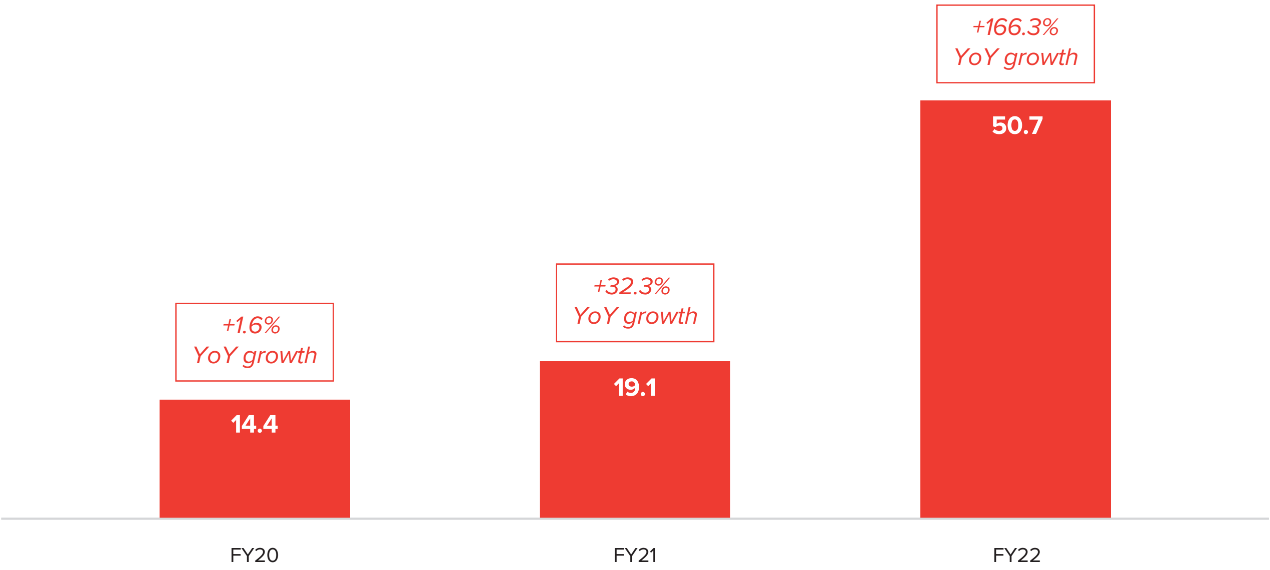
10. Source: Frost & Sullivan, Market Report on the Chemicals and Ingredients Markets, March 2023.
11. Source: Frost & Sullivan, Market Report on the Chemicals and Ingredients Markets, March 2023.
12. Source: Frost & Sullivan, Market Report on the Chemicals and Ingredients Markets, March 2023.

The USA sales team generated significant growth in FY22, with the business growing sales by approximately 166%. For the FY23F year Management expects USA sales growth to continue following the establishment of three additional locations over the past year, as well as the winning of new business with customers with whom the USA sales staff have been building relationships over the past four years.

COVID-19 assisted Redox's USA expansion to some extent, as it 'opened the door' to customers who previously dealt with other suppliers and distributors in the market. These relationships have continued even as the COVID-19 environment has begun to normalise.

All USA locations are integrated into the global operations of the Group, and also provide the necessary infrastructure required to service customers across both the Canadian and Mexican borders.

Figure 3.26: YoY revenue growth achieved in the USA business (A$m)



3.11.4 Pursuing inorganic acquisition opportunities

Redox has a track record of identifying, acquiring and integrating inorganic growth opportunities, including:

- DR Johnson (1998);
- CM Rural (2007);
- Deltrex (2012);
- Bribros (2012);
- Univar's Australian business (2015);
- Petrocare (2016);
- P.D Plastics (2017); and
- C Pyke (2019).

Collectively, these opportunities have provided strategic access to new industries and greater share of existing industries, as well as expanded distribution and value-add capabilities, and an increase in Redox's product offering.

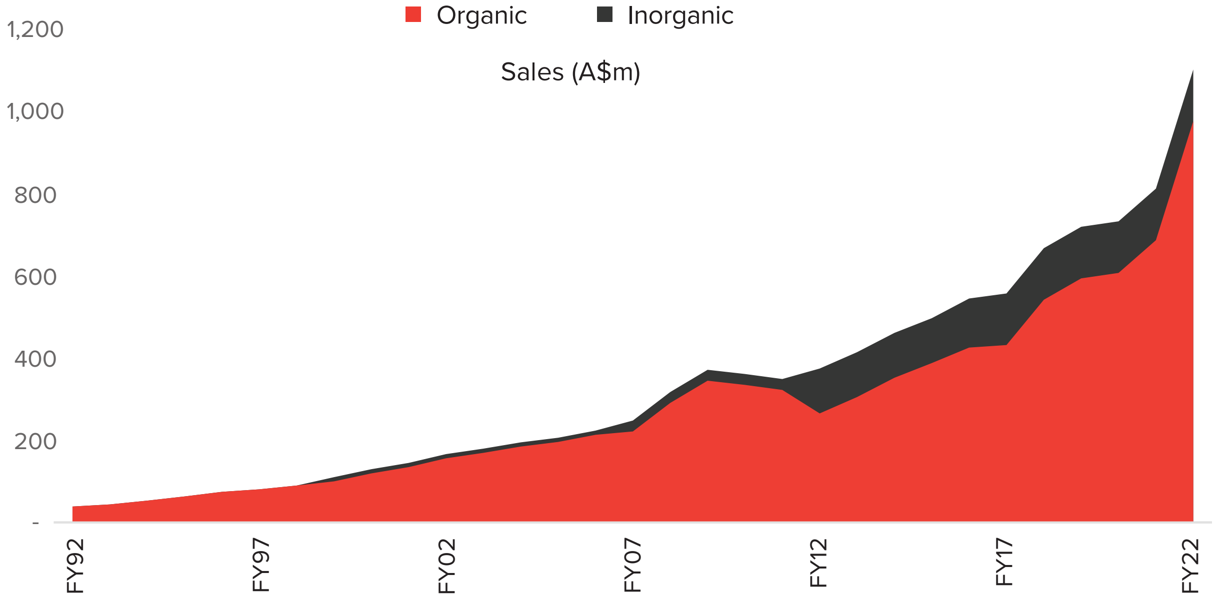
The global supplier and distributor market is highly fragmented, with over 10,000 distributors. This inherently provides many consolidation opportunities.

Redox has identified multiple potential acquisition targets in its major operating jurisdictions and intends to continue analysing and evaluating potential acquisition targets applying a disciplined inorganic growth framework focused on strategic merit and value. Redox currently has a particular focus on opportunities in the ANZ region in complementary products and industries which may expand its product and partnerships portfolio, or build its existing scale and efficiencies in that product category.

Redox is currently in the process of negotiating a small acquisition to purchase the assets of an ingredients distributor to the Human Health and Nutrition and Animal Health and Nutrition industries in Australia. Subject to the parties agreeing to the terms of an asset sale agreement, the acquisition is expected to occur in late June 2023. If successful, the potential acquisition would be expected to generate additional sales of approximately $6 million in FY24.

From its past experience, Redox expects that it will be able to successfully integrate future acquisitions, with Redebiz designed to be easily deployable for inorganic growth. This is because once integrated within the Redebiz database, Management believes a newly acquired business will be able to leverage Redox's product sourcing capability and purchasing power.

Figure 3.27: Contribution to sales from acquisitions over time



Redox has relied primarily on organic growth to grow its business to date – the cumulative sales acquired (measured at the date of acquisition) by Redox is $123 million, which represents 11.4% of total FY22 sales.

Under the management of Redox, acquired businesses have consistently been able to either successfully grow sales in the acquired product groups, supply acquired products across an expanded customer base, or deliver new product sales opportunities to newly acquired customers. As part of previous integrations Redox has chosen to exit select components of an acquired business to focus on its core products and improve business profitability.

Redox intends to continue to maintain a disciplined approach to inorganic growth, and does not intend that its growth strategy is contingent on the continual acquisition of sales.

Case study in acquiring new capabilities – Deltrex (2012)

In August 2012, Redox acquired the operations of Deltrex from ALS Limited. The acquisition was strategic in nature, with the principal driver being acquiring new capabilities.

Deltrex's turnover at the date of the acquisition was approximately $31 million, with EBITDA of approximately $2 million. Redox paid approximately $16 million to acquire the business, which included property assets (now leased) valued at approximately $7 million, inventory assets valued at approximately $6 million, and plant and equipment assets valued at approximately $1 million.

The acquisition of Deltrex brought to Redox two large pallet stores, bulk liquid storage facilities, dilution and mixing capabilities and a sales team with diverse experience across a multitude of industries. The purchase included the Laverton and Girraween sites (which Redox subsequently sold and leased back, but continues to operate), alongside all plant and equipment, allowing Redox to seamlessly continue servicing existing customer requirements.

Suppliers to Deltrex benefited from the opportunity to leverage Redox's vast sales network, logistics infrastructure and industry leading systems.

Deltrex customers benefited from access to an expanded selection of products, Redox's logistic efficiencies, large sales force and purchasing power.

The acquisition provided Redox with an injection of talented staff across three States, and new products, and importantly the ability to provide value-adding services to its existing customer base.

To ensure the seamless integration under Redox ownership, commitments were made to honour all pending orders for customers and suppliers, and employees were provided the opportunity to move to Redox on their existing remuneration packages with full leave entitlements.

The two ex-Deltrex sites continue to operate as locations of Redox.

Case studies in acquiring further market share – Bribros (2012) and P.D Plastics (2017)

In August 2012, Redox acquired the operations of Bribros, which allowed Redox to further extend its market share in existing product groups and ramp up its scale of operations in an under-penetrated industry.

Bribros' turnover at date of acquisition was approximately $51 million, with EBITDA of approximately $1 million, although ultimately some product groups were exited to deliver improved margins. Redox paid $5.6 million to acquire the business, which included assets valued at $4.1 million.

The Bribros acquisition delivered a strategic share of the plastic, foam and rubber market in mainly commodity based product groups, and a highly experienced and motivated team with vast industry expertise.

This acquisition in the plastics industry was followed up by a further transaction in September 2017, when Redox acquired from Paul and Steven Dillon the operations of P.D Plastics, a specialty distributor of engineering polymers, speciality additives and other items with a particular strength in thermoplastic polyurethanes.

P.D Plastics' turnover at the date of the acquisition was approximately $3 million. Redox paid $0.6 million to acquire the business, which included assets valued at $0.5 million.

Despite the relatively small scale of the business, this acquisition complemented Redox's existing product portfolio for the plastics business by adding specialty product line items to what was a largely commodity product offering, and increased the Company's ability to comprehensively serve all segments of the plastics industry. Existing clients of P.D Plastics also benefited from access to an expanded product range, while suppliers gained access to Redox's larger sales team and customer base, efficient logistics network and reliable working capital arrangements.

Subsequent to these two acquisitions, Redox has been able to grow its plastics business, and in FY23F the Plastics, Rubber and Foam division is forecast to contribute $107 million in sales to the business.

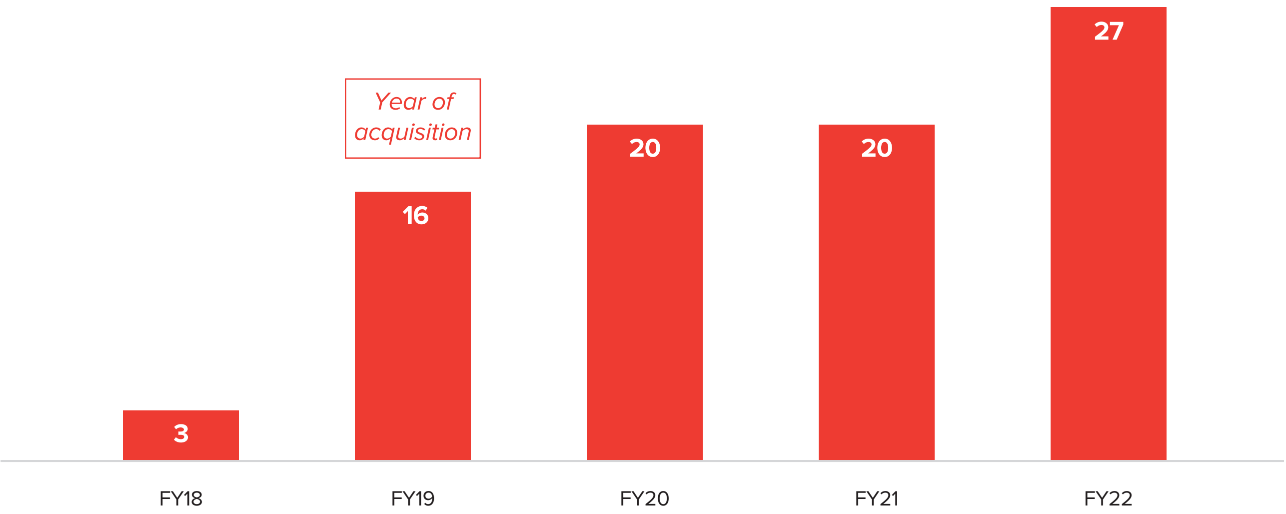
Case study in entering new industries – C Pyke (2019)

In December 2018, Redox expanded further into the Animal Feed industry via acquiring the rights to an agency agreement for specialty product lines from C Pyke, relating to six products used as ingredients in animal feed.

While the agency agreement itself was relatively small, the related end product sales were approximately $2.1 million for FY18. As part of the acquisition Redox was able to negotiate to operate as a seller rather than an agent for the overseas manufacturer, which assisted Redox to increase its profitability in the products by being able to negotiate commercial terms with each customer.

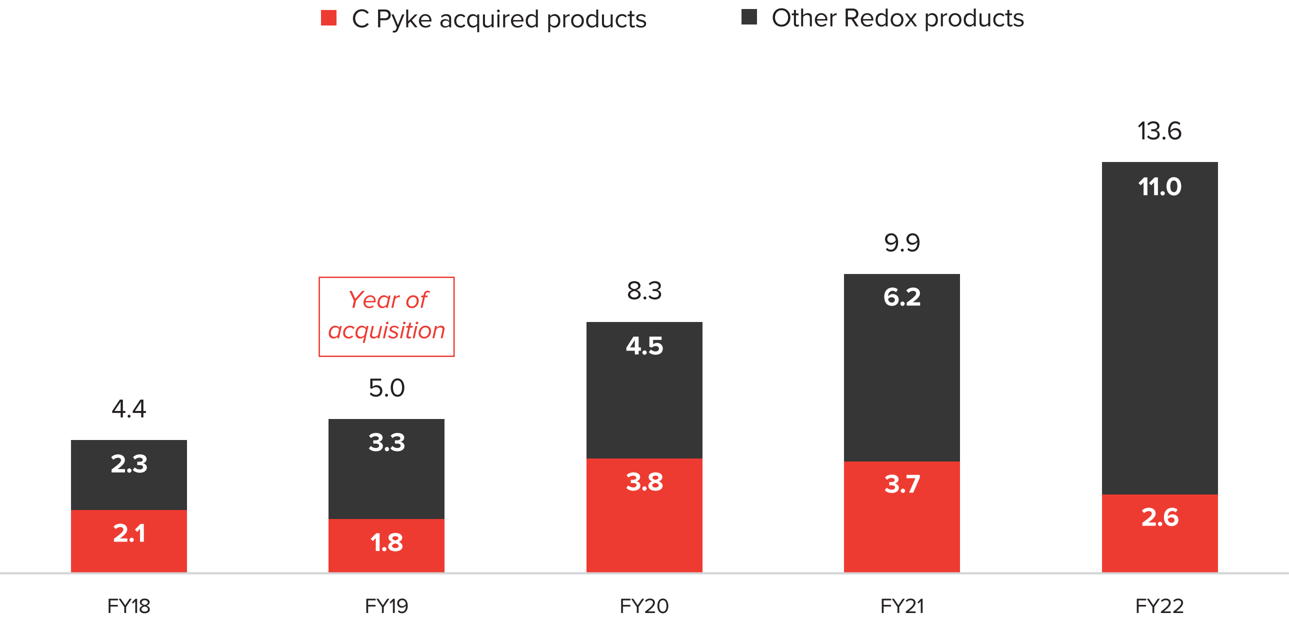
Post-acquisition, Redox was able to increase sales of the acquired products by offering them to existing Redox customers in addition to increasing sales to the existing customers of C Pyke through expanding the range of products purchased by those customers to include the broader Redox product portfolio.

Figure 3.28: Total number of customers acquiring C Pyke products



Redox has been able to grow the customer base for Pyke's products by leveraging its existing customer base.

Figure 3.29: Total sales to pre-acquisition C Pyke customers, by existing products and new products ($m)



Redox was able to grow sales of the acquired products to existing C Pyke customers post acquisition, as well as expand the product range offered to those customers. Sales to pre-acquisition C Pyke customers increased by approximately 66% from $5.0 million to $8.3 million in the first year post acquisition.

Sales of C Pyke's existing products increased from $2.1 million in FY18 (the year prior to the acquisition) to $3.8 million in FY20 (the first full year of Redox's ownership). There was a slight decline in sales in FY19 as the acquisition was completed in mid-December of the prior year and post-acquisition sales were slow initially whilst customers ran down stock of product acquired pre-acquisition. However Redox was able to progressively find new customers for the products acquired; and by FY20, $1.6 million (approximately 30%) of the acquired product sales were to new customers not previously serviced by C Pyke.

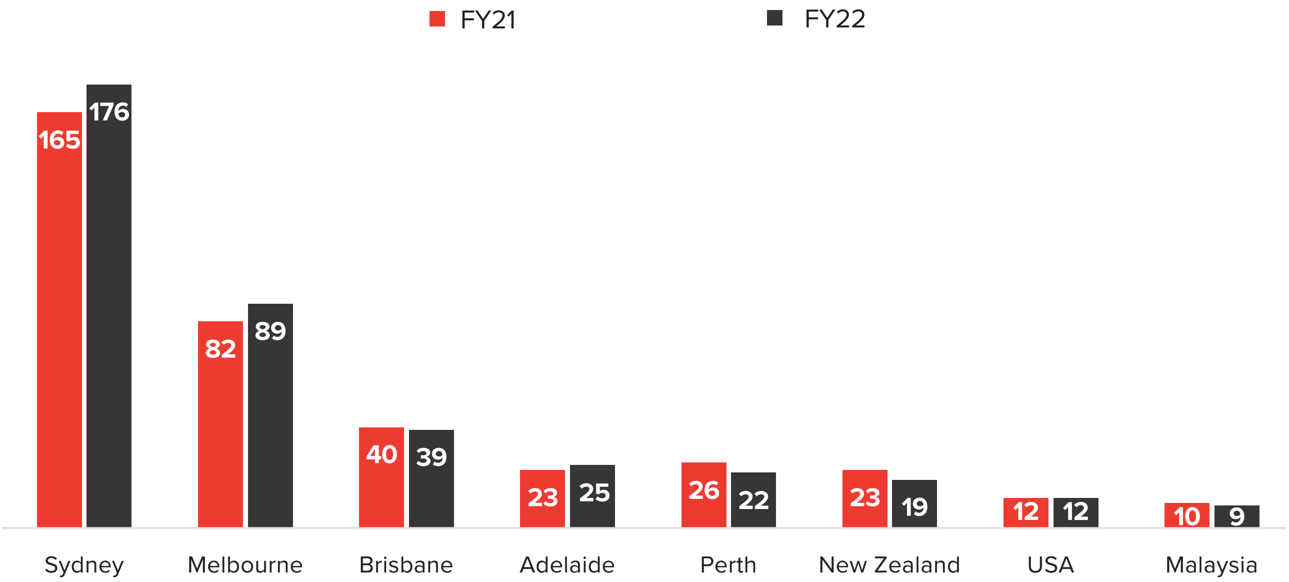
3.12 People

Management believes that Redox's people are its greatest asset, and that the safety of its employees is the number one priority.

3.12.1 Employees

Redox employs over 390 staff as at 30 June 2022, with 370 employees located across Australia and New Zealand and 21 employees located internationally. Redox employs people in sales and marketing, logistics management, quality assurance, purchasing and risk and compliance, as well as finance, technology, HR and legal. The average tenure of employees across Australia is ~10.3 years.

Figure 3.30: Total staff by location



As at 30 June 2022, across its departments Redox employed:

- 182 individuals in the Sales and Marketing team;
- 151 individuals in the Warehousing and Supply Chain team (which includes logistics, manufacturing, quality assurance, shipping, warehousing and purchasing); and
- 58 individuals in the Finance and Administration team (which includes Administration, Finance, Legal, Human Resources and Information Technology).

Figure 3.31: Total staff by department

3.13 Risk Management

Redox is required to comply with the laws and regulations in each jurisdiction with respect to the broad range of products that it supplies to its customers across a range of industry sectors.

Risk management is important to Redox – first and foremost to protect the health and safety of its employees and wider stakeholders, but also to enable safe and efficient management of its business.

Redox has implemented systems and procedures in order to minimise operational risk and to comply with the wide and complex range of regulations that apply to the various products that it supplies to its customers across a range of industry sectors as well as to ensure that Redox complies with relevant laws and regulations. Redox has a suite of digitally maintained and accessible policies and procedures covering the various facets of the business.

Redox strictly monitors that all its employees operate within, and stay up to date with, policies and procedures. Redox's internal training system is embedded within the Redebiz database and schedules training at commencement of employment, and retraining at predefined intervals, with over 100 compulsory training modules available. Minimum scores need to be obtained in online quizzes before Redebiz will record that the employee has successfully completed the training. Redebiz automatically records which employees have yet to read the current versions of each procedure document.

Redox conducts internal audits and is also the subject of independent external audits by regulators and certification bodies, and ad-hoc inspections. Internal audits of various procedures and business practices are conducted periodically and the Quality Assurance Manager is responsible for ensuring that internal audits are prepared and presented to the Audit and Risk Management Committee. The frequency of external audits is prescribed by the relevant regulators and certification bodies.

3.13.1 Work Health and Safety ('WH&S')

Redox's Safety Management System ensures that Redox takes responsibility for maintaining a safe workplace by minimising the risks of accidents, injuries and potential health hazards for all employees and stakeholders and complying with applicable WH&S laws and industry standards.

Redox has policies and procedures in place to enable it to monitor legislative developments related to WH&S. Redox also runs training programs in relation to WH&S both internally and externally and actively promotes any relevant safety initiatives across the business.

Redox also regularly undertakes risk assessments and encourages employees to report potential hazards and incidents. The Quality Assurance team are responsible for auditing Redox policies and procedures annually, which keeps Redox's records current and in line with legislative requirements.

Safety data and incidents are reviewed at both WH&S committees and at Board meetings to ensure Redox progresses towards its goal of sending its employees home safely every day.

3.13.2 Licences and accreditation portfolio and compliance

A key competitive barrier to entry in the markets in which Redox operates is the high level of regulatory expertise and compliance required to manage everyday operations.

Redox's processes have been audited and tested to help ensure that Redox maintains efficient business practices and appropriate quality management procedures while acting in accordance with the relevant industry standards. Redox's quality management system has been certified as complying with the requirements of ISO 9001 for the procurement and sale of chemical raw materials and food ingredients, warehousing operations and the dilution and packing of chemicals.

Redox maintains over 26,500 regulatory and compliance documents within Redebiz pertaining to its product, supplier and customer databases, which Management believes delivers best-of-class practices in an industry driven by regulatory requirements which are constantly evolving and updating over time.

Redox's regulatory compliance processes are managed internally by Redox's Regulatory Affairs Team. Reliance is placed on the expertise of this team to keep abreast of important changes and developments. Redox has a permanent Regulatory Affairs Manager and an additional three Regulatory Affairs Coordinators working within the quality assurance department in order to manage the large portfolio of licences, permits and accreditation documents.

3.13.3 Quality assurance and certificates

Redox continually reviews relevant legislation as it relates to industry standards and compliance. Key areas of focus for the Redox compliance team include:

- Correspondence with suppliers on manufacturing and treatment processes in light of the tightening of biosecurity/quarantine import regulations imposed by DAWE and MPI;
- Procuring the Codex HACCP and Good Manufacturing Practices (GMP) Certifications to allow increased confidence for the warehousing and supply of specialty ingredients for food and beverage related industries;
- Improving the systems that monitor Redox's complex range of Permits, including Major Hazard Facility (MHF), Quarantine Approved Premises and Cooling Towers, Dangerous Goods, Poisons and Controlled Drugs Licensing, Health and Safety at Work (Hazardous Substances) (NZ), biosecurity/quarantine import permits and Chemical Weapon Precursors, Concessional Spirits/Alcohol, and Kosher and Halal Certifications; and
- Monitoring and assessing Redox's suppliers' performance against selection criteria to build confidence in Redox's supply base in order to reduce risk.

The list below contains some of the licences and accreditations that are critical to the running of the Redox business:

- Management Systems Certifications (ISO9001, HACCP and FSSC22000);
- Licence to Operate Major Hazard Facility (MHF);
- Food Premises Licences;
- DG Licences or Notifications (in States where Licence is not required);
- Licences issued by the Environmental Protection Authority;
- Poisons and Controlled Drugs Licences;
- Quarantine Import Permits;
- Quarantine Approved Premises/Approved Arrangements;
- APVMA Agricultural/Veterinary Product and Active Constituent Registrations;
- APVMA Manufacturers' Licensing Scheme;
- Concessional Spirits (ATO); and
- Security Sensitive Ammonium Nitrate (also called High Consequence Dangerous Goods in certain States).

3.13.4 Insurance arrangements

Redox has a comprehensive risk management framework in place and is constantly assessing its risk profile and working closely with its insurance providers to ensure Redox remains protected against identified risks which may impact Redox's operations and/or financial position.

In Australia, Redox utilises Collegial Insurance Services to manage its Insurance portfolio. In New Zealand, the manager is Donaldson Brown. The table below provides an overview of the insurance policies Redox currently has in place to safeguard the Group from potential liability as a result of ongoing operations.

Figure 3.32: Insurance Policies

Policies	Risks covered
Industrial Special Risks – Master	Property Damage and Business Interruption
Broadform Legal Liability – Master	Product and Public Liability
Motor Vehicle Fleet	Property Damage and Public Liability
Marine Cargo – Master	Goods in Transit Worldwide
Corporate Travel	Business Trips by Employee
Professional Indemnity	Professional Indemnity for Redox's Consultants
Workers Compensation and Employer Liability	Employment Practice and Workers Compensation
Employers Liability	Employment Practice
Trade Credit	Unpaid Trade Receivables

3.14 Corporate Social Responsibility

Redox believes that corporate social responsibility ('CSR') is about demonstrable, responsible and pro-active business leadership, and that CSR considerations influence how business is conducted, interactions with stakeholders, and the value that such businesses contribute to society. Redox's values are centred around Leadership, Integrity, Hard Work, Knowledge, Service and Health and Safety.

The Board assumes overall responsibility for Redox's CSR policies, processes and procedures. Redox continues to develop its CSR strategy influenced by Redox's values and stakeholder engagement.

3.14.1 Workplace

Diversity, equity and inclusion

Redox has a Code of Conduct and Ethics Policy, Harassment, Bullying and Discrimination Policy, Diversity Policy and Whistleblower Policy. The Redox workforce in 2022 was either covered by an award or employed via individual agreements.

Redox is committed to providing equal employment opportunity to all persons, with employment decisions based on job specifications, individual qualifications and business needs without regard to race, colour, nationality, religion, gender, age, sexual orientation or disability. Redox also remains committed to fair employment practices and maintains a no tolerance policy for harassment and discrimination.

Redox looks to benchmark and evaluate performance on a regular basis, and measures metrics such as diversity across the business. For example, Redox's gender diversity split as at 30 June 2022 was 47% females and 53% males excluding warehouse employees, or 38% females and 62% males including warehouse employees.

Workforce engagement

Redox values its employees' health, safety and wellbeing and offers an Employment Assistance Program (EAP), providing a service for employees to seek confidential assistance with professional counsellors, psychological support services, management support and critical incident response services to deal with issues such as bereavement, divorce and alcohol abuse.

Redox works with its employees to accommodate flexible working arrangements where possible. Redox has a variety of formal and informal arrangements in place with its employees, including maternity leave, work from home arrangements and return to work procedures.

Emergency response procedures

The Group has in place emergency response and major incident procedures which are documented and tested. These procedures include emergency responses in the event of:

- IT system shutdowns, a Disaster Recovery Test was last conducted in September 2022 and these are undertaken on an annual basis;
- Product recalls, a Mock Product Recall was conducted in October 2022;
- Pollution Incident Response Management Plan (**PIRMP**) is required under the NSW EPA. Redox's PIRMP was last tested at the Minto site and Girraween site in November 2022; and
- Fire safety drills are conducted every six months at every Redox managed site.

3.14.2 Environment

Redox is committed to a number of initiatives to mitigate the Company's environmental impact, including through monitoring and evaluating Redox's greenhouse gas emissions footprint, installing solar generation systems in its Australian sites and offering returnable packaging solutions and package-free bulk delivery options to its customers and suppliers. These programs are further detailed in this Section 3.14.2.

Greenhouse gas emissions footprint

Redox has engaged Carbon Neutral Pty Ltd (**Carbon Neutral**), an independent third-party consulting firm, to evaluate and assess the Scope 1, 2 and 3 greenhouse gas emissions associated with its operations annually from FY21. A summary of Carbon Neutral's assessment of Redox's greenhouse gas emissions footprint for FY21 and FY22 is outlined below.

Figure 3.33: Greenhouse gas emissions for Redox's FY21 and FY22 operations[13,14]

	Description	FY21 Emissions (t CO_2-e)	FY21 % of total	FY22 Emissions (t CO_2-e)	FY22 % of total
Scope 1	Direct greenhouse gas emissions from operations owned or controlled by Redox (e.g. natural gas, fleet fuel, refrigerant leaks, stationary fuel)[15]	538	0.4%	434	0.2%
Scope 2	Indirect greenhouse gas emissions from the generation of purchased electricity consumed by Redox[15]	1,585	1.0%	1,434	0.8%
Scope 3	Other indirect greenhouse gas emissions that occur in the value chain (e.g. purchased goods and services, staff commuting, business travel, resource disposal, indirect energy, inbound and outbound freight, upstream and downstream leased assets)	149,217	98.6%	173,158	98.9%
Total emissions		**151,339**	**100.0%**	**175,025**	**100.0%**

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13. Carbon Neutral Report for Redox's FY21 operations prepared by Carbon Neutral as updated at 16 March 2023. Carbon Neutral Report for Redox's FY22 operations prepared by Carbon Neutral as at 16 March 2023 (the **Carbon Neutral Report**).
14. Carbon Neutral has used the Greenhouse Gas Protocol to categorise greenhouse gas emissions associated with Redox's operations into 'scopes'. Due to the inherent uncertainty and limitations in measuring greenhouse gas emissions, all emissions data or references to emissions volumes (including ratios or percentages) are estimates based on available information and calculation methodologies. Greenhouse gas emissions are reported as units of carbon dioxide equivalents (CO2-e), which provides the ability to compare various greenhouse gases as a single unit.
15. To calculate Redox's scope 1 and 2 emissions, except as specified below, Carbon Neutral has used the methodology and emission factors presented by the Australian Government's Australian National Greenhouse Accounts (NGA) Factors. In calculating scope 1 emissions associated with fleet fuel consumption, Carbon Neutral used emission factors published by DBEIS (GOV, UK). In calculating scope 2 emissions associated with electricity use in locations outside of Australia, Carbon Neutral sourced the emission factor for Malaysia from the Institute for Global Environmental Strategies, the emission factor for the United States from the U.S. Environmental Protection Agency and the emission factor for New Zealand from the Ministry of Environment.

Sources of Scope 1 greenhouse gas emissions	FY21 Emissions (t CO_2-e)	FY21 % of total	FY22 Emissions (t CO_2-e)	FY22 % of total
Fuel consumption (stationary)[16]	165	30.7%	158	36.4%
Fuel consumption (fleet)	373	69.3%	276	63.6%
Total Scope 1 emissions	**538**	**100%**	**434**	**100.0%**

Sources of Scope 3 greenhouse gas emissions[17]	FY21 Emissions (t CO_2-e)	FY21 % of total	FY22 Emissions (t CO_2-e)	FY22 % of total
Purchased goods and services	1,226	0.8%	2,643	1.5%
Upstream and downstream leased assets	2,557	1.7%	3,076	1.8%
Indirect energy	329	0.2%	300	0.2%
Freight, inbound and outbound	143,757	96.3%	165,773	95.7%
Resource disposal (waste) generated in operations	813	0.5%	863	0.5%
Business travel	10	0.0%	38	0.0%
Staff commuting	524	0.4%	465	0.3%
Total Scope 3 emissions	**149,217**	**100%**	**173,158**	**100.0%**

In FY22, Redox continued to implement various initiatives to mitigate its environmental impact. Carbon Neutral estimates that there has been a reduction in Redox's scope 1 and scope 2 greenhouse gas emissions in FY22 as compared to FY21 of 104t CO_2-e (-19.4%) and 151t CO_2-e (-9.5%) respectively. Redox believes that this reduction was predominantly driven by reductions in fleet fuel consumption and electricity use. Carbon Neutral estimates that there was an increase in Redox's scope 3 greenhouse gas emissions in FY22 as compared to FY21 of 23,941t CO_2-e (+16.0%). Redox believes that this increase was primarily due to the fact that Redox required more frequent inbound and outbound freight activity to service its significant sales growth during FY22 relative to FY21. Overall, Carbon Neutral estimates that there has been an increase in Redox's total greenhouse gas emissions in FY22 as compared to FY21 of 23,686t CO_2-e (+15.7%), which Redox believes is primarily due to the increase in Redox's scope 3 greenhouse gas emissions as described above.

Solar power generation

In 2017, in consultation with its landlords, Redox commenced a long-term project to progressively fit its Australian sites with solar generation systems. Redox has since completed projects to fit out six of its seven Australian sites with photovoltaic solar generation systems, with the last one being completed during 2022. Redox's total generation capacity is now 600kW across those six sites.

Waste management and product governance

In order to reduce the generation of waste associated with its operations, Redox offers returnable packaging solutions and package-free bulk delivery options to its customers, with a preference for the use of returnable hire pallets and pooled equipment. In many of its locations Redox utilises reconditioned drums and Intermediate Bulk Containers (**IBCs**) which are able to be refilled and returned multiple times. Redox also utilises pneumatic and liquid tanker deliveries which are able to facilitate deliveries without the creation of packaging waste.

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16. Fuel consumption (stationary) includes diesel and LPG fuel usage by stationary equipment such as forklifts.
17. Scope 3 emissions are difficult to estimate due to their indirect nature. To calculate Redox's scope 3 emissions, Carbon Neutral has used a variety of sources, with methodologies following the Greenhouse Gas Protocol Corporate Value Chain Accounting and Reporting Standard (Scope 3) (including applying the principles of relevance, completeness, consistency, transparency and accuracy).

Redox has clear waste management and disposal procedures for all its managed sites which are communicated to all relevant employees. Key procedures and controls include the following:

- The appointment of a Regulatory Affairs Manager/Coordinator who is responsible for reporting notifiable incidents causing pollution to environmental authorities, as well as the regular review of applicable environmental legislation/regulation in relation to waste disposal and management;
- Waste containing chemicals or chemical packaging is tracked from generation, transport, through to disposal/destruction by authorised personnel;
- All waste is appropriately classified between general, food and hazardous waste and appropriately managed. Liquid waste such as storage tanks and IBCs are positioned in bunded areas (with impervious walls and floors), and are subject to regular observation and maintenance to prevent falling and leaking; and
- Hazardous waste is classified by authorised personnel and appropriately disposed of by suppliers who are licensed to accept waste for treatment by the environmental authority in each jurisdiction.

Additionally, Redox has been a part of the DrumMUSTER stewardship programme since 2012. According to DrumMUSTER, the program provides an easy, environmentally friendly way of disposing empty farming containers across rural Australia, using 26 approved processors who divert material away from landfill for recycling[18]. Over the last three years, Redox has paid levies for the collection and disposal of 19,895 x 20 litre drums and 3,525 x 200 litre drums (over 59 tonnes of material) in support of that programme.

Responsible Care Program

Redox is a proud signatory to the Responsible Care® program, which Redox believes demonstrates its leadership and commitment to improved health, safety, security and environmental management of its products.

The program is administered by Chemistry Australia and aims to tackle a wide range of issues including environmental protection, employee health and safety, storage and transport safety, manufacturing process safety, product stewardship and industry transparency and engagement.

3.14.3 Ethical sourcing

Modern slavery

Redox is committed to ethical sourcing, seeks to adhere to the highest ethical standards, and aims to minimise the risk of modern slavery occurring in Redox's business operations or supply chains.

In accordance with Redox's Modern Slavery Policy, each of Redox's businesses require that all suppliers they engage with for the purchase of goods or services, and freight and logistics providers, comply with Redox's Minimum Workplace Practices Code of Conduct (Supplier Code of Conduct). The minimum standards draw upon the key principles of the United Nations Universal Declaration of Human Rights (UDHR), the United Nations Conventions on the Rights of the Child and International Labour Organisation (ILO) Core Labour Standards.

To manage the risk of modern slavery in Redox's operations and supply chains and to identify emerging issues, Redox provides training to relevant team members and suppliers, collaborates with various organisations, embeds ethical sourcing and modern slavery policies into existing processes and conducts risk assessments on suppliers. Redox's Board has ultimate responsibility for Redox's governance of labour rights and modern slavery, supported by Senior Management and a Quality Assurance Team. Redox also collaborates with the Roundtable on Sustainable Palm Oil, Australian Trusted Trader, and Rainforest Alliance.

Before Redox contracts with a new supplier, they must complete Redox's Ethical Sourcing Supplier Declaration Form or supply their own internal policies for assessment to ensure alignment in workplace practices. Redox also requires its suppliers who were onboarded before this practice was implemented to complete the same process retrospectively.

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[18] Source: DrumMUSTER website, url: https://www.drummuster.org.au/.

3. Business Overview continued

The Declaration Form provides Redox with rights of termination if the supplier is unable to or unwilling to comply with Redox's Workplace Practices. It also provides Redox with the ability to further assess its suppliers by giving Redox the right to undertake further investigations of the supplier's business practices, should Redox find this necessary.

The risk of exposure in Redox's supply chain and operation is primarily centred around: third party labour, product or services market and supplier geographic location. Redox regularly conducts reviews of the US Customs and Border Protection (CBP) Active Withhold Release Orders and Findings List. Redox monitors the list to identify any of the suppliers in its supply chain who have been issued a Withhold Release Order (WRO) by the Commissioner or if findings have been published against them in the Federal Register. Redox continues to progress discussions to adopt a risk-based approach to modern slavery due diligence that is guided by the United Nations Guiding Principles on Business and Human Rights.

Redox prepares a Modern Slavery Statement on an annual basis covering the period from the previous 1 July to 30 June period (the most recent being 1 July 2021 to 30 June 2022). Each statement is filed with the Australian Border Force and subsequently made available on Redox's website.

Redox has memberships with relevant ethical organisations including EcoVadis, Sedex, Roundtable on Sustainable Palm Oil (RSPO), Chemistry Australia and the National Association of Chemical Distributors (in the USA). This assists in seeking to ensure that Redox interacts within ethical supply chains and enables Redox to demonstrate leadership as a responsible business inside the market.

In 2023, Redox has obtained their latest EcoVadis certification, which ranks the quality of the Company's sustainability management system against global applicants across a range of different industries. Redox achieved a silver medal indicating a top 25 percentile ranking.

3.14.4 Governance

Community

Redox has a commitment to being a responsible corporate citizen and is open to aligning with its clients' charity or community outreach programs where possible.

Tax transparency

Redox believes in paying its fair share of taxes to help support the broader community and remains committed to tax transparent operations.

Cyber and information security

Redox maintains a disciplined approach to cyber and information security, conducting rigorous ongoing testing on its IT infrastructure and networks to ensure information stored in Redebiz and other systems is safe from both internal and external breaches. The Group considers IT paramount to its continued success; hence testing, monitoring, training and alerting of security matters is always treated with the utmost importance. Further detail on Redox's cyber and information security protocols has been provided in Section 3.5.1.

3.15 Impact of COVID-19 and global supply chain challenges

There have been a number of factors associated with COVID-19 and the ensuing global supply chain environment which have impacted historical period results.

The financial impact of COVID-19 on Redox is impossible to reliably quantify, given the varying impacts of government restrictions and macroeconomic factors which have weighed on Redox's ongoing operations.

Notwithstanding the impact of COVID-19 and consequent lockdowns on the general mobility and wellbeing of Redox's employees, the below outlines specific COVID-19 related impacts to Redox's business, along with countervailing impacts.

Figure 3.34: Impact of COVID-19 on Redox's operations

COVID-19 impact on operations	Positive effect on operations
Dealings with customers	
• Inability to meet with, entertain and inform customers of Redox's capabilities at trade fairs or physical meetings due to government restrictions, making it more difficult to negotiate potential sales, identify growth opportunities or deepen existing relationships.	• Reduced fuel, travel and entertainment expenditure. • Greater familiarity with alternative methods for interacting with customers (e.g. via videoconferencing systems).
Production activity	
• Impact on the production profile of many customers and industries due to Government mandated lockdowns (e.g. food ingredients sold to the hospitality, leisure and tourism industries). • Deferral of a number of major projects within the private sector (especially mining and resources).	• Government rescue packages and infrastructure spending have positively increased demand for some materials and products. • Improved production profiles of other customers and industries (e.g. hand sanitisers) have partially offset impacted customers and industries.
Shipping	
• International shipping delays resulted in Redox at times not having sufficient inventory on hand to fulfil orders. In some cases this led to a loss of business to competitors. Unpredictable shipping schedules also necessitated higher inventory levels, impacting net working capital requirements.	• Shortages from competitors due to erratic shipping schedules allowed Redox to win their business when there was inventory available to be sold. • Greater visibility on revenues due to more customers ordering inventory in advance to avoid potential shipping impacts.

COVID-19 impact on operations	Positive effect on operations
Pricing	
• In some instances, purchase orders had to be re-costed from FOB (free on board) to CIF (cost, insurance and freight) basis at a greater cost to the business in order to have goods shipped. This led to a short-term impact on profit margins and in some cases unprofitable sales where late changes in costs could not be recovered through price.	• Higher shipping costs eventually supported higher selling prices. • Management believes higher shipping costs may also have occasionally helped win sales whereby Redox was able to undercut higher prices of competitors due to their comparatively smaller operating scale.

Notwithstanding the challenges associated with rising input and logistic costs caused by COVID on global supply chains, Redox's scale and decisive actions taken by Management allowed the business to continue to meet the demands of its customers.

Figure 3.35: Recent trends observed and responses taken by Management

Recent trends	Impacts on Redox
Logistics and supply	• International shipping delays and factory shutdowns resulted in shortages, allowing Redox to gain share by building stock levels and leveraging purchasing power. • Sales to some smaller infrequent customers were occasionally de-prioritised compared to sales to recurring, larger customers. • Cost of shipping has begun to ease, improving Redox's competitiveness vs local supply and bulk imports.
Price volatility	• Price inflation during FY22 provided opportunities for transient margin gains, especially on ex-inventory sales. • Price deflation during FY23 is being passed on to customers.
Industry stock levels	• Redox and its customers de-risked by building stock levels, especially during FY22. This pattern has reversed during FY23, particularly since Chinese manufacturing output has normalised. • Redox chose to prioritise customer goodwill and funded the increased working capital requirements with debt. That position has been unwinding during FY23 resulting in increased operating cash inflows.
Trade restrictions	• Certain countries placed export restrictions on certain products whilst their own supply was limited. • Redox was able to find alternative sources for some of these products, but sales were still adversely impacted. There are signs these controls are being relaxed.

Section Four

Financial information

4. Financial Information

4.1 Introduction

4.1.1 Financial information

4.1.1.1 Overview

Section 4 contains:

- the Statutory Historical Financial Information and Pro Forma Historical Financial Information of Redox for the financial years ended 30 June 2021 (**FY21**) and 30 June 2022 (**FY22**) and the half-years ended 31 December 2021 (**H1 FY22**) and 31 December 2022 (**H1 FY23**); and
- the Statutory Forecast Financial Information and Pro Forma Forecast Financial Information for the financial years ending 30 June 2023 (**FY23F**) and 30 June 2024 (**FY24F**).

The Statutory Financial Information and the Pro Forma Financial Information are defined in Figure 4.1 below and are together referred to as the Financial Information.

Figure 4.1: Overview of the Financial Information

DEFINITIONS	STATUTORY FINANCIAL INFORMATION	PRO FORMA FINANCIAL INFORMATION
Historical Financial Information	**Statutory Historical Financial Information** comprises the: • statutory historical consolidated income statements for FY21, FY22, H1 FY22 and H1 FY23 (**Statutory Historical Income Statements**); • statutory historical consolidated cash flows for FY21, FY22, H1 FY22 and H1 FY23 (**Statutory Historical Cash Flows**); and • statutory historical consolidated statement of financial position as at 31 December 2022 (**Statutory Historical Statement of Financial Position**).	**Pro Forma Historical Financial Information** comprises the: • pro forma historical consolidated income statements for FY21, FY22, H1 FY22 and H1 FY23 (**Pro Forma Historical Income Statements**); • pro forma historical consolidated cash flows for FY21, FY22, H1 FY22 and H1 FY23 (**Pro Forma Historical Cash Flows**); and • pro forma historical consolidated statement of financial position as at 31 December 2022 (**Pro Forma Historical Statement of Financial Position**).
Forecast Financial Information	**Statutory Forecast Financial Information** comprises the: • statutory forecast consolidated income statement for FY23F and FY24F (**Statutory Forecast Income Statement**); and • statutory forecast consolidated cash flows for FY23F and FY24F (**Statutory Forecast Cash Flows**).	**Pro Forma Forecast Financial Information** comprises the: • pro forma forecast consolidated income statements for FY23F and FY24F (**Pro Forma Forecast Income Statements**); and • pro forma forecast consolidated cash flows for FY23F and FY24F (**Pro Forma Forecast Cash Flows**).

The Financial Information presented in this Prospectus has been reviewed by Deloitte Corporate Finance Pty Limited (**Investigating Accountant**) in accordance with the Australian Standard on Assurance Engagements (ASAE) ASAE 3450 Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information, as stated in its Independent Limited Assurance Report. Investors should note the scope and limitations of the Independent Limited Assurance Report (please refer to Section 8 of this Prospectus).

Investors should note that past results are not a guarantee of future performance.

The Financial Information in this Section 4 should be read in conjunction with Redox's Significant Accounting Policies, as set out in Section 10, the risk factors described in Section 5, the Independent Limited Assurance Report on Financial Information set out in Section 8 and the other information in this Prospectus.

Unless otherwise noted, all amounts disclosed in Section 4 are presented in Australian dollars (AUD or A$), which is the Company's presentational and functional currency, and are rounded to the nearest A$0.1 million. Some numerical tables included in this Prospectus have been subject to rounding adjustments. Any differences between totals and the sum of components in tables contained in this Prospectus are due to rounding.

Also summarised in Section 4 are:

- the basis of preparation and presentation of the Financial Information (please refer to Section 4.2.1 and Section 4.2.2);
- an explanation of certain financial measures that are neither recognised by the Australian Accounting Standards Board (AASB) or under the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) that are used by the Company and included in this Prospectus to assist investors in understanding the financial performance of the business (please refer to Section 4.2.3);
- a summary of key pro forma operating and financial metrics (please refer to Section 4.3.5);
- pro forma adjustments and reconciliations of the Pro Forma Historical Financial Information and the Pro Forma Forecast Financial Information to the Statutory Historical Financial Information and the Statutory Forecast Financial Information, respectively (please refer to Section 4.3, Section 4.4 and Section 4.5);
- details of the cash and cash equivalents of Redox and its pro forma cash position at the assumed date of Completion of the Offer (please refer to Section 4.5);
- information regarding the liquidity and capital resources available to Redox (please refer to Section 4.6);
- information regarding the contractual obligations, commitments, contingent liabilities and off-balance sheet arrangements of Redox (please refer to Section 4.6);
- general and specific assumptions underlying the Forecast Financial Information (please refer to Section 4.7;
- Management's discussion and analysis of the Pro Forma Financial Information (please refer to Section 4.8);
- an analysis of the sensitivity of the Company's Pro Forma NPAT for FY23F and FY24F to changes in certain key assumptions (please refer to Section 4.9);
- an update on Q3 FY23 revenue and gross profit (please refer to section 4.10); and
- a summary of the proposed dividend policy of the Company (please refer to Section 4.11).

4.2 Basis of Preparation and Presentation of the Financial Information

4.2.1 Overview and Preparation of the Financial Information

The Directors are responsible for the preparation and presentation of the Financial Information.

The Financial Information included in this Prospectus is intended to present potential investors with information to assist them in understanding Redox's underlying historical financial performance, cash flows and financial position, together with the forecast financial performance and cash flows for FY23F and FY24F.

The Statutory Financial Information in this Prospectus has been prepared in accordance with the measurement and recognition principles of Australian Accounting Standards (**AAS**) adopted by the **AASB**, which are consistent with **IFRS** issued by **IASB**.

The Financial Information is presented in abbreviated form and does not include all of the disclosures, statements or comparative information required by AAS and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act.

The Significant Accounting Policies adopted in the preparation of the Financial Information are set out in Section 10 of this Prospectus and have been consistently applied in the preparation of the Financial Information, including in relation to the Pro Forma Historical Financial Information.

The Pro Forma Financial Information has been prepared solely for inclusion in this Prospectus and has been derived from the Statutory Historical Financial Information and the Statutory Forecast Financial Information adjusted for certain transactions and pro forma adjustments as described further below.

Due to its nature, the Pro Forma Financial Information does not reflect the actual financial results and cash flows of Redox for the periods indicated. The Directors believe that the Pro Forma Historical Financial Information provides useful information as it permits investors to examine what they consider to be the underlying financial performance and cash flows of the business presented on a consistent basis with the Pro Forma Forecast Financial Information.

The Prospectus includes Forecast Financial Information based on the specific and general assumptions set out in Section 4.7.

In addition to the Financial Information, this Section 4 includes non-IRFS financial measures that Redox uses to manage and report on its business that are not defined under or recognised by AAS or IFRS.

The information in this Section 4 should also be read in conjunction with the Management discussion and analysis in Section 4.8 and the general and specific assumptions and commentary underlying the Forecast Financial Information in Section 4.7.

4.2.1.1 Segment Information

Redox manages its operations as a single business operation and there are no parts of the business or geographies that qualify as separate *operating segments* under AASB 8 *Operating Segments*. The Directors assess the financial performance of Redox on an integrated basis only and accordingly, Redox is managed on the basis of a single segment.

4.2.2 Preparation of the Financial Information

4.2.2.1 Preparation of the Historical Statutory Financial Information

The Statutory Historical Financial Information has been extracted from the audited general purpose consolidated financial statements of the Company and its controlled entities for FY21 and FY22, and the reviewed general purpose interim consolidated financial statements of the Company and its controlled entities for H1 FY23 (which included comparative financial information for H1 FY22).

The general purpose consolidated financial statements for FY21 and FY22 were audited by Deloitte Touche Tohmatsu in accordance with the Australian Auditing Standards. Deloitte Touche Tohmatsu issued an unqualified audit opinion in respect of the general purpose consolidated financial statements for FY21 and FY22.

The general purpose consolidated financial statements for H1 FY23 were reviewed by Deloitte Touche Tohmatsu in accordance with the Australian Auditing Standards applicable to review engagements. Deloitte Touche Tohmatsu issued an unmodified review conclusion in respect of the general purpose consolidated financial statements H1 FY23.

4.2.2.2 Overview of Pro Forma Historical Financial Information

The Pro Forma Historical Financial Information has been prepared solely for inclusion in this Prospectus and has been derived from the Statutory Historical Financial Information and adjusted for the effects of certain pro forma adjustments.

The Pro Forma Historical Income Statements and Pro Forma Historical Cash Flows have been derived from the Statutory Historical Income Statements and the Statutory Historical Cash Flows to illustrate the net profit after tax and cash flows of the Company adjusted for the following pro forma adjustments:

- the capital structure (no debt or borrowing costs) and proposed dividend policy that will be in place following Completion of the Offer;
- the incremental costs of being a publicly listed company (e.g. compliance and regulatory costs) and certain costs relating to the Offer incurred in FY22; and
- the income tax effect of the above pro forma adjustments.

Refer to Section 4.3.4 for the pro forma adjustments made to the Statutory Historical and Forecast Income Statements and Section 4.4.2 for the pro forma adjustments made to the Statutory Historical Cash Flows.

Section 4.3.4 sets out the pro forma adjustments made to the Historical Statutory Income Statements and a reconciliation of the Statutory Historical Income Statements to the Pro Forma Historical Income Statements. Section 4.4.2 sets out the pro forma adjustments made to the Statutory Historical Cash Flows and a reconciliation of the Statutory Historical Cash Flows to the Pro Forma Historical Cash Flows.

The Pro Forma Historical Statement of Financial Position is derived from the Statutory Historical Statement of Financial Position and is adjusted to reflect the following pro forma adjustments:

- the payment of the Company's FY23F interim dividend in March 2023 and the payment of the Company's full year dividend to Existing Shareholders in May 2023;
- the impact of the Offer and directly attributable Offer costs being offset against equity (with the remainder expensed in retained earnings); and
- the repayment of related party loans and bank debt.

The Pro Forma Historical Statement of Financial Position is provided for illustrative purposes only and is not represented as being necessarily indicative of the future financial position of Redox.

Refer to Section 4.5 for the pro forma adjustments made to the Statutory Historical Statement of Financial Position and a reconciliation of the Statutory Historical Statement of Financial Position to the Pro Forma Historical Statement of Financial Position.

4.2.2.3 Preparation of the Forecast Financial Information

The Forecast Financial Information has been prepared solely for the inclusion in this Prospectus. The Forecast Financial Information is presented on both a statutory and pro forma basis for FY23F and FY24F.

The basis of preparation and presentation of the Statutory Forecast Financial Information and the Pro Forma Forecast Financial Information is consistent with the basis of preparation and presentation of the Statutory Historical Financial Information and Pro Forma Historical Financial Information, respectively.

The Forecast Financial Information has been prepared by the Directors with due care and attention based on an assessment of current economic and operating conditions and on best estimate general and specific assumptions regarding future events and actions set out in Section 4.7. The disclosure of these assumptions is intended to assist investors in assessing the reasonableness and likelihood of the assumptions occurring and the effect on the Forecast Financial Information if they do not occur and is not intended to be a representation that the assumptions will occur. Investors should be aware that the assumptions may not eventuate in full or in part and investors are cautioned not to place undue reliance on the Forecast Financial Information. The

Forecast Financial Information should be read in conjunction with the sensitivity analysis set out in Section 4.9, the risk factors set out in Section 5, the Significant Accounting Policies included in Section 10, the Independent Limited Assurance Report included in Section 8 and the other information included in this Prospectus.

The Directors believe the general and specific assumptions set out in Section 4.7, when taken as a whole, to be reasonable at the time of preparing the Original Prospectus. Investors should be aware that the timing of actual events and the magnitude of their impact might differ from that assumed in preparing the Forecast Financial Information and that this may have a material positive or negative effect on the Company's actual financial performance, financial position and cash flows. In addition, the assumptions upon which the Forecast Financial Information is based are by their very nature subject to significant uncertainties and contingencies, many of which will be outside the control of the Company or its Directors, and are not reliably predictable. Accordingly, none of the Company or its Directors or any other person can give investors any assurance that the outcomes disclosed in the Forecast Financial Information will be realised.

The Company does not intend to update or revise the Forecast Financial Information or other forward-looking statements or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

The Statutory Forecast Financial Information represents the Company's best estimate of the financial performance and cash flows that it expects to report in its consolidated financial statements in FY23F and FY24F. The Statutory Forecast Financial Information for FY23F includes the reviewed half-year results of the Company for the six months to 31 December 2022 and three months of actual (but unaudited) results and three months of forecast financial results to 30 June 2023.

The Pro Forma Forecast Income Statement and Pro Forma Forecast Cash Flows have been derived from the Statutory Forecast Income Statement and the Statutory Forecast Cash Flows, after applying pro forma adjustments (as if those adjustments took effect from 1 July 2022) to reflect Redox's expected operating and capital structure following Completion of the Offer, including:

- the capital structure that will be in place following Completion of the Offer;
- the incremental costs of being a publicly listed entity including the implementation of an executive long-term incentive plan;
- the impact of the Employee Gift Offer;
- the prospective dividend policy; and
- the removal of costs associated with the Offer.

Refer to Section 4.3.4 for the pro forma adjustments made to the Statutory Forecast Income Statements and Section 4.4.2 for the pro forma adjustments made to the Statutory Forecast Cash Flows.

Reconciliations of the Statutory Forecast Income Statements to the Pro Forma Forecast Income Statements are outlined in Section 4.3.4. Reconciliations of the Statutory Forecast Cash Flows to the Pro Forma Forecast Cash Flows are outlined in Section 4.4.2.

Due to its nature, the Pro Forma Forecast Financial Information does not represent the actual or prospective financial performance or cash flows of the Company.

4.2.3 Explanation of certain non-IFRS and other financial measures

In addition to Redox's financial information presented in accordance with AAS and IFRS, Redox uses certain measures to manage and report on its business that are not recognised under AAS or IFRS. These measures are collectively referred to in this Section 4 and under *Regulatory Guide 230 Disclosing Non-IFRS Financial Information* published by ASIC as **non-IFRS financial measures**. The principal non-IFRS financial measures that are referred to in this Prospectus are outlined in this Section 4.2.3.

Although the Directors believe that these measures provide useful information about the financial performance of the business because they provide consistency and comparability with past financial and operational performance, they are presented for supplemental informational purposes only, have limitations as analytical tools, and should not be considered in isolation or as a substitute to the financial information measures that have been presented in accordance with AAS and IFRS.

As these financial measures are not based on AAS or IFRS, they do not have standard definitions, and the way Redox calculates and presents these measures may differ from similarly titled measures used by other companies, and may therefore not be comparable to similarly titled metrics used by other companies. Further, as these financial measures are defined by the Company, these definitions may be revised over time or may no longer represent a useful indication of financial performance. Investors should not place undue reliance on these non-IFRS financial measures. These non-IFRS financial measures that are referred to in this Prospectus include the following:

- **Gross Profit** represents Redox's revenue less Cost of Sales;
- **Gross Profit Margin** or **Gross Margin** represents Gross Profit expressed as a percentage of Redox's revenue;
- **EBITDA** represents earnings or losses before interest, taxation, depreciation and amortisation;
- **EBITDAFX** represents earnings or losses before interest, taxation, depreciation, amortisation and unrealised currency revaluations from forward foreign exchange contracts;
- **EBITDAFX Margin** represents EBITDAFX expressed as a percentage of Redox's revenue;
- **EBIT** represents earnings or losses before interest and taxation, including unrealised currency revaluations from forward foreign exchange contracts;
- **EBIT Margin** represents EBIT expressed as a percentage of Redox's revenue;
- **Net Operating Profit After Tax (NOPAT)** represents earnings before interest and taxation, taxed at the corporate tax rate for the specified period, being 30%;
- **NPAT** represents net profit or losses after taxation, including unrealised currency revaluations from forward foreign exchange contracts;
- **Return on Invested Capital** represents NOPAT divided by average invested capital (being the average of the beginning and ending balance of total equity plus net debt including other financial assets and lease liabilities over the specified period);
- **Net Cash/(Debt)** represents total borrowings and lease liabilities less cash and cash equivalents;
- **Working Capital** represents the sum of trade and other receivables, inventory, prepayments and other current assets less trade and other payables, accruals, contract liabilities, provisions and other current liabilities;
- **Capital Expenditure** represents costs related to the acquisition of property, plant and equipment; and
- **Non-Cash Items** represents expenses included in EBITDA of a non-cash nature.

4.2.4 Foreign currency

Redox transacts in currencies other than its reporting currency (the Australian Dollar (**AUD**)). The results of its overseas entities in Malaysia, New Zealand and the United States are translated into AUD at the average exchange rate for the period, and the assets and liabilities of those entities are translated into AUD at the period end rate.

Unrealised currency revaluations relate to non-cash mark to market adjustments on Redox's open forward exchange contracts at period end. These amounts arise as Redox hedges purchasing prices on or around the date of agreeing the related purchase order. As most sales contracts are entered into on or around the same date as the purchase order, this process significantly reduces the currency risk attached to Redox's inventory purchases. Under the terms of AASB 9 *Financial Instruments* Redox is required to include the non-cash gain or loss on open foreign exchange positions within its statutory result.

Unrealised currency revaluations relating to customer and supplier invoices that are denominated in foreign currency and translated into AUD at each reporting date are recognised in the respective line items of the Income Statement (i.e. other income/expense).

4.3 Historical and Forecast Income Statements

4.3.1 Pro Forma Historical and Forecast Income Statements and Statutory Forecast Income Statements

Table 4.1 summarises the Pro Forma Historical Income Statements for FY21 and FY22, Pro Forma Forecast Income Statements for FY23F and FY24F and Statutory Forecast Income Statements for FY23F and FY24F.

Table 4.1: Pro Forma Historical Income Statements and Pro Forma Forecast Income Statements and Statutory Forecast Income Statements

		PRO FORMA HISTORICAL		PRO FORMA FORECAST		STATUTORY FORECAST	
$ MILLIONS	**NOTES**	**FY21**	**FY22**	**FY23F**	**FY24F**	**FY23F**	**FY24F**
Revenue		796.3	1,081.8	1,244.1	1,328.2	1,244.1	1,328.2
Cost of sales	1	(631.4)	(838.0)	(988.8)	(1,052.8)	(988.8)	(1,052.8)
Gross profit		**164.9**	**243.8**	**255.2**	**275.5**	**255.2**	**275.5**
Administration expenses	2	(51.0)	(59.0)	(62.9)	(66.0)	(61.8)	(66.3)
Distribution and storage expenses	3	(35.3)	(41.4)	(46.9)	(50.3)	(46.9)	(50.3)
Other expenses	4	(7.5)	(8.9)	(10.6)	(11.0)	(11.1)	(16.2)
EBITDAFX		**71.2**	**134.6**	**134.7**	**148.2**	**135.4**	**142.7**
Unrealised currency revaluation	5	8.1	4.1	(9.6)	–	(9.6)	–
EBITDA		**79.3**	**138.6**	**125.2**	**148.2**	**125.8**	**142.7**
Depreciation and amortisation	6	(6.7)	(7.2)	(7.6)	(7.7)	(7.6)	(7.7)
Net finance costs	7	(1.8)	(1.5)	(1.5)	(1.3)	(10.9)	(1.3)
Profit before tax		**70.8**	**129.9**	**116.1**	**139.1**	**107.3**	**133.6**
Income tax expense	8	(21.4)	(37.7)	(34.8)	(41.7)	(32.2)	(39.7)
NPAT		**49.4**	**92.3**	**81.3**	**97.4**	**75.1**	**94.0**

Notes:

1. **Cost of sales:** relates to the direct costs of purchasing Redox's products. In addition to product costs, this includes the shipping costs of transporting products to Redox's warehouses.
2. **Administration expenses:** largely consists of employee related expenses including salaries and wages, bonuses and on-costs (after adding public company costs and removing the cost associated with the Employee Gift Offer).
3. **Distribution and storage expenses:** comprises the cost of using non-operated third-party storage locations to store product, and the cost of local freight carriers.
4. **Other expenses:** consists of other operational expenses such as insurance, rates and land taxes, energy costs and professional fees (after adding public company costs and removing offer costs on a pro forma basis (please refer to Note 2 to Table 4.5).
5. **Unrealised currency revaluation:** relates to mark to market adjustments on Redox's open forward foreign exchange contracts at period end. In accordance with AASB 9 *Financial Instruments* Redox is required to include the gain or loss on open foreign exchange positions at period end within its statutory result.
6. **Depreciation and amortisation:** includes the depreciation of plant and equipment, and right-of-use assets.
7. **Net finance costs:** reflects interest expense on lease liabilities (after removing interest expenses relating to related party and bank loans on a pro forma basis).
8. **Income tax expense:** consistent with the Australian corporate tax rate of 30%.

4.3.2 Pro Forma and Statutory Historical Income Statements for H1 FY22 and H1 FY23

Table 4.2 summarises the Statutory Historical Income Statements for H1 FY22 and H1 FY23 and the Pro Forma Historical Income Statements for H1 FY22 and H1 FY23.

Table 4.2: Pro Forma and Statutory Historical Income Statements

		PRO FORMA		STATUTORY	
$ MILLIONS	**NOTES**	**H1 FY22**	**H1 FY23**	**H1 FY22**	**H1 FY23**
Revenue		496.5	635.3	496.5	635.3
Cost of sales	1	(389.4)	(505.3)	(389.4)	(505.3)
Gross profit		**107.1**	**130.0**	**107.1**	**130.0**
Administration expenses	2	(26.7)	(31.1)	(26.3)	(30.5)
Distribution and storage expenses	3	(19.7)	(23.7)	(19.7)	(23.7)
Other expenses	4	(2.1)	(4.1)	(3.2)	(4.1)
EBITDAFX		**58.6**	**71.0**	**58.0**	**71.7**
Unrealised currency revaluation	5	(1.5)	(9.5)	(1.5)	(9.5)
EBITDA		**57.1**	**61.5**	**56.5**	**62.1**
Depreciation and amortisation	6	(3.6)	(3.9)	(3.6)	(3.9)
Net finance costs	7	(0.8)	(0.7)	(3.2)	(5.6)
Profit before tax		**52.7**	**56.9**	**49.7**	**52.6**
Income tax expense	8	(15.7)	(16.9)	(14.8)	(15.6)
NPAT		**37.0**	**40.1**	**34.9**	**37.0**

Notes: Please refer to the Notes for Table 4.1 for further detail.

4.3.3 Statutory Historical Income Statements

Table 4.3 summarises the Statutory Historical Income Statements for FY21 and FY22.

Table 4.3: Statutory Historical Income Statements

		STATUTORY HISTORICAL	
$ MILLIONS	**NOTES**	**FY21**	**FY22**
Revenue		796.3	1,081.8
Cost of sales	1	(631.4)	(838.0)
Gross profit		**164.9**	**243.8**
Administration expenses	2	(48.9)	(58.1)
Distribution and storage expenses	3	(35.3)	(41.4)
Other expenses	4	(6.9)	(10.0)
EBITDAFX		**73.9**	**134.2**
Unrealised currency revaluation	5	8.1	4.1
EBITDA		**82.0**	**138.3**
Depreciation and amortisation	6	(6.7)	(7.2)
Net finance costs	7	(7.1)	(7.2)
Profit before tax		**68.2**	**123.9**
Income tax expense	8	(20.6)	(35.8)
NPAT		**47.6**	**88.0**

Notes: Please refer to the Notes for Table 4.1 for further detail.

4.3.4 Pro forma adjustments to Statutory Historical and Forecast Income Statements

Table 4.4 summarises the pro forma adjustments to Statutory Historical EBITDA FY21 and FY22, and the pro forma adjustments to Statutory Forecast EBITDA for FY23F, and the pro forma adjustments to Statutory Historical EBITDA for H1 FY22 and H1 FY23.

Table 4.4: Pro forma adjustments to Statutory Historical and Forecast EBITDA

		HISTORICAL		FORECAST		HISTORICAL	
$ MILLIONS	**NOTES**	**FY21**	**FY22**	**FY23F**	**FY24F**	**H1 FY22**	**H1 FY23**
Statutory EBITDA		**82.0**	**138.3**	**125.8**	**142.7**	**56.5**	**62.1**
Public company costs	1	(2.7)	(1.4)	(1.7)	–	(0.7)	(0.9)
Offer costs	2	–	1.7	1.1	5.2	1.3	0.3
Employee Gift Offer	3	–	–	–	0.3	–	–
Pro Forma EBITDA		**79.3**	**138.6**	**125.2**	**148.2**	**57.1**	**61.5**

Table 4.5 summarises the pro forma adjustments to Statutory Historical NPAT for FY21 and FY22, and the pro forma adjustments to Statutory Forecast NPAT for FY23F, and the pro forma adjustments to Statutory Historical NPAT for H1 FY22 and H1 FY23.

Table 4.5: Pro forma adjustments to Statutory Historical and Forecast NPAT

		HISTORICAL		FORECAST		HISTORICAL	
$ MILLIONS	**NOTES**	**FY21**	**FY22**	**FY23F**	**FY24F**	**H1 FY22**	**H1 FY23**
Statutory NPAT		**47.6**	**88.0**	**75.1**	**94.0**	**34.9**	**37.0**
Public company costs	1	(2.7)	(1.4)	(1.7)	-	(0.7)	(0.9)
Offer costs	2	–	1.7	1.1	5.2	1.3	0.3
Employee Gift Offer	3	–	–	–	0.3	–	–
Revised capital structure	4	5.3	5.7	9.5	–	2.4	4.9
Tax impact of the adjustments	5	(0.8)	(1.8)	(2.6)	(2.1)	(0.9)	(1.3)
Pro Forma NPAT		**49.4**	**92.3**	**81.3**	**97.4**	**37.0**	**40.1**

Notes:

1. **Public company costs:** reflects an estimate of additional costs associated with being a listed entity. These costs include estimated Non-Executive Director fees, Chair fees, increases in Executive Director costs, incremental audit fees, additional insurance costs, and the compliance and regulatory costs that would have been incurred had the Company's shares been listed on the ASX from 1 July 2020.
2. **Offer costs:** reflects the costs incurred in relation to the Offer (fees payable to advisers, tax, accounting and legal fees). $1.7 million of the Offer costs were expensed in the income statement in FY22, $1.0 million are expected to be recorded in FY23F, and $5.2M are expected to be recorded in FY24F. The remaining $6.8 million of Offer costs are offset against issued capital.
3. **Employee Gift Offer:** reflects the non-cash costs associated with the offer of Shares to Eligible Gift Offer Employees as part of the Offer, being $1,000 per eligible employee.
4. **Revised capital structure:** reflects the removal of historical interest expense due to the repayment of related party loans and bank facilities from the proceeds of the Offer.
5. **Tax impact of the adjustments:** reflects the tax impact associated with the various pro forma adjustments outlined above.

4.3.5 Key operating and financial metrics

Table 4.6 summarises the key operating and financial metrics.

Table 4.6: Key operating and financial metrics

		PRO FORMA HISTORICAL		PRO FORMA FORECAST		PRO FORMA HISTORICAL	
	NOTES	FY21	FY22	FY23F	FY24F	H1 FY22	H1 FY23
Key operating metrics							
Pending sales contracts ($m)	1	366	527			491	510
Number of active customers	2	6,437	6,407			6,396	6,384
Key financial metrics							
Revenue growth (% increase)		10.8%	35.8%	15.0%	6.8%	27.6%	28.0%
EBITDAFX growth (% increase)		12.7%	89.0%	0.1%	10.0%	82.4%	21.2%
EBIT growth (% increase)		42.2%	81.1%	(10.5%)	19.5%	90.3%	7.7%
Gross profit margin		20.7%	22.5%	20.5%	20.7%	21.6%	20.5%
EBITDAFX margin		8.9%	12.4%	10.8%	11.2%	11.8%	11.2%
EBIT margin		9.1%	12.1%	9.4%	10.6%	10.8%	9.1%
Working capital as a % of revenue		32.9%	38.2%	34.1%	32.5%	38.3%	34.7%
Return on Invested Capital	3	16.7%	24.2%	18.1%	21.1%		

Notes:

1. Pending sales contracts refers to the total value of un-invoiced sales contracts which have been entered into between Redox and its customers as at the end of any given period.
2. Number of active customers refers to the total number of customers with whom Redox has traded over the preceding 12-month period.
3. Return on Invested Capital represents NOPAT divided by average invested capital (being the average of the beginning and ending balance of total equity plus net debt including other financial assets and lease liabilities over the specified period).

4.3.5.1 Reconciliation of NPAT and NOPAT

Table 4.7 summarises the reconciliation of pro forma NPAT and pro forma NOPAT.

Table 4.7: Reconciliation of NPAT and NOPAT

		HISTORICAL		FORECAST	
$ MILLIONS	NOTES	FY21	FY22	FY23F	FY24F
Pro Forma NPAT		**49.4**	**92.3**	**81.3**	**97.4**
Add: Income tax expenses incurred on profit before tax	1	21.4	37.7	34.8	41.7
Add: Net finance costs	2	1.8	1.5	1.5	1.3
Less: Income tax expenses incurred on earnings before interest and tax	3	(21.8)	(39.4)	(35.3)	(42.1)
Pro Forma NOPAT		**50.8**	**92.0**	**82.3**	**98.3**

Notes:

1. Please refer to Note 8 on Table 4.1 for further information.
2. Please refer to Note 7 on Table 4.1 for further information.
3. Assumes tax incurred at the Australian corporate tax rate of 30%.

4.4 Historical and Forecast Cash Flows

4.4.1 Pro Forma Historical and Forecast Cash Flows and Statutory Forecast Cash Flows

Table 4.8 summarises the Pro Forma Historical Cash Flows for FY21 and FY22, Pro Forma Forecast Cash Flows for FY23F and FY24F and Statutory Forecast Cash Flows for FY23F and FY24F.

Table 4.8: Pro Forma Historical and Forecast Cash Flows and Statutory Forecast Cash Flows

		PRO FORMA HISTORICAL		PRO FORMA FORECAST		STATUTORY FORECAST	
$ MILLIONS	**NOTES**	**FY21**	**FY22**	**FY23F**	**FY24F**	**FY23F**	**FY24F**
EBITDA		**79.3**	**138.6**	**125.2**	**148.2**	**125.8**	**142.7**
Changes in working capital	1	(25.6)	(150.9)	(11.1)	(7.5)	(11.1)	(7.5)
Other non-cash items	2	(1.5)	(3.2)	11.9	–	11.9	–
Cash generated from operations		**52.1**	**(15.5)**	**125.9**	**140.7**	**126.6**	**135.2**
Capital expenditure		(2.1)	(1.2)	(2.8)	(2.5)	(2.8)	(2.5)
Net cash flow before financing and tax		**50.0**	**(16.7)**	**123.2**	**138.2**	**123.8**	**132.7**
Proceeds/(repayment) of borrowings	6			–	–	(34.8)	–
Proceeds/(repayment) of related party loans	5			–	–	14.0	–
Payment of lease liability				(5.6)	(5.6)	(5.6)	(5.6)
Dividends paid	3			(66.7)	(62.4)	(81.7)	(33.4)
Net interest payments				(1.4)	(1.3)	(7.8)	(1.3)
Tax paid				(40.2)	(40.4)	(37.5)	(38.4)
Net cash flow before Offer impacts				**9.3**	**28.4**	**(29.6)**	**54.0**
Proceeds from issue of shares	4						240.7
Repayment of related party loans	5						(130.3)
Repayment of borrowings	6						(74.0)
Cost of the Offer (capitalised)	7						(6.8)
Net cash flow							**83.6**

Notes:

1. Reflects the movements in trade and other receivables, inventory, prepayments, other current assets, trade and other payables, accruals, provisions and other current liabilities.
2. Principally reflects the non-cash impact of unrealised currency revaluations.
3. FY23 statutory dividends comprise the final dividend for FY22 of $32.2 million paid in September 2022, an interim dividend for FY23F of $34.9 million paid in March 2023 and a final dividend for FY23F of $14.6 million paid to Existing Shareholders in May 2023. The first dividend to be paid following Completion of the Offer is expected to be an interim dividend for FY24F of $33.4 million to be paid to New Shareholders in March FY24F. Pro forma adjustments have been made to dividends paid in FY23F and FY24F reflecting the dividend amounts which would have been paid/payable based on a payout ratio of 70% of NPAT, being the mid-point of Redox's prospective dividend payout ratio (60-80% of statutory NPAT). Please refer to Section 4.11 for further details on Redox's dividend policy.
4. Represents the cash inflow from the primary raise of $240.7 million.
5. Represents the repayment of related party loans of $130.3 million out of the proceeds of the Offer, including additional loans drawn from related parties of $14.0 million in FY23.
6. Represents the repayment of borrowings of $74.0 million out of proceeds of the Offer, in addition to $34.8 million repaid during FY23.
7. Represents the payment of Offer costs not recognised in the income statement.

Table 4.9 summarises the Pro Forma and Statutory Historical Cash Flows for H1 FY22 and H1 FY23.

Table 4.9: Pro Forma Historical and Statutory Historical Cash Flows

		PRO FORMA		STATUTORY	
$ MILLIONS	**NOTES**	**H1 FY22**	**H1 FY23**	**H1 FY22**	**H1 FY23**
EBITDA		**57.1**	**61.5**	**56.5**	**62.1**
Changes in working capital	1	(82.1)	(10.3)	(82.1)	(10.3)
Other non-cash items	2	1.0	11.9	1.0	11.9
Cash generated from operations		**(24.1)**	**63.1**	**(24.7)**	**63.7**
Capital expenditure		(0.6)	(1.8)	(0.6)	(1.8)
Net cash flow before financing and tax		**(24.7)**	**61.2**	**(25.3)**	**61.9**
Proceeds/(repayment) of borrowings				48.2	(28.6)
Proceeds/(repayment) of related party loans				16.8	14.0
Payment of lease liability				(2.5)	(2.8)
Dividends paid				(16.4)	(32.2)
Net interest payments				(3.2)	(2.6)
Tax paid				(12.6)	(24.4)
Net cash flow				**5.0**	**(14.6)**

Notes:
1. Please refer to the Notes for Table 4.8 for further detail.
2. Please refer to the Notes for Table 4.8 for further detail.

4.4.2 Pro forma adjustments to the Statutory Historical and Statutory Forecast Net Cash Flows before Financing and Tax

Table 4.10 summarises the pro forma adjustments to Statutory Historical Net Cash Flows before Financing and Tax FY21 and FY22, and the pro forma adjustments to Statutory Forecast Net Cash Flow before Financing and Tax for FY23F, and the pro forma adjustments to Statutory Historical Net Cash Flow before Financing and Tax for H1 FY22 and H1 FY23.

Table 4.10: Pro forma adjustments to the Statutory Historical and Statutory Forecast Net Cash Flows before Financing and Tax

		HISTORICAL		FORECAST		HISTORICAL	
$ MILLIONS	**NOTES**	**FY21**	**FY22**	**FY23F**	**FY24F**	**H1 FY22**	**H1 FY23**
Statutory net cash flow before financing and tax		**52.7**	**(17.0)**	**123.8**	**132.7**	**(25.3)**	**61.9**
Public company costs	1	(2.7)	(1.4)	(1.7)	–	(0.7)	(0.9)
Offer costs	2	–	1.7	1.1	5.2	1.3	0.3
Employee Gift Offer	3	–	–	–	0.3	–	–
Pro Forma net cash flow before financing and tax		**50.0**	**(16.7)**	**123.2**	**138.2**	**(24.7)**	**61.2**

Notes:
1. Please refer to the Notes for Table 4.5 for further detail.
2. Please refer to the Notes for Table 4.5 for further detail.
3. Please refer to the Notes for Table 4.5 for further detail.

Table 4.11: Pro forma adjustments to forecast dividends

		FORECAST	
$ MILLIONS	**NOTES**	**FY23F**	**FY24F**
Statutory dividends paid		**(81.7)**	**(33.4)**
Prospective dividend policy adjustment	1	15.0	(29.0)
Pro Forma dividends paid		**(66.7)**	**(62.4)**

Notes:
1. Please refer to the Notes for Table 4.8 for further detail.

4.4.3 Statutory Historical Cash Flows

Table 4.12 Summarises the Statutory Historical Cash Flows for FY21 and FY22.

Table 4.12: Statutory Historical Cash Flows

		STATUTORY HISTORICAL	
$ MILLIONS	**NOTES**	**FY21**	**FY22**
EBITDA		**82.0**	**138.3**
Changes in working capital	1	(25.6)	(150.9)
Other non-cash items	2	(1.5)	(3.2)
Cash generated from operations		**54.8**	**(15.8)**
Capital expenditure		(2.1)	(1.2)
Net cash flow before financing and tax		**52.7**	**(17.0)**
Proceeds/(repayment) of borrowings	3	32.5	70.7
Proceeds/(repayment) of related party loans	4	(45.1)	39.2
Payment of lease liability		(4.3)	(5.1)
Dividends paid	5	(8.7)	(37.1)
Net interest payments		(7.1)	(7.2)
Tax paid		(15.5)	(26.0)
Net cash flow before Offer impacts		**4.7**	**17.6**

Notes:
1. Please refer to the Notes for Table 4.8 for further detail.
2. Please refer to the Notes for Table 4.8 for further detail.
3. Represents repayments and drawdowns under the Company's bank facilities.
4. Represents repayments of related party loans.
5. FY21 dividends paid represents the final dividend for FY20 of $8.7 million, $2.4 million of which was paid in February 2021 and $6.3 million of which was paid in June 2021. FY22 dividends paid of $37.1 million reflects the final dividend for FY21 of $16.4 million which was paid in September 2022 and the interim dividend for FY22 of $20.6 million which was paid in March 2022.

4. Financial Information continued

4.5 Statutory and Pro Forma Historical Statements of Financial Position

Table 4.13 sets out the Historical Statement of Financial Position and the pro forma adjustments that have been made to prepare the Pro Forma Historical Statement of Financial Position for Redox. These pro forma adjustments take into account the dividends paid or declared subsequent to 31 December 2022, and the effects of the Offer as if they had occurred as at 31 December 2022. The Pro Forma Historical Statement of Financial Position is provided for illustrative purposes only and is not represented as being necessarily indicative of Redox's view of its financial position upon Completion of the Offer or at a future date.

Table 4.13: Statutory and Pro Forma Historical Statements of Financial Position

	STATUTORY HISTORICAL	PRO FORMA ADJUSTMENTS					PRO FORMA HISTORICAL
$ MILLIONS	**31-DEC-22**	**INTERIM DIVIDEND**	**FINAL DIVIDEND**	**IMPACT OF THE OFFER**	**REPAYMENT OF RELATED PARTY LOAN**	**REPAYMENT OF BANK LOAN**	**31-DEC-22**
Notes		1	1	2	3	4	
Cash and cash equivalents	25.8	(34.9)	(14.6)	228.0	(130.3)	(74.0)	–
Trade and other receivables	206.5	–	–	–	–	–	206.5
Inventories	338.2	–	–	–	–	–	338.2
Derivative financial instruments	–	–	–	–	–	–	–
Prepayments	2.0	–	–	–	–	–	2.0
Total current assets	**572.5**	**(34.9)**	**(14.6)**	**228.0**	**(130.3)**	**(74.0)**	**546.7**
Property, plant and equipment	9.5	–	–	–	–	–	9.5
Right-of-use assets	37.6	–	–	–	–	–	37.6
Intangibles	–	–	–	–	–	–	–
Deferred tax assets	3.5	–	–	3.1	–	–	6.6
Total non-current assets	**50.6**	**–**	**–**	**3.1**	**–**	**–**	**53.6**
Total assets	**623.0**	**(34.9)**	**(14.6)**	**231.0**	**(130.3)**	**(74.0)**	**600.3**
Trade and other payables	(116.4)	–	–	–	–	–	(116.4)
Borrowings	(80.2)	–	–	–	–	74.0	(6.2)
Lease liability	(5.6)	–	–	–	–	–	(5.6)
Income tax	(5.5)	–	–	0.8	–	–	(4.7)
Employee benefits	(8.8)	–	–	–	–	–	(8.8)
Current liabilities	**(216.5)**	**–**	**–**	**0.8**	**–**	**74.0**	**(141.7)**
Borrowings	(130.3)	–	–	–	130.3	–	–
Lease liabilities	(34.2)	–	–	–	–	–	(34.2)
Provisions	(1.4)	–	–	–	–	–	(1.4)
Total non-current liabilities	**(165.8)**	**–**	**–**	**–**	**130.3**	**–**	**(35.6)**
Total liabilities	**(382.3)**	**–**	**–**	**0.8**	**130.3**	**74.0**	**(177.3)**
Net assets	**240.7**	**(34.9)**	**(14.6)**	**231.8**	**–**	**–**	**423.0**
Issued capital	2.3	–	–	236.2	–	–	238.6
Reserves	4.6	–	–	–	–	–	4.6
Retained earnings	233.8	(34.9)	(14.6)	(4.5)	–	–	179.8
Equity	**240.7**	**(34.9)**	**(14.6)**	**231.8**	**–**	**–**	**423.0**

Notes:

1. **Dividends:** The Company paid its FY23F interim dividend of $34.9 million on 9 March 2023 and paid a final dividend of $14.6 million to Existing Shareholders in May 2023.
2. **Impact of the Offer:** proceeds of $240.7 million will be raised through the issue of new Shares which will be partly used to fund Offer costs of $12.8 million. $6.8 million ($4.8 million tax effected) of Offer costs have been determined to relate to the primary raise and will be offset against equity, while $5.9 million ($4.2 million tax effected) will be expensed to the income statement. The (non-cash) cost of Shares issued under the Employee Gift Offer ($0.3 million) is recorded in retained earnings. A deferred tax asset of $3.1 million is recognised based on the income tax benefit of the future deductibility of Offer costs and a $0.8 million current tax asset is recognised in relation to the portion of Offer costs deductible in FY23F.
3. **Repayment of related party loan:** reflects repayment of $130.3 million in related party loans.
4. **Repayment of bank loan:** reflects repayment of $74.0 million in bank loans.

4.6 Liquidity and Capital Resources

Following Completion of the Offer, Redox's principal sources of funds are expected to be cash flow from operations and cash on hand on Completion of the Offer.

Cash raised from the Offer will be used to:

- Pay the Offer costs;
- Repay all related party loans;
- Repay bank borrowings; and
- Provide additional working capital and support Redox's future growth initiatives.

Pro forma borrowings after paying the Offer costs, repayment of all related party loans and partial repayment of bank loans is $6.2 million. The final dividend for FY23F of $14.6 million, paid to Existing Shareholders in May 2023 as shown in the Pro Forma Balance Sheet, was funded by cash generated between 1 January 2023 and 30 April 2023. The Company expects to generate net cash from operations on a statutory basis of $57.4 million in H2 FY23F, which is not reflected in the Pro Forma Balance Sheet as at 31 December 2022. As a result, the Company expects to be in a net cash position upon Completion of the Offer and is not forecasting to draw on the Company's debt facilities during FY24.

The Company believes that from Completion of the Offer it will have sufficient cash (based on existing cash holdings, the proceeds of the Offer and forecast cash collections) to meet its operational and working capital requirements and stated business objectives during the Forecast Period.

The Company's ability to generate sufficient cash depends on its future performance, which, to a certain extent, is subject to a number of factors beyond the Company's control including general economic, financial and competitive conditions.

Over time, the Company may seek additional funding from a range of sources to diversify its funding base.

4.6.1 Cash and cash equivalents and borrowings

Table 4.14 summarises the reconciliation between statutory and pro forma cash and cash equivalents and borrowings after Completion of the Offer.

Table 4.14: Cash and cash equivalents and borrowings

$ MILLIONS	STATUTORY AS AT 31 DECEMBER 2022	PRO FORMA ADJUSTMENTS (NET)	PRO FORMA AT 31 DECEMBER 2022 (POST COMPLETION OF THE OFFER)
Cash and cash Equivalents	25.8	(25.8)	–
Long-term debt			
Related party loan	(130.3)	130.3	–
Lease liabilities	(39.8)	–	(39.8)
Short-term debt			
Current loans and borrowings	(80.2)	74.0	(6.2)
Net cash/(debt)	**(224.5)**	**178.5**	**(46.0)**

4.6.2 Debt facilities

In February 2022, the Company entered into facility agreements with Westpac Banking Corporation (**Westpac**) and with HSBC Bank Australia Limited (**HSBC Bank Australia**) and The Hongkong and Shanghai Banking Corporation Limited, acting through its New Zealand branch (**HSBC NZ**). In February 2022, Redox Chemicals Sdn. Bnd. entered into a facility letter with HSBC Bank Malaysia Berhad (**HSBC Malaysia**) and, in March 2022, Redox Inc. entered into a line letter with HSBC Bank USA, N.A. (**HSBC USA**).

Table 4.15 summarises the debt facilities established, and their estimated amount drawn on Completion of the Offer.

Table 4.15: Debt facilities

FACILITY PROVIDER	FACILITY SIZE (MILLIONS)	ESTIMATED AMOUNT DRAWN ON COMPLETION OF THE OFFER
Westpac	A$130 NZ$2	–
HSBC Bank Australia	A$38	–
HSBC NZ	NZ$10	–
HSBC Malaysia	A$3	–
HSBC USA	**US$12.1**	**–**

The debt facilities provided by Westpac, HSBC Bank Australia and HSBC NZ are secured by a facility interest over all present and after acquired property of Redox's business. The debt facilities provided by HSBC Malaysia and HSBC USA are secured by a guarantee and indemnity from the Company. Following Completion of the Offer, none of the above facilities are expected to be drawn down.

Debt facilities are expected to be used to support Redox's business and for general working capital purposes. Please refer to Section 9.5.2 and Section 9.5.3 for further detail on the Company's banking facilities.

4.6.3 Contingent liabilities

Table 4.16 summarises contingent liabilities as at 31 December 2022.

Table 4.16: Contingent liabilities

		AS AT 31 DECEMBER 2022
$ MILLIONS	NOTE	TOTAL
Bank guarantees	1	3.3
Surrendered bills of lading	2	5.9
Documentary letters of credit	3	2.0
Total		**11.2**

Notes:

1. The bank guarantees are principally provided to relevant government authorities for access to the deferred GST scheme.
2. Surrendered bills of lading refer to goods shipped under documentary letters of credit which have not yet reached payment date.
3. Documentary letters of credit are required for certain overseas suppliers who will not accept other forms of payment.

No contingent liability has been provided for litigation, as it is unlikely to have any material impact on the financial result of the Company given litigation risk is mitigated via Redox's terms and condition of sales and various insurance policies.

Redox has no material contractual obligations or commitments other than its long-term leases (please refer to Section 3.10.4 for further detail).

4.7 Forecast Financial Information

The Forecast Financial Information is based on various best estimate general and specific assumptions, including those set out in this Section 4.7. In preparing the Forecast Financial Information, the Company has undertaken an analysis of historical performance and applied assumptions where appropriate in order to forecast future performance for FY23F and FY24F. The Directors believe that the Forecast Financial Information has been prepared with due care and attention and considers all assumptions, when taken as a whole, to be reasonable at the time of preparing the Original Prospectus. However, actual results are likely to vary from those forecasts and any variation may be materially positive or negative.

The assumptions upon which the Forecast Financial Information are based are prepared to the best of Management's knowledge and belief based on the expected results of operations and sources and uses of cash for the forecast period. This is by nature subject to significant uncertainties and contingencies, many of which are outside the control of the Company and its Directors, and are not reliably predictable. Accordingly, none of the Company or its Directors or any other person can give any assurance that the Forecast Financial Information or any prospective statement contained in this Prospectus will be achieved.

The assumptions set out in this Section 4.7 should be read in conjunction with the Significant Accounting Policies and critical accounting estimates and judgements set out in Section 10, the sensitivity analysis described in Section 4.9, the risk factors described in Section 5, the Independent Limited Assurance Report set out in Section 8 and the other information in this Prospectus. A reconciliation of the Pro Forma Forecast Income Statement to the Statutory Forecast Income Statement is set out in Section 4.3.4.

4.7.1 General assumptions

The following general assumptions are relevant to the Forecast Financial Information:

- no material change in the competitive and operating environments in which the Company operates;
- no material deviation from current market expectations of economic and trading conditions relevant to the industry in which the Company operates, including business confidence, consumer sentiment, economic growth, inflation, fiscal and taxation policies throughout the countries in which the Company operates;
- no material changes in key personnel, and the Company being able to continue to recruit and retain personnel who will be required to support the future growth of Redox;
- no material industrial or employee relations disputes, actions or other disturbances, litigation, legal claims or environmental costs;
- no material changes in foreign currency exchange rates;
- no material industry disturbances, disruptions to the continuity of operations of the Company or other material changes in its business, including acquisitions, disposals, restructurings, strategic partnerships or investments or commencement of operations in new jurisdictions or changes in the corporate or funding structure of the Company other than as contemplated by this Prospectus;
- the Offer proceeds are received in accordance with the timetable set out in the Key Offer Statistics and Important Dates on pages 6 and 7 of this Prospectus;
- no material change in applicable IFRS, AAS, Corporations Act, ASX Listing Rules or other mandatory professional reporting requirements which have a material effect on the financial performance or cash flows of the Company, its financial position, accounting policies, or financial reporting or disclosures other than those set out in this Prospectus;
- no material changes in government regulations and policies, including taxation rates, import duties and tariffs, in any of Redox's trading jurisdictions that materially impact the Company;
- none of the key risks listed in Section 5 occur, or if they do, none of them has a material adverse impact on the operations, financial position or performance of the Company; and
- no significant further impact on operations as a result of COVID-19 (please refer to Section 3.15).

For the purposes of ASX Listing Rule 1.2.6, the Directors have made enquiries and nothing has come to their attention to suggest that Redox is not continuing to earn profit from continuing operations up to the date of the Original Prospectus.

4.7.2 Specific assumptions

The forecast financial information for FY23F includes the reviewed results of Redox for the six months ended 31 December 2022, and three months of actual (but unaudited) results and three months of forecast results for the six months ending 30 June 2023. Redox's forecast for the six months ending 30 June 2023 has regard to the current trading performance and un-invoiced pending sales contracts prior to the lodgement of this Prospectus.

4.7.2.1 Impact of COVID-19 and challenging global supply chain environment

The COVID-19 pandemic and global supply chain challenges experienced during 2020, 2021 and 2022 have impacted Redox's historical and forecast results in many different ways, many of which are not reliably quantifiable (please refer to Section 3.15 for further detail).

Management considers the largest adverse short-term financial impact to Redox's operations as having been the need to increase inventory holdings to provide greater certainty of ongoing supply to customers. The impact of this decision has been that Days Inventory Outstanding (**DIO**) as at 30 June 2022 was approximately 147 days, being approximately 53 days higher than DIO as at 30 June 2019 (being the last financial year-end pre COVID-19). Over the forecast period, Management expects DIO to reduce and to trend back towards pre COVID-19 levels, from a peak in December 2021 of approximately 159 days to approximately 117 days as at 30 June 2023 and 110 days as at 30 June 2024.

The supply chain environment also led to a period of price volatility which, together with supply chain uncertainties, impacted customer ordering patterns and operating margins.

Management considers the key positive long-term financial impacts from COVID-19 will be derived from the increased customer goodwill that Redox has generated over the COVID-impact period, through maintaining adequate supply for the majority of its customers throughout the pandemic.

Management also believes there is also now a greater propensity for customers to switch their existing suppliers and distributors in favour of those who are able to maintain adequate levels of products (please refer to Section 3.15 for further detail).

This has provided additional sales opportunities with both existing and new customers during 2021 and 2022, and Management expects that it will be able to largely retain these new customers which will generate additional revenue over the longer term as new customer accounts grow.

4.7.2.2 Revenue assumptions

Pro forma revenue is forecast to increase by 15.0% to $1,244 million in FY23F and by a further 6.8% to $1,328 million in FY24F.

Revenue growth in FY23F and FY24F (the Forecast Periods) is primarily based on the historical volume of product sold, adjusted as necessary for any expected changes in underlying customer demand, having regard to the pending sales contracts in existence as at 31 December 2022.

Key assumptions underpinning forecast revenue growth for the Forecast Periods include:

- Redox will sell a product mix that is broadly consistent with that of H1 FY23;
- No significant revenue impact from churn in customers. This assumption is supported by:
  - Redox's historical ability to retain and grow sales with new customers once they have been won. In FY22, 91% of Redox's sales were to long-term customers who had been transacting with the business since 2018 or prior; and
  - Management's belief that manufacturing customers are generally wary of changing suppliers of materials and ingredients used in production, due to quality assurance requirements for production trials and consistency in manufacturing outputs. Management believes therefore that new business won is less likely to be lost if customer service and prices offered remain at acceptable levels;
- Average selling prices remain consistent with recent trading performance throughout the remainder of H2 FY23F and FY24F;
- In FY24F $6.7 million of revenue (contributing $0.6 million of NPAT) is included in relation to a number of growth initiatives that are currently in progress including: sales force expansion (the costs of which have been included in the forecast periods (refer to Section 4.7.2.2), a small business acquisition, the opening of new locations in the United States (refer to Section 3.11.3), and entry into new product categories;
- Pending sales contracts at 31 March 2023 will generate the related contracted sales revenue in the Forecast Periods without any material amount of cancellations;
- No revenue will be generated by the additional six new sales and marketing employees forecast to be hired in H2 FY23F or the further nine employees assumed to be hired in FY24F in either forecast period (please refer to Section 3.11.1.1 for further detail); and
- The strong growth momentum experienced in the USA in H1 FY23 will continue throughout the Forecast Periods. The USA sales growth rate in H1 FY23 compared to H1 FY22 was approximately 137%. A USA growth rate of approximately 51% has been forecast in FY23F and a growth rate of approximately 33% has been forecast in FY24F. FY24F forecast sales in the USA are approximately $101.4 million.

Sales price and volume growth assumptions

Over the decade to the end of FY21, approximately 77% of the Company's historical long-term sales growth was driven by volume growth. However, during FY22 in particular, Redox experienced significant input cost increases principally due to higher costs associated with international logistics, and rises in ex-manufacturer pricing for certain products (especially organic commodity chemicals).

This meant that the strong volume growth in H1 FY22F was supplemented by price-driven sales growth, as the business was able to successfully pass on input price increases to its customers.

During FY23F there has been price volatility, with prices continuing their upwards trajectory in the first quarter before reversing their trend throughout the second and third quarters.

Management has not forecast further movements in average selling prices in either the final three months of FY23F or FY24F, although the impacts of average selling price movements experienced during the first nine months of FY23 will still generate price related sales growth impacts during the final three months of FY23F and H1 FY24F, insomuch as they compare to different prices experienced 12 months prior.

Other than as described above for the first half of FY24F, there is no price related sales growth incorporated into the forecast for FY24F, as average selling prices are assumed to be consistent with recent trading performance.

The total revenue growth in FY24 of 6.8% has been derived having regard to the historical long-term average sales growth achieved by Redox (approximately 11%) scaled back to reflect the impact of the price deflation experienced during FY23.

As noted above, Management expects that the gains from business won with new customers in FY22 will be consolidated across FY23F, and that the gains from business won in FY23F will be consolidated across FY24F, as historically there has not been significant customer churn.

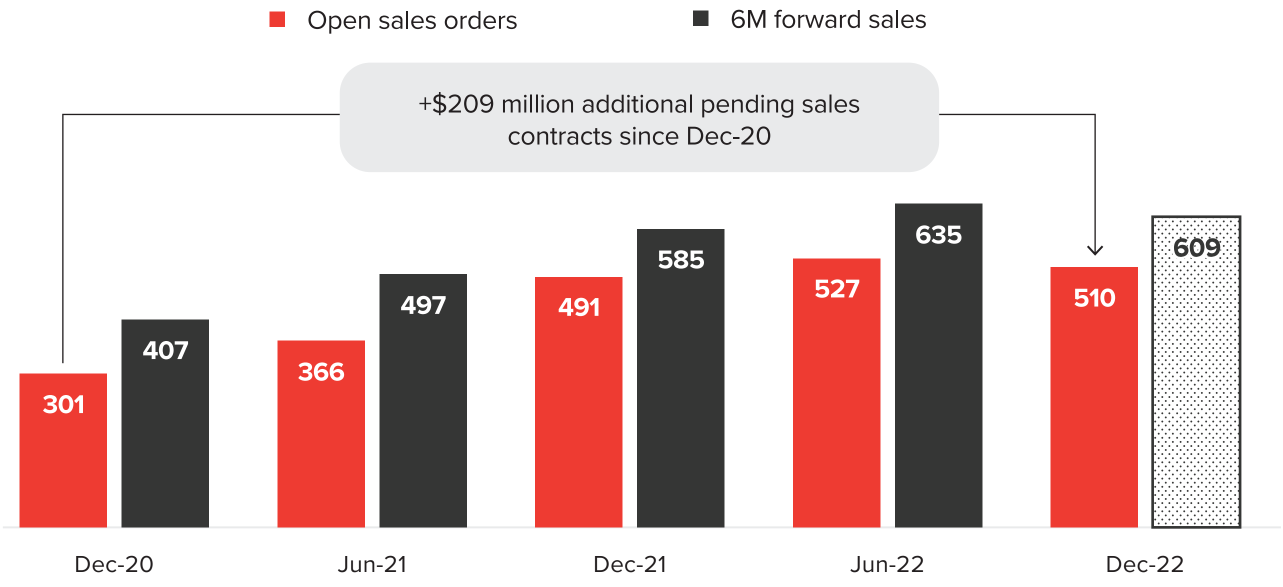
Forward revenue visibility

Forward revenue visibility is facilitated by the business having at any given period end a large balance of un-invoiced pending sales contracts, principally comprising outstanding forward sales orders and master sales orders.

Historically, un-invoiced pending sales contracts have represented on average approximately 77% of the following six months sales, with sales generated by future new forward sales orders and new master sales orders, and daily spot sales of uncommitted warehouse inventory making up the balance. However from 2022 onwards, pending sales contracts have represented approximately 84% of the following six months forecast sales. Management believes this difference is because industry stock holding and ordering patterns have been impacted by global supply conditions and price volatility. Longer term, Management expects to see ordering patterns return towards pre COVID-19 proportions.

The pending sales contracts have agreed delivery dates, volumes and, most importantly, pricing. This greatly assists Management in forecasting sales over the forward six months in particular, and as at the date of this Prospectus this provides Management a strong indication of sales revenue for the remainder of FY23F, as well as for the first quarter of FY24F.

Figure 4.2: Pending sales contracts ($m) and six-month forward sales ($m)[1]



4.7.2.3 Gross profit assumptions

Redox is forecasting gross profit of $255.2 million in FY23F, representing an increase of 4.7% ($11.4 million) compared to gross profit of $243.8 million in FY22. Gross profit is forecast to grow by a further $20.2 million to $275.5 million in FY24F, representing a growth rate of 7.9%.

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[1] Sum of June 22 actual six-month forward sales ($635 million) and Dec 22 forecast six-month forward sales ($609 million) equals FY23F forecast sales of $1,244 million.

This improvement is primarily a result of the sales growth rates assumed in both Forecast Periods.

Gross margin is forecast to decrease from 22.5% in FY22 to 20.5% in FY23F before increasing to 20.7% in FY24F. FY22 gross margin was positively impacted by pricing volatility. FY23F and FY24F gross margin is broadly consistent with FY21 and FY20 of 20.7% and 20.9% respectively.

The key assumptions impacting gross profit for the Forecast Periods are that:

- The high levels of pricing volatility experienced throughout FY22 and H1 FY23 will cease from the end of March FY23;
- Any movements in AUD pricing of input costs including product and logistics costs will be materially passed on to customers, as is consistent with current practice; and
- Sales mix will remain materially consistent with the H1 FY23 half-year period.

4.7.2.4 Operating expenses assumptions

Pro forma operating expenses are forecast to increase by 10.3% to $120.5 million in FY23F and by a further 5.6% to $127.3 million in FY24F.

The key assumptions impacting operating expense in the Forecast Periods are:

- Third-party logistics costs including outside storage and freight costs have been increased by reference to expected sales volume growth;
- Eight additional employees are hired in H2 FY23F inclusive of six new sales employees (four of which are assumed to be in the USA), and a further 11 additional employees are hired in FY24F inclusive of eight additional sales employees (six of which are assumed to be in the USA across three new locations). Those new employees are assumed to commence on average halfway through the respective financial period in which they are employed;
- No material change in the Company's short-term incentive arrangements; and
- Unrealised foreign exchange rate movements arising from mark to market adjustments on Redox's open forward exchange rate contracts at the FY23F and FY24F financial year ends have not been forecast given the nature of these items.

4.7.2.5 Depreciation and amortisation assumptions

Pro forma depreciation and amortisation is forecast to increase from $7.2 million in FY22 to $7.6 million in FY23F and $7.7 million in FY24F, in line with increases in the amortisation of the property leases in accordance with the requirements of AASB 16.

The key assumptions impacting depreciation and amortisation forecasts for the Forecast Periods are that there are no large asset purchases, new leases or changes in depreciation rates.

4.7.2.6 Net finance costs

Pro forma net finance costs of $1.5 million in FY22 are forecast to remain at $1.5 million in FY23F and reduce to $1.3 million in FY24F, in accordance with the unwind of the property leases.

The key assumptions impacting net finance costs for the Forecast Periods are:

- All related party loans and the majority of third party loans will be repaid out of funds raised under the Offer. The remainder of third-party loans will be repaid prior to Completion of the Offer through operating cash generated in H2 FY23. Therefore the amounts included within forecast net finance costs relate entirely to the property leases recognised under AASB 16 (please refer to Section 9.6 for further detail);
- Any fixed amounts payable to maintain undrawn facilities post Completion of the Offer are assumed to be immaterial; and
- No interest income arising from forecast cash balances has been included in the Forecast Periods.

4.7.2.7 Income Tax Expense

Income tax assumes a current corporate tax rate of 30%, and where applicable has been adjusted to reflect the tax impact of any pro forma adjustments.

4.7.2.8 Franking Account Balance

At 30 June 2023, after payment of the H1 FY23F interim dividend of $34.9 million and the H2 FY23F final dividend of $14.6 million (refer to Table 4.13), the Company's franking account balance is forecast to be approximately $9.3 million.

4.7.2.9 Exchange Rates

The following significant exchange rates have been used in preparing the FY23F and FY24F forecasts:

– AUD/NZD 1/1.09; and

– AUD/USD 1/0.69.

4.8 Management Discussion and Analysis of the Pro Forma Historical and Forecast Financial Information

This Section is a discussion of the key factors that affected the Company's operations and relative financial performance during FY21 and FY22, and a discussion of the key factors and assumptions which the Company expects may affect performance during FY23F and FY24F.

The discussion of these general factors is intended to provide a summary only and does not detail all factors that have affected the historical operating and financial performance of the Company, nor everything that may affect its operations and financial performance in the future. The information in this Section should be read in conjunction with the basis of preparation of the Forecast Financial Information in Section 4.7 which in particular refers to the key assumptions set out in Section 4.7.2 and the risk factors set out in Section 5.

4.8.1 Revenue

FY21 to FY22

Revenue grew by 35.8% to $1,082 million in FY22.

Redox's sales grew strongest in its three largest industry sectors: Human Health and Nutrition sales reached $231 million (37.1% growth), Animal Health and Nutrition sales reached $117 million (44.6% growth), and Crop Production and Protection sales reached $191 million (45.9% growth).

The following factors influenced FY22 sales growth rates:

- Strong price-related growth, as the business sought to recover increases in input costs through corresponding increases in selling prices;
- An increase in active customer numbers in the US, offset by slight decreases in active customer numbers elsewhere as sales to some smaller non-recurring customers were occasionally deprioritised (refer to Section 3.15);
- The hiring of 21 new sales and marketing employees during FY21, who delivered in aggregate approximately $21 million of sales during FY22;
- Strong growth in the USA (approximately 166%), growing sales to that market to approximately $51 million. This growth was underpinned by significant business won with a number of new customers during FY22;
- Continued innovation in specialty products in the Animal Health and Nutrition industry sector;
- Continued improvements in weather conditions in FY22, which have assisted in delivering strong growth in sales to the Crop Production and Protection industry; and
- Increased economic activity generally in FY22 as compared to FY21 following the end of lockdowns and easing of other restrictions associated with COVID-19.

FY22 to FY23F

In FY23F, revenue is forecast to grow by 15.0% to $1,244 million, largely reflecting the revenue growth achieved to date in H1 FY23 (28.0% by reference to H1 FY22), with additional revenue expected to be derived in H2 FY23F supported by the fulfilment of outstanding pending sales orders as at 31 December 2022 (please refer to Section 4.7.2.2 for further detail).

Revenue is again expected to grow strongly in the largest industry sector, Human Health and Nutrition (34.4% to reach $310 million). Growth is also expected to be strong in Industrials (24.4% to reach $148 million), and Household and Personal Care (18.5% to reach $129 million).

The following factors are expected to influence FY23F forecast sales growth rates:

- As described in Section 4.7.2, a full year of sales emanating from new business won during FY22. This is expected to drive growth in the Human Health and Nutrition and Household and Personal Care industry sectors in particular, due to new business won in those sectors during H1 FY23 for which sales are expected to reach maturity in the second half of FY23F;
- Expansion in the number of products sold to new customers during FY22;
- Continued strong momentum in the USA market arising from the full-year impact of the growth achieved during FY22;
- Growth in sales in the Industrials sector due to the start-up of a number of customers' projects which had been on hold during the COVID-19 impacted period;
- The further easing of supply chain issues and disruptions across most industry sectors, although supply chain challenges continued to disrupt sales within the Crop Production and Protection and Plastics, Rubber and Foam industry sectors in particular; and
- Strong growth in sales of specialty ingredient products to new customers, particularly in the Animal Health and Nutrition industry sector.

Management believes that the Company's forecast growth in FY23F is further supported by the significant goodwill it believes has been generated in delivering reliable service to its customers over the COVID-impacted period.

FY23F to FY24F

FY24F revenue has been forecast to grow by 6.8% to $1,328 million.

Revenue growth is expected to continue in Human Health and Nutrition (13.2% to reach $351 million), Industrials (9.5% to reach $162 million) and Mining and Explosives (7.7% to reach $80 million) industry sectors.

The following factors are expected to influence FY24F forecast sales growth rates:

- A full year of sales emanating from new business won during FY23F. This is expected to drive growth in the Industrials and Mining and Explosives industry sectors in particular, due to new business won in those sectors during H2 FY23F for which sales are expected to reach maturity during FY24F;
- Expansion in the number of products sold to new customers during FY23F;
- Continued strong momentum in the USA market as the business builds scale;
- As described in Section 4.7.2.2, $6.7 million of revenue is included in FY24F relating to current growth initiatives; and
- The further easing of supply chain issues and disruptions (which Management expects to return to pre-COVID operational efficiency levels during the forecast period). This is expected to drive growth in the Crop Production and Protection and Plastics, Rubber and Foam industry sectors in particular, as both sectors have experienced supply chain disruptions during FY23F.

Table 4.17: Breakdown of historical and forecast revenue by industry sector

$ MILLIONS	FY21	FY22	FY23F	FY24F
Human Health and Nutrition	**168.5**	**231.0**	**310.5**	**351.3**
Year-on-year growth %		*37.1%*	*34.4%*	*13.2%*
Crop Production and Protection	**131.2**	**191.4**	**196.9**	**198.0**
growth %		*45.9%*	*2.9%*	*0.6%*
Animal Health and Nutrition	**81.1**	**117.4**	**132.6**	**138.7**
growth %		*44.6%*	*13.0%*	*4.6%*
Plastics, Rubber and Foam	**92.9**	**110.2**	**107.0**	**109.2**
growth %		*18.6%*	*(2.9%)*	*2.1%*
Industrial and Other	**83.7**	**119.3**	**148.4**	**162.5**
growth %		*42.5%*	*24.4%*	*9.5%*
Household and Personal Care	**77.5**	**109.3**	**129.4**	**138.5**
growth %		*41.0%*	*18.5%*	*7.0%*
Surface Coatings	**67.7**	**83.0**	**90.5**	**93.2**
growth %		*22.6%*	*9.0%*	*3.0%*
Mining and Explosives	**55.4**	**71.2**	**73.8**	**79.5**
growth %		*28.5%*	*3.7%*	*7.7%*
Watercare	**38.4**	**49.1**	**55.0**	**57.3**
growth %		*28.0%*	*12.0%*	*4.2%*
Total	**796.3**	**1,081.8**	**1,244.1**	**1,328.2**
growth %		*35.8%*	*15.0%*	*6.8%*

Table 4.18: Breakdown of historical and forecast revenue by country

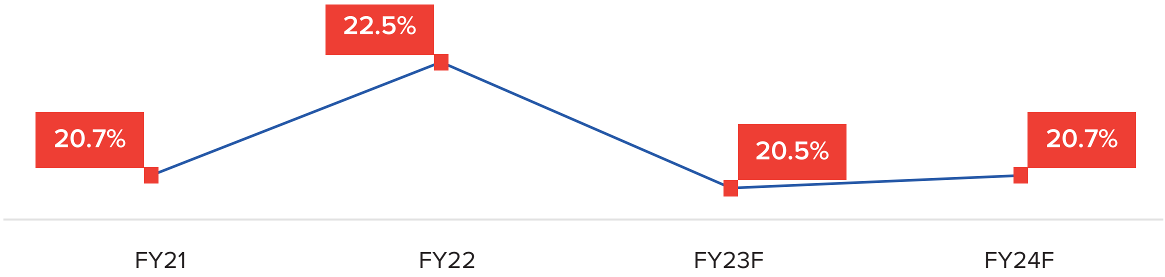
$ MILLIONS	FY21	FY22	FY23F	FY24F
Australia	**704.6**	**927.3**	**1,047.1**	**1,100.2**
Year-on-year growth %		*31.6%*	*12.9%*	*5.1%*
New Zealand	**65.1**	**90.7**	**107.2**	**112.6**
growth %		*39.3%*	*18.3%*	*5.0%*
United States	**19.1**	**50.7**	**76.5**	**101.4**
growth %		*166.3%*	*50.7%*	*32.6%*
Malaysia	**7.6**	**13.0**	**13.2**	**14.0**
growth %		*71.6%*	*1.5%*	*6.3%*
Total	**796.3**	**1,081.8**	**1,244.1**	**1,328.2**
growth %		*35.8%*	*15.0%*	*6.8%*

4.8.1.1 Revenue seasonality

One seasonal factor affecting Redox's revenue profile is the difference between the number of business days falling in the first half of the year compared to the second half of the year. On average there are seven more business days in the first half of the year, meaning that other things being equal H1 would be expected to have a revenue approximately $35 million higher than H2. Other than impacts associated with this business day imbalance, Redox's revenue is not subject to material seasonality, and as such Management does not foresee seasonality impacting expected revenue growth in FY23F or FY24F. Whilst December and January tend to be impacted by seasonal facility closures, Management considers that such impacts are not material.

4.8.2 Gross Profit

Figure 4.3: Historical and forecast gross margins (%)



Given the diversity of Redox's products and customers, and its ability to successfully pass on input price increases to its customers, the business has been successful in preserving gross margins despite the inflationary pressures experienced in FY22 in particular. Historically, gross margins have been broadly consistent, with relatively minor deviation year-on-year. However due to the impacts of sales price increases on ex-inventory sales in particular, the business experienced transient gross margin increases during FY22, with the opposite effect playing out during FY23F.

The following factors have impacted the gross margin movements between FY21 and FY24F:

- Some adverse margin impacts in FY21, FY22 and FY23F due to one-off losses associated with global supply chain disruptions;
- Positive margin impacts between FY21 and FY22 associated with spot sales of warehouse inventory in an inflationary market, and also due to a number of margin improvement initiatives put in place;
- A positive mix impact driven amongst other things by higher sales growth in speciality products compared to lower margin product groups;
- Negative margin impacts between FY22 and FY23F associated with spot sales of warehouse inventory once the inflationary environment reversed; and
- A return to relative price stability and historical margin levels in FY24F.

4.8.3 Operating expenses

The table below sets out the operating expenses of the business for the FY21, FY22, FY23F and FY24F financial periods.

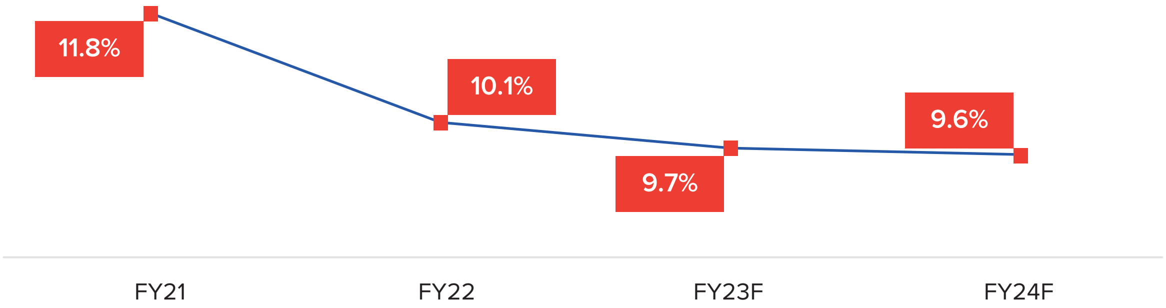
Table 4.19: Operating expenses

Table 4.19 summarises the operating expenses incurred in FY21 and FY22, and forecast for FY23F and FY24F.

$ MILLIONS	FY21	FY22	FY23F	FY24F
Administration expenses	(51.0)	(59.0)	(62.9)	(66.0)
Distribution and storage expenses	(35.3)	(41.4)	(46.9)	(50.3)
Other expenses	(7.5)	(8.9)	(10.6)	(11.0)
Operating expenses	**(93.7)**	**(109.2)**	**(120.5)**	**(127.3)**
Unrealised currency revaluation	8.1	4.1	(9.6)	–
Operating expenses including unrealised currency revaluation	**(85.6)**	**(105.2)**	**(130.1)**	**(127.3)**

4. Financial Information continued

Figure 4.4: Operating expenses as a percentage of revenue (%)



Salary costs comprise the majority of administration expenses (approximately 96% in FY22).

Administration expenses rose in FY22 by $8.0 million (15.7%) driven mainly by Management's strategic decision to significantly expand its sales force during FY21 (please refer to Section 3.9.1 for further detail), and by a large increase in performance-related payments driven by the strong sales and EBITDAFX growth generated in FY22 (35.8% and 89.0% respectively).

The forecast increase in administration expenses in FY23F of $3.9 million (6.8%) is mainly due to annual salary increases and an additional eight FTE employees expected to be hired in H2 FY23, of which six will be recruited into the Sales and Marketing team to support future sales growth.

The increase in administration expenses in FY24F by $3.1 million (4.9%) reflects a forecast decrease in performance-related payments (in line with a projected sales growth increase of 6.8% in FY24F compared to 15.0% in FY23F), offset by annual salary increases, the full-year cost of the eight employees hired during H2 FY23, and the costs of 11 new employees forecast to be hired during FY24. 15 of the 19 new FTE employees forecast to be hired during FY23 and FY24 are expected to be sales employees, and nine of those roles are planned for the USA.

Distribution and storage expenses principally comprise the cost of using third-party storage locations to store product, and the cost of local freight carriers to either deliver product to customers or move product between warehouses. These costs are inherently linked to sales growth rates, given costs increase as inventory movements increase. The increase in this expense in FY22 (+17.5%) was predominantly driven by the sales growth for that period and by domestic suppliers increasing rates. Forecast increases in distribution and storage expenses in FY23F (+13.4%) and FY24F (+7.2%) are consistent with forecast sales growth during those periods, but also reflect a full year of increases in storage rates experienced in FY22.

Other expenses primarily include insurance, occupancy costs, consulting costs and the unrealised gain or loss relating to customer and supplier invoices that are denominated in foreign currency and translated into AUD at each reporting date.

Other expenses increased by $1.4 million in FY22 to $8.9 million due mainly to the impact of increases in insurance and consulting costs and a $0.5 million currency translation loss in FY22. In FY23F other expenses are forecast to increase by $1.7 million, driven primarily by increases in insurance costs, which are partially indexed to sales growth, and professional fees. In FY24 other expenses were forecast to increase by $0.4 million driven by further forecast increases in insurance costs.

Unrealised currency revaluations relate to mark to market adjustments on Redox's open forward exchange contracts at period end. Period end balances are determined by movements in exchange rates between the date the forward exchange contract was executed and the closing period end rate. No mark to market adjustments have been forecast in H2 FY23 or FY24F.

4.8.4 Depreciation and amortisation expenses

Table 4.20 summarises the depreciation and amortisation expenses incurred for FY21, FY22, FY23F and FY24F.

Table 4.20: Depreciation and amortisation expenses

$ MILLIONS	FY21	FY22	FY23F	FY24F
Depreciation and amortisation	**(6.7)**	**(7.2)**	**(7.6)**	**(7.7)**

Redox does not own its properties and presently has no intangible asset balances in its balance sheet.

The amounts in Table 4.20 are primarily attributable to the amortisation of right-of-use assets relating to Redox's long-term warehouse leases (please refer to Section 3.10.4 for further detail). These assets are amortised in accordance with the requirements of AASB 16 and the historical and forecast amounts are therefore consistent with the amortisation schedules of the underlying property leases.

There was a $0.5 million increase in the amortisation of right-of-use assets during H2 FY22, with total annual cost increasing to $5.5 million, as two of the warehouses were expanded by the landlord at the request of the Company. This increased available storage capacity at those sites but also increased gross lettable area and therefore annual lease amounts.

4.8.5 Net finance costs

Table 4.21 summarises the net finance costs incurred for FY21, FY22, FY23F and FY24F.

Table 4.21: Net finance costs

$ MILLIONS	FY21	FY22	FY23F	FY24F
Net finance costs	**(1.8)**	**(1.5)**	**(1.5)**	**(1.3)**

The amounts in Table 4.21 relate to the recognition of interest on the property lease liabilities in accordance with AASB 16. The annual amounts are consistent with the amortisation schedules for the underlying leases and will continue to reduce gradually year on year as the leases move closer to expiry (with interest expense increasing at the time of entering a new lease or renewing a lease).

Redox is forecasting to be in a net cash position throughout FY24F. There has been no net finance income forecast in FY24F arising from that net cash position.

4.8.6 Income tax expense

The expense reflects an effective corporate tax rate of 30% during the historical and forecast periods.

4.8.7 Net cash flow before financing and tax

Table 4.22 summarises the net cash flow before financing and tax incurred for FY21, FY22, FY23F and FY24F.

Table 4.22: Net cash flow before financing and tax

$ MILLIONS	FY21	FY22	FY23F	FY24F
EBITDA	**79.3**	**138.6**	**125.2**	**148.2**
Changes in working capital	(25.6)	(150.9)	(11.1)	(7.5)
Other non-cash items	(1.5)	(3.2)	11.9	–
Cash generated from operations	**52.1**	**(15.5)**	**125.9**	**140.7**
Capital expenditure	(2.1)	(1.2)	(2.8)	(2.5)
Net cash flow before financing and tax	**50.0**	**(16.7)**	**123.2**	**138.2**

4.8.7.1 Operating cash flows

Operating cash flows principally comprise receipts from customers, and payments to suppliers and employees, adjusted for movements in working capital balances.

Whilst EBITDA increased by $59.3 million between FY21 and FY22, cash generated from operations fell from an inflow of $52.1 million in FY21 to an outflow of $15.5 million in FY22. This was driven primarily by a change in working capital outflow of $125.3 million in FY22, of which $71.8 million occurred during H1 FY22. Cash generated from operations is forecast to increase from an outflow of $15.5 million in FY22 to an inflow of $125.9 million in FY23F. This is because Management is forecasting a working capital outflow of $11.1 million in FY23F compared to an outflow of $150.9 million in FY22. Cash generated from operations is forecast to increase from an inflow of $125.9 million in FY23F to an inflow of $140.7 million in FY24F primarily due to a similar increase in operating profit. See Section 4.8.7.2 for further details on the drivers of changes in working capital.

4.8.7.2 Working capital

Redox's working capital requirements progressively increased during the period of the COVID-19 pandemic and the global supply chain disruptions, and especially during FY22, as a result of:

- Management making the strategic decision to build inventory balances to help maintain supply to customers during a period of supply disruptions;
- inventory lead times increasing as a result of delays in international shipping and port congestion;
- increases in input prices inherently increasing the valuation of inventory levels and receivables;
- overseas suppliers having been progressively demanding payment in advance for inventory purchases; and
- growth in sales, which has grown debtor balances (although average debtor days remains stable).

In FY23F Management does not expect a repeat of the working capital outflow experienced during FY22 primarily because DIO, which peaked in early January 2022, is forecast to reduce towards pre-COVID levels during the FY23F year. This is because global supply chain disruptions have started to ease as shipping companies and ports slowly started to clear backlogs, and also because customers have scaled back master orders as disruption and stock risks have reduced and price inflation has eased.

By the end of FY23F, Management has forecast a reduction in DIO of 42 days from the FY22 peak, to 117 days. This is in line with the DIO at 31 December 2022 and represents a reduction of 30 days from 30 June 2022. This reduction compares to the FY22 year, where DIO increased by 29 days from the start to the end of the year.

Annual working capital requirements generally peak around December of each year.

Inventory

Whilst inventory levels increased significantly during the pandemic there was not an increase in the ageing profile of inventory on hand in Redox's warehouses. This is because the increase in inventory levels was driven by greater lead times leading to more inventory in transit, and by inventory valuations increasing. Furthermore, Redox's sales model means that the large majority of inventory held at any point in time is for the purposes of contracted future sales (please refer to Section 3.4.3 for further detail), and so there is very little risk of that inventory ageing beyond the date that the contracted sale is made.

There is a degree of seasonality in Redox's annual inventory profile, with balances being higher over the December and January month ends. This is because the business orders more inventory to arrive during November and early December. This is to reduce the impacts of factory shutdowns over Christmas and the Chinese New Year, and also to avoid cargoes being delayed due to the annual shipping delays which have historically occurred around Christmas.

4.8.7.3 Investing activities

These amounts comprise capital expenditure. Capital expenditure in the historical and forecast periods has averaged, and is expected to remain consistent, at approximately $2.0 million per annum, and principally comprises expenditure on fleet vehicles, pallet racking, plant and equipment at the manufacturing sites (e.g. storage tanks) and computer equipment.

4.8.7.4 Financing activities

Historically these amounts have comprised drawdowns and repayments of third-party borrowings, and dividends and taxes paid and amounts paid under Redox's long-term property leases. Redox does not expect to require short-term borrowings in the forecast period.

4.8.8 Management discussion and analysis of the pro forma historical half yearly financial information

4.8.8.1 Revenue

Revenue generated in H1 FY23 grew 28.0% to $635.3 million. The key drivers underpinning revenue growth were consistent with the overall drivers experienced in FY23F, being sales price increases through to H1 FY23 and sales volume increases over the period from securing new business (please refer to Section 4.8.1 for further detail).

4.8.8.2 Gross profit

Gross profit generated in H1 FY23 grew 21.4% to $130.0 million. This corresponded to a H1 FY23 gross margin decline of 1.1 percentage point (ppt) to 20.5%, consistent with the overall drivers experienced in FY23F (please refer to Section 4.8.2 for further detail).

4.8.8.3 Operating expenses

Table 4.23: Operating expenses

Table 4.23 summarises the operating expenses incurred for H1 FY22 and H1 FY23.

$ MILLIONS	H1 FY22	H1 FY23
Administration expenses	(26.7)	(31.1)
Distribution and storage expenses	(19.7)	(23.7)
Other expenses	(2.1)	(4.1)
Operating expenses	**(48.5)**	**(59.0)**
Unrealised currency revaluation	(1.5)	(9.5)
Operating expenses including unrealised currency revaluation	**(50.0)**	**(68.5)**

Increases in operating expenses from $48.5 million to $59.0 million between H1 FY22 and H1 FY23 were mainly driven by:

- increases in salaries (including a number of additional employees), and an increase in bonuses paid in H1 FY23 as a result of the strong sales growth achieved during that period;
- increase in storage and distribution costs due to an increased volume of inventory movements as a result of strong sales growth and inventory build-up during that period; and
- increases in other expenses due to increases in insurance costs and professional fees, and a $9.5 million unrealised foreign exchange loss in H1 FY23 which is forecast to reverse during the second half of the year.

Whilst unrealised currency revaluations impacted comparative financials, Management does not consider these amounts to be reflective of the underlying performance of the Company.

The key drivers underpinning operating expenses were consistent with the overall drivers described in relation to the movements in FY23F (please refer to Section 4.8.3 for further detail).

4.8.8.4 Depreciation and amortisation

Table 4.24 summarises the depreciation and amortisation expenses incurred for H1 FY22 and H1 FY23.

Table 4.24: Depreciation and amortisation

$ MILLIONS	H1 FY22	H1 FY23
Depreciation and amortisation	**(3.6)**	**(3.9)**

The key drivers underpinning depreciation and amortisation were consistent with the overall drivers experienced in FY23F (please refer to Section 4.8.4 for further detail).

4.8.8.5 Net finance costs

Table 4.25 summarises the net finance costs incurred for H1 FY22 and H1 FY23.

Table 4.25: Net finance costs

$ MILLIONS	H1 FY22	H1 FY23
Net finance costs	**(0.8)**	**(0.7)**

The key drivers underpinning net finance costs were consistent with the overall drivers experienced in FY23F (please refer to Section 4.8.5 for further detail).

4.8.8.6 Income tax expense

Income tax for the half-year periods ended 31 December 2021 and 31 December 2022 is based on an effective Australian corporate tax rate of 30%.

4.8.8.7 Net cash flow before financing and tax

Table 4.26 summarises the net cash flow before financing and tax incurred for H1 FY22 and H1 FY23.

Table 4.26: Net cash flow before financing and tax

$ MILLIONS	H1 FY22	H1 FY23
EBITDA	**57.1**	**61.5**
Changes in working capital	(82.1)	(10.3)
Other non-cash items	1.0	11.9
Cash generated from operations	**(24.1)**	**63.1**
Capital expenditure	(0.6)	(1.8)
Net cash flow before financing and tax	**(24.7)**	**61.2**

Whilst EBITDA increased by $4.4 million to $61.5 million between H1 FY22 and H1 FY23, net cash flow before financing and tax increased from a $24.1 million outflow in H1 FY21 to a $63.1 million inflow in H1 FY23. The reasons for this increase are set out in the explanation of cash flow movements between FY22 and FY23F in Section 4.8.7.2, and mainly relate to large decreases in inventory holding levels and DIO arising from the easing of many of the global supply chain disruptions experienced during 2021 and 2022.

4.9 Sensitivity Analysis

The Forecast Financial Information is based on a number of estimates and assumptions described in Section 4.9 that are subject to business, economic and competitive uncertainties and contingencies, many of which are beyond the control of the Company, its Directors and Management, and based upon assumptions with respect to future business developments, which are subject to change.

Investors should be aware that future events cannot be predicted with certainty and as a result, deviations from the figures forecast in this Prospectus are to be expected. To assist investors in assessing the impact of these assumptions on the forecasts, set out in the table below is a summary of the sensitivity of certain Forecast Financial Information to changes in a number of key variables. The changes in the key variables as set out in the sensitivity analysis are not intended to be indicative of the complete range of variations that may be experienced. For the purposes of the analysis below, the effect of the changes in key assumptions on the final quarter of FY23F and FY24F pro forma consolidated NPAT of $81.3 million and $97.4 million respectively is presented. The sensitivity analysis is intended as a guide only and variations in actual performance could exceed the ranges shown.

Care should be taken in interpreting these sensitivities. The estimated impact of changes in each of the variables has been calculated in isolation from changes in other variables, in order to illustrate the likely impact on the forecast. In practice, changes in variables may offset each other or be additive, and it is likely that the Company would respond to any adverse change in one variable by seeking to minimise the net effect on the Company's NPAT.

Table 4.27 summarises the sensitivity analysis performed on pro forma NPAT for FY23F and FY24F.

Table 4.27: Sensitivity analysis

ASSUMPTION	NOTES INCREASE/ DECREASE	FY23F PRO FORMA NPAT IMPACT ($'000)	FY24F PRO FORMA NPAT IMPACT ($'000)
Sales volume	+/- 5%	1,822 / (1,822)	7,881 / (7,881)
Gross margin	+/- 0.5ppt	1,089 / (1,089)	4,649 / (4,649)

4.9.1 Sales volume

The sensitivity analysis shows the estimated impact of a 5% change in sales volumes (applied to all forecast sales). There is an accompanying change to cost of goods sold and distribution and storage expenses for the increased volume of products and services sold but for the purposes of the sensitivity it is assumed that there are no changes to other overhead resources (e.g. employee resources) to better service the increased volumes (or to minimise the impact of decreased volumes on EBITDA). It is assumed there is no change to the forecast product mix or forecast sales price.

Management has not provided any sensitivity analysis around product price movements or foreign currency exchange rate movements as the Company is able to quickly adjust its sales prices in line with movements in input costs, including currency movements.

4.9.2 Gross margin

The sensitivity analysis shows the estimated impact of a 0.5 ppt change in the gross margin percentage achieved by the Company (applied to all forecast sales).

4.10 Q3 FY23F revenue and gross profit update[2]

Q3 FY23 revenue was $307.8 million. Gross profit in Q3 FY23 was $65.8 million, representing a gross margin of 21.4%, which was an improvement of 0.9 ppt compared to the H1 FY23 actual six month average of 20.5%.

$ MILLIONS	H1 FY23	Q3 FY23	FY23F
Revenue	635.3	307.8	1,244.1
Cost of sales	(505.3)	(242.0)	(988.8)
Gross profit	**130.0**	**65.8**	**255.2**
Margin %	20.5%	21.4%	20.5%

4.11 Dividend Policy

As disclosed in Section 4.4.1, the first dividend after listing is expected to be declared for the period ending 31 December 2023 and is forecast to be paid in March 2024. The dividend has been forecast to be $33.4 million, being 70% of the forecast statutory NPAT for 1H FY24, the mid-point of the target payout range of 60-80% of statutory NPAT.

The payment of a dividend by the Company is at the discretion of the Board and will be a function of a number of factors (many of which may be outside the control of the Company and its Directors and Management, and are not reliably predictable), including the general business environment, operating results, cash flows and financial condition of the Company, future funding requirements, capital management initiatives, taxation considerations, any contractual, legal or regulatory restrictions on the payment of dividends by the Company, and any other factors the Directors may consider relevant.

Depending on available profits and the financial position of the Company, it is the current intention of the Directors to pay interim dividends in respect of half years ending 31 December and final dividends in respect of full years ending 30 June each year. It is intended that all future dividends will be franked to the maximum extent possible.

Subject to conditions and capital requirements of the business, the Directors intend to target a payout ratio of 60-80% of statutory NPAT. The level of payout ratio is expected to vary between periods depending on a number of factors including the uncertainties outlined in Section 5 and, in particular, should strategic growth, acquisition or investment opportunities arise, it may result in a payout ratio in the future that is less than the above target. The first dividend is currently expected to be paid for the period ending 31 December 2023.

No assurances can be given by any person, including the Directors, about the payment of any dividend or the level of franking credits attaching to any such dividend.

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[2] Q3 FY23 revenue and gross profit figures have been extracted from Redox's management accounts. These numbers have not been subject to audit, review or other procedures by the Company's auditors.

Section Five

Key Risks

5. Key Risks

This Section 5 describes some of the potential risks associated with an investment in the Company.

An investment in the Company is subject to risks both specific to Redox's business activities, as well as general risks. Each of these risks could, either individually or in combination, have a material adverse impact on Redox's business, operations, financial position and performance, and the value of the Shares. Some of the circumstances giving rise to these risks are partially or completely beyond the Company's control and that of its Directors and Executive Management Team. There can be no guarantee that Redox will achieve its stated objectives or that any forward-looking statements or forecasts will eventuate. You should note that past performance may not be a reliable indicator of future performance.

The risks described in this Section 5 are not the only risks faced by Redox. Additional risks (including risks of which the Company and its Directors are currently unaware) also have the potential to have a material adverse effect on its business, operations, financial position and performance and the value of its Shares. The selection of risks disclosed in this section has been based on an assessment of the combination of the probability of the risk occurring, the ability to mitigate the risk and the impact of the risk if it did occur. The assessment is based on the knowledge of the Directors and the Executive Management Team as at the date of the Original Prospectus, but there is no guarantee or assurance that the importance of risks will not change or other risks will not emerge.

Before deciding whether to invest in the Company, you should read this Prospectus carefully in its entirety, and satisfy yourself that you have a sufficient understanding of the actual and potential risks associated with such an investment. You should consider whether an investment in the Company is suitable for you, having regard to your personal circumstances, investment objectives, financial circumstances, taxation position and particular needs. If you do not understand any part of this Prospectus or are in doubt as to whether to invest in the Company, you should seek professional advice from your stockbroker, accountant, lawyer, financial adviser or other independent professional adviser.

5.1 Risks Specific to an Investment in the Company

5.1.1 Customer demand may fluctuate and could be impacted by various factors

One of the keys to the success of Redox's business is its ability to retain and grow existing customer relationships and develop new customer relationships. There is no guarantee that these relationships will continue or if they do continue, that these relationships will be successful.

Redox does not typically have formal long-term written contracts in place with its customers. Redox customers often engage with Redox on an 'as needed' basis. There is therefore a risk that Redox's existing customers may decide not to continue their business with Redox in the future or at the same level as in prior periods. As a result, Redox's financial performance may vary from period to period and may fluctuate in the future.

Redox's ability to retain and grow existing customer relationships and develop new ones may be impacted by changes in customer demand which is in turn impacted by various factors including underlying industry trends and economic activity. Customers may change their demand patterns from time to time in order to adjust to changes in market conditions, consumer demand for their products, changes in product purchasing to address environmental considerations and/or ongoing operational considerations. This could result in customers reducing their demand for products supplied by Redox, which in turn may have an adverse effect on Redox's financial position and performance.

Redox may seek to increase its prices for its existing customers, in response to changes in product pricing or changes in other circumstances. Redox's future financial performance may be materially impacted by Redox's ability to successfully increase the pricing of the products supplied to its customers. Such material impacts may arise from price increases achieved being less favourable than anticipated, or loss in volumes.

Redox's operating results may be adversely affected by weather conditions or other natural events. Redox derives revenue from the sale and distribution of products in the agricultural markets. Certain weather conditions and natural disasters may impact agricultural markets and reduce the level of demand for products sold or distributed by Redox.

5.1.2 Risks involving suppliers and third-party providers

Another key to the success of Redox's business is its ability to maintain a diversified and reliable supplier base to source appropriate-quality and competitively-priced products for its customers. In addition, the third-party logistics providers are important to ensure the products are delivered efficiently.

Redox does not typically have formal long-term written contracts in place with a number of its key suppliers and freight and logistics providers, who may engage with Redox on a transactional basis. Therefore, Redox is exposed to the risk that its existing suppliers and freight and logistics providers may decide not to continue their business with Redox in the future or at the same level as in prior periods, change the availability of their products or services (whether due to capacity constraints or otherwise), encounter financial or other material difficulties in providing products or services to Redox, or seek to increase pricing for the products or services provided to Redox, which Redox may not be able to pass on to its customers in whole or part. As a result, Redox's financial performance may vary from period to period and may fluctuate in the future.

There are risks that the quality of the products being supplied deteriorates or that certain batches are contaminated, defective, incorrectly packaged, damaged, detained or delayed en-route or otherwise and do not meet the stated specifications. Furthermore, there are risks that suppliers or other third-party providers fail to comply with packaging, import or other applicable laws or industry standards. Should any of these events occur, Redox may not be able to fulfil customer orders or fulfil them to the requirements, specifications or within the time frame required by its customers or it may be required to source products from alternative suppliers at higher prices than those agreed with the customer. Whilst Redox seeks contractual protections from suppliers in relation to the specifications of the products being supplied, and has insurance arrangements in place, Redox could be exposed to liabilities and damage claims from customers which may not be recoverable in whole under those contractual protections or insurance arrangements, and in any event its reputation with that customer may be adversely impacted. Should any of these events occur, it may have an adverse effect on Redox's reputation and financial position and performance.

As noted in Section 3.14, Redox works with its suppliers and third-party logistics providers to source goods and services in a manner that aligns with its ethical and sustainable business practices which safeguard human rights, and conducts due diligence on current and new suppliers to assess their workplace practices. Notwithstanding this, there is a risk that entities within Redox's supply chain do not comply with modern slavery laws. A number of factors could impact Redox's exposure to modern slavery risks, including the prevalence of outsourced arrangements within the supply chain (including the engagement of third-party labour hire contractors to source workers which increase the risk of worker exploitation) that are not visible to Redox, the supply of products which carry a higher risk of modern slavery in its markets (e.g. palm oil) and the sourcing of products from geographical locations which are more vulnerable to modern slavery practices. In the event that a supplier is found to have engaged in modern slavery practices and/or breached modern slavery laws, this may cause reputational damage to Redox.

There may also be a lag between any potential suppliers or third-party providers ceasing arrangements with Redox and Redox being able to establish new business arrangements with alternative partners.

There may be instances where a Redox supplier, or the country from which the relevant product or service is sourced, or through which it transits, becomes subject to Australian or international sanctions. While Redox has a diverse supplier base and may be able to source the relevant product or service from a different supplier in a different country, there is a possibility that no alternative source can be found, or that the supply of such products from alternative suppliers may be subject to delays or capacity limits.

An inability to secure ongoing supply of products or services may potentially adversely impact Redox's operations, which in turn may have an adverse effect on Redox's financial position and performance.

5.1.3 Information technology

Redox has invested significant resources and capital in developing its information and technology systems including its website and integrated ERP/CRM system, Redebiz. Redox's IT systems underpin its operations and have a broad range of functionality to assist in everyday decision making. While Redox has several measures in place to prevent IT disruption including offsite data back-ups, anti-virus software and an IT disaster recovery plan, its systems are susceptible to malfunctions, interruptions, damages and failure which could impact Redox's operations and reputation. Should these systems not be adequately maintained, secured or updated, or if Redox's disaster recovery plans do not adequately address an event that occurs, such as data breaches, hacking or similar malicious conduct, this may negatively impact on Redox's financial position and performance.

Furthermore, there is a risk that the measures taken to protect or enhance Redox's information technology systems from accidental or deliberate events may prove to be inadequate and may result in a significant disruption to Redox's systems and operations, loss of confidential or proprietary information or intellectual property, a loss of confidence in Redox and its platform or other reputational damage, loss of customers, legal and financial exposure, potential breaches of applicable laws and regulatory scrutiny or actions. Redox may also incur costs to rectify concerns, including system vulnerabilities or in introducing additional safeguards to minimise the risk of future events of this nature.

Through the ordinary course of business, Redox collects and stores a range of confidential data including personal contact and financial details of its suppliers, customers and employees. As such, Redox is required to comply with strict data protection and privacy laws. There is risk that Redox's data could be wrongfully accessed and misused, inadvertently lost or disclosed or processed in breach of applicable data protection regulations, which could lead to reputational damage to Redox, which in turn may have an adverse effect on Redox's financial position and performance.

5.1.4 Intellectual property rights

Redox has a portfolio of important intellectual property rights including the 'Redebiz' system, trademarks, logos, trade secrets and know-how which it seeks to protect. Redox relies on contractual arrangements with its employees and third parties and intellectual property laws to assist in protecting its intellectual property. However, there are risks that Redox may fail or be unable to protect its property rights, that others may infringe Redox's intellectual property rights or that others may claim that Redox has infringed upon their intellectual property rights. This could lead to adverse impacts on Redox's operations as well as substantial costs to defend and protect Redox's intellectual property rights or defend any claims brought against Redox for infringement of others' intellectual property rights, which in turn may have an adverse effect on Redox's financial position and performance.

5.1.5 Health, safety and environmental risks

Redox is required to comply with a range of health, safety and environmental regulations that apply to the sectors in which it operates. Risks of accidents, injuries and potential health hazards in Redox's workplaces must be minimised in line with applicable Work, Health and Safety laws and industry standards. Redox's operations and facilities must also comply with applicable chemical handling, storage, transportation and disposal codes to prevent environmental contamination, human exposure and use of products in illegal activities. Regulatory and industry requirements are particularly rigorous for Redox's hazardous and dangerous goods distribution.

Whilst Redox has strict policies and procedures in place, there is a risk of accidents, injuries and potential health hazards in Redox's workplaces, occurring from accidents, negligence or other unforeseen events, potentially resulting in injuries and substantial damages to property and the environment and breaches of applicable laws. This could lead to revocation of permits and licences, requirement for Redox to remediate any issues, civil and criminal action being brought against Redox as well as reputational damage impacting supplier and customer relationships.

5.1.6 Other regulatory risks

In each jurisdiction in which it operates, Redox must comply with a range of other laws, regulations and industry standards including product quality requirements, import regulations, fair trade laws, anti-bribery and corruption legislation, modern slavery legislation, sanctions legislation, food safety, drug and chemical weapons precursors, consumer protection laws, employment laws and taxation laws. Failure by Redox to comply with those laws, regulations and industry compliance standards may result in litigation, regulatory enquiry or investigation, fines and penalties, or significant reputational damage which could have an adverse effect on Redox's financial position and performance.

Redox may also become subject to new laws, regulations or industry standards, or new or changed interpretations of existing laws, regulations or industry standards, or enhanced supervisory expectations regarding the management of legal and regulatory compliance risks associated with such laws, regulations and industry standards. Additionally, Redox may become subject to more proactive enforcement by relevant regulators or compliance with such laws, regulations and industry standards. New or amended laws, regulations or industry compliance standards, or new or changed interpretations of existing laws, regulations or industry standards, could restrict Redox's ability to provide its services, result in changes to Redox's business model, reduce Redox's profit margins or make compliance more difficult or expensive, any of which may have an adverse impact on Redox's financial position and performance.

A breach of any laws or regulations applicable to Redox may lead to prosecution, investigations, inquiries and result in the imposition of conditions, fines and penalties or other sanctions on Redox, which could have an adverse effect on Redox's business, reputation, operating and financial position and performance. Any deterioration in Redox's regulatory compliance performance may adversely affect Redox's reputation and standing in the industry, and its ability to win and retain contracts with its customers.

5.1.7 Increasing competition

Redox competes with a number of other suppliers, distributors, wholesalers, brokers and suppliers who supply customers. Several factors could negatively impact Redox's competitiveness in the markets in which it operates including, without limitation:

- competitors obtaining exclusive supplier and customer contracts, increasing scale organically or inorganically, improving integrated IT solutions and innovating value-added services;
- Redox failing to anticipate and respond to changing opportunities, legislation, technology or customer requirements in the industry as quickly as competitors; and
- existing and prospective clients may elect to handle their own supply and/or distribution of products currently or potentially supplied by Redox.

This in turn could lead to lower sales volumes, sales prices and margins for Redox which in turn may have an adverse effect on Redox's financial position and performance.

5.1.8 Inventory management risks

Redox manages a significant level of inventory and for some products estimates customers' product requirements to make purchasing decisions. There is a risk that Redox may underestimate demand which could lead to loss of sales or having to pay higher prices to suppliers that cannot be passed to customers. Redox may also overestimate demand which could lead to obsolete inventory or having to sell products at lower prices to customers.

Prices of Redox's products as well as transportation costs also fluctuate over time which Redox may not necessarily be able to pass on to its customers.

5.1.9 Reliance on key personnel

Redox's Executive Management Team and employees are skilled in areas such as customer and supplier negotiation, chemical industry expertise and regulatory compliance. Members of the Executive Management Team are also highly experienced and have played a key role in shaping Redox into the business as it stands today. There is a risk that competition within the labour market could increase the demand and cost for quality employees. If Redox is unable to attract or retain employees or key personnel, this may result in a loss of operational knowledge and capabilities, key supplier and customer relationships, and industry expertise, which in turn may have an adverse effect on Redox's financial position and performance.

5.1.10 Reliance on leased properties

Redox's business utilises an extensive footprint of warehouses and storage facilities to store products prior to distribution to customers, including eight in-house managed facilities leased from Ceneda Investments Pty Ltd, which is a related party of Redox. While the terms of those related party leases grant Redox options to renew, the rent is subject to increase during the initial term of those leases and any extension. In particular, the rent payable under those leases is subject to a CPI review on each anniversary of the lease, except on the fifth and tenth anniversaries, where they will be subject to a market review. There is a risk that Redox may not be able to secure appropriate sites on commercially acceptable terms, either by exercising options to renew, or finding alternative sites. Due to the nature and size of the sites Redox requires to operate its business, Redox may need to accept less favourable terms (including increased rent) or terms that are more onerous than the prevailing market terms at the time. Any failure to secure appropriate sites on acceptable terms may result in a material increase in operating costs and have a material adverse impact on Redox's financial and operating performance.

A number of Redox's leases contain change of control provisions which may be triggered by the change of control resulting from the acquisition of a substantial interest by another entity. If the change of control provision is triggered, consent of the relevant landlord is required and Redox cannot guarantee that such consent will be forthcoming or, if forthcoming, that such consent will not be subject to conditions that are unfavourable to Redox. Any failure to obtain consent from relevant landlords in relation to a change of control may result in the termination of the relevant lease. Alternatively, the landlord may seek to renegotiate the lease on terms less favourable to Redox as a condition of providing such consent. The termination or amendment of any lease arrangements may have a material adverse impact on Redox's financial and operating performance.

5.1.11 Prices may fluctuate

The purchase and resale prices of, and market demand for, the products supplied and distributed by Redox may fluctuate due to changes in economic conditions and numerous other factors beyond Redox's control. If such fluctuations do occur, there is a risk that Redox may be unable to pass such changes on to its customers or that Redox may incur adverse margin impacts, as changes in product costs may be greater than corresponding changes made by Redox in its selling prices. As a result, these fluctuations may cause Redox's financial performance to vary from period to period and may have a material adverse impact on Redox's financial and operating performance.

5.1.12 Litigation risks

Redox may be exposed to litigation, claims and disputes in the ordinary course of its business, including contractual disputes, employment disputes, indemnity claims, property damage claims, environmental claims, personal injury claims, inquiries and audits, which may be costly to defend and a distraction to the Board and the Executive Management Team.

Accordingly, there is a risk that litigation, claims and disputes (including disputes in respect of major client contracts) may have a material impact on Redox's reputation and its standing within the industry, business relationships and growth prospects, and may have an adverse effect on Redox's financial position and performance.

5.1.13 Insurance risks

Redox's performance may be subject to conditions beyond Management's control including unexpected failures in or damage to Redox's facilities and assets, changes to regulatory requirements, environmental damage, accidents, natural disasters or other events that disrupt business operations. These operational risks could cause significant costs to Redox and adversely impact its growth and reputation.

Consistent with industry practice, Redox has put into place insurance policies to protect against certain liabilities to third parties and damage in the usual course of business. Where an adverse event occurs which is uninsurable, uninsured or under-insured, Redox may incur a substantial loss. Further, any failure or default by an insured party may adversely affect Redox's ability to make an insurance claim for an insured event.

Redox may not be able to maintain its current insurance coverage and the premium costs and excess costs may become prohibitively high. Coverage may also become restricted such that risks that are currently insurable may not be insurable in future. The occurrence of a significant adverse event not fully or partially covered by insurance could have a material adverse effect on Redox's business and financial position and performance.

5.1.14 Risks associated with international expansion

Part of Redox's long-term growth strategy is to continue expanding its international presence, increasing penetration in current foreign markets as well as entering new markets. International expansion will require significant Management attention and resources, with the success of expansion dependent on various factors, including Redox's ability to secure customer relationships, Redox's ability to gain market insight and knowledge and hire and retain skilled employees, and Redox's ability to comply with the local regulatory environment.

If Redox decides to expand into new international markets in the future, there is a risk that it will fail to understand or account for differing laws, regulations and business customs (including potential pricing of its solutions within these new markets). This may give rise to employment and labour risks, tax exposure, risks relating to the ability of Redox to protect its brand, civil litigation, changes to or uncertainty in the relevant legal and regulatory regimes and other issues in foreign jurisdictions in which Redox either operates or wishes to operate in order to execute its growth plan. This could interrupt or adversely affect various parts of the business and may have an adverse effect on Redox's operations, and its financial position and performance.

5.1.15 Inorganic acquisition risks

Redox has historically grown through a combination of organic initiatives and strategic acquisitions, and plans to continue pursuing targeted acquisitions in the future. There is no assurance that Redox will be able to identify or secure any acquisitions to drive growth, and to the extent that Redox is able to make acquisitions, the acquisition costs could be substantial, Redox may need to incur debt or assume loss-making divisions and the acquisitions may not meet operational or strategic expectations. Furthermore, the identification, evaluation and negotiation of these opportunities may require significant time and effort from Management and employees, and may result in disruptions to the business. There are also risks associated with integrating the operations and personnel of an acquisition target with Redox's businesses and potential disruptions of integration to Redox's other business operations and that, despite Redox conducting due diligence on proposed acquisitions, the new businesses or assets do not result in the benefits anticipated.

Redox cannot guarantee that every acquisition or partnership that it makes or enters into will result in favourable outcomes for the business. Redox will seek to obtain customary warranties and indemnities from vendors of the acquired businesses. However, Redox may not be able to obtain, or may not obtain, all appropriate warranties or indemnities. Further, there is a risk that potential issues are uncovered subsequent to due diligence and that these risks cannot be fully mitigated by the warranties and indemnities in the sale and purchase agreements for those acquisitions. If an unforeseen liability arises in respect of which Redox is not able to be indemnified, this may materially adversely affect the financial position and performance of Redox.

5.1.16 COVID-19

The COVID-19 pandemic has had major effects on global economic markets and continues to do so. Despite the increasing prevalence of COVID-19 vaccinations, measures taken in response to COVID-19 and easing of COVID-19 related restrictions, there remains continued uncertainty as to the emergence and impact of new COVID strains and the future response of governments and authorities. Given this uncertainty, there also remains a possibility of an economic downturn of unknown duration or severity in certain jurisdictions going forward. This could impact the operations of customers, suppliers and third-party providers which could lead to adverse impacts to Redox including reduced customer demand, supply and transportation restrictions and inability or delay in collecting receivables.

In addition, COVID-19 has had, and continues to have, impacts on how Redox and its customers and partners operate their businesses, including as a result of local, State and Federal government public health orders, travel restrictions and business shutdowns. Whilst COVID-19 related restrictions have eased, if such trends or restrictions continue or re-emerge as a result of a new wave of infections, they may negatively impact Redox's business and its financial position and performance. The duration and extent to which such restrictions may impact Redox and its customers is uncertain, and may prove difficult to assess or predict, particularly over the medium to longer term.

5.1.17 General economic conditions in Australia and New Zealand may worsen

Redox's business is predominantly based in Australia and New Zealand, with the balance of its business based in Malaysia and the United States. The operating and financial performance of Redox is influenced by the general economic conditions in Australia and New Zealand as well as general economic conditions globally. An escalation in the current conflict between Russia and the Ukraine may trigger a downturn in general economic conditions. High inflation and rising interest rates may impact Redox's operating costs, which may not be able to be offset by corresponding increases in product prices. A prolonged downturn in general economic conditions may impact the demand for Redox's products as customers change their demand patterns to adjust to such downturn in economic conditions. Economic conditions in Australia and New Zealand may also encourage increased competition, either from domestic competitors or from overseas competitors. These factors may in turn have an adverse impact on Redox's financial position and performance.

5.2 General Risks of an Investment in the Company

5.2.1 Price of shares and general investment risks

The price at which Shares are quoted on the ASX may increase or decrease due to a number of factors. The events relating to COVID-19 have recently resulted in decline in general economic conditions together with significant volatility to the market including the prices of shares trading on the ASX. These factors may cause the Shares to trade at prices above or below the price at which the Shares are being offered under this Prospectus. There is no assurance that the price of the Shares will increase following the quotation of the Shares on the ASX, even if Redox's operations and financial performance improves. Some of the factors which may affect the price of the Shares include:

- fluctuations in the domestic and international market for listed stocks;
- general economic conditions, including interest rates, inflation rates, exchange rates, commodity and oil prices, changes to government fiscal, monetary or regulatory policies, legislation or regulation;
- inclusion in or removal from market indices;
- pandemic risk;
- the nature of the markets in which Redox operates; and
- general operational and business risks.

Other factors which may negatively affect investor sentiment and influence Redox specifically or the stock market more generally include acts of terrorism, an outbreak of international hostilities or tensions, fires, floods, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease or other man-made or natural events. Redox has a limited ability to insure against some of the risks mentioned above.

5.2.2 Trading in Shares may not be liquid

Once the Shares are quoted on the ASX, there can be no guarantee that an active trading market for the Shares will develop or that the price of the Shares will increase. There may be relatively few potential buyers or sellers of the Shares on the ASX at any time. This may increase the volatility of the market price of the Shares. It may also affect the prevailing market price at which Shareholders are able to sell their Shares. This may result in Shareholders receiving a market price for their Shares that is less than the price that Shareholders paid.

5.2.3 Existing Shareholders retain a significant stake in the Company post Listing

Following Completion of the Offer, the Existing Shareholders will hold approximately 70% of the issued capital of the Company. All of these Shares will be subject to the voluntary escrow arrangements described in Section 9.7. In summary on Completion of the Offer:

- Existing shareholders (other than Management Shareholders) (representing 176.0 million Shares, or approximately 34% of the issued capital of the Company on Completion of the Offer) will be subject to escrow restrictions until 4.15pm on the day the Company's financial results for the period ending 30 June 2024 are released; and
- Management Shareholders (including Raimond Coneliano and Renato Coneliano) (representing 191.3 million Shares, or approximately 36% of the issued capital of the Company on Completion of the Offer) will be subject to escrow restrictions until 4.15pm on the day the Company's financial results for the period ending 30 June 2025 are released.

The split of escrow between Existing Shareholders and Management Shareholders shown above is prior to the distribution of Silvia Coneliano's estate. Refer to the table in Section 9.7 for the expected split of escrow shares between Existing Shareholders and Management Shareholders following the distribution of the Shares in Silvia Coneliano's estate assuming that the distribution occurs on the date of Completion of the Offer and in the manner set out in her will.

There will be no restrictions on the sale of any escrowed Shares on and from the date on which those escrow restrictions are released in accordance with the terms of the relevant restriction, or sooner, in the event an exception to the restriction is available.

Following the end of the Escrow Period, a significant sale of Shares by some or all of the Existing Shareholders, or the perception that such sales have occurred or might occur, may adversely affect the price of Shares.

Alternatively, the absence of any sale of Shares by the Existing Shareholders may cause or contribute to a diminution in the liquidity of the market for the Shares.

5.2.4 Accounting standards

Australian Accounting Standards are set by the AASB and are outside the control of the Company, its Directors, or its Executive Management Team. The AASB is due to introduce new or refined Australian Accounting Standards in future periods, which may affect future measurement and recognition of key income statement and balance sheet items, including sales and receivables.

There is also the risk that interpretations of existing Australian Accounting Standards, including those relating to the measurement and recognition of key income statement and balance sheet items, including sales and receivables, may differ. Changes to Australian Accounting Standards issued by the AASB or changes to the commonly held views on the application of those standards could materially adversely affect the financial performance and position reported in Redox's consolidated financial statements.

5.2.5 Exposure to changes in tax rules or their interpretation

Tax rules or their interpretation in relation to equity investments, divestments and other transactions entered into in the ordinary course of its business may change. In particular, both the level and basis of taxation may change.

In addition, from time to time the Australian Taxation Office or other government agency also reviews the tax treatment of transactions entered into by Redox. Any actual or alleged failure to comply with, or any change in the application or interpretation of, tax rules applied by Redox in respect of such transactions, could increase its tax liabilities or expose it to legal, regulatory or other actions.

In addition, an investment in the Shares involves tax considerations which may differ for each Shareholder. Each investor considering an investment in the Company is encouraged to seek professional tax advice in connection with any investment in the Company. Refer to Section 9.11.1 for additional taxation considerations.

5.2.6 Foreign exchange risk

Redox currently conducts operations in a number of jurisdictions including Australia, New Zealand, Malaysia and the United States. Redox also sources various products from overseas suppliers in their foreign currencies. Fluctuations in the value of currencies may affect the purchase prices of products for Redox, which it may not be able to pass on to its customers, as well as have a detrimental impact on the financial position of Redox.

5.2.7 Future capital needs

Redox may be required in the future to raise capital through public or private financing or other arrangements to fund operations and growth of the business. Such financing may not be available on acceptable terms, or at all, and a failure to raise capital when needed could harm Redox's business. If Redox cannot raise funds on acceptable terms, it may not be able to grow its business or respond to competitive pressures.

5.2.8 Risk of Shareholder dilution

In the future, the Company may elect to issue Shares in connection with fundraisings, including raising proceeds for acquisitions Redox may decide to make. Shareholder interests may be diluted and Shareholders may experience a loss in value of their equity if the Company issues Shares as consideration for acquisitions, funds acquisitions through raising equity capital or if the Company engages in fundraisings for any other reason, including the repayment of debt. While the Company will be subject to the constraints of the ASX Listing Rules regarding the percentage of the Company's capital it is able to issue within a 12-month period (other than where exceptions apply), Shareholders may be diluted as a result of such issues of Shares and fundraisings.

5.2.9 No guarantee of future dividend payments

There is no guarantee that the Company will generate sufficient cash flow from its operations in the future to pay dividends. The Company's dividend policy is set out in Section 4.11. Further, the Company expects future dividends to be franked to the maximum extent possible. However, there is no guarantee that the Company will have sufficient franking credits in the future to fully frank dividends or that the imputation system will not be varied or abolished.

In addition, if a portion of the Company's future earnings are derived from offshore operations, it may not be possible to fully frank dividends. The value and availability of franking credits to a Shareholder will differ depending on the Shareholder's particular tax circumstances. Shareholders should also be aware that the ability to use franking credits, either as a tax offset or to claim a refund after the end of the income year, will depend on the individual tax position of each Shareholder.

5.2.10 Force majeure events may occur

Events may occur within or outside the Australia and New Zealand markets that negatively impact Redox's financial performance, its operations and/or the price of the Shares. These events include but are not limited to acts of terrorism, an outbreak of international hostilities, fires, floods, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease or other natural or man-made events or occurrences that may have a material adverse effect on Redox's suppliers, the demand for its products and/or its ability to conduct business. Redox has only a limited ability to insure against some of these risks.

5.2.11 Inability to meet forecast financial performance

The forward-looking statements, opinions and estimates provided in this Prospectus, including the Forecast Financial Information, rely on various assumptions, some of which are described in Section 4.

Various known and unknown factors may impact Redox's performance and cause its actual performance to vary significantly from estimates. This includes in relation to the cost, approvals and timing of planned development or expansion of facilities. There can be no guarantee that Redox will achieve its stated objectives or that any forward-looking statements or forecasts will eventuate.

Investors should note that past performance is not a reliable indicator of future performance.

5.2.12 No guarantee in respect of investment

The above list of risk factors should not be taken as an exhaustive list of the risks faced by Redox or by investors in the Company. The above factors, and others not specifically referred to above, may materially affect the financial performance of Redox and the value of the Shares under the Offer. The Shares issued under the Offer carry no guarantee in respect of profitability, dividends, return of capital or the price at which they may trade on the ASX. Furthermore, there is no guarantee that the Shares will remain continuously quoted on the ASX, which could impact the ability of prospective Shareholders to sell their Shares.

Investors should consult their professional adviser before deciding whether to apply for Shares under the Offer.

Section Six

Key Individuals, Interests and Benefits

6. Key Individuals, Interests and Benefits

6.1 Board of Directors

Details of each Director as of the Prospectus Date are set out in the table below.*

	Expertise, experience and qualifications
	**Ian Campbell** Non-Executive Chair Ian has significant expertise across the corporate sector with 30 years' experience as a Partner of Ernst & Young and predecessor firms. Ian has served as an Independent Director and Chairman of the Audit Committee on the boards of Gloria Jeans Coffees International Pty Limited, Green's Foods Holdings Pty Limited, Bigstone Capital Pty Limited and Riskflo Associates Limited. He was also a Partner in the board search practice at Talent Partners. Ian currently serves as Non-Executive Chairman on the board of Kip McGrath Education Centres Limited, an ASX-listed education provider, and as Non-Executive Director and Chairman of the Audit Committee of CVC Limited, an ASX-listed investment company. He is also the Chairman of the Finance Committee of The Bridge Church Sydney. Ian is a Fellow of Chartered Accountants Australia and New Zealand, a Member of the Australian Institute of Directors and has been an Independent Non-Executive Director of Redox since 2009.
	**Raimond Coneliano** Chief Executive Officer and Managing Director After having served as a Director on the Board of Redox for nine years and sitting on the People and Safety Committee, Raimond has recently been appointed Chief Executive Officer and Managing Director, replacing Robert Coneliano. Raimond is a skilled negotiator and relationships expert, he has overseen the development of Redox's largest bulk product lines and brokered the Company's biggest trades over his 27+ year career. He has led the sales team through acquisitions, into new markets and products, and broken sales records. A collaborative, cross-functional leader who takes pride in facilitating growth through his extensive industry knowledge. His passion and verve for connecting customers to our global network of suppliers while delivering industry best service shines through in every animated discussion.

6. Key Individuals, Interests and Benefits

continued

Expertise, experience and qualifications

Renato Coneliano

Executive Director and Marketing Director

Renato joined Redox in 1980. He has had many roles over time including both sales and product management responsibilities, as well as Joint Managing Director in 2022. He was instrumental in developing the supply chain and identifying critical suppliers, building these relationships through extensive overseas travel.

As Marketing Director, he controls Product Management processes at Redox, controlling open positions, reducing risks, and ensuring that Redox has the market information that adds value to the supply chain. With a focus on gaining new agencies, he facilitates and assists marketing staff in seeking supply partners where shared values and common goals align for mutual benefit.

Renato has been a Director of Redox since 1986 and served on the Audit and Risk Management Committee and Governance and Nominations Committee.

Mary Verschuer

Non-Executive Director

Mary has significant experience in executive leadership roles with responsibility for manufacturing, supply chain management and sales and marketing.

Mary was the President of the Minerals and Metals division for Schenck Process, a German private equity owned business, and was Vice President of the Asian division of Huhtamaki, a Finnish listed niche packaging business. Mary previously served on the board of ASX-listed Nuplex, a leading global resins business, and THC Global, an ASX-listed medicinal cannabis business.

Mary currently serves as Non-Executive Chair of the board of ASX-listed MaxiPARTS, and as a Non-Executive Director and Chair of Audit and Risk with Forestry Corporation of NSW. Additionally, Mary is Chair of The Infants Home, a not-for-profit provider of early education and care. Mary also mentors CEOs with the CEO Institute and Kilfinan Australia.

Mary's key qualifications include a Bachelor of Applied Science (Chemistry) from UTS, a Master of Science and Society from UNSW, a Master of Business Administration from Macquarie University, and a Master of Arts (Research Methods) from Macquarie University.

Expertise, experience and qualifications

Garry Wayling

Non-Executive Director

Garry has over 30 years of experience in the professional services sector. Garry was an Audit Partner for 11 years with Arthur Andersen Sydney and then an Audit Partner in the Strategic Growth division at Ernst & Young until 2010.

Garry then held roles as Chief Financial Officer and Managing Director for ASX-listed resources companies. Garry was Independent Director and Chair of the Audit and Risk Committee of ASX-listed OneVue Holdings Limited, and Independent Director of its subsidiary Trustee companies MAP Funds Management Ltd and Diversa Limited. Garry was also an Independent Director and Chair of the Audit and Risk Committee of ASX-listed Inabox Group Limited. He also served 10 years as an Independent Director and Chair of the Audit and Risk Committee for Odyssey House (NSW) retiring in March 2023 at the end of his tenure.

Garry is currently the Executive Director of The Australian Olympic Foundation Limited.

Garry's key qualifications include a Bachelor of Commerce degree from UNSW, ACA and GAICD.

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* As at the Prospectus Date, Robert Coneliano is also a Director. Robert has resigned, with his resignation to take effect immediately prior to Completion of the Offer.

The composition of the Board committees and a summary of its key corporate governance policies are set out in Section 6.4.

6. Key Individuals, Interests and Benefits

continued

6.2 Executive Management Team

	Expertise, experience and qualifications
	**Raimond Coneliano** Chief Executive Officer and Managing Director Please refer to Section 6.1 for further detail.
	**Renato Coneliano** Executive Director and Marketing Director Please refer to Section 6.1 for further detail.

Expertise, experience and qualifications

Roy Brown

Finance Director

Roy qualified as a Chartered Accountant with Arthur Andersen (London) in 1993.

After seven years in audit Roy moved into industry, as finance director at Ferrero Australia, prior to moving to Apollo Life Sciences as Chief Financial Officer and Company Secretary to help guide that business through its ASX float. Subsequently he has held roles as Head of Commercial Finance at Johnson & Johnson Pacific, and Chief Financial Officer and Company Secretary roles at both Greens General Foods and Trilogy International Limited, where he was also Head of Operations and Managing Director of Trilogy's New Zealand distribution business.

Roy has served as a Director and Company Secretary on multiple private company boards across New Zealand, Australia and the UK, and in addition to extensive finance and operational leadership experience in the ANZ consumer goods industry has also led many M&A projects.

Roy joined Redox in early 2021. Since then his role has principally been to lead the Company through its IPO process, taking responsibility for forecasting, disclosure and financial governance policies. Going forward he will be responsible for preparing and presenting Redox's financial disclosures to the market, reporting to the Executive Director and Marketing Director, and Chief Executive Officer.

Richard Coneliano

Group General Manager

Richard began his career as a computer programmer at Redox 28 years ago, where he has made significant contributions to the Company's success. His most notable achievement has been his role, along with others, in the development of Redox's integrated ERP/CRM software platform Redebiz. Redebiz is now the backbone of Redox and provides the Company with a significant competitive advantage.

Throughout his career at Redox, Richard has held various positions, including IT Manager for 25 years, where he was instrumental in building the Company's IT infrastructure and security systems. He also led the successful integration of several acquisitions made by Redox.

Currently, Richard has responsibility for all administrative functions at Redox, with Finance, Human Resources, Information Technology, Quality Assurance and Legal departments reporting in to him. His vast experience in the tech industry and his passion for innovative solutions continue to drive Redox's success.

Following the resignation of Christopher Perrins in early June 2023, Richard has re-assumed the role of IT Manager on an interim basis until a suitable successor has been hired.

6. Key Individuals, Interests and Benefits

continued

Expertise, experience and qualifications

Kim Yap

Chief Financial Officer

Kim joined the Company in February 1989 as an accountant, before progressing to Finance Manager in 1991 and Chief Financial Officer in 2006. Redox's sales turnover was $25 million when he first joined the Company. Kim was extensively involved in the negotiation, due diligence and integration of the past eight acquisitions, the first being in 1998. Since joining Redox, he has been responsible for managing the accounting and finance function of the Company including arranging financing, managing liquidity, auditing and reporting processes, constantly improving systems and successfully managing working capital as the business grew 38-fold over the period of his tenure, and he will continue to perform these functions on an ongoing basis, reporting to the Executive Director and Marketing Director, and Chief Executive Officer.

Prior to joining the Company, he held the position of Financial Accountant with a listed entity in Malaysia, Branch Accountant with a multinational firm and Junior Auditor within an accounting firm.

Kim's key qualifications include: B.Com (Hons) (UNSW), CPA.

Ken Perrins

Food Industry Group Director

Ken joined Redox in 1996 and has held sales and product management roles during his career, with a strong focus on building Redox's presence as a supplier of ingredients to the food industry. He was integral in setting up the Company's Malaysian operation.

Ken currently assumes overall responsibility for Redox's business in Malaysia, and for the Company's largest industry sector, Human Health and Nutrition. He has also taken the lead on a number of the Group's environmental initiatives.

Ken was a Director of Redox from 2017 until May 2023 and served on the Governance and Nominations Committee. He has an MBA from Wollongong University.

Expertise, experience and qualifications

Nick Osmo

General Manager, North America

Nick began his career at Redox in 2010 as a graduate of Western Sydney University in Business and Commerce, starting as the Store Coordinator at the Minto warehouse. From that experience Nick joined the IT team in 2011 as a Business Analyst with the task to assist Redox's in-house software developers to deploy the Redebiz ERP system across the Company in 2012. His knowledge and experience of Redox's business brought the opportunity to relocate to the USA in 2015 to establish and manage Redox Inc., headquartered in Los Angeles (California). He has overseen the business growth to 12 staff, across five offices, with over 250 active customers across 28 States.

Erika Jasarevic

General Counsel and Company Secretary

Erika joined Redox as the General Counsel in April 2020 and was since appointed Company Secretary in July 2021.

Erika earned a bachelor's degree in Political Science from Florida International University and a law degree from St. Thomas University, in the United States, before obtaining her law degree in Australia; and she holds a practicing certificate in New South Wales. Erika also completed the Governance Institute of Australia Course – Meeting ASX Listing Rules Requirements in 2021.

Prior to joining Redox, Erika previously served as Corporate Counsel of JELD-WEN Australia where she advised c-suite executives and senior management on a wide array of strategic matters. She also served as Director and Solicitor of her own boutique general practice law firm for several years and practiced law in Sydney as well as the United States.

Expertise, experience and qualifications

Mark Shoukry

Senior Business Manager

Mark Shoukry is a Senior Business Manager at Redox with a background in Mechanical Engineering. He joined the Company in 2001 and has since covered a wide range of industries, including water, mining, detergents, nutraceuticals and pharmaceuticals.

In addition to his current position as Product Manager and Sales Representative, Mark also assists with relieving for the Marketing Manager and Sales Manager roles. He has been a mentor to several successful staff members at Redox.

Mark was previously a member of the Safety, Health and Environmental Committee.

6.3 Interests and Benefits

This Section sets out the nature and extent of the interests and fees of certain persons involved in the Offer. Other than as set out below or elsewhere in this Prospectus, no:

- Director or proposed Director;
- person named in this Prospectus and who has performed a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- promoter of the Company; or
- underwriter to the Offer or financial services licensee named in this Prospectus as a financial services licensee involved in the Offer,

holds as of the time of lodgement of this Prospectus with ASIC, or has held in the two years before lodgement of this Prospectus with ASIC, an interest in:

- the formation or promotion of the Company;
- property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
- the Offer,

and no amount (whether in cash, Shares or otherwise) has been paid or agreed to be paid, nor has any benefit been given or agreed to be given, to any such person for services in connection with the formation or promotion of the Company or the Offer or to any Company to induce them to become, or qualify as, a Director of the Company.

6.3.1 Interests of advisers

The Company has engaged the following professional advisers in relation to the Offer:

- UBS and Ord Minnett have acted as Joint Lead Managers to the Offer and the fees payable to the Joint Lead Managers pursuant to the Underwriting Agreement are described in Section 9.5.1;
- Shaw and Partners Limited and Wilsons Corporate Finance Limited have acted as Co-Lead Managers to the Offer and the fees payable to the Co-Lead Managers are described in Section 9.5.1;
- Herbert Smith Freehills has acted as Australian legal adviser to the Company in relation to the Offer. The Company has paid, or agreed to pay, approximately $650,000 (excluding disbursements and GST) for these services up until the Original Prospectus Date. Further amounts may be paid to Herbert Smith Freehills in accordance with its normal time-based charges;
- Deloitte Corporate Finance Pty Limited has acted as the Investigating Accountant in connection with the Offer and has performed work in relation to the Independent Limited Assurance Report. The Company has paid, or agreed to pay, approximately $756,500 (excluding disbursements and GST) for these services up until the Original Prospectus Date. Further amounts may be paid to Deloitte Corporate Finance Pty Limited in accordance with its normal time-based charges;
- Deloitte Tax Services Pty Limited has acted as the Australian taxation adviser in relation to the Offer. The Company has paid, or agreed to pay, approximately $376,000 (excluding disbursements and GST) up until the Original Prospectus Date. Further amounts may be paid to Deloitte Tax Services Pty Limited in accordance with its normal time-based charges; and
- Frost & Sullivan has acted as the Independent Market Expert to the Offer and has prepared the Independent Market Report referred to in Section 2. The Company has paid, or has agreed to pay, approximately $27,000 (excluding disbursements and GST) for these services up until the Original Prospectus Date.

These amounts, and other expenses of the Offer, will be paid by the Company out of funds raised under the Offer or available cash. Further information on the use of proceeds and payment of expenses of the Offer is set out in Section 7.1.3.

6.3.2 Directors' interests and remuneration

As previously noted, the Board of Directors currently comprises three non-executive Directors and two executive Directors. The Company has entered into employment contracts with Raimond Coneliano and Renato Coneliano to govern their employment with the Company. Refer to Section 6.3.3 for further details.

Prior to the Prospectus Date, each of the non-executive Directors has entered into appointment letters with the Company, confirming the terms of their appointment, their roles and responsibilities and the Company's expectations of them as Directors of the Company.

6.3.2.1 Non-Executive Director remuneration

Under the Constitution, the Company in general meeting may determine the maximum aggregate remuneration to be provided to or for the benefit of the Non-Executive Directors as remuneration for their services as a Director. Further, under the ASX Listing Rules, the total amount of fees paid to the Non-Executive Directors (subject to certain exceptions) must not exceed in aggregate in any financial year the amount fixed by the Company's Shareholders in general meeting.

As at Completion of the Offer, and until a different amount is determined, the maximum aggregate Non-Executive Directors' remuneration for the purposes of the ASX Listing Rules and the Constitution is $1,250,000 per annum (inclusive of superannuation).

As at the Prospectus Date, the annual Non-Executive Directors' base fee agreed to be paid by the Company to:

- the Chairman is $200,000; and
- each of the other Non-Executive Directors is $100,000.

Non-Executive Directors will also be paid Committee fees of $20,000 per year for each Board Committee of which they are a Chair. Directors will not receive additional fees for being a member of a Board Committee.

The Company has agreed to pay each of Garry Wayling and Mary Verschuer for preparatory work undertaken by them in the period prior to the Offer, to familiarise themselves with the Company and otherwise in connection with the Offer, on the same fee basis (but pro-rated having regard to the period over which the work was undertaken) as would have applied had they been appointed as Directors during that period.

Any Non-Executive Director who performs extra services, makes any special exertions for the benefit of the Company or otherwise performs services, which, in the opinion of the Board, are outside the scope of ordinary duties of a Non-Executive Director, may be remunerated for the services (as determined by the Board) out of funds of the Company. Any amount paid will not form part of the aggregate remuneration amount approved by Shareholders.

The remuneration of Directors must not include a commission on, or a percentage of, profits or income. Superannuation payments are included in these amounts.

The Directors are entitled to be paid all travelling and other expenses they incur in attending to the Company's affairs, including attending and returning from general meetings of the Company or meetings of the Board or of committees of the Board. Such amounts will not form part of the aggregate remuneration amount for Non-Executive Directors approved by the Shareholders.

6.3.2.2 Deeds of access, insurance and indemnity

The Company has entered into a deed of access, insurance and indemnity with each Director. Each deed contains the Director's right of access to certain books and records of the Company and its related bodies corporate for the period from the date of the deed until seven years after the Director ceases to hold office. This seven-year period can be extended where certain proceedings or investigations commence before the seven-year period expires.

Pursuant to the Constitution, the Company must indemnify all Directors, executive officers and other officers, past and present, against all liabilities incurred as an officer of the Company or its related bodies corporate to the extent permitted by law. Under the deed of access, insurance and indemnity, the Company indemnifies each Director against any liability that may arise from their position as an officer of the Company or a related body corporate, to the extent permitted by law. The deed provides that the Company must meet the full amount of any such liabilities, including legal costs that are reasonably incurred, charges and expenses.

Pursuant to the Constitution, the Company may arrange and maintain directors' and officers' insurance for its Directors to the extent permitted by law. Under the deed of access, insurance and indemnity, the Company must maintain such insurance for the period from the date of the deed until seven years after the Director ceases to hold office. This seven-year period can be extended where certain proceedings or investigations commence before the seven-year period expires.

6.3.2.3 Directors' interests in Shares and other securities

The Directors are not required by the Constitution to hold any Shares. The Directors' (and their associated entities') interests in Shares and other securities in the Company as at the Prospectus Date and as at Completion of the Offer are set out in the table below:

	PROSPECTUS DATE[4]		COMPLETION OF THE OFFER	
	SHARES	%	SHARES	%
Ian Campbell	Nil	Nil	Nil	Nil
Raimond Coneliano[1]	11,886,864	2.8	8,635,989	1.6
Renato Coneliano[2]	78,964,378	18.3	63,171,503	12.0
Garry Wayling	Nil	Nil	Nil	Nil
Mary Verschuer	Nil	Nil	Nil	Nil
Robert Coneliano[3]	67,754,680	15.7	54,203,781	10.3

Notes:

1. It is expected that Raimond Coneliano will receive a distribution of Shares from Silvia Coneliano's estate under the terms of her will. Following the Completion of the Offer and the distribution of Shares from Silvia Coneliano's estate, it is expected that Raimond Coneliano will hold 13,003,236 Shares, representing approximately 2.5% of the Company's issued capital. The distribution of Shares in Silvia Coneliano's estate is expected to occur on or around the date of Completion of the Offer. See section 7.1.5 for further details.
2. Renato Coneliano holds Shares directly and has an interest in the shares held by his wife, Catherine Coneliano.
3. As at the Prospectus Date, Robert Coneliano is a Director. Robert has resigned, with his resignation to take effect immediately prior to Completion of the Offer. Robert holds Shares directly and has an interest in the shares held by his wife, Bedriye Coneliano.
4. Shareholdings and percentages in this table above as at the Prospectus Date are shown on a 'post-conversion' basis assuming that all Class 'B' shares and Class 'C' shares currently on issue and held by Existing Shareholders have been converted into Shares. Conversion of the Class 'B' shares and Class 'C' shares into Shares will occur on or about the date of Completion of the Offer.

The Directors (and their associated entities) are entitled to apply for Shares under the Offer, and the Non-Executive Directors have indicated that they intend to do so. The above table does not take into account any Shares the Directors (or their respective associated entities) may acquire under the Offer. Final Directors' shareholdings will be notified to ASX following Completion of the Offer.

Final shareholdings held directly or indirectly by the Directors (and their associated entities) will be notified to ASX following Listing. The Shares held by Raimond Coneliano, Renato Coneliano and Robert Coneliano on Completion of the Offer will be subject to voluntary escrow arrangements as outlined in Section 9.7.

6.3.3 Executive remuneration

The key management personnel of the Company are Raimond Coneliano (Chief Executive Officer and Managing Director) and Renato Coneliano (Executive Director and Marketing Director). Details of the remuneration and interests held by the key management personnel are described below.

6. Key Individuals, Interests and Benefits

continued

6.3.3.1 Raimond Coneliano (Chief Executive Officer and Managing Director)

Term	Description
Employer	The Company
Role	Chief Executive Officer and Managing Director
Fixed annual remuneration	Raimond is entitled to receive annual fixed remuneration of $600,000 (inclusive of superannuation).
Short-term incentive (STI)	Raimond is eligible to participate in the Company's STI arrangements on the following basis: • For FY23, Raimond will be eligible to receive a cash payment under the terms of the legacy Management STI plan. The amount of the incentive will be determined by the Board and calculated as described in Section 6.3.4.1; and • From FY24, Raimond will be eligible to receive an additional cash payment of up to 100% of his fixed annual remuneration in cash as an incentive under the new Management STI Plan. The amount of the incentive will be determined by the Board and calculated as described in Section 6.3.4.1.
Long-term incentive (LTI)	Raimond is eligible to participate in the Company's new LTI Plan from 1 July 2023. For FY24, Raimond will, subject to vesting, be eligible to receive up to $700,000 of Performance Rights, being 117% of fixed annual remuneration. Further information on the LTI arrangements is contained in Section 6.3.4.2.
Notice period, termination and termination payments	Raimond's employment may be terminated by either party upon giving 12 months' notice. In either event, the Company may make payment in lieu of notice. In the event of serious misconduct or other circumstances warranting summary dismissal, the Company may terminate Raimond's employment contract immediately without payment in lieu of notice.
Non-solicitation/restrictions of future activities	Following termination of Raimond's employment, he will be subject to post-employment non-competition and non-solicitation restraints that apply across Australia for a period of 12 months. The enforceability of the restraint clause is subject to all usual legal requirements.

6.3.3.2 Renato Coneliano (Executive Director and Marketing Director)

Term	Description
Employer	The Company
Role	Executive Director and Marketing Director
Fixed annual remuneration	Renato is entitled to receive annual fixed remuneration of $500,000 (inclusive of superannuation).
Short-term incentive (STI)	Renato is eligible to participate in the Company's STI arrangements on the following basis: • For FY23, Renato will be eligible to receive a cash payment under the terms of the legacy Management STI plan. The amount of the incentive will be determined by the Board and calculated as described in Section 6.3.4.1; and • From FY24, Renato will be eligible to receive an additional cash payment of up to 100% of his fixed annual remuneration in cash as an incentive under the new Management STI Plan. The amount of the incentive will be determined by the Board and calculated as described in Section 6.3.4.1.
Long-term incentive (LTI)	Renato is eligible to participate in the Company's new LTI Plan from 1 July 2023. For FY24, Renato will, subject to vesting, be eligible to receive $300,000 of Performance Rights, being 60% of fixed annual remuneration. Further information on the LTI arrangements is contained in Section 6.3.4.2.
Notice period, termination and termination payments	Renato's employment may be terminated by either party upon giving six months' notice. In either event, the Company may make payment in lieu of notice. In the event of serious misconduct or other circumstances warranting summary dismissal, the Company may terminate Renato's employment contract immediately without payment in lieu of notice.
Non-solicitation/restrictions of future activities	Following termination of Renato's employment, he will be subject to post-employment non-competition and non-solicitation restraints that apply across Australia for a period of 12 months. The enforceability of the restraint clause is subject to all usual legal requirements.

6. Key Individuals, Interests and Benefits

continued

6.3.4 Executive and Employee Incentive Arrangements

The Company has established a number of incentive arrangements to enable attraction, motivation and retention of Management and employees.

For the Executive Management Team, the remuneration packages consist of fixed remuneration and cash-based short-term incentives, and for Raimond Coneliano and Renato Coneliano, long-term incentives. The remuneration structure for executives of the Company is a mix of fixed remuneration and at-risk, performance-based remuneration to ensure a focus on performance, and alignment with shareholder interests.

This approach is designed to attract, retain and reward executives to deliver sustainable returns for shareholders.

6.3.4.1 Short-Term Incentive Plans

6.3.4.1.1 New Management STI Plan

The Company has adopted a new Management STI Plan that will be effective from FY24. The participants in the plan will be Renato Coneliano and Raimond Coneliano.

The key components of the new Management STI Plan are:

- participants may receive, as part of their remuneration, an annual cash bonus;
- payment of these annual cash bonuses is discretionary and determined by the Board based on individual measures and business performance against key performance indicators; and
- key performance indicators are set each year and tested at the end of each year and may include measures such as EBITDAFX.

For FY24F, the Board has determined that the performance will be measured on a sliding scale based on EBITDAFX against target EBITDAFX. Payment entitlements will be based on EBITDAFX achieved compared to the target as set out below:

Performance	Entitlement as a % of maximum STI
EBITDAFX for the year is below 95% of the target	0%
EBITDAFX for the year is between 95% and target.	Based on a sliding scale from 0% to 50%
EBITDAFX for the year exceeds the target by less than 10%	Based on a sliding scale from 50% to 100%
EBITDAFX for the year exceeds the target by more than 10%	100%

6.3.4.1.2 Legacy Management STI Plan

The legacy Management STI plan will remain in place following Listing. For FY23, the participants in the legacy plan will be Raimond Coneliano and Renato Coneliano as well as certain members of the Executive Management Team of the Company. From FY24, Raimond Coneliano and Renato Coneliano will participate in the new Management STI Plan, while certain members of the Executive Management Team of the Company who currently participate in the legacy Management STI plan will continue to be eligible to receive awards under a legacy Management STI plan. The Board may also invite some additional members of the Executive Management Team of the Company to participate in the legacy Management STI plan from FY24. Other than Raimond Coneliano and Renato Coneliano in respect of FY23, none of the Directors are incentivised under this legacy STI plan.

The key components of the legacy Management STI Plan are:

- participants may receive, as part of their remuneration, an annual cash bonus;
- to be eligible for an annual cash bonus, participants must be employees of Redox as at the date on which the relevant bonus is payable;
- payment of annual cash bonuses is discretionary and determined by the Board based on individual measures and business performance against key performance indicators;
- key performance indicators are set each year and tested at the end of each year and may include measures such as EBITDAFX; and
- the Board has determined that:
  - for FY23F the total annual STI payable will be 3.33% of the total annual increase in EBITDAFX from the preceding financial year, with each of the eligible participants receiving a pro rata share of the total amount payable based on that participant's salary (excluding bonus) for that particular year; and
  - for FY24F the total annual STI payable will be 3.00% of the total annual increase in EBITDAFX from the preceding financial year, with each of the eligible participants receiving a pro rata share of the total amount payable based on that participant's salary (excluding bonus) for that particular year.

6.3.4.2 Long-Term Incentives

The LTI Plan seeks to assist in the motivation, retention and reward of senior executives and other employees that may be invited to participate in the plan from time to time. The LTI Plan is designed to align the interests of employees with the interests of shareholders by providing an opportunity for employees to receive an equity interest in the Company.

The Redox Limited LTI Plan Rules (**Plan Rules**) provide flexibility for the Company to grant options, performance rights or restricted shares as incentives, subject to the terms of individual offers and the satisfaction of vesting conditions determined by the Board from time to time.

For the FY24 long-term incentive offer, the Company intends to issue performance rights to Raimond Coneliano, Renato Coneliano and two other members of the Executive Management Team (**LTI Offer**) pursuant to the LTI Plan. The Board may make offers of performance rights to certain other members of the Executive Management Team. A performance right entitles the participant to acquire a Share on vesting at nil exercise price, subject to the satisfaction of vesting conditions (**Performance Rights**).

6. Key Individuals, Interests and Benefits

continued

FY24 LTI Offer

The terms of the Performance Rights to be issued pursuant to the FY24 LTI Offer are set out below.

Term	Description
Eligibility	Raimond Coneliano, Renato Coneliano and two other members of the Executive Management Team (the executives) are eligible to receive Performance Rights pursuant to the FY24 LTI Offer. The Board may make offers of performance rights to certain other members of the Executive Management Team. The Non-Executive Directors are not entitled to participate in the LTI Plan.
Grant of Performance Rights	The LTI award will be delivered in Performance Rights. A Performance Right entitles the participant to acquire a Share on vesting, subject to the satisfaction of vesting conditions. The Board has determined to use Performance Rights because they create share price alignment between executives and shareholders but do not provide the executives with the full benefits of share ownership (such as dividend and voting rights) unless and until the Performance Rights vest.
Quantum of grants	The Company proposes to grant Performance Rights as follows: • Raimond Coneliano, Chief Executive Officer and Managing Director – $700,000 of Performance Rights, being 117% of fixed annual remuneration; and • Renato Coneliano, Executive Director and Marketing Director– $300,000 of Performance Rights, being 60% of fixed annual remuneration. In addition, the Company proposes to grant an aggregate amount of $600,000 of Performance Rights to the two other members of the Executive Management Team who the Board has determined are eligible to receive an FY24 LTI Offer. The number of Performance Rights to be granted to each executive will be calculated by dividing the executive's LTI award (described above) by the volume weighted average price (**VWAP**) of the Company's Shares traded on ASX on the five trading days up to and including the date on which the performance condition is tested.

<table>
<tr><th>Term</th><th>Description</th></tr>
<tr><td>Grant date</td><td>Performance Rights are intended to be granted on 1 July 2023.</td></tr>
<tr><td>Issue and exercise price</td><td>The Performance Rights will be issued to the participant at no cost as they form part of the participant’s remuneration.
Performance Rights are automatically exercised on vesting and no exercise price is payable.</td></tr>
<tr><td>Performance period</td><td>The Performance Rights will be performance tested from 1 July 2023 to 30 June 2026.</td></tr>
<tr><td>Performance condition</td><td>A participant’s Performance Rights will be tested against the Company’s total shareholder return (TSR) relative to a comparator group over the performance period (TSR Rights).
The Company’s TSR over the relevant performance period will be assessed against the performance of the S&P/ASX 300 Index (TSR Comparator Group) over the performance period.
The TSR Rights vesting percentages will be calculated by ranking the Company’s TSR performance relative to the TSR Comparator Group over the relevant performance period, as provided in the table below:
<table>
<tr><th>TSR Rights</th><th>Threshold Award</th><th>Target Award</th><th>Maximum Award</th></tr>
<tr><td>TSR relative to TSR of TSR Comparator Group</td><td>At or below the 50th percentile</td><td>Above the 50th percentile</td><td>At or above the 75th percentile</td></tr>
<tr><td>Vesting (as % of Maximum)</td><td>0%</td><td>50%</td><td>100%</td></tr>
</table>
Straight line pro rata vesting occurs between the 51st percentile and maximum award.
Calculation of the performance conditions and achievement against the performance conditions and vesting schedule will be determined by the Board in its absolute discretion, having regard to any matters that it considers relevant (including any adjustments for unusual or non-recurring items that the Board considers appropriate).</td></tr>
</table>

6. Key Individuals, Interests and Benefits

continued

Term	Description
Why was the vesting condition chosen?	Relative TSR measures the performance of an ordinary Share (including the value of any dividend and any other shareholder benefits paid during the period) against total shareholder return performance of a comparator group of companies, comprising the S&P/ASX 300 Index, over the same period. The Board believes relative TSR is an appropriate hurdle, as it links executive reward to the Company's relative share performance which is consistent with creating shareholder value relative to the Company's peer group. The S&P/ASX 300 Index is considered an appropriate peer group as a comparator group for relative TSR performance, as it represents a meaningful statistical sample and an appropriate group of alternative potential investments for shareholders with which to compare the Company's performance.
Testing and vesting	The vesting conditions will only be measured once and there will be no retesting. Any Performance Right that become eligible to vest in accordance with the terms of offer will vest after the Board tests the performance condition. Any Performance Rights that do not vest will immediately lapse. The performance condition will be tested after the end of the relevant performance period. Each Performance Right will convert into one fully paid ordinary share upon vesting.
Exercise and expiry of Performance Rights	On vesting, the Performance Rights will be automatically exercised and there is no exercise price payable by the participant. Any unvested Performance Rights will automatically lapse.
Transferability, Dividends and voting rights	Performance Rights are not transferable and will not be quoted on ASX or any other exchange. Performance Rights do not carry dividend or voting rights prior to vesting. Shares allocated on vesting of Performance Rights carry the same dividend and voting rights as other Shares.

Term	Description
Treatment on cessation of employment	Unless the Board determines otherwise: • if an executive is terminated for cause or the executive resigns or gives notice of resignation prior to the vesting date, all unvested Performance Rights will automatically lapse; and/or • if an executive's employment ceases for any other reason prior to the vesting date, all unvested Performance Rights will remain on foot and will vest in the ordinary course as if the executive had not ceased employment.
Clawback and preventing inappropriate benefits	The Plan Rules provide the Board with broad clawback powers if, for example, the participant has acted fraudulently or dishonestly, or is in breach of his or her obligations to any company in the Group.
Reconstructions, corporate action, rights issues, bonus issues, etc	Performance Rights are not entitled to participate in new issues of Shares by the Company prior to vesting. However, the Plan Rules include specific provisions dealing with rights issues, bonus issues and corporate actions and other corporate reconstructions. These provisions are intended to ensure that there is no material advantage or disadvantage to a participant as a result of such corporate actions. Performance Rights do not confer any rights on the holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise nor any rights to participate in the surplus profit or assets of the Company upon a winding up, prior to vesting.
Restrictions on dealing	Any dealing in respect of Performance Rights is prohibited, unless the Board determines otherwise. Participants will be free to deal with the Shares allocated on vesting and exercise, subject to the Securities Dealing Policy.
Change of control	In the event of a change of control of the Company, the Board may determine that some or all Performance Rights vest or lapse in accordance with the Plan Rules. In determining whether to exercise its discretion, the Board may have regard to any circumstances it considers appropriate.

6. Key Individuals, Interests and Benefits

continued

6.4 Corporate Governance

This Section explains how the Board oversees the management of the Company's business. The Board is responsible for the overall corporate governance of the Company, including establishing and monitoring key performance goals. The Board monitors the operational and financial position and performance of the Company and oversees its business strategy, including approving the strategic goals of the Company and considering and approving an annual business plan (including a budget).

The Board is committed to maximising performance, generating appropriate levels of Shareholder value and financial return, and sustaining the growth and success of the Company. In conducting the Company's business with these objectives, the Board seeks to ensure that the Company is properly managed to protect and enhance Shareholder interests, and that the Company and its Directors, officers and personnel operate in an appropriate environment of corporate governance. Accordingly, the Board has created a framework for managing the Company, including adopting relevant internal controls, risk management processes and corporate governance policies and practices which it believes are appropriate for the Company's business and which are designed to promote the responsible management and conduct of the Company.

The main policies and practices adopted by the Company, which will take effect from Listing, are summarised below. Copies of the Company's key policies and practices and the charters for the Board and each of its committees will be available from Listing on the Company's website at redox.com/investors.

6.4.1 ASX Corporate Governance Council's Corporate Governance Principles and Recommendations

The Company is seeking a listing on the ASX. The ASX Corporate Governance Council has developed and released its fourth edition of the Corporate Governance Principles and Recommendations (**ASX Recommendations**) for Australian listed entities in order to promote investor confidence and to assist companies in meeting stakeholder expectations. The ASX Recommendations are not prescriptions, but guidelines. However, under the ASX Listing Rules, the Company will be required to provide a statement in its annual report (or a link to the statement on the Company's website) disclosing the extent to which it has followed the ASX Recommendations in the reporting period. Where the Company does not follow a recommendation, it must identify the recommendation that has not been followed and give reasons for not following it and must also disclose what (if any) alternative governance practices it adopted instead of the recommendation during that period. The Company intends to comply with all of the ASX Recommendations from the time of its Listing.

6.4.2 The Board of Directors

The names and biographical details of the current members of the Board of Directors are contained in Section 6.1.

Each Director has confirmed to the Company that they anticipate being available to perform their duties as a Non-Executive Director or Executive Director without constraint, having regard to their other commitments.

The Board considers an independent Director to be a Non-Executive Director who is free of any interest, position, association or relationship that might influence, or reasonably be perceived to influence, their capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company and its Shareholders generally. The Board will consider the materiality of any given relationship on a case-by-case basis and has adopted guidelines to assist in this regard. The Board reviews the independence of each Director in light of interests disclosed to the Board from time to time. In assessing independence, the Board will have regard to the ASX Recommendations.

The Board Charter sets out guidelines of materiality for the purpose of determining independence of Directors in accordance with the ASX Recommendations and has adopted a definition of independence that is based on that set out in the ASX Recommendations.

The Board considers that each of Ian Campbell, Garry Wayling and Mary Verschuer is free from any interest, position, association or relationship that might influence, or reasonably be perceived to influence, their capacity to bring any independent judgement to bear on issues before the Board and to act in the best interests of the Company and its Shareholders generally and is able to fulfil the role of an independent Director for the purposes of the ASX Recommendations. These Directors' shareholdings in the Company are disclosed in Section 6.3.2 and the Board has formed the view that these shareholdings do not impact on the independence of each of these Directors, as in each case the Director is not a substantial Shareholder (as defined in the Corporations Act).

Both Raimond Coneliano and Renato Coneliano are currently considered by the Board not to be independent on the basis that they are employed in an executive capacity by the Company and are, and will continue to be, Shareholders.

The current structure and composition of the Board and its committees has been determined having regard to the nature and size of the Company's operations, the skill set of the Company's Directors both individually and collectively, and the best interests of Shareholders.

6.4.3 Board Charter

The Board has adopted a written charter to provide a framework for the effective operation of the Board, which sets out:

- the Board's composition;
- the Board's powers, duties and responsibilities; and
- the relationship and interaction between the Board, Board committees and Management.

The Board is responsible for the overall operation and stewardship of the Company and, in particular, for the long-term growth and profitability of the Company, the strategies, policies and financial objectives of the Company, and for monitoring the implementation of those policies, strategies and financial objectives.

In performing the responsibilities set out in the Board Charter, the Board should act at all times in a manner designed to enhance long-term shareholder value and in accordance with the duties and obligations imposed on them by the Company's constitution and by law.

The Board Charter sets out that the Board's role includes the following:

- considering, on recommendation of the People and Safety Committee, the necessary and desirable competencies of Board members and periodically evaluating the performance of the Board, its committees and individual Directors;
- setting and appraising the objectives, policies, strategies and performance of the Company;
- approving the risk appetite within which the Board expects Management to operate;
- monitoring and reviewing the effectiveness of the Company's internal control function and systems;
- reviewing and monitoring processes to ensure that they adhere to appropriate standards and values and that proper policies are developed and followed in relation to compliance with laws, safety, health and environmental matters, corporate governance and corporate culture;
- establishing and monitoring an organisational culture of compliance and performing such other functions as prescribed by law;
- approving and monitoring the internal and external reporting frameworks for relevant financial and other information to be reported to the Board (including shareholders and other stakeholders, as appropriate);
- overseeing the Company's mechanisms and process for the making of timely, adequate and accurate disclosure of all material information affecting the Company to Shareholders;

- designing and monitoring an investor relations program to facilitate effective two-way communication with investors;
- monitoring and periodically evaluating the performance of the Executive Management Team, their implementation of the Company's strategic objectives and instilling the Company's values;
- approving the Company's overall remuneration framework and ensuring the remuneration framework and policies are aligned with the Company's purpose, values, strategic objectives and risk appetite; and
- establishing and delegating specific functions to Board committees as considered appropriate by the Board.

While the Board retains ultimate responsibility for the strategy and performance of the Company, the day-to-day operation of the Company is conducted by, or under the supervision of, the Chief Executive Officer and Managing Director, the Executive Director and Marketing Director, and the Executive Management Team, as directed by the Chair. Management must supply the Board with information in a form, time frame and quality that will enable the Board to discharge its duties effectively. Directors are entitled to request additional information at any time when they consider it appropriate.

The Board collectively, and each Director individually, has the right to seek independent professional advice, subject to the Director's terms of appointment.

6.4.4 Board Committees

The Board may from time to time establish appropriate committees to assist in the discharge of its responsibilities. The Board has established an Audit and Risk Management Committee and a People and Safety Committee.

Other committees may be established by the Board as and when required. Membership of Board committees will be based on the needs of the Company, relevant legislative and other requirements, and the skills and experience of individual Directors.

6.4.4.1 Audit and Risk Management Committee

Under its charter, the Audit and Risk Management Committee must consist of a minimum of three members of the Board, only Non-Executive Directors, and a majority of independent Directors and an independent Director as Chair who is not the Chair of the Board. The Audit and Risk Management will comprise:

- Garry Wayling (Chair);
- Ian Campbell; and
- Mary Verschuer.

The Audit and Risk Committee has been established to assist the Board in fulfilling its corporate governance and oversight responsibilities in relation to the Company's financial reports and financial reporting process and internal control structure, risk management systems (financial and non-financial) and the internal and external audit process. The Audit and Risk Management Committee's key responsibilities and functions are to review and oversee the Company's:

- financial and other periodic corporate reporting;
- relationship with internal and external auditors and the audit function generally;
- systems of accounting and internal controls; and
- risk management, including processes for compliance with legislation and external regulation.

The Audit and Risk Committee will review and assess the independence of the external auditor, including but not limited to any relationships with the Company or any other entity that may impair or appear to impair the external auditor's judgement or independence in respect of the Company. The review and assessment will be carried out annually at the time the external auditor presents its annual audit plan.

All Non-Executive Directors have a standing invitation to attend Audit and Risk Management Committee meetings. Other non-committee members, including members of Management and the external auditor, may attend meetings of the committee at the invitation of the committee chair.

6.4.4.2 People and Safety Committee

Under its charter, the People and Safety Committee must consist of a minimum of three members of the Board, only Non-Executive Directors, and a majority of independent Directors and an independent Director as Chair. The People and Safety Committee will comprise:

- Mary Verschuer (Chair);
- Ian Campbell; and
- Garry Wayling.

The People and Safety Committee's key responsibilities and functions are to:

- review and recommend to the Board employment and remuneration arrangements for the Chief Executive Officer and Managing Director, and Executive Director and Marketing Director;
- on the recommendation of the Executive Director and Marketing Director, and Chief Executive Officer, review and recommend to the Board employment and remuneration arrangements for other members of the Executive Management Team;
- conduct regular reviews of, and monitor the implementation of, the Company's remuneration framework;
- approve major changes and developments in the Company's policies and procedures related to remuneration, recruitment, retention, termination and performance assessment;
- approve major changes and developments in remuneration policies, superannuation arrangements, personnel practices and industrial relations strategies for the Company;
- review and recommend to the Board major changes and developments in relation to the Company's employee equity incentive plans;
- oversee the operation of the Company's employee equity incentive plans and confirm whether offers are to be made under any of the Company's employee equity incentive plans in respect of a financial year;
- review and recommend to the Board the terms of any incentive offers made to the Executive Director and Marketing Director, Chief Executive Officer and any other members of the Executive Management Team;
- oversee and assess the effectiveness of the Company's health and safety framework, policies and procedures and related strategy initiatives;
- monitor health and safety performance through leading and lagging indicators and measure performance against agreed targets; and
- receive and review serious incidents and investigations including high potential near miss incidents.

All Non-Executive Directors have a standing invitation to attend People and Safety Committee meetings.

6.4.5 Corporate governance policies and procedures

The Board has adopted the following corporate governance policies and procedures, each of which has been prepared having regard to the ASX Recommendations and which will be available from Listing on the Company's website at redox.com/investors.

6.4.5.1 Disclosure Policy

Once listed on ASX, the Company will need to comply with the continuous disclosure requirements of the ASX Listing Rules and the Corporations Act. The Company is aware of its obligations to keep the market fully informed of any information the Company becomes aware of concerning the Company, which a reasonable person would expect to have a material effect on the price or value of the Company's Shares, subject to certain exceptions. The Company is committed to observing its disclosure obligations. As such, the Company has adopted a Disclosure Policy to take effect form Listing to reinforce its commitment to addressing its continuous disclosure obligations and to describe the processes in place that enable the Company to provide Shareholders with the timely disclosure of material price-sensitive information. Information will be communicated to Shareholders through the lodgement of all relevant financial and other information with ASX, and continuous disclosure announcements will be made available on the Company's website at redox.com/investors.

6.4.5.2 Securities Dealing Policy

The Company has adopted a Securities Dealing Policy that is intended to recognise that some types of dealing in securities are prohibited by law and outline the policy and procedures that apply to the Company's Directors, employees and any other person designated by the Board from time to time.

The Policy provides that Directors and employees must not deal in the Company's securities when they are aware of 'inside' information. In addition, Directors and certain designated employees and persons must not deal in the Company's securities during any of the following periods (except in exceptional circumstances with approval):

- the period from the close of trading on the ASX on 30 June each year until the day following the announcement to ASX of the full-year results;
- the period from the close of trading on the ASX on 31 December each year until the day following the announcement to ASX of the half-year results; and
- any other period that the Board specifies from time to time.

Outside these periods, the Directors and designated employees and persons must receive prior approval for any proposed dealing in the Company's securities, and in all instances, buying and selling securities is not permitted at any time by any person who possesses 'inside' information.

Directors and designated employees and persons must not hedge unvested equity remuneration or vested equity subject to holding locks, and must not deal in the Company's securities on a short-term basis.

6.4.5.3 Code of Conduct and Ethics

The Board recognises the need to observe the highest standards of corporate practice and business conduct. Accordingly, the Board has adopted a Code of Conduct and Ethics which states the standards of responsibility and ethical conduct expected of Directors and employees of the Company.

The Code of Conduct and Ethics is designed to:

- provide a benchmark for professional behaviour;
- support the Company's business reputation and corporate image within the community; and
- make Directors and employees aware of the consequences of breaching the code.

6.4.5.4 Diversity Policy

The Board values and is proud of its strong and diverse workforce and is committed to supporting and further developing this diversity through attracting, recruiting, engaging and retaining diverse talent and aligning the Company's culture and management systems with this commitment. The Board has adopted a Diversity Policy in order to set out its commitment to providing and promoting a corporate culture which embraces diversity.

The Company will set and implement measurable objectives to achieve diversity in the composition of the Board, executives and the workforce generally. The Company will disclose in its corporate governance each year the measurable objectives set for that reporting period to achieve diversity and the Company's progress towards achieving them.

6.4.5.5 Modern Slavery Procedure

The Company is committed to ensuring it has effective systems and controls for detecting and eliminating modern slavery within its business operations and supply chains. The Company prohibits the use of all forms of modern slavery in its operations and requires each person working for the Company to respect and work to uphold human rights.

The Board has adopted a Modern Slavery Procedure which will be used to underpin and inform any statement on modern slavery that the Company is required to produce further to the transparency in supply chain requirements of the *Modern Slavery Act 2018* (Cth). The Modern Slavery Procedure requires all employees that deal with suppliers of goods and services to the Company to:

- ensure the Company complies with all applicable modern slavery laws and regulations, including but not limited to the *Modern Slavery Act 2018* (Cth) and any other applicable modern slavery laws in any jurisdiction where the Company conducts its business;
- assist the Company to proactively prevent, mitigate and eradicate modern slavery risks and impacts in the Company's business operations and supply chains; and
- communicate obligations under the Modern Slavery Procedure, the *Modern Slavery Act 2018* (Cth) and any related legislation to all employees, business partners, contractors, suppliers and other associates as relevant.

6.4.5.6 Whistleblower Procedure

The Board has adopted a Whistleblower Procedure to provide a means for anyone with information about potential misconduct to report that information to the Company. The Whistleblower Procedure:

- encourages people to speak up if they become aware of potential misconduct;
- explains how to make a report and what protections a discloser will receive;
- outlines the Company's processes for responding to reports; and
- promotes a workplace environment in which everyone feels safe, supported and encouraged to speak up.

6.4.5.7 Gifts, Bribes and Fraud Procedure

The Company is committed to acting ethically and operating in a manner consistent with the laws and regulations of the jurisdictions in which its businesses operate, including those relating to bribery and corruption. Accordingly, the Board has adopted a Gifts, Bribes and Fraud Procedure for countering bribery and corruption.

The Gifts, Bribes and Fraud Procedure applies to the Company and all subsidiaries and entities controlled by the Company and all team members, being officers, employees, agents or contractors, and also includes persons who otherwise perform services for and on behalf of the Company. The Gifts, Bribes and Fraud Procedure requires that team members do not give or receive, whether directly or indirectly, bribes, secret commissions or any other improper advantage for business or financial gains. The Board will be informed of all material incidents of bribery, fraud and corruption.

Section Seven

Details of the Offer

7. Details of the Offer

7.1 Description of the Offer

This Prospectus relates to an initial public offering of new Shares by the Company and the sale of Existing Shares by SaleCo at an Offer Price of $2.55 per Share. A total of 157.7 million Shares will be available under the Offer. These Shares will be available for investors under the Broker Firm Offer, the Institutional Offer, the Employee Offer and the Employee Gift Offer.

The Shares offered under this Prospectus will represent approximately 30% of the Shares on issue on Completion of the Offer. The Offer is expected to raise approximately $241 million from the issue of New Shares by the Company and approximately $161 million from the sale of Existing Shares by SaleCo.

The total number of Shares on issue on Completion of the Offer will be 525.1 million and all Shares will, once issued, rank equally with each other.

The Shares held by the Existing Shareholders will be subject to escrow arrangements described in Section 9.7 of this Prospectus.

The Offer (other than the Employee Gift Offer) is underwritten by the Sole Global Co-ordinator and Bookrunner, except for the Broker Firm Offer allocation to Ord Minnett which is underwritten by Ord Minnett. A summary of the Underwriting Agreement including the events which would entitle the Joint Lead Managers to terminate the Underwriting Agreement is set out in Section 9.5.1.

The Offer is made on the terms, and is subject to the conditions, set out in this Prospectus.

7.1.1 Structure of the Offer

The Offer comprises the following components:

- the Broker Firm Offer, which is an offer to Australian and New Zealand resident retail clients of Brokers who have received a firm allocation of Shares from their Broker (see Section 7.3.1);
- the Institutional Offer, which consists of an offer to Institutional Investors in Australia and New Zealand and certain other jurisdictions around the world, made under this Prospectus (see Section 7.4);
- the Employee Offer, which consists of an offer to Eligible Priority Employees; and
- the Employee Gift Offer, which consists of an offer to Eligible Gift Offer Employees (which excludes Directors) from the Company to acquire, at no cost, the nearest whole number of Shares up to the value of $1,000 each (see Section 7.3.3).

The Broker Firm Offer, the Employee Offer and the Employee Gift Offer are collectively referred to as the 'Retail Offer'.

No general public offer of Shares will be made under the Offer. Members of the public wishing to apply for Shares under the Offer must do so through a Broker with a firm allocation of Shares under the Broker Firm Offer. The allocation of Shares between the Broker Firm Offer and the Institutional Offer will be determined by agreement between the Company, SaleCo and the Sole Global Co-ordinator and Bookrunner, having regard to the allocation policies outlined in Section 7.3.1.4, Section 7.3.2.4, Section 7.3.3.4 and Section 7.4.2.

All Shares being offered to investors in New Zealand under the Offer are being offered under the Mutual Recognition Regime.

7.1.2 Purpose of the Offer

The purpose of the Offer is to:

- continue to position Redox for success over the long term for a large and growing family shareholder base who value a steady and strong dividend income stream;
- protect the long-term interests of all family shareholders through public market investor oversight, ASX governance and capital management regulations, and an independent Board structure;
- provide Redox with access to public capital markets to help fund potential future growth initiatives as required;
- allow Existing Shareholders to realise part of their investment in the Company through the sale of Existing Shares through SaleCo;
- repay related party loans and repay existing bank facilities
- broaden the Company's shareholder base and provide a liquid market and valuation basis for the Company's Shares;
- provide Redox with the benefits of an increased brand profile that arises from being a publicly listed entity; and
- assist Redox in attracting and retaining quality staff.

7.1.3 Sources and uses of funds

The proceeds of the Offer received by the Company will be applied as described in Figure 7.1. The Offer is expected to raise gross proceeds of approximately $402 million. The proceeds of the Offer received by SaleCo in respect of the sale of Shares by it will be paid to SaleCo and paid by SaleCo to the Selling Shareholders.

Figure 7.1: Sources and uses of funds

Sources of funds	$ million	Uses of funds[2]	$ million
The Company			
Cash proceeds received by the Company under the Offer from the issue of Shares	240.7	Repayment of related party loans	130.3
		Repayment of existing bank facilities	74.0
		Offer costs[1]	12.8
		Working capital and growth funding	23.7
SaleCo			
Cash proceeds received under the Offer from the sale of Shares by SaleCo	161.2	Payments to Selling Shareholders	161.2
Total sources	401.9	Total uses	401.9

Notes:

1. Offer costs includes the fees payable to advisers as referred to in Section 6.3.1, as well as other costs such as registry fees, ASX listing fees and other adviser fees.
2. The Board retains the right to vary these uses of funds, acting in the best interests of Shareholders and as circumstances require.

7.1.4 Pro forma historical statement of financial position

The Company's Pro Forma Historical Statement of Financial Position following Completion of the Offer, including details of the pro forma adjustments, is set out in Section 4.5.

7.1.5 Shareholding structure of the Company

The Company's ownership structure on the Prospectus Date, following Completion of the Offer (but prior to the distribution of Shares in Silvia Coneliano's estate) and following the distribution of the Shares in Silvia Coneliano's estate (which is expected to occur on or around the date of Completion of the Offer and in the manner set out in her will) is set out in Figure 7.2 below.

Figure 7.2: Ownership structure

Shareholder[6]	Prospectus Date[4]		Completion of the Offer (but prior to the distribution of Shares in Silvia Coneliano's estate)		Completion of distribution of Shares in Silvia Coneliano's estate[5]	
	Shares (million)	%	Shares (million)	%	Shares (million)	%
Raimond Coneliano	11.9	2.8	8.6	1.6	13.0	2.5
Renato Coneliano[1]	79.0	18.3	63.2	12.0	63.2	12.0
Robert Coneliano[2]	67.8	15.7	54.2	10.3	54.2	10.3
Estate of Silvia Coneliano[3]	139.1	32.3	139.1	26.5	–	–
Richard Coneliano	16.1	3.7	11.8	2.3	70.5	13.4
Claudia Walters	25.8	6.0	18.7	3.6	41.9	8.0
Other Existing Shareholders	90.9	21.1	71.7	13.7	124.6	23.7
New Shareholders[7]	–	–	157.7	30.0	157.7	30.0
Total	**430.6**	**100.0**	**525.1**	**100.0**	**525.1**	**100.0**

Notes:

1. Renato Coneliano holds Shares directly and has an interest in the Shares held by his wife, Catherine Coneliano.
2. Robert Coneliano holds Shares directly and has an interest in the Shares held by his wife, Bedriye Coneliano.
3. Silvia Coneliano is deceased. Probate has been granted in connection with her estate and the distribution of Shares in her estate is expected to occur on or around the date of Completion of the Offer.
4. The Share numbers presented in this column are shown on a 'post-conversion' basis assuming that all Class 'B' shares and Class 'C'shares currently on issue and held by Existing Shareholders have been converted into Shares. Conversion of the Class 'B' shares and Class 'C'shares into Shares will occur immediately prior to the Completion of the Offer.
5. The Share numbers presented in this column assume that the distribution of the Shares in Silvia Coneliano's estate occurs on the date of Completion of the Offer and in the manner set out in her will. Probate has been granted in connection with her estate and the distribution of Shares in her estate is expected to occur on or around the date of Completion of the Offer.
6. Shareholders may hold their interests in Shares directly, or through entities associated with them (e.g. through holdings by companies or trusts).
7. Includes 114,072 Shares expected to be issued to Eligible Gift Offer Employees under the Employee Gift Offer, and any Shares that may be acquired by the Non-Executive Directors, members of the Executive Management Team or other employees (or their associated entities) under the Offer.

Refer also to Section 6.3 for further information on interests and benefits (including Directors' interests in Shares).

The Share numbers presented in Figure 7.2 have been rounded up. At Completion of the Offer, approximately 70% of the Shares will be subject to voluntary escrow arrangements. See Section 5.2.3 and Section 9.7 for further information.

7.1.6 Control implications of the Offer

The Directors do not expect any single Shareholder to control the Company on Completion of the Offer (based on the definition of 'control' in section 50AA of the Corporations Act).

7.1.7 Potential effect of the Offer on the future of Redox

The Directors believe that on Completion of the Offer, the Company will have sufficient working capital from the funds raised from the Offer and its operations to carry out its stated objectives in this Prospectus.

7.2 Terms and conditions of the Offer

Figure 7.3: Terms and conditions of the Offer

What is the type of security being offered?	Shares (being fully paid ordinary shares in the issued capital of the Company).
What are the rights and liabilities attached to the security being offered?	A description of the Shares, including the rights and liabilities attaching to them, is set out in Section 7.8.
What is the consideration payable for the Shares?	Successful applicants under the Offer (other than the Employee Gift Offer) will pay the Offer Price, being $2.55 per Share.
What is the Offer period?	The Retail Offer will open at 9.00am (Sydney time) on 21 June 2023 and will close at 5.00pm (Sydney time) on 27 June 2023. The key dates, including details of the Offer Period, are set out on page 7 of this Prospectus. The timetable is indicative only and may change. Unless otherwise indicated, all times are stated in Sydney, Australia time. The Company and SaleCo, in consultation with the Sole Global Co-ordinator and Bookrunner, reserve the right to vary both of the above times and dates without notice (including, subject to the ASX Listing Rules and the Corporations Act, to close the Offer early, to extend the Offer Period relating to any component of the Offer, or to accept late Applications or bids, either generally or in particular cases, or to cancel or withdraw the Offer before Settlement, in each case without notifying any recipient of this Prospectus or any Applicants). If the Offer is cancelled or withdrawn before the allocation of Shares, then all Application Monies will be refunded in full (without interest) as soon as possible in accordance with the requirements of the Corporations Act. No Shares will be issued on the basis of this Prospectus later than the expiry date of 13 months after the Original Prospectus Date.
What are the cash proceeds to be raised under the Offer?	Approximately $402 million will be raised if the Offer proceeds (comprising $241 million from the issue of New Shares by the Company for the Company's benefit and $161 million for the sale of Existing Shares held by SaleCo).
Is the Offer underwritten?	The Offer (other than the Employee Gift Offer) is underwritten by the Sole Global Co-ordinator and Bookrunner, except for the Broker Firm Offer allocation to Ord Minnett which is underwritten by Ord Minnett, pursuant to the Underwriting Agreement. Details are provided in Section 9.5.1.
Who is the Sole Global Co-ordinator and Bookrunner for the Offer?	The Sole Global Co-ordinator and Bookrunner is UBS.

What is the minimum and maximum application size under the Retail Offer?	The minimum application size for investors in the Broker Firm Offer and the Employee Offer is $2,000 worth of Shares and in multiples of $500 worth of Shares thereafter. There is no maximum value of Shares that may be applied for under the Broker Firm Offer or the Employee Offer. The Company and SaleCo, along with the Sole Global Co-ordinator and Bookrunner, reserve the right to treat any Applications in the Broker Firm Offer that are from persons who they believe may be Institutional Investors, as bids in the Institutional Offer or to reject or scale back Applications. The Company and SaleCo, along with the Sole Global Co-ordinator and Bookrunner, also reserve the right to aggregate any Applications believed to be multiple applications from the same person. Under the Employee Gift Offer, Eligible Gift Offer Employees will be offered the opportunity to apply for an amount of $1,000 worth of Shares.
What is the allocation policy?	The allocation of Shares between the Institutional Offer and the Retail Offer was determined by agreement between the Company, SaleCo and the Sole Global Co-ordinator and Bookrunner, having regard to the allocation policy outlined in Sections 7.3.1.4, 7.3.2.4, 7.3.3.4 and 7.4.2 of this Prospectus. With respect to the Broker Firm Offer, it is a matter for the Brokers as to how they allocate Shares among their retail clients. Subject to the guaranteed minimum allocation of $2,000 of Shares for each Eligible Priority Employee who applies under the Employee Offer, the allocation of Shares under the Employee Offer is at the absolute discretion of the Company, provided that the allocations do not exceed $1.75 million in aggregate. Subject to the guaranteed minimum allocation of $2,000 of Shares for each Eligible Priority Employee who applies under the Employee Offer, the Company and SaleCo, along with the Sole Global Co-ordinator and Bookrunner, have absolute discretion regarding the allocation of Shares to Applicants under the Offer and may reject an Application, or allocate fewer Shares than the number or equivalent dollar amount applied for, in the Company's absolute discretion. The Company and SaleCo, in conjunction with the Sole Global Co-ordinator and Bookrunner, also reserve the right to aggregate any Applications that they believe may be multiple Applications from the same person. All Eligible Gift Offer Employees will be offered the opportunity to apply for an amount of $1,000 worth of Shares.

7. Details of the Offer continued

When will I receive confirmation that my Application has been successful?	It is expected that initial holding statements will be dispatched by standard post on or before 6 July 2023. Refunds (without interest) to Applicants who make an Application and are scaled back (or otherwise receive Shares having a lesser value than the amount of Application Monies they have paid) will be made as soon as possible after Completion of the Offer.
Will the Shares be quoted?	The Company has applied within seven days of the Original Prospectus Date to the ASX for admission to the Official List and quotation of Shares on ASX (which is expected to be under the code "**RDX**"). Completion of the Offer is conditional on the ASX approving this application. If approval is not given within three months after such application is made (or any longer period permitted by law), the Offer will be withdrawn and all Application Monies received will be refunded (without interest) as soon as practicable in accordance with the requirements of the Corporations Act. The Company will be required to comply with the ASX Listing Rules, subject to any waivers obtained by it from time to time. The ASX takes no responsibility for this Prospectus or the investment to which it relates. The fact that the Company may be admitted to the Official List is not to be taken as an indication of the merits of Redox or the Shares offered for sale.
When are the Shares expected to commence trading?	It is expected that trading of the Shares on the ASX will commence on or around 3 July 2023, initially on a conditional and deferred settlement basis. See Section 7.7.3 for further details. It is the responsibility of each person who trades in Shares to confirm their holding before trading in Shares. Applicants who sell Shares before receiving a holding statement do so at their own risk. The Company, SaleCo, the Share Registry and the Joint Lead Managers disclaim all liability, whether in negligence or otherwise, to persons who sell Shares before receiving their holding statement, whether on the basis of a confirmation of allocation provided by any of them or a Broker or from the Redox Offer Information Line.
Are there any escrow arrangements?	Yes. Please refer to Section 9.7 for further detail.
Has any ASIC relief or ASX waiver been sought or obtained?	Yes. Please refer to Section 9.10 for further detail.
Are there any taxation considerations for Australian investors?	Yes. Please refer to Section 9.11 for further detail.

Are there any brokerage, commission or stamp duty considerations?	No brokerage, commission or stamp duty is payable by Applicants on acquisition of Shares under the Offer. See Section 9.5.1.1 for details of various fees payable by the Company to the Joint Lead Managers and by the Sole Global Co-ordinator and Bookrunner to certain Brokers (on behalf of the Company).
What should I do with any enquiries?	All enquiries in relation to this Prospectus should be directed to the Redox Offer Information Line on 1800 955 908 (toll free within Australia) or +61 3 9415 4163 (outside Australia) from 8.30am until 5.00pm (Sydney time) Monday to Friday (excluding public holidays). All enquiries in relation to the Broker Firm Offer should be directed to your Broker. If you are unclear in relation to any matter or are uncertain as to whether Shares are a suitable investment for you, you should seek professional guidance from your stockbroker, solicitor, accountant, financial adviser or other independent professional adviser before deciding whether to invest.

7.3 Retail offer

7.3.1 Broker Firm Offer

7.3.1.1 Who may apply

The Broker Firm Offer is open to persons who have received a firm allocation of Shares from their Broker and who have a registered address in Australia or New Zealand and are not located in the United States. If you have received an invitation to participate from your Broker, you will be treated as eligible to become a Broker Firm Offer Applicant under the Broker Firm Offer. You should contact your Broker to determine whether you can receive an allocation of Shares under the Broker Firm Offer.

7.3.1.2 How to apply

If you have received an allocation of Shares from your Broker and wish to apply for those Shares under the Broker Firm Offer, you should contact your Broker for information about how to submit your Broker Firm Offer Application Form and for payment instructions. Applicants under the Broker Firm Offer must not send their Application Forms or Application Monies to the Share Registry.

Applicants under the Broker Firm Offer should contact their Broker to request a Prospectus and Broker Firm Offer Application Form, or download a copy at redox.com/investors. Your Broker will act as your agent and it is your Broker's responsibility to ensure that your Application Form and Application Monies are received before 5.00pm (Sydney time) on the Closing Date for the Retail Offer (5.00pm (Sydney time) on 27 June 2023) or any earlier closing date as determined by your Broker.

By making an Application, you declare that you were given access to this Prospectus (or any supplementary or replacement Prospectus), together with an Application Form. The Corporations Act prohibits any person from passing an Application Form to another person unless it is included in, or accompanied by, a hard copy of this Prospectus or the complete and unaltered electronic version of this Prospectus.

If you are an investor applying under the Broker Firm Offer, you should complete and lodge your Broker Firm Offer Application Form with the Broker from whom you received your firm allocation of Shares. Broker Firm Offer Application Forms must be completed in accordance with the instructions given to you by your Broker and the instructions set out on the reverse of the Application Form.

The minimum Application under the Broker Firm Offer is A$2,000 worth of Shares and in multiples of A$500 worth of Shares thereafter. There is no maximum value of Shares that may be applied for under the Broker Firm Offer. The Company, SaleCo and the Sole Global Co-ordinator and Bookrunner reserve the right to aggregate any Applications that they believe may be multiple Applications from the same person or reject or scale back any Applications in the Broker Firm Offer. Any amount applied for in excess of the amount allocated to you will be refunded by your Broker in full (without interest). The Company and SaleCo may determine a person to be eligible to participate in the Broker Firm Offer, and may amend or waive the Broker Firm Offer Application procedures or requirements, in their discretion in compliance with applicable laws.

The Company, SaleCo, the Joint Lead Managers and the Share Registry take no responsibility for any acts or omissions committed by your Broker in connection with your Application.

The Broker Firm Offer opens at 9.00am (Sydney time) on 21 June 2023 and is expected to close at 5.00pm (Sydney time) on 27 June 2023. The Company, SaleCo and the Sole Global Co-ordinator and Bookrunner may elect to close the Offer or any part of it early, extend the Offer or any part of it, or accept late Applications either generally or in particular cases. The Offer, or any part of it, may be closed at any earlier time and date, without further notice. Your Broker may also impose an earlier closing date. Applicants are therefore encouraged to submit their Applications as early as possible. Please contact your Broker for instructions.

7.3.1.3 How to pay

Applicants under the Broker Firm Offer must pay their Application Monies in accordance with instructions provided by that Broker.

7.3.1.4 Allocation policy

The allocation of Shares to the Broker Firm Offer, and the identity and level of participation of Brokers participating in the Broker Firm Offer, have been determined by agreement between the Sole Global Co-ordinator and Bookrunner, the Company and SaleCo. Shares that have been allocated to Brokers for allocation to their Australian and New Zealand resident clients will be issued or transferred to the Applicants nominated by those Brokers (subject to the right of the Company, SaleCo and the Sole Global Co-ordinator and Bookrunner to reject, aggregate or scale back Applications).

It will be a matter for each Broker as to how they allocate Shares among their retail clients, and they (and not the Company, SaleCo or the Sole Global Co-ordinator and Bookrunner) will be responsible for ensuring that retail clients who have received a firm allocation from them receive the relevant Shares. Applicants under the Broker Firm Offer should confirm their allocation through the Broker from whom they received their allocation. However, if you sell Shares before receiving a holding statement, you do so at your own risk, even if you obtained details of your holding from the Redox Offer Information Line or confirmed your allocation through a Broker.

The Company, SaleCo, their respective Directors and officers, the Joint Lead Managers and the Share Registry disclaim all liability, whether in negligence or otherwise, if you sell Shares before receiving your holding statement, even if you obtained details of your holding from the Redox Offer Information Line or confirmed your firm allocation of Shares through a Broker.

7.3.2 Employee Offer

7.3.2.1 Who may apply

All Eligible Priority Employees are entitled to participate in the Employee Offer. Eligible Priority Employees are persons who are residents in Australia or New Zealand and permanent full-time or permanent part-time employees of the Company, or a subsidiary of it, as at 5.00pm (AEST) on 31 May 2023 (provided that they remain so employed and have not given, or been given, notice to terminate employment when the Employee Offer closes, which is expected to be on or around 5.00pm (Sydney time) on 27 June 2023). For the avoidance of doubt, employees who are Directors may be Eligible Priority Employees.

7.3.2.2 How to apply

If you are an Eligible Priority Employee, you will receive an email with instructions on how to participate in the Employee Offer. Please follow the instructions provided in that email in order to apply. Applications under the Employee Offer are online only.

By making an Application, you declare that you were given access to this Prospectus (or any supplementary or replacement Prospectus), together with an Application Form. The Corporations Act prohibits any person from passing an Application Form to another person unless it is included in, or accompanied by, a hard copy of this Prospectus or the complete and unaltered electronic version of this Prospectus.

Applications under the Employee Offer must be for a minimum of $2,000 worth of Shares and in multiples of $500 worth of Shares thereafter. There is no maximum number or value of Shares that may be applied for under the Employee Offer.

Under the Employee Offer, you will receive a guaranteed minimum allocation of $2,000 of Shares. Applicants who are allocated a lesser number of Shares than the amount applied for will receive a refund of all or part of their Application Monies, as applicable. Refunds will be paid in the same currency used by the Applicant to make their Application. Interest will not be paid on any monies refunded. No refunds pursuant solely to rounding will be paid.

Applications must be received by the Share Registry on or before the closing date for the Retail Offer (5.00pm (Sydney time) on 27 June 2023).

7.3.2.3 How to pay

Payment must be made in Australian dollars and via BPAY®, and must otherwise be made in accordance with the instructions outlined on the offer website. Application Monies must be received by the Share Registry by 5.00pm (Sydney time) on 27 June 2023. It is your responsibility to ensure that your BPAY® payment is received by the Share Registry by no later than 5.00pm (Sydney time) on 27 June 2023. You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment.

7.3.2.4 Allocation policy

Subject to the guaranteed minimum allocation of $2,000 of Shares for each Eligible Priority Employee, the allocation of Shares to Applicants under the Employee Offer will be made at the absolute discretion of the Company.

7.3.3 Employee Gift Offer

7.3.3.1 Who may apply

All Eligible Gift Offer Employees are entitled to participate in the Employee Gift Offer. Eligible Gift Offer Employees are persons who are resident in Australia and permanent full-time or permanent part-time employees of the Company, or a subsidiary of it, for no less than 12 months as at 5.00pm (AEST) on 31 May 2023 (provided that they remain so employed and have not given, or been given, notice to terminate employment when the Employee Gift Offer closes, which is expected to be on or around 5.00pm (Sydney time) on 27 June 2023).

Employees who are Directors are not Eligible Gift Offer Employees.

7.3.3.2 How to apply

If you are an Eligible Gift Offer Employee, you will receive an email detailing the terms of the Employee Gift Offer, along with details of how to go online and apply for your Employee Gift Offer Shares. If you wish to apply for Shares under the Employee Gift Offer, you should follow the instructions provided in that email in order to apply. Applications must be received by the Share Registry by 5.00pm (Sydney time) on 27 June 2023. It is your responsibility to ensure that applications are received by the Share Registry by no later than 5.00pm (Sydney time) on 27 June 2023.

7.3.3.3 Application Monies

The cost of Shares under the Employee Gift Offer will be funded by the Company. No additional payment from Eligible Gift Offer Employees is required for the Employee Gift Offer.

7.3.3.4 Allocation policy under the Employee Gift Offer

Eligible Gift Offer Employees will receive an allocation of $1,000 worth of Shares (rounded down to the nearest whole Share based on the Offer Price).

7.3.3.5 Other information about the Employee Gift Offer

The Shares issued to Eligible Gift Offer Employees who participate in the Employee Gift Offer are subject to a restriction period. The restriction period commences on the date of issue of the Shares and ends three years following the date of issue of the Shares.

During the restriction period, Shares issued under the Employee Gift Offer will be subject to a holding lock and the Eligible Gift Offer Employee must not sell, assign, transfer or otherwise deal with, or grant a security interest over, those Shares.

Eligible Gift Offer Employees participating in the Employee Gift Offer will, from the date of allocation, be the registered holders of the Shares and will be entitled to vote, receive notices issued by the Company to Shareholders, and receive dividends in respect of the Shares.

Eligible Gift Offer Employees participating in the Employee Gift Offer may be eligible for concessional tax treatment if the relevant conditions are met.

7.3.4 Acceptance of Applications under the Retail Offer

An Application under the Retail Offer (which incorporates the Broker Firm Offer, the Employee Offer and the Employee Gift Offer) is an offer by you to the Company and SaleCo to apply for the number of Shares specified on the Application Form at the Offer Price on the terms and conditions set out in this Prospectus (including any supplementary or replacement document) and the Application Form. To the extent permitted by law, an Application by an Applicant may not be varied and is irrevocable.

By making an Application, you declare that you were given access to this Prospectus, together with an Application Form. The Corporations Act prohibits any person from passing an Application Form to another person unless it is attached to, or accompanied by, a paper copy of this Prospectus or the complete and unaltered electronic version of this Prospectus.

An Application may be accepted by the Company or SaleCo in respect of the full amount specified on the Application Form, or any amount lower than that, without further notice to the Applicant. The Company and SaleCo reserve the right to decline any Application (in whole or in part) if they believe any provisions or procedures in this Prospectus, the Application Form or other laws or regulations may not be complied with in relation to the Application, or for any other reason.

The Company, SaleCo and the Sole Global Co-ordinator and Bookrunner reserve the right to reject any Application which is not correctly completed or which is submitted by a person whom they believe is ineligible to participate in the Retail Offer, or to waive or correct any errors made by an Applicant in completing their Application. In addition, the Company, SaleCo and the Sole Global Co-ordinator and Bookrunner reserve the right to aggregate any Applications which they believe may be multiple Applications from the same person or reject or scale back any Applications (or aggregation of Applications) which they believe may be from an Institutional Investor.

Successful Applicants in the Retail Offer will be issued Shares at the Offer Price. Acceptance of an Application will give rise to a binding contract, conditional on Settlement and quotation of Shares on the ASX.

7.3.5 Application Monies

Application Monies received under the Retail Offer will be held in a special purpose account until Shares are issued to Successful Applicants. Applicants under the Retail Offer whose Applications are not accepted, or who are allocated a lesser dollar amount of Shares than the amount applied for, will receive a refund (without interest) of all or part of their Application Monies, as applicable. No refunds pursuant solely to rounding will be provided. Interest will not be paid on any monies refunded and any interest earned on Application Monies pending the allocation or refund will be retained by the Company. You should ensure that sufficient funds are held in the relevant account(s) to cover the amount of your BPAY® payment or electronic funds transfer. If the amount of your BPAY® payment or electronic funds transfer is less than the amount specified on the Application Form, you may be taken to have applied for such lower dollar amount of Shares.

7.4 Institutional Offer

7.4.1 Invitations to bid

The Institutional Offer consisted of an invitation to certain Institutional Investors in Australia and New Zealand and a number of other eligible jurisdictions outside the United States to bid for an allocation of Shares at the Offer Price. The Sole Global Co-ordinator and Bookrunner separately advised Institutional Investors of the application procedures for the Institutional Offer.

7.4.2 Allocation policy under the Institutional Offer

The allocation of Shares among bidders in the Institutional Offer was determined by agreement between the Sole Global Co-ordinator and Bookrunner, the Company and SaleCo. The Company, the Sole Global Co-ordinator and Bookrunner and SaleCo had absolute discretion regarding the basis of allocation of Shares among Institutional Investors.

Participants in the Institutional Offer have been advised of their allocation of Shares, if any, by the Sole Global Co-ordinator and Bookrunner.

The allocation policy was influenced, but not constrained, by the following factors:

- the number of Shares bid for by particular applicants;
- the timeliness of the bid by particular applicants;
- Redox's desire for an informed and active trading market following listing on the ASX;
- Redox's desire to establish a wide spread of institutional Shareholders;
- the overall level of demand under the Broker Firm Offer, the Employee Offer, the Employee Gift Offer and the Institutional Offer;
- the likelihood that particular bidders will be long-term Shareholders; and
- any other factors that the Company, the Sole Global Co-ordinator and Bookrunner and SaleCo considered appropriate, in the Company's sole discretion.

7.5 Restrictions on Distributions

No action has been taken to register or qualify this Prospectus, the Shares that are subject of the Offer, or otherwise to permit a public offering of the Shares, in any jurisdiction outside Australia or New Zealand.

The Offer does not constitute an offer or invitation in any jurisdiction in which, or to any person to whom, such an offer or invitation would be unlawful. This Prospectus may not be released or distributed in the United States, and may only be distributed to persons to whom the Offer may lawfully be made in accordance with the laws of any applicable jurisdiction.

The distribution of this Prospectus in jurisdictions outside Australia or New Zealand may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. In particular, the Shares have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any State or other jurisdiction of the United States and may not be offered or sold, directly or indirectly, in the United States except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable U.S. securities laws.

Each Applicant under the Retail Offer, as well as each person to whom the Institutional Offer is made under this Prospectus, will be taken to have represented, warranted and agreed as follows:

- it understands that the Shares have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any State or other jurisdiction of the United States and may not be offered, sold or resold in the United States except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable U.S. securities laws;
- it is not in the United States or a U.S. Person;
- it has not sent and will not send the Prospectus or any other material relating to the Offer to any person in the United States; and
- it will not offer or sell the Shares in the United States or in any other jurisdiction outside Australia or New Zealand except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and in compliance with all applicable laws in the jurisdiction in which Shares are offered and sold.

Each Applicant under the Offer will be deemed to have:

- agreed to become a member of the Company and to be bound by the terms of the Constitution and the terms and conditions of the Offer;
- acknowledged having personally received a printed or electronic copy of the Prospectus (and any supplementary or replacement Prospectus) including or accompanied by the Application Form and having read them all in full;
- declared that all details and statements in their Application Form are complete and accurate;
- declared that the Applicant(s), if a natural person, is/are over 18 years of age;
- acknowledged that, once the Company, the Share Registry or a Broker receives an Application Form (including electronically), it may not be withdrawn;
- applied for the number of Shares at the Australian dollar amount shown on the front of the Application Form;
- agreed to being allocated and issued the number of Shares applied for (or a lower number allocated in a way described in this Prospectus), or no Shares at all;
- authorised the Company and the Sole Global Co-ordinator and Bookrunner, and their respective officers or agents, to do anything on behalf of the Applicant(s) necessary for Shares to be allocated to the Applicant(s),

including to act on instructions received by the Share Registry upon using the contact details in the Application Form;

- acknowledged that, in some circumstances, the Company may not pay dividends, or that any dividends paid may not be franked;
- acknowledged that the information contained in this Prospectus (or any supplementary or replacement Prospectus) is not financial product advice or a recommendation that Shares are suitable for the Applicant(s), given the investment objectives, financial situation or particular needs (including financial and tax issues) of the Applicant(s);
- declared that the Applicant(s) is/are a resident of Australia or New Zealand (except as applicable to the Institutional Offer);
- acknowledged and agreed that the Offer may be withdrawn by the Company and SaleCo or may otherwise not proceed in the circumstances described in this Prospectus; and
- acknowledged and agreed that if Listing does not occur for any reason, the Offer will not proceed.

7.6 Discretion regarding the Offer

The Company and SaleCo may withdraw the Offer at any time before the issue or transfer of Shares to successful applicants under the Offer. If the Offer, or any part of it, does not proceed, all relevant Application Monies will be refunded (without interest).

The Company and SaleCo, in consultation with the Sole Global Co-ordinator and Bookrunner, also reserve the right to close the Offer or any part of it early, extend the Offer or any part of it, accept late Applications either generally or in particular cases, reject any application, or (subject to the terms of any guaranteed allocations referred to in this Prospectus) allocate a lesser number of Shares than that applied for.

7.7 ASX Listing, registers and holding statements, and deferred settlement trading

7.7.1 Application to the ASX for listing and quotation of Shares

The Company has applied to the ASX for admission to the Official List and quotation of Shares on the ASX within seven days of the Original Prospectus Date (which is expected to be under the code ‘RDX’).

If the Company does not make such an application within seven days after the Original Prospectus Date, or permission is not granted for the official quotation of the Shares on the ASX within three months after the Original Prospectus Date (or any later date permitted by law), the Offer will be withdrawn and all Application Monies received by the Company and SaleCo will be refunded (without interest) as soon as practicable in accordance with the requirements of the Corporations Act.

From the date of listing on the ASX, the Company will be required to comply with the ASX Listing Rules, subject to any waivers obtained by the Company from time to time (including those described in Section 9.10).

The ASX takes no responsibility for this Prospectus or the investment to which it relates. The fact that the ASX may admit the Company to the Official List is not to be taken as an indication of the merits of the Company or the Shares offered under this Prospectus.

7.7.2 CHESS and issuer sponsored holdings

The Company has applied to participate in ASX’s Clearing House Electronic Subregister System (**CHESS**) and must comply with the ASX Listing Rules and the ASX Settlement Operating Rules. CHESS is an electronic transfer and settlement system for transactions in securities quoted on the ASX under which transfers are effected in an electronic form.

When the Shares become approved financial products under the ASX Settlement Operating Rules, holdings will be registered in one of two sub-registers, being an electronic CHESS sub-register or an issuer sponsored sub-register. For all Successful Applicants, the Shares of a Shareholder who is a participant in CHESS or a Shareholder sponsored by a participant in CHESS will be registered on the CHESS sub-register. All other Shares will be registered on the issuer sponsored sub-register.

Following Completion of the Offer, Shareholders will be sent a holding statement that sets out the number of Shares that have been allocated to them. This statement will also provide details of a Shareholder's Holder Identification Number (**HIN**) for CHESS holders or, where applicable, the Securityholder Reference Number (**SRN**) of issuer sponsored holders. Shareholders will subsequently receive statements showing any changes to their holding. Certificates will not be issued.

Shareholders will receive subsequent statements during the first week of the following month if there has been a change to their holding on the register and as otherwise required under the ASX Listing Rules and the Corporations Act. Additional statements may be requested at any other time either directly through the Shareholder's sponsoring Broker in the case of a holding on the CHESS sub-register or through the Share Registry in the case of a holding on the issuer sponsored sub-register. The Company and the Share Registry may charge a fee for these additional issuer sponsored statements.

7.7.3 Conditional and deferred settlement trading and selling Shares on-market

It is expected that trading of the Shares on ASX, on a conditional and deferred basis, will commence on or about 3 July 2023.

Trades occurring on the ASX before Settlement and Completion of the Offer will be conditional on Settlement and Completion of the Offer occurring.

If the Offer is withdrawn before Shares have commenced trading on an unconditional basis, all contracts for the sale of Shares on ASX will be cancelled and any Application Monies received will be refunded as soon as possible.

Conditional and deferred settlement trading will continue until the Company has advised the ASX that Settlement has occurred and that the Company and SaleCo have issued and transferred Shares to successful Applicants under the Offer, which is expected to be prior to market open on 5 July 2023. Unconditional and normal settlement trading is expected to commence on or about 5 July 2023.

If Settlement and Completion of the Offer has not occurred within 14 days (or such longer period as the ASX allows) after the day Shares are first quoted on the ASX, the Offer and all contracts arising on acceptance of the Offer will be cancelled and of no further effect and all Application Monies will be refunded (without interest). In these circumstances, all purchases and sales made through the ASX participating organisations during the conditional trading period will be cancelled and of no effect.

It is the responsibility of each person who trades in Shares to confirm their holding before trading in Shares. If Shares are sold before receiving a holding statement, Successful Applicants do so at their own risk. The Company, SaleCo, the Share Registry, the Joint Lead Managers and the Co-Lead Managers disclaim all liability, whether in negligence or otherwise, if a Shareholder sells Shares before receiving a holding statement, even if the Shareholder obtained details of their holding from the Redox Offer Information Line or confirmed their firm allocation through a Broker.

7.8 Summary of rights and liabilities attaching to Shares and other material provisions of the Constitution

The rights and liabilities attaching to ownership of Shares are:

- detailed in the Constitution; and
- in certain circumstances, regulated by the Corporations Act, the ASX Listing Rules, the ASX Settlement Operating Rules and all other applicable laws and regulations.

A summary of the significant rights, liabilities and obligations attaching to Shares and a description of other material provisions of the Constitution is set out below. This summary is not exhaustive nor does it constitute a definitive statement of the rights and liabilities of Shareholders. The summary assumes that the Company is admitted to the Official List and Completion of the Offer has occurred.

7.8.1 Voting at a general meeting

At a general meeting of the Company, every Shareholder present in person or by proxy, attorney or representative is entitled to vote one vote on a show of hands and, on a poll, one vote for each Share held by the Shareholder (with adjusted voting rights for partly paid Shares). If the votes are equal on a proposed resolution, the chairperson of the meeting has a casting vote in addition to any deliberative vote.

7.8.2 Meetings of members

Every Shareholder is entitled to receive notice of and, except in certain circumstances, attend and vote at general meetings of the Company and to receive all notices, accounts and other documents required to be sent to Shareholders under the Constitution, Corporations Act and ASX Listing Rules.

The Directors may determine to hold a general meeting of members using or with the assistance of any technology that gives the members as a whole a reasonable opportunity to participate, which may include, but is not limited to, electronic participation facilities or linking separate meeting places together by technology.

7.8.3 Dividends

The Board may pay any dividends that, in its judgement, the financial position of the Company justifies. The Board may also pay any dividend required to be paid under the terms of issue of a share and fix a record date for a dividend and method of payment.

7.8.4 Transfer of Shares

Subject to the Constitution and to any restrictions attached to a Shareholder's Shares, Shares may be transferred by a proper transfer executed in accordance with the ASX Settlement Operating Rules, Corporations Regulations and ASX Listing Rules or by a written transfer in any usual form or in any other form approved by the Board and permitted by the relevant laws and ASX requirements.

The Board may decline to register, or prevent registration of, a transfer of Shares or apply a holding lock to prevent a transfer of Shares in accordance with the Corporations Act or the ASX Listing Rules. If the Board declines to register a transfer, the Company must give notice of the refusal as required by the Corporations Act and the ASX Listing Rules.

7.8.5 Issue of further Shares

Subject to the Constitution, the Corporations Act and the ASX Listing Rules, the Board may issue, allot or grant options for or otherwise dispose of Shares in the Company on such terms as the Board decides.

7.8.6 Preference shares

The Company may issue preference shares, including preference shares which are, or at the option of the Company or a holder are, liable to be redeemed or converted into Shares. The rights attaching to preference shares are those set out in the Constitution unless other rights have been decided by the Board under the terms of issue.

7.8.7 Winding up

If the Company is wound up, then subject to the Constitution, the Corporations Act and any rights or restrictions attached to any Shares or classes of Shares, Shareholders will be entitled to share in any surplus property of the Company in proportion to the number of Shares held by them.

If the Company is wound up, the liquidator may, with the sanction of a special resolution of Shareholders, divide among the Shareholders all or part of the Company's property and decide how the division is to be carried out as between Shareholders or different classes of Shareholders.

7.8.8 Sale of Non-marketable parcels

In accordance with the ASX Listing Rules, the Board may sell Shares that constitute less than a marketable parcel by following the procedures set out in the Constitution.

7.8.9 Proportional takeover provisions

The Constitution contains provisions requiring Shareholder approval in relation to any proportional takeover bid. These provisions will cease to apply unless renewed by Shareholders passing a special resolution by the third anniversary of either the date those provisions were adopted or the date those rules were last renewed.

7.8.10 Variation of class rights

On Completion of the Offer, the Company's only class of shares on issue will be the Shares, being ordinary shares.

The procedure set out in the Constitution must be followed for any variation of rights attached to the Shares. Under the Constitution, and subject to the Corporations Act and the terms of issue of a class of shares, the rights attaching to any class of shares may be varied:

- with the written consent of the holders of at least three-quarters of the shares of the class; or
- by a special resolution passed at a separate meeting of the holders of the shares of the class.

7.8.11 Directors – appointment and retirement

Under the Constitution, the number of Directors shall be a minimum of four Directors and a maximum of nine Directors unless the Company resolves otherwise at a general meeting.

No Director (other than a Managing Director) may hold office without re-election after three years or beyond the third annual general meeting following the meeting at which the Director was last elected or re-elected. The Board may also appoint any eligible person to be a Director, either as an addition to the existing Directors or to fill a casual vacancy on the Board, who will then hold office until the conclusion of the next annual general meeting of the Company following their appointment.

A person is eligible for election to the office of a Director at a general meeting if they are nominated or recommended by the Board or if not less than the number of Shareholders required to give notice of a resolution under the Corporations Act (subject to timing requirements) nominate a person in accordance with the Constitution.

7.8.12 Directors – voting

Questions arising at a meeting of Directors will be decided by a majority of votes of the Directors present at the meeting and entitled to vote on the matter. In the case of an equality of votes on a resolution, the chair of the meeting has a casting vote in addition to his or her deliberative vote.

A written resolution of the Board may be passed without holding a meeting of the Board, if all of the Directors who are entitled to vote on the resolution and would have constituted a quorum at a physical meeting of Directors sign or consent to the resolution.

7.8.13 Directors – remuneration

Under the Constitution, the Board may decide the remuneration from the Company to which each Director is entitled for his or her services as a Director. The total aggregate amount provided to all Non-Executive Directors for their services as Directors must not exceed in any financial year the amount fixed by the Company in general meeting. The remuneration of a Director (who is not an Executive Director) must not include a commission on, or a percentage of, profits or operating revenue. The current maximum aggregate sum of Non-Executive Director remuneration is set out in Section 6.3.2.1. Any change to that maximum aggregate amount needs to be approved by Shareholders in general meeting.

Directors are entitled to be paid for all travelling and other expenses incurred in attending to the Company's affairs, including attending and returning from general meetings of the Company or of the Board or of committees of the Board. Any Director who performs extra services, makes any special exertions for the benefit of the Company or otherwise performs services, which, in the opinion of the Board, are outside the scope of ordinary duties of a Non-Executive Director, may be remunerated for the services (as determined by the Board) out of funds of the Company.

Non-Executive Directors' remuneration is discussed further in Section 6.3.2.1.

7.8.14 Powers and duties of Directors

The business and affairs of the Company are to be managed by or under the direction of the Board, which (in addition to the powers and authorities conferred on it by the Constitution) may exercise all powers and do all things that are within the power of the Company and are not required by law or by the Constitution to be done by the Company in general meeting.

7.8.15 Access to records

The Company may enter into contracts with a Director or former Director agreeing to provide continuing access, for a specified period after the Director ceases to be a Director, to Board papers, books, records and documents of the Company which relate to the period during which the Director or former Director was a Director on such terms and conditions as the Board thinks fit. The Company may procure that its subsidiaries provide similar access to Board papers, books, records or documents.

7.8.16 Directors' and officers' indemnity

The Company must indemnify each officer of the Company on a full indemnity basis and to the full extent permitted by law against all losses, liabilities, costs, charges and expenses incurred by that person as an officer of the Company or its related bodies corporate.

The Company may, to the extent permitted by law, purchase and maintain insurance or pay, or agree to pay, a premium for insurance for each officer of the Company against any liability incurred by that person as an officer of the Company or its related bodies corporate, including but not limited to a liability for negligence or for reasonable costs and expenses incurred in defending or responding to proceedings (whether civil or criminal and whatever the outcome).

The Company has entered into deeds of access, insurance and indemnity with each Director. These are summarised in Section 6.3.2.2.

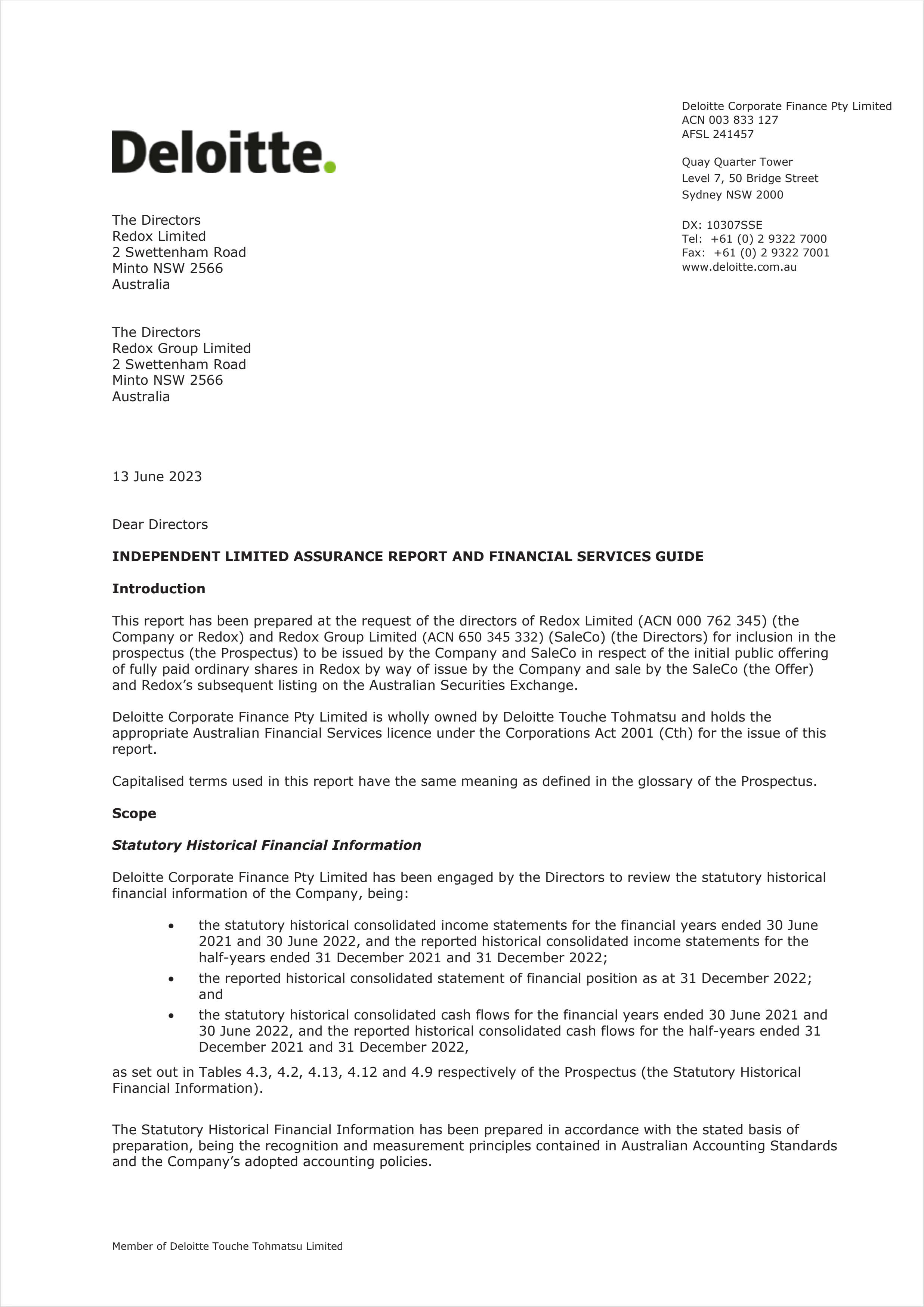
7.8.17 Amendment

The Constitution may be only amended in accordance with the Corporations Act, which requires a special resolution passed by at least 75% of Shareholders present (in person or by proxy, attorney or representative) and entitled to vote on the resolution at a general meeting of the Company.

Section Eight

Independent Limited Assurance Report

8. Independent Limited Assurance Report



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The Directors
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2 Swettenham Road
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Australia

The Directors
Redox Group Limited
2 Swettenham Road
Minto NSW 2566
Australia

13 June 2023

Dear Directors

INDEPENDENT LIMITED ASSURANCE REPORT AND FINANCIAL SERVICES GUIDE

Introduction

This report has been prepared at the request of the directors of Redox Limited (ACN 000 762 345) (the Company or Redox) and Redox Group Limited (ACN 650 345 332) (SaleCo) (the Directors) for inclusion in the prospectus (the Prospectus) to be issued by the Company and SaleCo in respect of the initial public offering of fully paid ordinary shares in Redox by way of issue by the Company and sale by the SaleCo (the Offer) and Redox's subsequent listing on the Australian Securities Exchange.

Deloitte Corporate Finance Pty Limited is wholly owned by Deloitte Touche Tohmatsu and holds the appropriate Australian Financial Services licence under the Corporations Act 2001 (Cth) for the issue of this report.

Capitalised terms used in this report have the same meaning as defined in the glossary of the Prospectus.

Scope

Statutory Historical Financial Information

Deloitte Corporate Finance Pty Limited has been engaged by the Directors to review the statutory historical financial information of the Company, being:

- the statutory historical consolidated income statements for the financial years ended 30 June 2021 and 30 June 2022, and the reported historical consolidated income statements for the half-years ended 31 December 2021 and 31 December 2022;
- the reported historical consolidated statement of financial position as at 31 December 2022; and
- the statutory historical consolidated cash flows for the financial years ended 30 June 2021 and 30 June 2022, and the reported historical consolidated cash flows for the half-years ended 31 December 2021 and 31 December 2022,

as set out in Tables 4.3, 4.2, 4.13, 4.12 and 4.9 respectively of the Prospectus (the Statutory Historical Financial Information).

The Statutory Historical Financial Information has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles contained in Australian Accounting Standards and the Company's adopted accounting policies.

The statutory historical financial information for the years ended 30 June 2021 and 30 June 2022 has been extracted from the general purpose financial statements of the Company for the years ended 30 June 2021 and 30 June 2022. The general purpose financial statements were audited by Deloitte Touche Tohmatsu in accordance with the Australian Auditing Standards. Deloitte Touche Tohmatsu issued an unmodified audit opinion on each set of financial statements.

The reported historical financial information for the half-years ended 31 December 2021 and 31 December 2022 has been extracted from the half-year financial report for 31 December 2022 of the Company (which included comparative financial information for the half-year ended 30 December 2021), which was reviewed by Deloitte Touche Tohmatsu in accordance with the Australian Auditing Standards applicable to review engagements. Deloitte Touche Tohmatsu issued an unmodified review conclusion on the interim financial statements.

The Statutory Historical Financial Information is presented in the Prospectus in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act 2001 (Cth).

Pro Forma Historical Financial Information

Deloitte Corporate Finance Pty Limited has been engaged by the Directors to review the pro forma historical financial information, being:

- the pro forma historical consolidated income statements for the financial years ended 30 June 2021 and 30 June 2022, and the half-years ended 31 December 2021 and 31 December 2022;
- the pro forma historical consolidated statement of financial position as at 31 December 2022; and
- the pro forma historical consolidated cash flows for the financial years ended 30 June 2021 and 30 June 2022, and the half-years ended 31 December 2021 and 31 December 2022,

as set out in Tables 4.1, 4.2, 4.13, 4.8 and 4.9 respectively of the Prospectus (the Pro Forma Historical Financial Information).

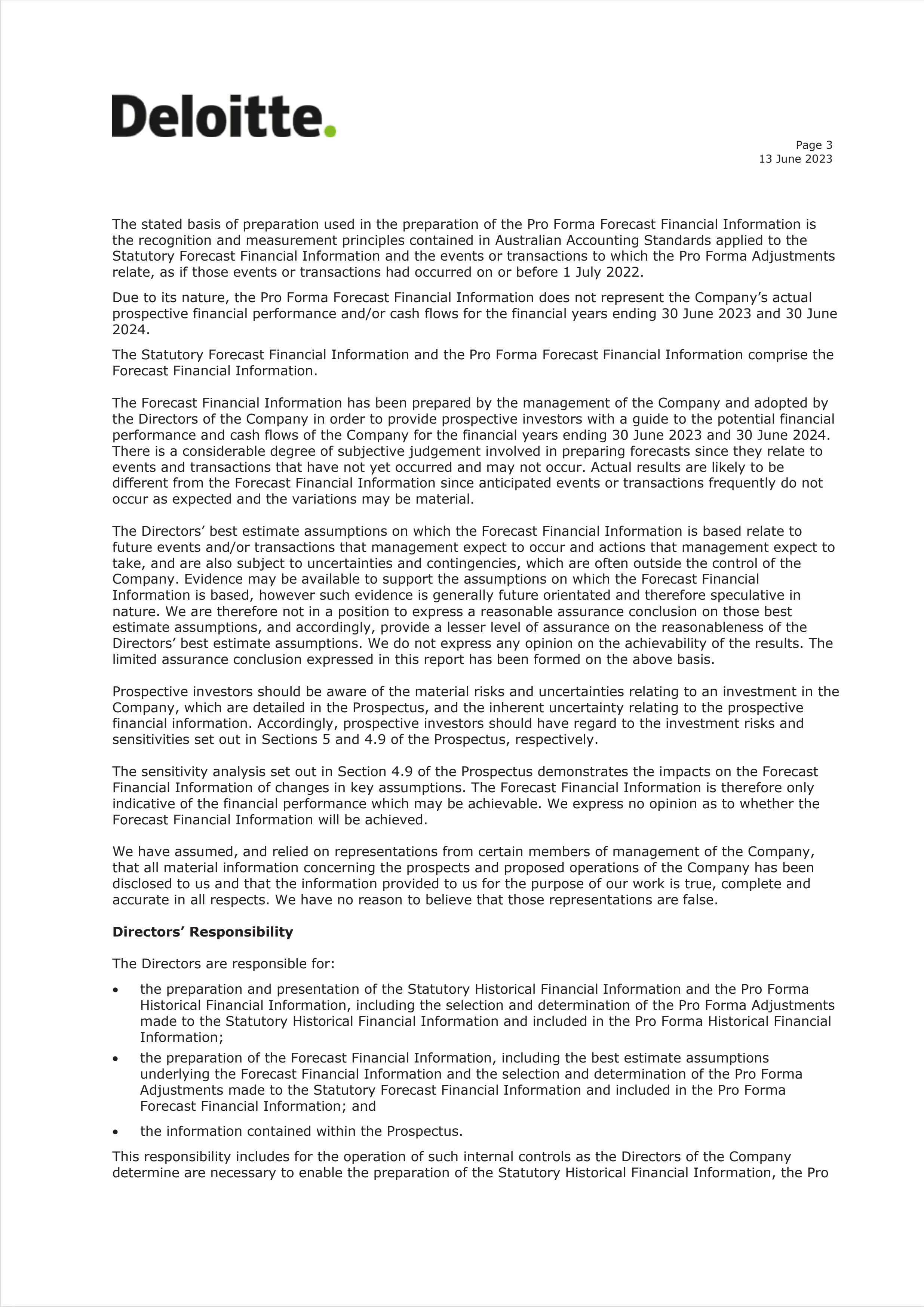
The Pro Forma Historical Financial Information has been derived from the Statutory Historical Financial Information, after adjusting for the effects of the pro forma adjustments described in Sections 4.3, 4.4.2 and 4.5 of the Prospectus (the Pro Forma Adjustments).

The stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards applied to the Statutory Historical Financial Information and the events or transactions to which the Pro Forma Adjustments relate, as if those events or transactions had occurred as at the date of the Statutory Historical Financial Information. Due to its nature, the Pro Forma Historical Financial Information does not represent the Company’s actual or prospective financial performance, financial position and/or cash flows.

Forecast Financial Information

Deloitte Corporate Finance Pty Limited has been engaged by the Directors to review the forecast financial information, being:

- the statutory forecast consolidated income statements and the statutory forecast consolidated net cash flows for the financial years ending 30 June 2023 and 30 June 2024, as set out in Tables 4.1 and 4.8 respectively of the Prospectus (the Statutory Forecast Financial Information). The Directors’ best estimate assumptions underlying the Statutory Forecast Financial Information are described in Section 4.7 of the Prospectus. The stated basis of preparation used in the preparation of the Statutory Forecast Financial Information is the recognition and measurement principles contained in Australian Accounting Standards and the Company’s adopted accounting policies; and
- the pro forma forecast consolidated income statements and the pro forma forecast consolidated net cash flows for the financial years ending 30 June 2023 and 30 June 2024 as set out in Tables 4.1 and 4.8 respectively of the Prospectus (the Pro Forma Forecast Financial Information). The Pro Forma Forecast Financial Information has been derived from the Statutory Forecast Financial Information, after adjusting for the effects of the Pro Forma Adjustments described in Tables 4.5 and 4.10 of the Prospectus.



The stated basis of preparation used in the preparation of the Pro Forma Forecast Financial Information is the recognition and measurement principles contained in Australian Accounting Standards applied to the Statutory Forecast Financial Information and the events or transactions to which the Pro Forma Adjustments relate, as if those events or transactions had occurred on or before 1 July 2022.

Due to its nature, the Pro Forma Forecast Financial Information does not represent the Company's actual prospective financial performance and/or cash flows for the financial years ending 30 June 2023 and 30 June 2024.

The Statutory Forecast Financial Information and the Pro Forma Forecast Financial Information comprise the Forecast Financial Information.

The Forecast Financial Information has been prepared by the management of the Company and adopted by the Directors of the Company in order to provide prospective investors with a guide to the potential financial performance and cash flows of the Company for the financial years ending 30 June 2023 and 30 June 2024. There is a considerable degree of subjective judgement involved in preparing forecasts since they relate to events and transactions that have not yet occurred and may not occur. Actual results are likely to be different from the Forecast Financial Information since anticipated events or transactions frequently do not occur as expected and the variations may be material.

The Directors' best estimate assumptions on which the Forecast Financial Information is based relate to future events and/or transactions that management expect to occur and actions that management expect to take, and are also subject to uncertainties and contingencies, which are often outside the control of the Company. Evidence may be available to support the assumptions on which the Forecast Financial Information is based, however such evidence is generally future orientated and therefore speculative in nature. We are therefore not in a position to express a reasonable assurance conclusion on those best estimate assumptions, and accordingly, provide a lesser level of assurance on the reasonableness of the Directors' best estimate assumptions. We do not express any opinion on the achievability of the results. The limited assurance conclusion expressed in this report has been formed on the above basis.

Prospective investors should be aware of the material risks and uncertainties relating to an investment in the Company, which are detailed in the Prospectus, and the inherent uncertainty relating to the prospective financial information. Accordingly, prospective investors should have regard to the investment risks and sensitivities set out in Sections 5 and 4.9 of the Prospectus, respectively.

The sensitivity analysis set out in Section 4.9 of the Prospectus demonstrates the impacts on the Forecast Financial Information of changes in key assumptions. The Forecast Financial Information is therefore only indicative of the financial performance which may be achievable. We express no opinion as to whether the Forecast Financial Information will be achieved.

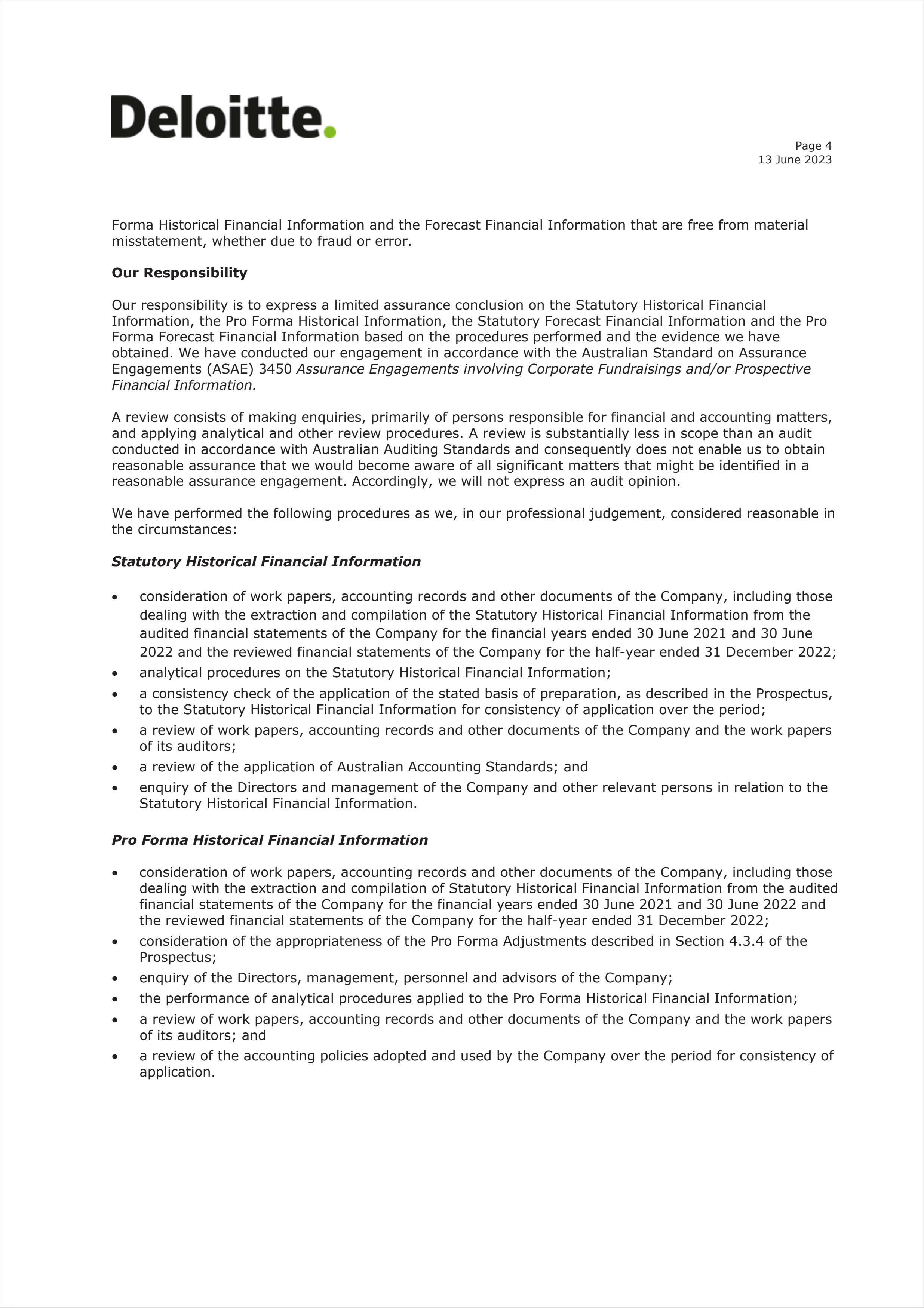
We have assumed, and relied on representations from certain members of management of the Company, that all material information concerning the prospects and proposed operations of the Company has been disclosed to us and that the information provided to us for the purpose of our work is true, complete and accurate in all respects. We have no reason to believe that those representations are false.

Directors' Responsibility

The Directors are responsible for:

- the preparation and presentation of the Statutory Historical Financial Information and the Pro Forma Historical Financial Information, including the selection and determination of the Pro Forma Adjustments made to the Statutory Historical Financial Information and included in the Pro Forma Historical Financial Information;
- the preparation of the Forecast Financial Information, including the best estimate assumptions underlying the Forecast Financial Information and the selection and determination of the Pro Forma Adjustments made to the Statutory Forecast Financial Information and included in the Pro Forma Forecast Financial Information; and
- the information contained within the Prospectus.

This responsibility includes for the operation of such internal controls as the Directors of the Company determine are necessary to enable the preparation of the Statutory Historical Financial Information, the Pro



Forma Historical Financial Information and the Forecast Financial Information that are free from material misstatement, whether due to fraud or error.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Statutory Historical Financial Information, the Pro Forma Historical Information, the Statutory Forecast Financial Information and the Pro Forma Forecast Financial Information based on the procedures performed and the evidence we have obtained. We have conducted our engagement in accordance with the Australian Standard on Assurance Engagements (ASAE) 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information.*

A review 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 reasonable assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we will not express an audit opinion.

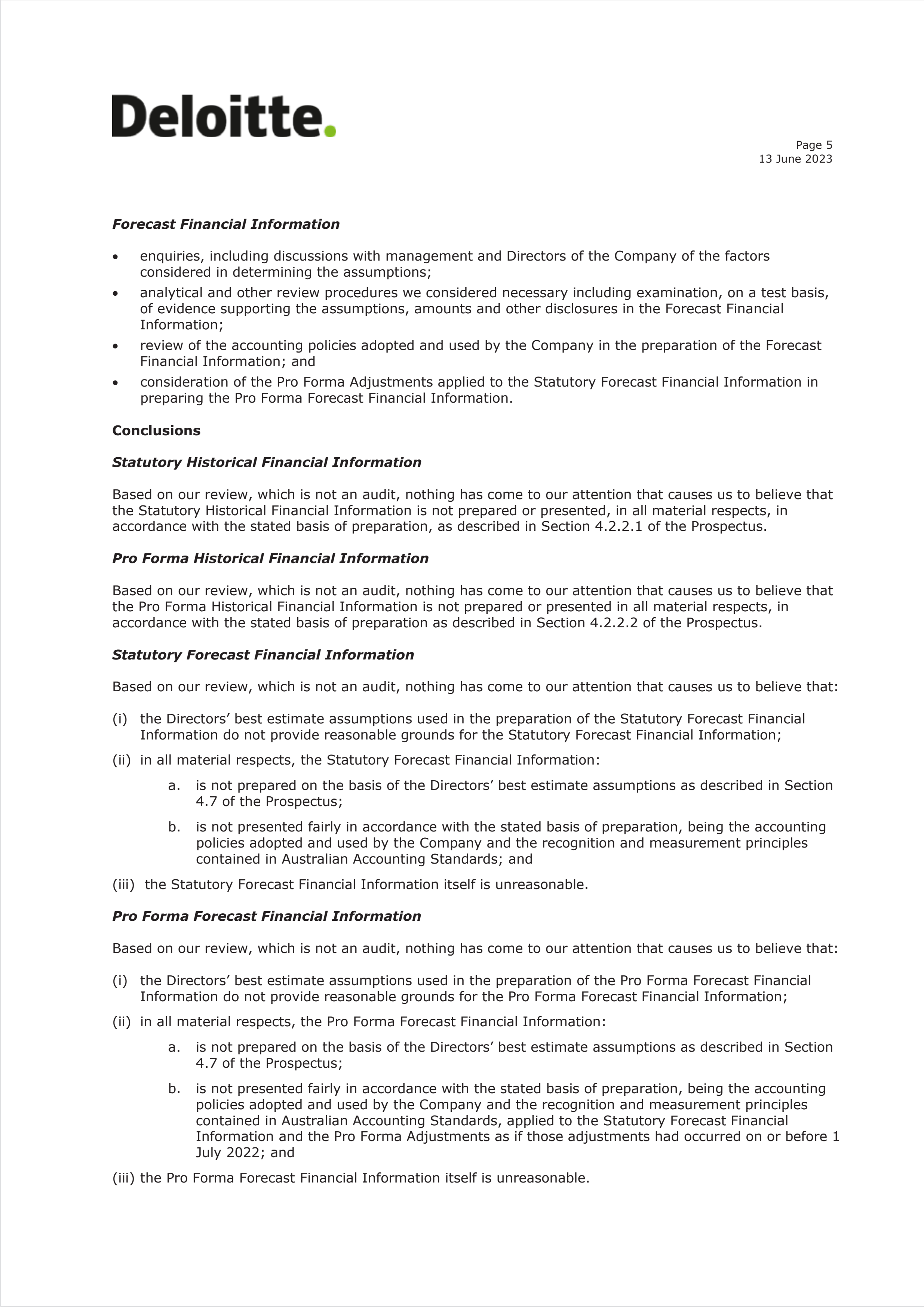
We have performed the following procedures as we, in our professional judgement, considered reasonable in the circumstances:

Statutory Historical Financial Information

- consideration of work papers, accounting records and other documents of the Company, including those dealing with the extraction and compilation of the Statutory Historical Financial Information from the audited financial statements of the Company for the financial years ended 30 June 2021 and 30 June 2022 and the reviewed financial statements of the Company for the half-year ended 31 December 2022;
- analytical procedures on the Statutory Historical Financial Information;
- a consistency check of the application of the stated basis of preparation, as described in the Prospectus, to the Statutory Historical Financial Information for consistency of application over the period;
- a review of work papers, accounting records and other documents of the Company and the work papers of its auditors;
- a review of the application of Australian Accounting Standards; and
- enquiry of the Directors and management of the Company and other relevant persons in relation to the Statutory Historical Financial Information.

Pro Forma Historical Financial Information

- consideration of work papers, accounting records and other documents of the Company, including those dealing with the extraction and compilation of Statutory Historical Financial Information from the audited financial statements of the Company for the financial years ended 30 June 2021 and 30 June 2022 and the reviewed financial statements of the Company for the half-year ended 31 December 2022;
- consideration of the appropriateness of the Pro Forma Adjustments described in Section 4.3.4 of the Prospectus;
- enquiry of the Directors, management, personnel and advisors of the Company;
- the performance of analytical procedures applied to the Pro Forma Historical Financial Information;
- a review of work papers, accounting records and other documents of the Company and the work papers of its auditors; and
- a review of the accounting policies adopted and used by the Company over the period for consistency of application.



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13 June 2023

Forecast Financial Information

- enquiries, including discussions with management and Directors of the Company of the factors considered in determining the assumptions;
- analytical and other review procedures we considered necessary including examination, on a test basis, of evidence supporting the assumptions, amounts and other disclosures in the Forecast Financial Information;
- review of the accounting policies adopted and used by the Company in the preparation of the Forecast Financial Information; and
- consideration of the Pro Forma Adjustments applied to the Statutory Forecast Financial Information in preparing the Pro Forma Forecast Financial Information.

Conclusions

Statutory Historical Financial Information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Statutory Historical Financial Information is not prepared or presented, in all material respects, in accordance with the stated basis of preparation, as described in Section 4.2.2.1 of the Prospectus.

Pro Forma Historical Financial Information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Pro Forma Historical Financial Information is not prepared or presented in all material respects, in accordance with the stated basis of preparation as described in Section 4.2.2.2 of the Prospectus.

Statutory Forecast Financial Information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that:

(i) the Directors' best estimate assumptions used in the preparation of the Statutory Forecast Financial Information do not provide reasonable grounds for the Statutory Forecast Financial Information;

(ii) in all material respects, the Statutory Forecast Financial Information:

    a. is not prepared on the basis of the Directors' best estimate assumptions as described in Section 4.7 of the Prospectus;

    b. is not presented fairly in accordance with the stated basis of preparation, being the accounting policies adopted and used by the Company and the recognition and measurement principles contained in Australian Accounting Standards; and

(iii) the Statutory Forecast Financial Information itself is unreasonable.

Pro Forma Forecast Financial Information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that:

(i) the Directors' best estimate assumptions used in the preparation of the Pro Forma Forecast Financial Information do not provide reasonable grounds for the Pro Forma Forecast Financial Information;

(ii) in all material respects, the Pro Forma Forecast Financial Information:

    a. is not prepared on the basis of the Directors' best estimate assumptions as described in Section 4.7 of the Prospectus;

    b. is not presented fairly in accordance with the stated basis of preparation, being the accounting policies adopted and used by the Company and the recognition and measurement principles contained in Australian Accounting Standards, applied to the Statutory Forecast Financial Information and the Pro Forma Adjustments as if those adjustments had occurred on or before 1 July 2022; and

(iii) the Pro Forma Forecast Financial Information itself is unreasonable.

Restrictions on Use

Without modifying our conclusions, we draw attention to Section 4.2.1 and the ‘Important Notices’ pages of the Prospectus, which describe the purpose of the Financial Information, being for inclusion in the Prospectus. As a result, the Independent Limited Assurance Report may not be suitable for use for another purpose.

Consent

Deloitte Corporate Finance Pty Limited has consented to the inclusion of this limited assurance report in the Prospectus in the form and context in which it is included.

Disclosure of Interest

Deloitte Corporate Finance Pty Limited does not have any interest in the outcome of this Offer other than the preparation of this report and participation in the due diligence procedures for which normal professional fees will be received.

Deloitte Touche Tohmatsu is the auditor of the Company.

Yours faithfully

DELOITTE CORPORATE FINANCE PTY LIMITED

David Hagger
Authorised Representative of
Deloitte Corporate Finance Pty Limited
(AFSL Number 241457)
AR number 461001

8. Independent Limited Assurance Report

continued

Deloitte.

November 2021

Financial Services Guide (FSG)

What is an FSG?

An FSG is designed to provide information about the supply of financial services to you.

Deloitte Corporate Finance Pty Limited (**DCF**) (AFSL 241457) provides this FSG to you, so you know how we are remunerated and who to contact if you have a complaint.

Who supplies the financial services?

We provide this FSG to you where you engage us to act on your behalf when providing financial services.

Alternatively, we may provide this FSG to you because our client has provided financial services to you that we delivered to them.

The person who provides the financial service to you is our Authorised Representative (**AR**) and DCF authorises the AR to distribute this FSG. Their AR number and contact details are in the document that accompanies this FSG.

What financial services are we licensed to provide?

We are authorised to provide financial product advice to wholesale clients in relation to derivatives, government debentures, stocks or bonds, interests in managed investment schemes, securities, and regulated emissions units (i.e. Australian carbon credit units and eligible international emissions units). We can also provide general financial product advice to retail clients in relation to the above financial products except for regulated emissions units.

We are also authorised to arrange for another person to deal in financial products in relation to:

- securities, interests in managed investment schemes, government debentures, stocks or bonds, and regulated emissions units and related derivatives to wholesale clients; and
- derivatives to retail and wholesale clients.

General financial product advice

We provide general advice when we have **not** taken into account your personal objectives, financial situation or needs, and you would not expect us to have done so. In this situation, you should consider whether our general advice is appropriate for you, having regard to your own personal objectives, financial situation or needs.

If we provide advice to you in connection with the acquisition of a financial product, you should read the relevant offer document carefully before making any decision about whether to acquire that product.

How are we remunerated?

Our fees are usually determined on a fixed fee or time cost basis plus reimbursement of any expenses incurred in providing the services. Our fees are agreed with, and paid by, those who engage us.

Clients may request particulars of our remuneration within a reasonable time after being given this FSG.

Apart from these fees, DCF, our directors and officers, and any related bodies corporate, affiliates or associates, and their directors and officers, do not receive any commissions or other benefits.

All employees receive a salary, and, while eligible for annual salary increases and bonuses based on overall performance, they do not receive any commissions or other benefits as a result of the services provided to you.

The remuneration paid to our directors reflects their individual contribution to the organisation and covers all aspects of performance.

We do not pay commissions or provide other benefits to anyone who refers prospective clients to us.

Associations and relationships

The Deloitte member firm in Australia (Deloitte Touche Tohmatsu) controls DCF. Please see www.deloitte.com/au/about for a detailed description of the legal structure of Deloitte Touche Tohmatsu.

We, and other entities related to Deloitte Touche Tohmatsu, do not have any formal associations or relationships with any entities that are issuers of financial products. However, we may provide professional services to issuers of financial products in the ordinary course of business.

What should you do if you have a complaint?

Please contact us about a concern:

The Complaints Officer
complaints@deloitte.com.au
Phone: +61 8 9365 7234

If an issue is not resolved to your satisfaction, you can lodge a dispute with the Australian Financial Complaints Authority (**AFCA**). AFCA provides fair and independent financial services dispute resolution free to consumers.

www.afca.org.au
1800 931 678 (free call)
Australian Financial Complaints Authority Limited
GPO Box 3 Melbourne VIC 3001

What compensation arrangements do we have?

Deloitte Australia holds professional indemnity insurance that covers the financial services we provide. This insurance satisfies the compensation requirements of the Corporations Act 2001 (Cth).

Deloitte Corporate Finance Pty Limited, ABN 19 003 833 127, AFSL number 241457 of Level 1 Grosvenor Place, 225 George Street, Sydney NSW 2000
Member of Deloitte Asia Pacific Limited and the Deloitte organisation.
Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited ("DTTL"), a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Deloitte Asia Pacific Limited is a company limited by guarantee and a member firm of DTTL.

Section Nine

Additional Information

9. Additional Information

9.1 Registration

The Company was incorporated in New South Wales on 6 March 1970. SaleCo was incorporated in New South Wales on 20 May 2021.

As at the Original Prospectus Date, the Company has 3,702,381 Class ‘B’ shares and 426,867,663 Class ‘C’ shares currently held by the Existing Shareholders. Immediately prior to the Completion of the Offer, the Class ‘B’ shares and the Class ‘C’ shares will convert into Shares on a 1 for 1 basis.

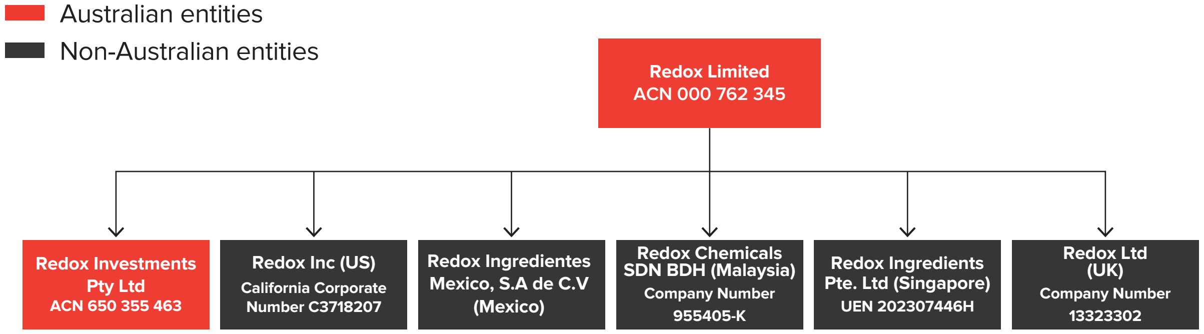
9.2 Company tax status and financial year

The Company will be taxed as an Australian tax resident company in Australia for the purposes of Australian income tax. The financial year of the Company ends on 30 June annually. The Company will be subject to tax at the prevailing Australian corporate tax rate.

9.3 Corporate structure

The following diagram shows the corporate structure of Redox following Completion of the Offer.

All entities are owned 100% unless otherwise noted
All % holdings have been prepared on a fully diluted basis



The Redox entities listed above undertake the business of Redox, as set out in this Prospectus.

9.4 Sale of Shares by SaleCo

SaleCo, a special purpose vehicle, has been established to facilitate the sale of Existing Shares by the Selling Shareholders.

Each of the Selling Shareholders has entered into a deed with the Company and SaleCo under which the relevant Selling Shareholder has agreed to sell to SaleCo some of their Existing Shares, which will be sold by SaleCo into the Offer, free from encumbrances and third-party rights.

The Existing Shares which SaleCo acquires from the Selling Shareholders will be transferred to Successful Applicants at the Offer Price. The price payable by SaleCo for these Existing Shares is the Offer Price. The Company will also issue Shares to Successful Applicants under the Offer.

SaleCo has no material assets, liabilities or operations other than its interests in and obligations under the Underwriting Agreement and the deeds described above. The sole shareholder of SaleCo is Robert Coneliano. The Directors of SaleCo are Robert Coneliano, Renato Coneliano and Ian Campbell.

The Company has agreed to provide such resources and support as are necessary to enable SaleCo to discharge its functions in relation to the Offer and has indemnified SaleCo in respect of costs of the Offer. The Company has indemnified SaleCo and the shareholders and officers of SaleCo for any loss which they may incur as a consequence of the Offer.

9.5 Material Contracts

9.5.1 Underwriting Agreement

The Company, SaleCo and the Joint Lead Managers have entered into an underwriting agreement dated 6 June 2023 (**Underwriting Agreement**), pursuant to which UBS has been appointed Sole Global Co-ordinator and Bookrunner, and the Joint Lead Managers have been appointed as lead managers and underwriters, subject to certain conditions, termination events and customary conditions precedent.

The summary of the key terms of the Underwriting Agreement does not purport to be complete.

9.5.1.1 Commission, fees and expenses

The Company must pay Sole Global Co-ordinator and Bookrunner an underwriting fee of 1.9% of the Offer proceeds and a management fee of 0.3% of the Offer proceeds on the date of Settlement. The Sole Global Co-ordinator and Bookrunner will be required to pay to Ord Minnett a proportion of the underwriting fee and management fee as determined under a mandate letter between Ord Minnett and the Sole Global Co-ordinator and Bookrunner.

A further incentive fee of up to 0.5% of the Offer proceeds is payable to the Sole Global Co-ordinator and Bookrunner at the discretion of the Company on the date of Settlement as additional consideration for managing the Offer and conducting the bookbuild.

The Sole Global Co-ordinator and Bookrunner must pay, on behalf of the Company, any broker firm fees due to any co-managers, co-lead managers and brokers appointed under the Underwriting Agreement.

The Company has also agreed to pay or reimburse the Joint Lead Managers for the reasonable costs, charges or expenses incidental to the offer.

9.5.1.2 Termination events not subject to materiality

If any of the following events has occurred or occurs at any time from the date of the Underwriting Agreement until on or before the Settlement Date, or at any time specified below, a Joint Lead Manager may terminate the Underwriting Agreement without cost or liability by notice to the Company or SaleCo:

- (**defective Prospectus**) this Prospectus does not comply with the Corporations Act or the Financial Markets Conduct Act 2013 of New Zealand (**NZ FMCA**) and the Financial Markets Conduct Regulations 2014 of New Zealand (**NZ Financial Markets Conduct Regulations**), in each case as modified by relief from the requirements of those regulations and that legislation by the regulations contained in Part 9 of the NZ Financial Markets Conduct Regulations and any applicable exemption (**NZ Financial Markets Law**) (including if a statement in this Prospectus is or becomes misleading or deceptive or is likely to mislead or deceive, or a matter required to be included is omitted from this Prospectus (including, without limitation, having regard to the provisions of Part 6D.2 of the Corporations Act, the ASX Listing Rules or any other applicable law or regulation));
- (**new circumstances**) there occurs a new circumstance that arises after this Prospectus is lodged that would have been required to be included in this Prospectus if it had arisen before lodgement;
- (**supplementary prospectus**)
  - (i) the Company and SaleCo issues, or, in the reasonable opinion of the Joint Lead Managers, is required to issue, a supplementary prospectus to comply with section 719 of the Corporations Act; or
  - (ii) the Company or SaleCo lodges a supplementary prospectus with ASIC in a form that has not been approved by the Joint Lead Managers in circumstances required under the Underwriting Agreement;

- (**market fall**) at any time the S&P/ASX 200 Index falls to a level that is 87.5% or less of the level as at the close of trading on the date of this Prospectus and is at or below that level at the close of trading:
  - (i) for 2 consecutive Business Days during any time after the date of the Underwriting Agreement; or
  - (ii) on the Business Day immediately prior to the date of Settlement;
- (**voluntary escrow deed**) any voluntary escrow deed in respect of the voluntary escrow arrangements summarised in Section 9.7 of this Prospectus is withdrawn, materially varied, terminated, rescinded, materially altered, amended or breached, or becomes void, voidable, unenforceable or there is a failure to comply with any of them (other than with the consent of the Joint Lead Managers, such consent not to be unreasonably withheld or delayed unless the alteration or amendment relates to a reduction of the Shares subject to the voluntary escrow deed or the period of restriction under the voluntary escrow deed);
- (**fraud**) the Company, SaleCo or any of their respective directors or officers (as those terms are defined in the Corporations Act) engage, or have engaged in any fraudulent conduct or activity whether or not in connection with the Offer;
- (**listing and quotation**) approval is refused or not granted, or approval is granted subject to conditions other than customary conditions, to:
  - (i) the Company's admission to the official list of ASX when required by the Underwriting Agreement;
  - (ii) the quotation of all of the Company's Shares on ASX, or for the Shares to be traded through CHESS on or before the date required by the Underwriting Agreement;
- (**notifications**) any of the following notifications are made in respect of the Offer:
  - (i) ASIC issues an order (including an interim order) under section 739 of the Corporations Act;
  - (ii) ASIC holds a hearing under section 739(2) of the Corporations Act;
  - (iii) an application is made by ASIC for an order under Part 9.5 in relation to the Offer or an Offer document or ASIC commences any investigation or hearing under Part 3 of the Australian Securities and Investments Commission Act 2001 (Cth) (**ASIC Act**) in relation to the Offer or an Offer document;
  - (iv) any person (other than the terminating Joint Lead Manager) who has previously consented to the inclusion of its name in any Offer document withdraws that consent; or
  - (v) any person (other than a Joint Lead Manager) gives a notice under section 730 of the Corporations Act in relation to an Offer document,

  unless such notification is not made public and is withdrawn within the earlier of:
  - (vi) 3 Business Days; and
  - (vii) the Business Day prior to the date of Settlement.
- (**mutual recognition**) the Company or SaleCo fails to comply in a material respect with the requirements of the Financial Markets Conduct Act 2013 and the Financial Markets Conduct Regulations of New Zealand to enable to Offer into New Zealand to proceed on the basis of this Prospectus under the Mutual Recognition Regime;
- (**NZ notifications**) any New Zealand regulatory body having jurisdiction in respect of the Offer issues an order prohibiting the Company from making the Offer under the Mutual Recognition Regime or the NZ Financial Markets Authority as defined in the NZ FMCA exercises any power under Part 8 of the Financial Markets Conduct Act 2013 of New Zealand in a manner which is materially adverse in relation to the Offer;
- (**certificate not provided**) the Company or SaleCo does not provide a company certificate as and when required by the Underwriting Agreement;
- (**breach of debt funding documents**)
  - (i) the Company or any Group member materially breaches, or defaults under, any provision, undertaking, covenant or ratio of the long-form debt facility agreements specified in the Underwriting Agreement or any related documentation to which that entity is a party;

  (ii) an event of default or event which gives a lender or financier the right to accelerate or require repayment of the debt or financing, or other similar material event occurs under or in respect of the long-form debt facility agreements specified in the Underwriting Agreement to any such debt or financing arrangement or related documentation;

- (**withdrawal**) the Company or SaleCo withdraws this Prospectus or the Offer or indicates that it does not intend to proceed with the Offer or any part of the Offer;
- (**insolvency events**) any Group member becomes insolvent, or there is an act or omission which is likely to result in a Group member becoming insolvent;
- (**timetable**) an event specified in the timetable up to and including the date of Settlement is delayed by more than 2 Business Days, other than any delay in accordance with the Underwriting Agreement;
- (**unable to issue Offer Shares**) the Company or SaleCo is prevented from transferring or allotting and issuing (as applicable) the Shares within the time required by the timetable, the Offer documents, the ASX Listing Rules, by applicable laws, an order of a court of competent jurisdiction or a governmental authority;
- (**changes to Company**) the Company:
  (i) other than in connection with the Offer, and to give effect to the capital structure as disclosed in this Prospectus, alters the issued capital of the Company or a Group member; or
  (ii) disposes or attempts to dispose of a substantial part of the business or property of the Company or a Group member,

  without the prior written consent of the Joint Lead Managers (such consent not being unreasonably withheld or delayed);
- (**regulatory approvals**) if a regulatory body withdraws, revokes or amends any regulatory approvals required for the Company to perform its obligations under the Underwriting Agreement or to carry out the transactions contemplated by the Offer documents;
- (**force majeure**) there is an event or occurrence, including any statute, order, rule, regulation, directive or request (including one compliance with which is in accordance with the general practice of persons to whom the directive or request is addressed) of any governmental agency which makes it illegal or commercially impossible for the Joint Lead Manager to satisfy an obligation under the Underwriting Agreement, or to market, promote or settle the Offer;
- (**change in management or vacancy in office**) a change in chief executive officer and managing director, executive director and marketing director, director of finance, or chairman of the Company occurs;
- (**prosecution**) any of the following occur:
  (i) a director or proposed director named in this Prospectus of the Company or SaleCo is charged with an indictable offence;
  (ii) any governmental agency commences any public action against the Company or SaleCo or any of their respective directors in its capacity as a director of the Company or SaleCo (as applicable), or announces that it intends to take action; or
  (iii) any director or proposed director named in this Prospectus of the Company or SaleCo is disqualified from managing a corporation under Part 2D.6 of the Corporations Act;
- (**disruption in financial markets**) a general moratorium on commercial banking activities in Australia, New Zealand, the People's Republic of China, Singapore, Hong Kong, the United Kingdom, the United States or a Member State of the European Union is declared by the relevant central banking authority in those countries, or there is a disruption in commercial banking or security settlement or clearance services in any of those countries.

9.5.1.3 Termination events subject to materiality

A Joint Lead Manager may terminate without cost or liability by notice to the Company or SaleCo if any of the following events occur at any time on or before the Settlement Date or at any time specified below, and the Joint Lead Manager has reasonable grounds to believe the event: (a) has, or is likely to have, a material adverse effect on the success or settlement of the Offer or on the ability of the Joint Lead Manager to settle the Offer or on the likely price at which the Shares will trade on ASX; or (b) will, or is likely to, give rise to a liability of the Joint Lead Manager under, or a contravention by the Joint Lead Manager or its affiliates or the Joint Lead Manager or its affiliates being involved in a contravention of, any applicable law:

- (**defective Offer documents**) any of the Offer documents (excluding this Prospectus), public information as specified in the Underwriting Agreement, or any aspect of the Offer does not comply with the Corporations Act or the NZ Financial Markets Law (including if a statement in any of the Offer documents or public information as specified in the Underwriting Agreement is or becomes misleading or deceptive or is likely to mislead or deceive, or a matter required to be included is omitted from an Offer document or public information (including, without limitation, having regard to the provisions of Part 6D.2 of the Corporations Act, the ASX Listing Rules or any other applicable law or regulation));
- (**forecasts**) there are not, or there ceases to be, reasonable grounds in the reasonable opinion of the Joint Lead Managers for any statement or estimate in the Offer documents which relate to a future matter;
- (**material contracts**) if any of the obligations of the relevant parties under any of the contracts that are material to the business of the Group or material contracts are not capable of being performed in accordance with their terms (in the reasonable opinion of the Joint Lead Manager) or if all or any part of any of such contracts:
  - (i) is amended or varied in a manner that would make the disclosure in this Prospectus inaccurate without the consent of the Joint Lead Managers;
  - (ii) is terminated;
  - (iii) is breached;
  - (iv) ceases to have effect, otherwise than in accordance with its terms; or
  - (v) is or becomes void, voidable, illegal, invalid or unenforceable (other than by reason only of a party waiving any of its rights) or capable of being terminated, rescinded or avoided or of limited force and affect, or its performance is or becomes illegal;
- (**disclosures in the due diligence report and any other information**) the due diligence report or verification material or any other information supplied by or on behalf of the Company or SaleCo to the Joint Lead Managers in relation to the Group or the Offer is (or is likely to), or becomes (or becomes likely to be), misleading or deceptive, including by way of omission;
- (**adverse change**) any adverse change occurs in the assets, liabilities, financial position or performance, profits, losses or prospects of the Company and the Group (insofar as the position in relation to an entity in the Group affects the overall position of the Company);
- (**change of law**) there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia, New Zealand or any State or Territory of Australia a new law, or the Reserve Bank of Australia or New Zealand, or any Commonwealth or State authority, including ASIC, adopts or announces a proposal to adopt a new policy (other than a law or policy which has been announced before the date of this agreement);
- (**breach**) there is a contravention by the Company, SaleCo or any other Group member of the Corporations Act, the *Competition and Consumer Act 2010* (Cth), ASIC Act (including any regulations under those acts), its constitution, or any of the ASX Listing Rules;
- (**representations and warranties**) a representation, warranty, undertaking or obligation contained in the Underwriting Agreement on the part of the Company or SaleCo (whether severally or jointly) is breached, becomes not true or correct or is not performed;

- (**constitution**) the Company varies any term of its constitution without the prior written consent of the Joint Lead Managers (such consent not to be unreasonably withheld or delayed) (except as required to give effect to the Constitution);
- (**legal proceedings**) any of the following occurs:
  - (i) the commencement of legal proceedings against the Company, SaleCo, any other Group member or against any director of the Company, SaleCo or any other Group member in that capacity; or
  - (ii) any regulatory body commences any enquiry or public action against a Group member;
- (information supplied) any information supplied (including any information supplied prior to the date of the Underwriting Agreement) by or on behalf of a Group Member to the Joint Lead Managers in respect of the Offer or the Group is, or is found to be, misleading or deceptive, or likely to mislead or deceive (including, by omission);
- (hostilities) hostilities not presently existing commence (whether war has been declared or not) or an escalation in existing hostilities occurs (whether war has been declared or not) involving any one or more of Australia, New Zealand, the United Kingdom, the United States, the People's Republic of China, Ukraine, or any member of the European Union or a major terrorist act is perpetrated in any of those countries;
- (certificate incorrect) a statement in any Company certificate is false, misleading, inaccurate or untrue or incorrect;
- (disruption in financial markets) any of the following occurs:
  - (i) any adverse effect on the financial markets in Australia, New Zealand, the United Kingdom, or the United States, or in foreign exchange rates; or;
  - (ii) trading in all securities quoted or listed on ASX, New Zealand Exchange, New York Stock Exchange, NASDAQ, Hong Kong Stock Exchange or the London Stock Exchange is suspended or limited in a material respect for 1 day (or a substantial part of 1 day) on which that exchange is open for trading.

9.5.1.4 Conditions, representations, warranties and undertakings

The Underwriting Agreement contains certain representations, warranties and undertakings provided by either or both of the Company and SaleCo to the Joint Lead Managers as well as customary conditions precedent. The representations and warranties provided by the Company and SaleCo relate to matters such as powers and capacities, conduct (including in relation to the Group's businesses and operations, compliance with applicable laws, the due diligence undertaking and in relation to the Offer), information provided to the Joint Lead Managers, financial information, accounting controls, litigation and other matters including intellectual property, cybersecurity and data privacy, the information technology systems, sanctions, insurance, leases and licences.

A number of representations and warranties are also given by the Joint Lead Managers to the Company and SaleCo to matters such as powers, authorisations, no directed selling efforts and no stabilisation.

The Company undertakings include amongst other undertakings that it will not (without consent of the Joint Lead Managers), at any time after the date of the Underwriting Agreement and up to 150 days after Completion of the Offer, undertake certain actions, including making certain changes to its Constitution or capital structure, and not issuing or agreeing to issue, any shares or other securities of the Company or any Group member, subject to certain limited exceptions including pursuant to an employee share plan.

9.5.1.5 Indemnity

Subject to certain exclusions, relating to, amongst other things, gross negligence, fraud, wilful misconduct or illegal acts by an indemnified party, the Company will indemnify the Joint Lead Managers and their respective representatives indemnified from losses incurred directly or indirectly in respect of the Offer.

9.5.2 Westpac Financing Facility

9.5.2.1 Description of the Facility Agreement

The Company is a party to a Multi Option Facilities Agreement with Westpac Banking Corporation (the **Financier**) dated 28 February 2022 (**WBC Facility**). The following Commitments are available under the WBC Facility:

TYPE OF FACILITY	COMMITMENT	FINAL REPAYMENT DATE
Banker's Undertaking/Performance Guarantee Facility	AUD$1,750,000 less the Outstanding Amount under the Standby Letter of Credit Facility at that time	On Demand
Trade Finance Facility	AUD$114,000,000	On Demand
Trade Finance Documentary Facility	AUD$14,000,000	On Demand
Standby Letter of Credit Facility	AUD$1,750,000 less the Outstanding Amount under the Bankers Undertaking/Performance Guarantee Facility at that time	On Demand
Overdraft Facility	AUD$250,000	On Demand
International Trade Finance Facility	NZ$2,000,000	On Demand

The Banker's Undertaking/Performance Guarantee Facility and Standby Letter of Credit Facility are uncommitted.

9.5.2.2 Use of the Facility Agreement

The Company must use a utilisation under each Facility Option for the general corporate purposes of the Group, or for any other purpose the Financier agrees in writing before providing the utilisation.

9.5.2.3 Financial covenants, undertakings and events of default under the Facility Agreement

The WBC Facility is not on the Financier's standard terms, and contains various undertakings which include but are not limited to undertakings regarding negative pledges, corporate existence, constituent documents, arm's length transactions, acquisitions and disposals, incurrence of finance debt and notification obligations in respect of defaults, change in identifiers and other events such as change of control, material change and material adverse effect.

Events of default include but are not limited to non-payment, misrepresentation, cross default, enforcement, material adverse effect, change in control and insolvency of the Company.

There are also financial covenants that the Company must ensure, as follows:

- at all times and on each quarterly testing date, an interest expense cover ratio requiring the Company to ensure that the EBITDA of the Group for the Relevant Period to the interest expense for the Relevant Period is greater than 2.50x, where the 'Relevant Period' means, in the case of a testing date, each period of 12 months ending on that testing date and in the case of any other date, each period of 12 months ending on that date; and
- on each quarterly testing date, a capital ratio requiring the ratio of (Total Tangible Assets – Total Liabilities) to Total Tangible Assets to be not less than 0.30:1.

Failure to comply with the financial covenants will constitute an event of default, and failure to comply with certain other provisions of the WBC Facility, including the undertakings, may result in an event of default. If an event of default is subsisting the Financier may by notice to the Customer, among other things, cancel the total commitments and declare all or part of the secured moneys be immediately due and payable.

9.5.2.4 Security

The Company has entered into general security deeds with the Financier and Westpac New Zealand Limited and granted a security interest over its personal and after-acquired personal property including land and interests in land and other property to which the PPSA does not apply.

The WBC Facility contains cross default provisions that will be triggered if an event of default occurs under the aforementioned security, any other finance debt of the Company becomes payable, or any other commitment for any finance debt of the Company is cancelled, as a result of an event of default under any other finance debt of the Company.

The Financier is entitled to set off or combine any credit balance of the Company in any account at any branch of the Financier against or with any debts of the Company to the Financier.

9.5.2.5 Summary of hedging arrangements

The Company is a party to an ISDA Master Agreement (**ISDA**) with the Financier under which the Company trades forward exchange contracts for foreign currency.

Both the ISDA and WBC Facility contain cross default provisions.

If any Commitment under a Facility is cancelled as a result of an event of default, the Financier may, at the Company's cost and expense, close out any hedge transactions in respect of that Facility.

9.5.3 HSBC bank financing facilities

9.5.3.1 HSBC Australia Facility

9.5.3.1.1 Description of the HSBC Australia Facility

The Company is a party to a Facility Letter with HSBC Bank Australia Limited (**HSBC Bank Australia**) dated 21 February 2022 (**HSBC Australia Facility**).

Drawings may be made under the following Facilities up to a Combined Aggregate Limit of AUD$37,000,000, provided that no drawings that would result in the Combined Aggregate Limit or certain specific sub-limits in respect of each Facility being exceeded may be requested unless HSBC Bank Australia agrees otherwise.

		COMBINED AGGREGATE LIMIT	REPAYMENT	COMMITTED/ UNCOMMITTED
Import Line comprising:		**AUD$37,000,000**		
Sub-Facility	**Limits**			
Post-Shipment Buyer Loan – Invoice Listing Sub Facility	AUD$37,000,000		On Demand	Uncommitted
Documentary Credit Sub-Facility	AUD$37,000,000		On Demand	Uncommitted

The following Facilities are offered as standalone limits and do not form part of the Combined Aggregate Limit:

	STAND ALONE LIMIT	REPAYMENT
Foreign Exchange Facility – Uncommitted and Unadvised	Uncommitted and Unadvised	On Demand
HSBC Corporate Card	AUD$1,000,000	On Demand

HSBC Bank Australia's Standard Terms (including HSBC Australia's Corporate Card and Business Card terms and conditions and HSBC Australia's Trade Services Terms and Conditions) are applicable to each of the Facilities, and the terms of the ISDA Agreement to be entered into between the Company and HSBC Bank Australia will apply to the Foreign Exchange Facility.

9.5.3.1.2 Use of the HSBC Australia Facility

The Foreign Exchange Facility must be used for FX hedging.

The Post-Shipment Import Loan Sub Facility must be used (i) to finance the Company's obligation to pay an exporter of the goods under an open account transaction against presentation of multiple invoices or an invoice listing; (ii) to finance the Company's obligation to reimburse HSBC Bank Australia under a documentary credit issued by HSBC Bank Australia pursuant to a letter of credit facility; and (iii) to finance the Company's obligation to pay an exporter of goods under an import collection transaction.

The Documentary Credit Sub-Facility must be used to establish documentary credits and process documents drawn under them.

9.5.3.1.3 Financial covenants, undertakings and events of default under the HSBC Australia Facility

HSBC Bank Australia's standard representations and warranties, undertakings and default events apply to the HSBC Australia Facility.

The following financial covenants are also special conditions under the HSBC Australia Facility:

(a) a capital ratio requiring the ratio of (Total Tangible Assets – Total Liabilities) to Total Tangible Assets to be greater than 30%;

(b) the interest cover ratio must be greater than 2.50x; and

(c) the total outstanding trade facilities (HSBC + Westpac) must be below the threshold of 80% of debtors and 60% of stock at the time of reporting, and will be tested quarterly.

The capital ratio and interest cover ratio will be tested after the first half of each financial year.

A failure by the Company to comply with the financial covenants will constitute a default event. If a default event or potential default event has occurred that has not been remedied or waived, or would result from an advance as at the date of the drawdown notice or drawdown date, the Company is not entitled to request an advance. If a default event has occurred under the general security agreement, HSBC Australia may take enforcement action in prescribed circumstances.

9.5.3.1.4 Security

The Company has entered into a general security agreement under which it has agreed to grant security interests over all of its present and after acquired property.

The HSBC Australia Facility contains cross default provisions with respect to other HSBC Bank Australia debt, and the general security agreement contains cross default provisions with respect to other HSBC Bank Australia and The Hongkong and Shanghai Banking Corporation Limited, Sydney branch debt.

HSBC Bank Australia has the right to apply any credit balance in an account of the Company with HSBC Bank Australia towards satisfaction of amounts owing to HSBC Bank Australia or an affiliate of HSBC Bank Australia or any other liabilities of the Company to any other member of the HSBC Group. HSBC Bank Australia may also purchase, at the rate it considers to be the prevailing exchange rate, such other currencies necessary to effect such application with the monies in such accounts in respect of the Import Line facilities.

9.5.3.2 HSBC NZ Facility

9.5.3.2.1 Description of the HSBC NZ Facility

The Company is a party to a Facility Agreement with The Hongkong and Shanghai Banking Corporation Limited, acting through its New Zealand branch (**HSBC NZ**) dated on or about February 2022 (**HSBC NZ Facility**), under which the following Facility is offered:

STAND ALONE LIMIT (AUD$)			**$10,000,000**	**REPAYMENT**
Line/Facility	Facility Limit (AUD$)	Sub-Facilities	Sub-Limit (AUD$)	
Import line	$10,000,000	Post-shipment buyer Loans Sub-Facility	$10,000,000	On demand

The HSBC NZ Facility is provided on the terms contained within the HSBC NZ Facility and HSBC NZ's General Conditions.

The HSBC NZ Facility is repayable on demand and able to be cancelled by HSBC NZ without notice.

9.5.3.2.2 Use of the HSBC NZ Facility

The Company can only use the HSBC NZ Facility to support the Company's New Zealand business as part of the Group's importing/wholesaling activities, unless otherwise agreed by HSBC NZ.

9.5.3.2.3 Financial covenants, undertakings and events of default under the HSBC NZ Facility

These provisions are covered by HSBC NZ's General Conditions. Events of default under HSBC NZ's General Conditions include, but are not limited to, failure to pay amounts payable, misrepresentation, cross default, insolvency, reduction of capital, material adverse effect, financial assistance and change of control. HSBC NZ is under no obligation to make an advance if as at the date of the drawdown notice or the drawdown date a default event or potential default event has occurred which has not been remedied or waived, or would result from an advance.

9.5.3.2.4 Security

The Company has entered into a general security agreement under which it has agreed to grant security interests over its present and after acquired property to secure the obligations under the HSBC NZ Facility.

The general security agreement contains cross default provisions in respect of certain security documents between the Company and HSBC NZ, and the HSBC NZ Facility contains cross default provisions in respect of any financial indebtedness in respect of any financial accommodation of the Company or its subsidiaries.

9.5.3.3 HSBC Malaysia

9.5.3.3.1 Description of the HSBC Malaysia Facility

Redox Chemicals Sdn. Bhd. (**Redox Chemicals**) is a party to a Facility Letter with HSBC Bank Malaysia Berhad (**HSBC Malaysia**) dated 23 February 2022 (**HSBC Malaysia Facility**). The Company has granted a guarantee and indemnity in respect of, and is not a borrower under, the HSBC Malaysia Facility.

The following Facilities are offered to Redox Chemicals under the HSBC Malaysia Facility:

FACILITIES		LIMIT	COMMITTED/ UNCOMMITTED
Import Line consisting of:		AUD$3,000,000	
Documentary credits	Tenor: 120 days		Uncommitted
Banker's Acceptance	Tenor: 120 days		Uncommitted
Post Shipment Buyer Loan (MYR)	Tenor: 120 days		Uncommitted
Foreign Currency Post Shipment Buyer Loan	Tenor: 120 days		Uncommitted

HSBC Malaysia may require repayment of all or part of a sub-facility on demand.

The Combined Limit applies to each sub-facility within the Import Line and total utilisation of the Import Line shall not exceed AUD$3,000,000 at any one time.

HSBC Malaysia's standard terms apply to the Facilities in addition to the terms and conditions in the Facility Letter.

9.5.3.3.2 Use of the HSBC Malaysia Facility

The Facilities are to be used to meet the Company's short-term financing requirement/working capital requirement only, and specifically to finance the Company's imports and domestic purchases.

9.5.3.3.3 Financial covenants, undertakings and events of default under the HSBC Malaysia Facility

The HSBC Malaysia Facility contains various positive covenants which include but are not limited to covenants regarding changes in senior management or internal or external business development, audited accounts and financial statements. These covenants do not relate to the Company.

Events of default include but are not limited to non-payment, misleading or incorrect information, breach of covenant or obligation, incorrect representations or warranties, cross default, acceleration of other debt, business and financial condition and change in shareholding. It is a condition precedent for a drawing or utilisation that no potential event of default and no event which with the giving of notice or lapse of time would constitute an event of default has occurred or is continuing.

It is a financial covenant under the HSBC Malaysia Facility that Redox Chemicals will not make a dividend declaration without HSBC Malaysia's consent.

Failure to comply with the financial covenant or the occurrence of any other event of default will entitle HSBC Malaysia to immediately suspend or terminate the Facilities with all sums becoming immediately due and payable.

9.5.3.3.4 Security

The Company has provided a limited guarantee and indemnity in favour of HSBC Malaysia in respect of money owed to it by Redox Chemicals. The Company's liability is limited to AUD$3,000,000 plus interest and other specified amounts.

A default under the guarantee and indemnity will trigger a cross default under the HSBC Malaysia Facility.

HSBC Malaysia has the right to debit any accounts of Redox Chemicals held with HSBC Malaysia to pay any amount due under the HSBC Malaysia Facility even if such debiting causes an overdrawn position or any relevant facility limit to be exceeded.

9.5.3.4 HSBC USA

9.5.3.4.1 Description of the Line Letter

Redox Inc., a California corporation (**Redox Inc.**) is a party to a Line Letter with HSBC Bank USA, National Association (**HSBC USA**) (**Line Letter**). The Company has agreed to guarantee the obligations of Redox Inc. under the Line Letter.

Under the Line Letter, HSBC USA extends to Redox Inc. an uncommitted discretionary demand line of credit to be used solely for the following:

	AGGREGATE LIMIT	REPAYMENT	COMMITTED/ UNCOMMITTED
Uncommitted discretionary demand line of credit	USD$12,100,000		
Commercial Letters of Credit		On Demand	Uncommitted
Post-shipment buyer loans		On Demand	Uncommitted

HSBC USA's standard terms will apply to the Commercial Letters of Credit and post-shipment buyer loans in addition to the terms and conditions in the Line Letter.

9.5.3.4.2 Financial covenants, representations, warranties and undertakings under the Line Letter

Redox Inc. is required to provide audited financial statements and accounts under the Line Letter, and HSBC USA's standard representations and warranties and undertakings apply.

9.5.3.4.3 Security

Redox Inc. has granted a first priority lien and security interest in favour of HSBC USA in and to all of its present and after-acquired right, title and interest in all fixtures and personal property of every kind and nature including but not limited to all proceeds, products, rents and profits of the foregoing and all proceeds of any insurance, indemnity, warranty or guarantee payable to Redox Inc. with respect to any of the foregoing.

The Company has agreed to provide a guarantee and indemnity in favour of HSBC USA in respect of moneys owed to HSBC USA by Redox Inc.

Redox Inc. must provide notice to USBC USA under the Line Letter upon the occurrence of any default under the aforementioned security.

HSBC USA has the right to combine or consolidate all the bank accounts of Redox Inc. held with HSBC USA and/or set off any liabilities of Redox Inc. to HSBC USA or any of HSBC Holdings plc or its subsidiaries or affiliates against any obligations owed by HSBC USA to Redox Inc. HSBC USA may also debit from any bank account which Redox Inc. holds with any of HSBC Holdings plc and its subsidiaries and affiliates any outstanding liabilities of Redox Inc. to HSBC USA or any of HSBC Holdings plc or its subsidiaries or affiliates.

9.6 Related party lease arrangements

The Company operates part of its business from premises leased by Ceneda Investments Pty Ltd (**Ceneda**), an entity controlled by Robert Coneliano, a substantial shareholder of the Company (**Related Party Leases**). The aggregate annual rent payable under these Related Party Leases in FY22 was approximately $6.3 million.

For the purposes of Chapter 2E of the Corporations Act, the Directors consider each Related Party Lease to be on arm's length terms.

The material terms of these leases are summarised in the table below. The rent payable under these leases is subject to a CPI review on each anniversary of the lease, except on the fifth and tenth anniversaries, where they will be subject to a market review. Any increase in the rent payable following a market review will be determined by agreement between the parties or failing such agreement will be as determined by an independent qualified valuer.

LOCATION	TERM	FURTHER TERMS	EXPIRY	RENT AS OF FY22[1]
144 Gilba Road, Girraween, NSW 2145	10 years	One option to renew for 5 years	30 June 2029	$320,760
2 Swettenham Road, Minto, NSW 2566	10 years	One option to renew for 5 years	30 June 2029	$1,701,480
178-180 Cavan Road, Dry Creek, SA 5094	10 years	One option to renew for 5 years	30 June 2029	$956,772
24 Gilbertson Road, Laverton North, VIC 3026	10 years	One option to renew for 5 years	30 June 2029	$485,004
26-30 Gilbertson Road, Laverton North, VIC 3026	10 years	One option to renew for 5 years	30 June 2029	$761,676
27 Howson Way, Bibra Lake, WA 6163	10 years	One option to renew for 5 years	30 June 2029	$794,736
7-11 Burr Court, Laverton North, VIC 3026	10 years	One option to renew for 5 years	30 June 2029	$573,180
776 Boundary Road, Richlands, QLD 4077	10 years	One option to renew for 5 years	30 June 2029	$1,141,200

Note:

1. Rent per annum and exclusive of GST.

9.7 Voluntary escrow arrangements

In aggregate, it is expected 367.3 million Shares will be held by the Existing Shareholders on Completion of the Offer (representing approximately 70% of the Shares on issue). The Existing Shareholders have entered into voluntary escrow deeds in respect of all of these Shares. These deeds prohibit Existing Shareholders from dealing in their Shares during the relevant Escrow Period.

The table below sets out the number of Shares they are expected to hold at Completion of the Offer and the end of the relevant Escrow Period. The table below also sets out the number of Shares they are expected to hold following the distribution of the Shares in Silvia Coneliano's estate assuming that the distribution occurs on the date of Completion of the Offer and in the manner set out in her will:

Shareholder	Number of Shares expected to be held on Completion of the Offer (but prior to the distribution of Shares in Silvia Coneliano's estate) (1)	% of total issued Shares on Completion of the Offer (but prior to the distribution of Shares in Silvia Coneliano's estate) subject to voluntary escrow	Number of Shares expected to be held following completion of distribution of Silvia Coneliano's estate (2)(6)	% of total issued Shares following completion of distribution of Silvia Coneliano's estate subject to voluntary escrow	End of Escrow Period
Management Shareholders					
Raimond Coneliano	8,635,989	1.6	13,003,236	2.5	The period ending at 4.15pm on the date on which the Company releases its financial results for the period ending 30 June 2025
Renato Coneliano and Catherine Coneliano (3)	63,171,503	12.0	63,171,503	12.0	
Robert Coneliano and Bedriye Coneliano[4]	54,203,781	10.3	54,203,781	10.3	
Richard Coneliano	11,817,445	2.3	70,492,959	13.4	
Other Management Shareholders and /or their related associated entities	53,487,370	10.2	66,589,112	12.7	
Existing Shareholders (other than Management Shareholders)					

9. Additional Information continued

Shareholder	Number of Shares expected to be held on Completion of the Offer (but prior to the distribution of Shares in Silvia Coneliano's estate) (1)	% of total issued Shares on Completion of the Offer (but prior to the distribution of Shares in Silvia Coneliano's estate) subject to voluntary escrow	Number of Shares expected to be held following completion of distribution of Silvia Coneliano's estate (2)(6)	% of total issued Shares following completion of distribution of Silvia Coneliano's estate subject to voluntary escrow	End of Escrow Period
Estate of Silvia Coneliano (5)	139,139,914	26.5	-	-	The period ending at 4.15pm on the date on which the Company releases its financial results for the period ending 30 June 2024
Claudia Walters	18,699,615	3.6	41,869,855	8.0	
Other Existing Shareholders	18,187,575	3.5	58,012,746	11.0	
TOTAL	**367,343,192**	**70.0**	**367,343,192**	**70.0**	

Note:

1. This does not include any Shares acquired through the Offer, which will also be subject to the voluntary escrow arrangements.
2. The number of Shares shown in this column assumes that the distribution of the Shares in Silvia Coneliano's estate occurs on the date of Completion of the Offer and in the manner set out in her will. Probate has been granted in connection with her estate and the distribution of Shares in her estate is expected to occur on or around the date of Completion of the Offer.
3. Renato Coneliano holds Shares directly and has an interest in the Shares held by his wife, Catherine Coneliano.
4. Robert Coneliano holds Shares directly and has an interest in the Shares held by his wife, Bedriye Coneliano.
5. Silvia Coneliano is deceased. Probate has been granted in connection with her estate and the distribution of the Shares in her estate is expected to occur on or around the date of Completion of the Offer.
6. Under the terms of a voluntary escrow deed, Silvia Coneliano's holding is subject to escrow until the period ending at 4.15pm on the date on which the Company releases its financial results for the period ending 30 June 2024. As noted in this section, under the terms of the voluntary escrow deed, during the Escrow Period, escrowed Shares may be transferred in connection with the death or incapacity of a Shareholder, provided that provided that the transferee agrees to be bound by a voluntary escrow deed in respect of the escrowed Shares transferred to them. Accordingly, the distribution of her Shares to beneficiaries under her will is subject to the transferee having entered into a voluntary escrow deed in respect of the Shares transferred to them. The Management Shareholders who are expected to receive a distribution of the Shares in Silvia Coneliano's estate based on her will have agreed that, upon receipt of those Shares, those Shares will be subject to the longer escrow period applicable to the Management Shareholders, being the period ending at 4.15pm on the date on which the Company releases its financial results for the period ending 30 June 2025. Any other Existing Shareholders who are to receive a distribution of the Shares in Silvia Coneliano's estate will be required to enter into a voluntary escrow deed on substantially the same terms as set out in the voluntary escrow deed in respect of the escrowed Shares transferred to them prior to the transfer of those Shares to them.

The restriction on 'dealing' is broadly defined and includes, among other things, to dispose of, or agree or offer to dispose of, the escrowed Shares or any legal, beneficial or economic interest in the Shares or to create or agree or offer to create any security interest in the Shares.

During the Escrow Period, an Existing Shareholder may deal in any of their escrowed Shares:

- to enable the Shareholder to accept an offer under a bona fide third-party takeover bid in respect of their Shares, provided that the holders of at least half of the Shares that are not subject to any voluntary escrow deed, and to which the offers under the takeover bid relate, have accepted an offer under the takeover bid;
- to enable the escrowed Shares to be transferred or cancelled as part of a scheme of arrangement relating to the Company under Part 5.1 of the Corporations Act;
- to enable participation in an equal access share buyback, equal access capital return or equal access capital reduction made in respect of the escrowed shares;
- as a result of a requirement of applicable law (including an order of a court of competent jurisdiction); or
- in connection with the death or incapacity of the Shareholder, provided that the transferee agrees to be bound by a deed on substantially the same terms as set out in the voluntary escrow deed in respect of the escrowed Shares transferred to them (refer to note 6 in Section 9.7).

9.8 Selling restrictions

This document does not constitute an offer of New Shares in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia or New Zealand except to the extent permitted below.

Canada (British Columbia, Ontario and Quebec provinces)

This document constitutes an offering of New Shares in the Provinces of British Columbia, Ontario and Quebec (the 'Provinces'), only to persons to whom New Shares may be lawfully distributed in the Provinces, and only by persons permitted to sell such securities. This document is not a prospectus, an advertisement or a public offering of securities in the Provinces. This document may only be distributed in the Provinces to persons who are 'accredited investors' within the meaning of National Instrument 45-106 – Prospectus Exemptions, of the Canadian Securities Administrators.

No securities commission or authority in the Provinces has reviewed or in any way passed upon this document, the merits of the New Shares or the offering of the New Shares and any representation to the contrary is an offence.

No prospectus has been, or will be, filed in the Provinces with respect to the offering of New Shares or the resale of such securities. Any person in the Provinces lawfully participating in the Offer will not receive the information, legal rights or protections that would be afforded had a prospectus been filed and receipted by the securities regulator in the applicable Province. Furthermore, any resale of the New Shares in the Provinces must be made in accordance with applicable Canadian securities laws. While such resale restrictions generally do not apply to a first trade in a security of a foreign, non-Canadian reporting issuer that is made through an exchange or market outside Canada, Canadian purchasers should seek legal advice prior to any resale of the New Shares.

The Company as well as its Directors and officers may be located outside Canada and, as a result, it may not be possible for purchasers to effect service of process within Canada upon the Company or its Directors or officers. All or a substantial portion of the assets of the Company and such persons may be located outside Canada and, as a result, it may not be possible to satisfy a judgement against the Company or such persons in Canada or to enforce a judgement obtained in Canadian courts against the Company or such persons outside Canada.

Any financial information contained in this document has been prepared in accordance with Australian Accounting Standards and also complies with International Financial Reporting Standards and interpretations issued by the International Accounting Standards Board. Unless stated otherwise, all dollar amounts contained in this document are in Australian dollars.

Statutory rights of action for damages and rescission. Securities legislation in certain Provinces may provide a purchaser with remedies for rescission or damages if an offering memorandum contains a misrepresentation, provided the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's Province. A purchaser may refer to any applicable provision of the securities legislation of the purchaser's Province for particulars of these rights or consult with a legal adviser.

Certain Canadian income tax considerations. Prospective purchasers of the New Shares should consult their own tax adviser with respect to any taxes payable in connection with the acquisition, holding or disposition of the New Shares as there are Canadian tax implications for investors in the Provinces.

Language of documents in Canada. Upon receipt of this document, each investor in Canada hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the New Shares (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. *Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.*

Cayman Islands

No offer or invitation to subscribe for New Shares may be made to the public in the Cayman Islands or from within the Cayman Islands.

China

This document has not been approved by, nor registered with, any competent regulatory authority of the People's Republic of China (excluding, for purposes of this paragraph, Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan). Accordingly, the New Shares may not be offered or sold, nor may any invitation, advertisement or solicitation for New Shares be made from, within the PRC. This document does not constitute an offer of New Shares within the PRC.

The New Shares may not be offered or sold to legal or natural persons in the PRC other than to: (i) 'qualified domestic institutional investors' as approved by a relevant PRC regulatory authority to invest in overseas capital markets; (ii) sovereign wealth funds or quasi-government investment funds that have the authorisation to make overseas investments; or (iii) other types of qualified investors that have obtained all necessary PRC governmental approvals, registrations and/or filings (whether statutorily or otherwise).

European Union

This document has not been, and will not be, registered with or approved by any securities regulator in the European Union. Accordingly, this document may not be made available, nor may the New Shares be offered for sale, in the European Union except in circumstances that do not require a prospectus under Article 1(4) of Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (the 'Prospectus Regulation').

In accordance with Article 1(4)(a) of the Prospectus Regulation, an offer of New Shares in the European Union is limited to persons who are 'qualified investors' (as defined in Article 2(e) of the Prospectus Regulation).

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the 'SFO'). Accordingly, this document may not be distributed, and the New Shares may not be offered or sold, in Hong Kong other than to 'professional investors' (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the Offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

Malaysia

No approval from, or recognition by, the Securities Commission of Malaysia has been or will be obtained in relation to any offer of New Shares. The New Shares may not be offered, sold or issued in Malaysia except pursuant to, and to persons prescribed under, Schedule 6 and Schedule 7 of the Malaysian Capital Markets and Services Act 2007.

Norway

This document has not been approved by, or registered with, any Norwegian securities regulator under the Norwegian Securities Trading Act of 29 June 2007 no. 75. Accordingly, this document shall not be deemed to constitute an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act. The New Shares may not be offered or sold, directly or indirectly, in Norway except to 'professional clients' (as defined in the Norwegian Securities Trading Act).

Singapore

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part 13 of the Securities and Futures Act 2001 of Singapore (the 'SFA') or another exemption under the SFA.

This document has been given to you on the basis that you are an 'institutional investor' or an 'accredited investor' (as such terms are defined in the SFA). If you are not such an investor, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Switzerland

The New Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange or on any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the New Shares constitutes a prospectus or a similar notice, as such terms are understood under art. 35 of the Swiss Financial Services Act or the listing rules of any stock exchange or regulated trading facility in Switzerland.

No offering or marketing material relating to the New Shares has been, nor will be, filed with or approved by any Swiss regulatory authority or authorised review body. In particular, this document will not be filed with, and the offer of New Shares will not be supervised by, the Swiss Financial Market Supervisory Authority (FINMA).

Neither this document nor any other offering or marketing material relating to the New Shares may be publicly distributed or otherwise made publicly available in Switzerland. The New Shares will only be offered to investors who qualify as 'professional clients' (as defined in the Swiss Financial Services Act). This document is personal to the recipient and not for general circulation in Switzerland.

United Arab Emirates

This document does not constitute a public offer of securities in the United Arab Emirates and the New Shares may not be offered or sold, directly or indirectly, to the public in the UAE. Neither this document nor the New Shares have been approved by the Securities and Commodities Authority ('SCA') or any other authority in the UAE.

No marketing of the New Shares has been, or will be, made from within the UAE other than in compliance with the laws of the UAE and no subscription for any securities may be consummated within the UAE. This document may be distributed in the UAE only to 'professional investors' (as defined in the SCA Board of Directors' Decision No.13/RM of 2021, as amended).

No offer or invitation to subscribe for New Shares is valid, or permitted from any person, in the Abu Dhabi Global Market or the Dubai International Financial Centre.

United Kingdom

Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ('FSMA')) has been published or is intended to be published in respect of the New Shares.

The New Shares may not be offered or sold in the United Kingdom by means of this document or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This document is issued on a confidential basis in the United Kingdom to 'qualified investors' within the meaning of Article 2(e) of the UK Prospectus Regulation. This document may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ('FPO'), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together 'relevant persons'). The investment to which this document relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this document.

Bermuda

No offer or invitation to subscribe for New Shares may be made to the public in Bermuda or in any manner that would constitute engaging in business in or from within Bermuda. In addition, no invitation is being made to persons resident in Bermuda for exchange control purposes to subscribe for New Shares.

9.9 Insurance

Redox has a range of insurance policies in place which it believes are appropriate to manage the risks of its day-to-day business and certain other activities.

There are additional, more specific policies in place to cover other relevant business risks, including property and public and products liability cover.

9.10 ASX waivers and confirmations

ASX has provided the following waivers and confirmations in respect of the ASX Listing Rules on an in-principle basis:

- confirmation that the Company has a structure and operations acceptable to ASX for admission to the Official List for the purposes of Listing Rule 1.1 (Condition 1);
- confirmation that listing rule 10.3(e) applies in relation to certain lease arrangements entered into by Redox with persons set out in Listing Rule 10.1;
- confirmation that the mandatory escrow restrictions in clauses 1, 2, 3, 4, 6, and 7 of Appendix 9B of the Listing Rules do not apply to the Company as it has a track record of revenue or profitability acceptable to ASX;
- confirmation that the terms of Redox's LTI Plan are appropriate and equitable for the purposes of Listing Rule 6.1 and Guidance Note 19;
- waiver from Listing Rule 10.14 to permit the issue of performance rights to Raimond Coneliano and Renato Coneliano referred to in Section 6.3.4.2, without Shareholder approval; and
- confirmation that the Company may undertake deferred and conditional settlement trading of Shares, subject to certain conditions to be approved by the ASX.

9.11 Taxation considerations

9.11.1 Taxation considerations generally

The comments in this Section provide a general outline of Australian tax issues for Shareholders who acquire Shares under this Prospectus and that hold Shares on capital account for Australian income tax purposes. The categories of Shareholders considered in this summary are limited to individuals, companies (other than insurance companies), trusts, partnerships and Complying Superannuation Funds that hold their shares on capital account.

This summary does not consider the consequences of Shareholders that are insurance companies, banks, Shareholders that hold their Shares on revenue account or carry on a business of trading shares, Shareholders who are exempt from Australian tax, Shareholders who acquire their shares under an employee share scheme (or similar), or Shareholders subject to the Taxation of Financial Arrangements regime in Division 230 of the ITAA 1997 (TOFA Regime) who have made elections to apply the fair value or reliance on financial reports methodologies.

This summary is based on the taxation laws in Australia in force at the time of issuance of the Original Prospectus; it does not provide comments in relation to the taxation laws of countries other than Australia. The taxation laws of Australia are complex and their interpretation may change, including with retrospective effect.

This summary is general in nature and is not intended to be an authoritative or complete statement of the applicable taxation laws.

The precise tax implications of ownership or disposal of Shares will depend upon each Shareholder's specific circumstances. Shareholders should seek professional advice on the tax implications of holding or disposing of Shares, taking into account these circumstances (including whether such Shareholders are Australian tax residents or non-residents).

9.11.2 Taxation treatment of the acquisition of Shares

The IPO involves the acquisition of Shares which will constitute equity interests for Australian tax purposes. There should be no adverse income tax consequences for the acquirer on the acquisition of equity interests.

9.11.3 Taxation treatment of dividends

The taxation treatment of dividends which may be paid to Shareholders in respect of the Shares will vary depending on whether or not the Shareholder is an Australian tax resident or a non-resident.

The taxation treatment will also vary depending on the extent to which any dividends are franked. Amongst other matters, the level of franking credits attached to dividends will depend on the amount of franking credits generated and available to the Company, through the payment by it of Australian corporate income tax.

9.11.4 Dividends received by Australian resident Shareholders

9.11.4.1 Overview

Dividends received by Australian tax resident Shareholders should be assessable income for Australian tax purposes. Generally, both the amount of the cash dividend received and an amount equal to the franking credits attached to a franked dividend must be included in assessable income in the year of receipt. In the ordinary case, an Australian tax resident shareholder would then be entitled to a franking offset against the income tax on this assessable dividend income. However, it is important to note that Shares must be held 'at risk' for a period of 45 days, in order for any Shareholder to be able to claim an offset for franking credits (as discussed further below).

The taxation treatment applicable to each category of Australian tax resident shareholder covered by this Summary is as set out below.

9.11.4.2 Individual Shareholders

An individual receiving a dividend that is unfranked should include the amount of the dividend in their assessable income, with tax being paid at the individual's marginal rate of tax.

Where the dividend is fully or partly franked, the individual's assessable income is grossed up to include the franking credit attaching to the dividend, provided they are a 'qualified person' (see below). The individual should then be entitled to a tax offset equal to the amount of the franking credit.

Where the individual's marginal rate of tax is greater than the applicable corporate tax rate (which is currently 30%, unless the Company qualifies for the lower base rate entity tax rate), further tax will be payable on the grossed up dividend. This is commonly referred to as 'top-up tax'.

Where the individual's marginal rate of tax is less than the applicable corporate tax rate, a tax offset is available to reduce tax payable on other income or alternatively result in a refund of the excess franking credits.

9.11.4.3 Corporate Shareholders

Australian resident corporate Shareholders should be required to include both the dividend and associated franking credit in their assessable income (assuming they are a ‘qualified person’). An entitlement to a tax offset may then arise in relation to any franking credit attached to the dividend. Excess franking credits received cannot give rise to a refund for a corporate Shareholder but may be converted into carry forward tax losses.

An Australian resident Corporate Shareholder should also be entitled to a credit in its own franking account to the extent of the franking credit on the distribution received. This will allow the corporate Shareholder to pass on the benefit of the franking credits to its own investor(s) on the payment of franked dividends.

9.11.4.4 Complying Superannuation Funds

Complying Superannuation Funds (which can include Self-Managed Superannuation Funds) should generally be assessable on the dividend and gross up the franked dividend in the same way as individuals and corporate Shareholders.

A Complying Superannuation Fund Shareholder receiving an unfranked dividend should ordinarily pay tax on this dividend at the rate of 15%.

To the extent dividends are franked, the Complying Superannuation Fund Shareholder should include in its assessable income the amount of dividend received and the amount of any franking credits attached to that dividend (assuming they are a ‘qualified person’). The Complying Superannuation Fund tax rate should then be applied to the grossed up dividend. The franking credit should be available to offset tax payable on other income of the Complying Superannuation Fund or alternatively result in a refund of the excess franking credits.

For completeness, some Complying Superannuation Funds may be exempt from income tax on income derived from Shares held, where the assets are held to support current pension liabilities. Such Shareholders may be entitled to a refund equal to the franking credit attached to the dividend.

9.11.4.5 Trusts and partnerships

Shareholders who are trustees (other than trustees of Complying Superannuation Funds) or partnerships should include the franking credit in determining the net income of the trust or partnership. Subject to satisfaction of the qualified person rules, such Shareholders should also include any franking credit attached to the dividend in their net income. As a result, a relevant beneficiary or partner may be entitled to a tax offset equal to the beneficiary’s or partner’s share of the franking credit received by the Shareholder.

Notably, as the qualified person rules (discussed below) can be complex in the context of distributions received indirectly via a trust or partnership, it is recommended that Shareholders seek independent advice on the tax consequences arising in these circumstances.

9.11.4.6 Qualified Persons

Broadly, to be considered a ‘qualified person’, a Shareholder must satisfy the holding period rule including, if necessary, the related payment rule. The benefit of franking credits can be denied where these rules are failed and the Shareholder is not a qualified person.

The holding period rule requires a Shareholder to hold the Shares ‘at risk’ for at least 45 days continuously, in the period beginning the day after the day on which the Shareholder acquires the Shares and ending on the 45th day after the day on which the Shares become ex-dividend. The date the Shares are acquired and disposed of is ignored for the purposes of determining the 45-day period. Additionally, any day on which a Shareholder has a materially diminished risk of loss or opportunity for gain (e.g. through transactions such as granting certain options over the Shares) should not be counted as a day on which the Shareholder held the Shares ‘at risk’.

The holding period rule is subject to certain exceptions, including where the total franking offsets of an individual Shareholder are less than A$5,000 in franking credits from all sources for the income year. Special rules also apply to trusts and beneficiaries.

Under the related payment rule, a different testing period applies where the Shareholder has made, or is under an obligation to make, a related payment in relation to the dividend. The related payment rule requires the Shareholder to have held the Shares at risk for the continuous 45-day period (as above) but within the limited period commencing on the 45th day before, and ending on the 45th day after, the day the Shares become ex-dividend.

Shareholders should seek independent professional advice to determine if the qualified person requirements (as they apply to them) have been satisfied.

9.11.4.7 Dividend washing

Dividend washing rules can apply such that no tax offset is available (nor is an amount required to be included in assessable income in relation to an attached franking credit) for a dividend received. Broadly, the rules can apply where Shareholders seek to obtain additional franking benefits by disposing of Shares ex-dividend and re-purchasing a substantially equivalent parcel of Shares cum-dividend on a special market.

Shareholders should seek independent, professional advice to determine whether such rules may apply to them, having regard to their individual circumstances.

9.11.5 Dividends received by non-resident Shareholders

The taxation treatment of dividends received by non-resident Shareholders will depend on whether the dividends paid are franked or unfranked.

Non-resident Shareholders may also be subject to income tax on the receipt of such dividends in their local jurisdictions. It is strongly recommended that independent advice is sought in this regard.

For completeness, the comments below do not apply to non-resident Shareholders who hold their Shares in connection with an Australian permanent establishment (e.g. a branch in Australia). Non-resident shareholders who find themselves in this situation should similarly seek independent advice.

9.11.5.1 Franked Dividends

Non-resident Shareholders should not be subject to Australian tax (including Australian dividend withholding tax) to the extent that dividends are franked.

9.11.5.2 Unfranked Dividends

It may be necessary for the Company to withhold tax from unfranked dividends paid to non-resident Shareholders and remit the tax to the ATO. In this regard, where unfranked dividends are paid to non-resident Shareholders, and the unfranked dividends are not declared to be ‘conduit foreign income’, Australian dividend withholding tax would generally be deducted from the gross dividends paid.

The withholding tax rate on the payment of unfranked dividends per Australia’s domestic income tax law is 30%. However, where the Shareholder is resident of a country with which Australia has entered into a double tax treaty, then the rate at which withholding tax is applied may be lower (e.g. 15%).

9.11.6 Taxation treatment of disposal of Shares

As noted above, the following overview of Australian tax implications associated with the disposal of Shares is confined to Shareholders who hold their shares on capital account for Australian income tax purposes.

9.11.7 Disposal of Shares by Australian resident Shareholders

The disposal of a Share by an Australian tax resident Shareholder should give rise to a CGT event. In this regard, the Shareholder should:

- make a capital gain where the capital proceeds received on the disposal of the Share exceed the cost base of the Share; or
- make a capital loss where the capital proceeds received on the disposal of the Share are less than the reduced cost base of the Share.

Where the Shareholder is a partnership, the partners of that partnership (and not the partnership itself) should ordinarily be treated as realising any capital gain or capital loss arising from the disposal (in their proportionate shares).

In the case of an arm's length on-market sale, the capital proceeds should generally be equal to the amount received for the disposal of the Share. The cost base and reduced cost base of a Share should, subject to applicable modifications, broadly equal the amount paid to acquire the Share plus any non-deductible incidental costs of acquisition and disposal (such as brokerage).

If a Shareholder is an individual, trust or Complying Superannuation Fund and has held the Share for at least 12 months or more before disposal of the Share (and certain other requirements have been met), the Shareholder should generally be entitled to a 'CGT discount' for any capital gain made on the disposal of the Share. Where the CGT discount applies, any capital gain arising (after applying any available capital losses) may be reduced by:

- 50% in the case of individuals and entities acting as trustees (other than for a trust that is a Complying Superannuation Fund); or
- one-third in the case of Complying Superannuation Funds.

Where the Shareholder is the trustee of a trust (other than the trustee of a Complying Superannuation Fund) that has held the Shares for at least 12 months (as above) before disposal, the CGT discount may flow through to the beneficiaries of the trust if those beneficiaries are not companies. Shareholders that are trustees should seek specific advice regarding the tax consequences of distributions to beneficiaries who may qualify for discounted capital gains.

Shareholders that are companies are not entitled to a CGT discount.

Any resulting net capital gain is included in a Shareholder's assessable income.

Where the disposal results in a net capital loss and the Shareholder has no remaining capital gains to offset, the capital loss is carried forward and may be available to be offset against capital gains in future years (subject to the satisfaction of any applicable loss recoupment rules). Capital losses cannot be used to reduce ordinary assessable income (only capital gains).

9.11.8 Disposal of Shares by non-resident Shareholders

Generally, for Australian income tax purposes, non-resident Shareholders may disregard any capital gain or capital loss arising from the disposal of shares in Australian resident companies under Division 855 of the ITAA 1997.

Notwithstanding the above comments, certain non-resident Shareholders may still be subject to Australian CGT where the Shares constitute Taxable Australian Property (TAP). Broadly, the Shares should only constitute TAP if both of the following requirements are satisfied:

- the Shareholder (together with any associates) holds an interest of at least 10% of the Shares in the Company at the time of the disposal, or for a 12-month period in the 24 months preceding the disposal; and
- the Company is land rich for Australian income tax purposes (i.e. broadly, more than 50% of the market value of the Company's assets is comprised of Australian real property interests and/or certain interests in respect of Australian minerals).

Shares may also constitute TAP if they are held in connection with a permanent establishment in Australia (e.g. an Australian branch).

Based on the understanding that the Company is not currently land rich for Australian income tax purposes, any capital gain or loss arising to a non-resident Shareholder on disposal of the Shares may not relate to TAP and may therefore be disregarded (subject to confirming the existence of a relevant permanent establishment). However, this will need to be assessed at the time of the actual disposal of the Shares.

For completeness, it is possible that non-resident Shareholders may be subject to tax in respect of the disposal of a Share in their local jurisdiction. It is strongly recommended that independent advice is sought in this regard.

9.11.9 Quotation of Tax File Number

It is not compulsory for Australian tax resident Shareholders to provide the Company with details of their Tax File Number ('TFN') or Australian Business Number ('ABN'). However, a failure to quote a TFN or ABN (or proof of exemption) to the Company will result in the Company being required to withhold and remit tax at the top marginal rate (currently 45% plus 2% Medicare levy) from unfranked dividends paid to the relevant Australian resident Shareholder. The amount withheld in these circumstances should be available as a credit against the Shareholder's tax liability.

Non-resident Shareholders should generally qualify for an exemption from such withholding.

9.11.10 Goods and Services Tax ('GST')

No GST should be applicable to the issue or transfer of Shares given that, under current law, shares in a company are an input-taxed financial supply for GST purposes. However, Shareholders may incur GST on costs that relate to their participation in the IPO and should seek their own independent advice in relation to the GST implications.

9.11.11 Stamp Duty

To the extent that the Company is not a landholder for stamp duty purposes in any Australian jurisdiction, no stamp duty should be payable by Shareholders on acquisition of the Shares.

9.11.12 Litigation and claims

As far as the Directors are aware, there is no current or threatened civil litigation, arbitration proceeding or administrative appeal, or criminal or Governmental prosecution of a material nature in which the Company is directly or indirectly concerned, which is likely to have a material adverse impact on the business or financial position of the Company.

9.12 Consents to be named and disclaimers of responsibility

Each of the parties listed below in this Section 9.12, each a consenting party, to the maximum extent permitted by law, expressly disclaims all liabilities in respect of, makes no representations regarding and takes no responsibility for, any statements in or omissions from this Prospectus, other than the reference to its name in the form and context in which it is named and a statement or report included in this Prospectus with its consent as specified below.

Each of the parties listed below has given and has not, at the time of lodgement of this Prospectus with ASIC, withdrawn its written consent to the inclusion of statements in this Prospectus that are specified below in the form and context in which the statements appear:

- UBS has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as Sole Global Co-ordinator and Bookrunner, Joint Lead Manager and Financial Adviser in the form and context in which it is named;
- Ord Minnett has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as Joint Lead Manager to the Offer in the form and context in which it is named;
- Shaw and Partners Limited and Wilsons Corporate Finance Limited have given, and have not withdrawn prior to the lodgement of this Prospectus with ASIC, their written consent to be named in this Prospectus as Co-Lead Managers to the Offer in the form and context in which they are named;
- Herbert Smith Freehills has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as Australian legal adviser (other than in relation to taxation matters) to the Company and SaleCo in relation to the Offer in the form and context in which it is named;
- Deloitte Corporate Finance Pty Limited has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as Investigating Accountant to the Company in relation to the Financial Information in the form and context in which it is named and to the inclusion of the Independent Limited Assurance Report on the Financial Information set out in Section 8 in the form and context in which it appears in this Prospectus;
- Deloitte Tax Services Pty Limited has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as tax adviser to the Company in the form and context in which it is named;
- Deloitte Touche Tohmatsu has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as auditor for the Company in the form and context in which it is named;
- Computershare Investor Services Pty Ltd has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as Share Registry of the Company in the form and context in which it is named. Computershare has had no involvement in the preparation of any part of this Prospectus other than being named as Share Registry of the Company. Computershare has not authorised or caused the issue of, and expressly disclaims and takes no responsibility for, any part of the Prospectus;
- Carbon Neutral has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus in the form and context in which it is named and in relation to the inclusion in this Prospectus of references to the Carbon Neutral Report in the form and context in which they are included; and
- Frost & Sullivan has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus in the form and context in which it is named and in relation to the inclusion in this Prospectus of references to its Independent Market Report in the form and context in which they are included. Frost & Sullivan takes no responsibility for any part of this Prospectus other than any reference to its name and its report.

9.13 Ownership restrictions

The sale and purchase of Shares in Australia are regulated by a number of laws that restrict the level of ownership or control by any one person (either alone or in combination with others). This Section 9.13 contains a general description of these laws.

9.13.1 Corporations Act

The takeover provisions in Chapter 6 of the Corporations Act restrict acquisitions of shares in listed companies, and unlisted companies with more than 50 members, if the acquirer's (or another party's) voting power would increase to above 20%, or would increase from a starting point that is above 20% and below 90%, unless certain exceptions apply. The Corporations Act also imposes notification requirements on persons having voting power of 5% or more in the Company either themselves or through an associate.

9.13.2 *Foreign Acquisitions and Takeovers Act 1975* (Cth) and Federal Government Foreign Investment Policy

Generally, the *Foreign Acquisitions and Takeovers Act 1975* (Cth) (**FATA**) applies to acquisition of shares and voting power in a company of 20% or more by a single foreign person and its associates (**Substantial Interest**), or 40% or more by two or more un-associated foreign persons and their associates (**Aggregate Substantial Interest**). Where a foreign person holds a Substantial Interest in the Company or foreign persons hold an Aggregate Substantial Interest in the Company, the Company will itself be a 'foreign person' for the purposes of FATA.

In addition, FATA applies to acquisitions of a direct interest in an Australian company by foreign governments and their related entities irrespective of the acquisition value. Under the FATA a 'direct interest' will typically include any investment of 10% or more of the shares (or other securities or equivalent economic interest or voting power) in an Australian company but also includes an investment of 5% where the investor has entered a legal arrangement relating to the businesses of the target or an investment of any percentage where the investor obtains potential influence or control over the target. There are exemptions which can apply to certain acquisitions.

Where FATA applies to the acquisition, the acquisition may not occur unless notice of it has been given to the Federal Treasurer and the Federal Treasurer has either notified that there is no objection to the proposed acquisition (with or without conditions) or a statutory period has expired without the Federal Treasurer objecting.

An acquisition to which the FATA applies may be the subject of a divestment order by the Federal Treasurer unless the process of notification, and either a non-objection notification or expiry of a statutory period without objection, has occurred. Criminal offences and civil penalties can apply to failing to give notification of certain acquisitions, undertaking certain acquisitions without non-objection notification or contravening a condition in a non-objection notification.

9.14 Costs of the Offer

The costs of the Offer are expected to be approximately $14.8 million (excluding GST). These costs will be borne by the Company from the proceeds of the Offer.

9.15 Governing law

This Prospectus and the contracts that arise from the acceptance of the Applications and bids under the Prospectus are governed by the laws applicable in New South Wales and each Applicant submits to the exclusive jurisdiction of the courts of New South Wales.

9.16 Statement of Directors

This Prospectus is authorised by each director of the Company and SaleCo who consents to its lodgement with ASIC and its issue. No director of the Company or SaleCo has withdrawn their consent.

Section Ten

Significant Accounting Policies

10. Significant Accounting Policies

10.1 Basis of preparation

The principal accounting policies adopted in the preparation of the Financial Information included in Section 4 of this Prospectus are set out below. These accounting policies are consistent with the last statutory general purpose financial statements of Redox (the 'Group') for the financial year ended 30 June 2022.

10.2 Functional and presentation currency

The financial information is presented in Australian dollars, which is the functional currency of the parent entity and the presentation currency.

10.3 Historical cost convention

The financial information has been prepared on the basis of historical cost except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss.

10.4 Significant Accounting Policies

As set out in Section 4, the Group has prepared consolidated pro forma financial information for FY21 and FY22 from the statutory general purpose financial statements of the Company. The principal accounting policies set out below reflect the pro forma accounting policies of the Group on a go forward basis.

10.4.1 Basis of consolidation

The consolidated financial information incorporates the financial information of the Group and entities controlled by the Group (its subsidiaries) made up to 30 June each year.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group's accounting policies.

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

10.4.2 Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value.

Acquisition-related costs are recognised in profit or loss as incurred.

10.4.3 Revenue recognition

Revenue from the sale of Redox's products is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties.

Revenue from the sale of goods is recognised when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. A receivable is recognised by the Group when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

10.4.4 Foreign currencies

In preparing the financial statements of the individual companies, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date.

For the purpose of presenting consolidated financial information, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a separate component of equity.

10.4.5 Taxation

10.4.5.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Group supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

10.4.5.2 Deferred tax

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of 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.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realised, based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

10.4.5.3 Current tax and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

10.4.6 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss.

Depreciation is recognised so as to write off the cost or valuation of assets using the straight-line method, on the following bases:

CLASS OF PROPERTY, PLANT AND EQUIPMENT	DEPRECIATION RATE
Buildings improvements	2.5% to 4.0%
Plant and equipment	7.5% to 40%
Motor vehicles	12.5% to 20%
Computers	25% to 40%
Lease plant and equipment	20% to 40%
Furniture and fittings	5% to 13%

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

10.4.7 Impairment of tangible assets

At each reporting date, 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 to determine the extent of the impairment loss (if any).

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

10.4.8 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average cost method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

10.4.9 Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

10.4.10 Financial instruments

Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument. All recognised financial assets are measured initially at fair value and subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

The Group's financial assets at amortised cost include trade receivables.

Derivative instruments are initially measured at fair value, and are subsequently remeasured to their fair value at the end of each reporting period. The Group's derivative instruments do not qualify for hedge accounting, and changes in fair value of those instruments are recognised in profit and loss.

10.4.10.1 Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on trade receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime expected credit losses (ECL) for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

10.4.11 Financial liabilities

Financial liabilities are classified, at initial recognition, as loans and borrowings or payables, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, and loans and borrowings.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired.

10.4.12 AASB 16 *Leases*

The date of initial application of AASB 16 for the Group is 1 July 2019. The Group has applied AASB 16 using the modified retrospective approach.

AASB 16 has changed how the Group accounts for leases previously classified as operating leases under AASB 117, which were off balance sheet.

Applying AASB 16, for all leases (except as noted below), the Group:

- recognises right-of-use assets and lease liabilities in the consolidated statement of financial position, initially measured at the present value of the future lease payments;
- recognises depreciation of right-of-use assets and interest on lease liabilities in profit or loss; and
- separates the total amount of cash paid into a principal portion (presented within financing activities) and interest (presented within financing activities) in the consolidated statement of cash flows.

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

The lease liability is presented as a separate line in the consolidated statement of financial position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease. The right-of-use assets are presented as a separate line in the consolidated statement of financial position.

10.4.13 Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand, demand deposits and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of change in value.

10.4.14 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

10.4.15 Employee benefits

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

Liabilities recognised in respect of employee benefits expected to be settled within 12 months are measured at their nominal values using the remuneration rate expected to apply at the time of settlement. Liabilities made in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the Group in respect of services provided by employees up to the reporting date.

10.4.16 Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the GST incurred is not recoverable from the tax authority.

10.4.17 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, there is a requirement to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

10.4.17.1 Impairment testing of receivables

When measuring expected credit losses, the Group uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

10.4.17.2 Useful lives of property, plant and equipment

The Group reviews the estimated useful lives of property, plant and equipment at the end of each reporting period.

Section Eleven

Glossary

11. Glossary

Term	Meaning
$m	million dollars.
H1, H2	first half, second half.
A$, AUD$, Dollar or $	Australian dollars unless otherwise stated.
AAS and AASB	Australian Accounting Standards and Australian Accounting Standards Board.
AASB 16	Australian Accounting Standard AASB 16 *Leases*.
ABN	Australian Business Number.
Accounting Standards	accounting standards, principles and practices applying by law or otherwise generally accepted and consistently applied in Australia.
Active customers	customers who have purchased a product from Redox over the past 12 months.
Administration expenses	Largely employee related expenses including salaries and wages, bonuses and on-costs.
AEST	Australian Eastern Standard Time.
Aggregate Substantial Interest	has the definition given in Section 9.13.2.
ANZ	Australia and New Zealand.
Applicant	a person who submits an Application.
Application	an application made to subscribe for Shares offered under this Prospectus.
Application Form	the application form attached to or accompanying this Prospectus and any supplementary or replacement Prospectus (including the electronic form provided by an online application facility).
Application Monies	the amount of money accompanying an Application Form submitted by an Applicant.
ASAE	Australian Standard on Assurance Engagements.

Term	Meaning
ASAE 3450	Australian Standard on Assurance Engagements ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information.*
ASIC	the Australian Securities and Investments Commission.
ASX	ASX Limited (ABN 98 008 624 691) or, as the context requires, the financial market operated by it.
ASX Listing Rules or Listing Rules	the listing rules of ASX.
ASX Recommendations	the fourth edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations.
ASX Settlement Operating Rules	the settlement rules of ASX as amended, varied or waived from time to time.
ATO	Australian Taxation Office.
Board or **Board of Directors**	the board of Directors of the Company.
Broker	any ASX participating organisation selected by the Sole Global Co-ordinator and Bookrunner and the Company to act as a Broker to the Offer (including, in the case of the Broker Firm Offer to New Zealand resident retail clients, a New Zealand affiliate of an ASX participating organisation).
Broker Firm Offer	the offer of Shares under this Prospectus to Australian and New Zealand resident retail clients of Brokers who have received a firm allocation from their Broker.
Broker Firm Offer Applicant	a person who submits an Application under the Broker Firm Offer.
Broker Firm Offer Application Form	an application form attached to or accompanying this Prospectus (including any electronic form provided by an online application facility) in respect of the Broker Firm Offer.
Business Day	a day on which trading takes place on the stock market of ASX.
CAGR	compound annual growth rate.

11. Glossary continued

Term	Meaning
Capital expenditure	represents costs related to the acquisition of property, plant and equipment.
Ceneda	Ceneda Investments Pty Ltd.
CEO	Chief Executive Officer.
Carbon Neutral	Carbon Neutral Pty Ltd.
Chairman	the Chairman of the Board of Directors of the Company.
CGT	Capital Gains Tax.
CHESS	Clearing House Electronic Subregister System, operated in accordance with the ASX Listing Rules and the ASX Settlement Operating Rules.
Closing Date	the date on which the Offer is expected to close, being 27 June 2023. This date may be varied without prior notice.
Co-Lead Managers	Shaw and Partners Limited (ABN 24 003 221 583) and Wilsons Corporate Finance Limited (ABN 65 057 547 323)
the Company, us or **our**	Redox Limited ABN 92 000 762 345.
Completion of the Offer	the date on which Shares are issued or transferred to successful applicants in accordance with the terms of the Offer.
Complying Superannuation Funds	has the definition given in Section 9.11.4.4.
Constitution	the Company's Constitution following Completion of the Offer.
Corporations Act	the *Corporations Act 2001* (Cth).
Corporations Regulations	the *Corporations Regulations 2001* (Cth).
Cost of Sales	relates to the direct costs of purchasing Redox's products, including the costs of in-house value-added services applied to those products through mixing, blending and formulation and the shipping costs of transporting products to Redox's warehouses as described in Section 3.4.2.

Term	Meaning
COVID-19	the coronavirus pandemic.
CPI	consumer price index.
Deed	the deed executed by each Selling Shareholder, the Company and SaleCo in respect of the offer for sale of some or all of that Selling Shareholder's Shares to SaleCo.
Depreciation and amortisation	includes the depreciation of plant and equipment, and right-of-use assets.
DIO	days inventory outstanding.
Directors	the directors of the Company.
Distribution and storage expenses	comprises the cost of using non-operated third-party storage locations to store product, and the cost of local freight carriers.
EBIT	earnings or losses before interest and taxation, including unrealised currency revaluations from forward foreign exchange contracts.
EBIT margin	EBIT expressed as a percentage of Redox's revenue.
EBITDA	net profit/(loss) before interest on debt (including interest on the lease liability recognised under AASB 16), income tax benefit/(expense), depreciation (including depreciation on the right-of-use assets recognised under AASB 16) and amortisation (including amortisation of capitalised development costs).
EBITDAFX	net profit/(loss) before interest on debt (including interest on the lease liability recognised under AASB 16), income tax benefit/(expense), depreciation (including depreciation on the right-of-use assets recognised under AASB 16) and amortisation (including amortisation of capitalised development costs) and unrealised currency revaluations on Redox's open forward exchange contracts at period end as described in Section 4.2.4.
EBITDAFX margin	EBITDAFX expressed as a percentage of Redox's revenue.
Eligible Gift Offer Employees	persons who are resident in Australia and permanent full-time or permanent part-time employees of the Company, or a subsidiary of it, for no less than 12 months as at 5.00pm (AEST) on 31 May 2023 (provided that they remain so employed and have not given, or been given, notice to terminate employment when the Employee Gift Offer closes, and who have received an offer from the Company to acquire $1,000 worth of shares in the Company at no cost.

Term	Meaning
Eligible Priority Employees	persons who are residents in Australia or New Zealand and permanent full-time or permanent part-time employees of the Company, or a subsidiary of it, as at 5.00pm (AEST) on 31 May 2023 (provided that they remain so employed and have not given, or been given, notice to terminate employment when the Employee Offer closes), and who have received an offer from the Company to participate in the Employee Offer.
Employee Gift Offer	the offer of Shares under this Prospectus to Eligible Gift Offer Employees, as described in Section 7.3.3.
Employee Offer	the offer of Shares under this Prospectus to Eligible Priority Employees, as described in Section 7.3.2.
Escrowed Shares	The Shares which are subject to voluntary escrow arrangements as set out in Section 9.7.
Escrow Period	the period ending at: • in respect of the Management Shareholders (including Raimond Coneliano and Renato Coneliano), 4.15pm on the date on which the Company releases its financial results for the period ending 30 June 2025; and • in respect of the Other Existing Shareholders, 4.15pm on the date on which the Company releases its financial results for the period ending 30 June 2024.
Executive Management Team	those persons listed in Section 6.2.
Existing Shares	the Shares held by the Existing Shareholders.
Existing Shareholders	those persons holding Shares as at the Prospectus Date.
Expiry Date	the date that is 13 months after the Original Prospectus Date.
Exposure Period	the seven-day period after the Original Prospectus Date, which may be extended by ASIC for up to an additional seven days.
FATA	*Foreign Acquisitions and Takeovers Act 1975* (Cth).
Financial Information	Historical Financial Information and Forecast Financial Information collectively described in Section 4.1.1.
Forecast Financial Information	Statutory Forecast Financial Information and Pro Forma Forecast Financial Information.

Term	Meaning
FTE	full-time equivalent.
FY21, FY22, FY23F and FY24F	financial year ended or ending 30 June 2021, 30 June 2022, 30 June 2023 and 30 June 2024 respectively.
Gross margin	gross profit divided by sales.
Gross Profit	revenue less cost of sales.
Group	the Company and the entities which are the Company's wholly owned or controlled entities.
GST	goods and services tax.
Guidance Note 19	Guidance Note 19 Performance Securities.
H1 FY22, H1 FY23	half-years or periods ending 31 December 2021 and 31 December 2022 respectively.
HIN	Holder Identification Number for CHESS.
Historical Financial Information	Statutory Historical Financial Information and Pro Forma Historical Financial Information.
HSBC Bank Australia	HSBC Bank Australia Limited ABN 48 006 434 162.
HSBC Malaysia	HSBC Bank Malaysia Berhad.
HSBC NZ	The Hongkong and Shanghai Banking Corporation Limited incorporated in the Hong Kong SAR, acting through its New Zealand branch.
HSBC USA	HSBC Bank USA, National Association.
IASB	International Accounting Standards Board.
IFRS	International Financial Reporting Standards.
Independent Limited Assurance Report	the report in Section 8.

11. Glossary continued

Term	Meaning
Independent Market Expert or **Frost & Sullivan**	Frost & Sullivan Australia Pty Limited.
Independent Market Report	the report prepared by the Independent Market Expert.
Institutional Investor	investors who are: • persons in Australia who are wholesale clients under Section 761G of the Corporations Act and either '**professional investors**' or '**sophisticated investors**' under sections 708(11) and 708(8) of the Corporations Act; • persons in New Zealand who are "wholesale investors" within the meaning of clause 3(2) of Schedule 1 of the Financial Markets Conduct Act 2013 of New Zealand; and • Institutional investors in certain other jurisdictions, as agreed by the Company and the Sole Global Co-ordinator and Bookrunner to whom offers of Shares may lawfully be made without the need for a lodged or registered Prospectus or other form of disclosure document or filing with, or approval by, any governmental agency (except one with which the Company is willing in its discretion to comply); in each case purchasing the Offer Shares in an "offshore transaction" (within the meaning of Rule 902(h) under the U.S. Securities Act) in compliance with Regulation S under the U.S. Securities Act.
Institutional Offer	the invitation to Institutional Investors under this Prospectus to acquire Shares, as described in Section 7.4.
Investigating Accountant	Deloitte Corporate Finance Pty Limited.
IPO or **Offer**	the offer under this Prospectus of ordinary shares in the Company and the sale of a proportion of the existing Shares in the Company by SaleCo.
ITAA 1997	the *Income Tax Assessment Act 1997* (Cth).
Joint Lead Managers	UBS and Ord Minnett.
Line Letter	a Line Letter with HSBC Bank USA, dated 14 March 2022 and amended and restated on 31 August 2022, to which Redox Inc. is a party.
Listing	the commencement of trading in Shares on the Official List of the ASX.
LTIs	long-term incentive awards.

Term	Meaning
Management	members of the Executive Management Team.
Management Shareholders	those persons holding Shares as at the Prospectus Date who are also members of the Executive Management Team, and Robert Coneliano, Bedriye Coneliano, Catherine Coneliano and Christopher Perrins.
Mutual Recognition Regime	the mutual recognition regime established under subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 of New Zealand and Part 9 of the Financial Markets Conduct Regulations 2014 of New Zealand.
Net Cash/(Debt)	total borrowings and lease liabilities less cash and cash equivalents.
Net cash flow	net cash flow before Offer impacts and Offer costs, after proceeds from the drawdown/(repayment) of debt and distributions.
Net cash flow before financing and tax	cash generated from operations after capital expenditure as described in Section 4.8.7.
New Shareholders	Investors who subscribe or will subscribe for Shares in the Offer.
New Shares	157.7 million Shares to be issued by the Company under the Offer.
Non-Executive Director	a Director who is not part of the Executive Management Team.
Non-Cash Items	expenses included in EBITDA of a non-cash nature.
NOPAT	earnings before interest and taxation, taxed at the corporate tax rate for the specified period, being 30%.
NPAT	net profit after tax.
Offer	the offer of Shares under this Prospectus.
Offer Period	the period commencing from the Opening Date of the Offer and ending on the applicable Closing Date.
Offer Price	A$2.55 per Share.
Official List	the official list of ASX.

11. Glossary continued

Term	Meaning
Opening Date	the opening date for receipt of Application Forms under this Prospectus being 21 June 2023.
Ord Minnett	Ord Minnett Limited ABN 86 002 733 048.
Original Prospectus	the prospectus issued by the Company and SaleCo dated 13 June 2023 which was lodged with ASIC on that date and is replaced by this Prospectus.
Original Prospectus Date	the date on which the Original Prospectus was lodged with ASIC, being 13 June 2023.
Other Existing Shareholders	Existing Shareholders other than Management Shareholders.
Ppt	percentage point
Pro Forma Financial Information	Pro Forma Historical Financial Information and Pro Forma Forecast Financial Information, collectively.
Pro Forma Forecast Cash Flows	Pro Forma Forecast Consolidated Cash Flows for FY23F and FY24F.
Pro Forma Forecast Financial Information	Pro Forma Forecast Income Statement and Pro Forma Forecast Cash Flows, collectively.
Pro Forma Forecast Income Statement	Pro Forma Forecast Consolidated Income Statements for FY23F and FY24F.
Pro Forma Historical Cash Flows	Pro Forma Historical Consolidated Cash Flows for FY21, FY22, H1 FY22 and H1 FY23.
Pro Forma Historical Financial Information	Pro Forma Historical Income Statement, Pro Forma Historical Cash Flows and Pro Forma Historical Statement of Financial Position, collectively.

Term	Meaning
Pro Forma Historical Income Statement	Pro Forma Historical Consolidated Income Statements for FY21, FY22, H1 FY22 and H1 FY23.
Pro Forma Historical Statement of Financial Position	Pro Forma Historical Consolidated Statement of Financial Position as at 31 December 2022.
Prospectus	this document (including the electronic form of this Prospectus) and any supplementary or replacement Prospectus in relation to this document.
Prospectus Date	the date on which this Prospectus was lodged with ASIC, being 21 June 2023.
Q3 FY23	three months ending 31 March 2023.
Redox	the Company and its subsidiaries, and as the context requires, the business operated by those entities.
Related Bodies Corporate	any of the Joint Lead Managers' respective affiliates or related bodies corporate (as defined in the Corporations Act).
Retail Offer	The Broker Firm Offer, the Employee Offer and the Employee Gift Offer as described in Sections 7.3.1, 7.3.2 and 7.3.3.
Return on Invested Capital	NOPAT divided by average invested capital (being the average of the beginning and ending balance of total equity plus net debt including other financial assets and lease liabilities over the specified period).
Revenue	revenue is measured net of applicable goods and sales tax (GST), returns, refunds, chargebacks and discounts.
SaleCo	Redox Group Limited ACN 650 345 332.
Selling Shareholders	initial Selling Shareholders and other Existing Shareholders who will sell existing Shares through SaleCo.
Settlement	the settlement in respect of the Shares the subject of the Offer occurring under the Underwriting Agreement and associated settlement support arrangements.
Share	a fully paid ordinary share in the capital of the Company and, where the context permits, means the Shares the subject of the Offer.

11. Glossary continued

Term	Meaning
Shareholders	the holders of Shares, and, prior to Completion of the Offer, includes a holder of Class 'B' shares and Class 'C' shares in the Company.
Share Registry	Computershare Investor Services Pty Ltd.
SKUs	stock-keeping units.
STIs	short-term incentive awards.
Sole Global Co-ordinator and Bookrunner or UBS	UBS Securities Australia Limited ABN 62 008 586 481.
SRN	Securityholder Reference Number.
Statutory Financial Information	Statutory Historical Financial Information and Statutory Forecast Financial Information.
Statutory Forecast Cash Flows	Statutory Forecast Consolidated Cash Flows for FY23F and FY24F.
Statutory Forecast Financial Information	comprises the Statutory Forecast Income Statement and Statutory Forecast Cash Flows.
Statutory Forecast Income Statement	Statutory Forecast Consolidated Income Statements for FY23F and FY24F.
Statutory Historical Cash Flows	Statutory Historical Consolidated Cash Flows for FY21, FY22, H1 FY22 and H1 FY23.
Statutory Historical Financial Information	Statutory Historical Income Statement, Statutory Historical Cash Flows and Statutory Historical Statement of Financial Position, collectively.
Statutory Historical Income Statement	Statutory Historical Consolidated Income Statements for FY21, FY22, H1 FY22 and H1 FY23.

Term	Meaning
Statutory Historical Statement of Financial Position	Statutory Historical Consolidated Statement of Financial Position as at 31 December 2022.
Substantial Interest	has the definition given in Section 9.13.2.
Successful Applicant	an Applicant who is issued or transferred Shares under the Offer.
TAP	Taxable Australian Property.
TFN	Tax File Number.
TOFA Regime	the Taxation of Financial Arrangements regime in Division 230 of the ITAA 1997.
TSR	total shareholder return.
Underwriting Agreement	The underwriting agreement dated 6 June 2023 between the Company and the Joint Lead Managers as described in Section 9.5.1.
United States, USA or **US**	United States of America.
U.S. Securities Act	U.S. Securities Act of 1933, as amended.
VWAP	volume-weighted average price of Shares.
Westpac	Westpac Banking Corporation ABN 33 007 457 141.
Working Capital	the sum of trade and other receivables, inventory, prepayments and other current assets less trade and other payables, accruals, contract liabilities, provisions and other current liabilities.

Application Forms

Broker Firm Offer Application Form

Enquiries:

☎ **Phone:**
1800 955 908 (within Australia)
+61 3 9415 4163 (outside Australia)

Redox Limited
ABN 92 000 762 345

Broker Code

Adviser Code

Broker Firm Offer Application Form

This Application Form is important. If you are in doubt as to how to deal with it, please contact your professional advisers without delay. You should read the Redox Limited replacement prospectus dated 21 June 2023 (**Prospectus**) carefully before completing this Application Form. The Corporations Act prohibits any person from passing on this Application Form (whether in paper or electronic form) unless it is attached to or accompanies a complete and unaltered copy of the Prospectus (whether in paper or electronic form).

A **I/we apply for**

Shares in Redox Limited at A$2.55 per Share or such lesser number of Shares which may be allocated to me/us.

B **I/we lodge full Application Monies**

A$.

C **Individual/Joint applications - refer to naming standards overleaf for correct forms of registrable title(s)**

Title or Company Name Given Name(s) Surname

Joint Applicant 2 or Account Designation

Joint Applicant 3 or Account Designation

D **Enter the postal address - include State and Postcode**

Unit Street Number Street Name or PO Box/Other information

City/Suburb/Town State Postcode

E **Enter your contact details**

Contact Name

Telephone Number - Business Hours

( )

F **CHESS Participant**

Holder Identification Number (HIN)

X

Please note that if you supply a CHESS HIN but the name and address details on your form do not correspond exactly with the registration details held at CHESS, your application will be deemed to be made without the CHESS HIN, and any Shares issued as a result of the Offer will be held on the issuer sponsored subregister.

G **Cheque payment details, if applicable**

Drawer	Cheque Number	BSB Number	Account Number	Amount of cheque
				A$

Cheques should be drawn up according to the instructions provided by your Broker.

By submitting this Application Form:

- I/we represent and warrant that I/we have read and understood the Prospectus to which this Application Form relates in full;
- I/we declare that this Application is complete and lodged according to the Prospectus, and any relevant Supplementary Prospectus, and the declarations/statements on the reverse of this Application Form;
- I/we declare that all details and statements made by me/us (including the declaration on the reverse of this Application Form) are complete and accurate;
- I/we declare that each Applicant, if a natural person, is at least 18 years old;
- I/we declare that I/we are not in the United States or other place outside Australia or New Zealand;
- I/we declare that I/we are an Australian and New Zealand resident;
- I/we agree to be registered as the holder of Shares and I/we agree to be bound by the Constitution of Redox Limited; and
- I/we provide authorisation for the Company, Registry and the Joint Lead Managers to do anything on your behalf necessary for Shares to be allotted to you.

See overleaf for completion guidelines ➔

How to complete this Broker Firm Offer Application Form

A **Number of Shares applied for**
Enter the number of Shares you wish to apply for. The minimum application size for investors is $2,000 worth of Shares and in multiples of $500 worth of Shares thereafter.

B **Application Monies**
Enter the amount of Application Monies. To calculate the amount, multiply the number of Shares applied for in Step A by the Issue Price of A$2.55.

C **Applicant Name(s)**
Enter the full name you wish to appear on the statement of shareholding. This must be either your own name or the name of a company. Up to 3 joint Applicants may register. You should refer to the table below for the correct forms of registrable title. Applications using the wrong form of names may be rejected. Clearing House Electronic Subregister System (CHESS) participants should complete their name identically to that presently registered in the CHESS system.

D **Postal Address**
Enter your postal address for all correspondence. All communications to you from the Registry will be mailed to the person(s) and address as shown. For joint Applicants, only one address can be entered.

E **Contact Details**
Enter your contact details. These are not compulsory but will assist us if we need to contact you regarding this Application.

F **CHESS**
Redox Limited participates in CHESS, operated by ASX Settlement Pty Limited, a wholly owned subsidiary of ASX Limited. If you are a CHESS participant (or are sponsored by a CHESS participant) and you wish to hold Shares issued to you under this Application on the CHESS Subregister, enter your CHESS HIN. Otherwise, leave this section blank and on issue, you will be sponsored by Redox Limited and allocated a Securityholder Reference Number (SRN).

G **Payment**
If you have been contacted by your Broker regarding the Broker Firm Offer, you should ask your Broker for information about how and when to lodge this Application Form, and how to make your payment. Generally, you will lodge this Application Form with your Broker in accordance with their instructions.

Before completing the Application Form the Applicant(s) should read the Prospectus to which this Application relates. By lodging the Application Form, the Applicant agrees that this Application for Shares in Redox Limited is upon and subject to the terms of the Prospectus and the Constitution of Redox Limited, agrees to take any number of Shares that may be issued to the Applicant(s) pursuant to the Prospectus and declares that all details and statements made are complete and accurate. It is not necessary to sign the Application Form.

Lodgement of Application

The Broker Firm Offer opens at 9.00am (Sydney time) 21 June 2023 and is expected to close at 5.00pm (Sydney time) 27 June 2023**.** Redox Limited, in consultation with the Joint Lead Managers, may elect to vary these dates and times without notice.

If you have been contacted by your Broker regarding the Broker Firm Offer, you should ask your Broker for information about how and when to lodge this Application Form, and who to make your cheque payable to. Generally, you will lodge this Application Form and cheque payment with your Broker in accordance with their instructions. Do NOT lodge this Application form with the Share Registry.

Your Broker must receive your completed Application Form and Application Monies (if applicable) in time to arrange settlement on your behalf by the Closing Date.

Privacy Notice

The personal information you provide on this form is collected by Computershare Investor Services Pty Ltd (**CIS**), as registrar for the securities issuer (the issuer), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the issuer may authorise us on their behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting CIS using the details provided overleaf or emailing privacy@computershare.com.au. We may be required to collect your personal information under the *Corporations Act 2001* (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to the issuer for whom we maintain securities registers or to third parties upon direction by the issuer where related to the issuer's administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at http://www.computershare.com/au.

Correct forms of registrable title(s)

Note that ONLY legal entities are allowed to hold Shares. Application Forms must be in the name(s) of a natural person(s), companies or other legal entities acceptable to Redox Limited. At least one full given name and the surname is required for each natural person. Application Forms cannot be completed by persons less than 18 years of age. Examples of the correct form of registrable title are set out below.

Type of Investor	Correct Form of Registration	Incorrect Form of Registration
Individual: use given names in full, not initials	Mr John Alfred Smith	JA Smith
Company: use the company's full title, not abbreviations	ABC Pty Ltd	ABC P/L or ABC Co
Joint Holdings: use full and complete names	Mr Peter Robert Williams & Ms Louise Susan Williams	Peter Robert & Louise S Williams
Trusts: use the trustee(s) personal name(s)	Mrs Susan Jane Smith <Sue Smith Family A/C>	Sue Smith Family Trust
Deceased Estates: use the executor(s) personal name(s)	Ms Jane Mary Smith & Mr Frank William Smith <Est John Smith A/C>	Estate of late John Smith or John Smith Deceased
Minor (a person under the age of 18): use the name of a responsible adult with an appropriate designation	Mr John Alfred Smith <Peter Smith A/C>	Master Peter Smith
Partnerships: use the partners personal names	Mr John Robert Smith & Mr Michael John Smith <John Smith and Son A/C>	John Smith and Son
Long Names	Mr John William Alexander Robertson-Smith	Mr John W A Robertson-Smith
Clubs/Unincorporated Bodies/Business Names: use office bearer(s) personal name(s)	Mr Michael Peter Smith <ABC Tennis Association A/C>	ABC Tennis Association
Superannuation Funds: use the name of the trustee of the fund	Jane Smith Pty Ltd <Super Fund A/C>	Jane Smith Pty Ltd Superannuation Fund

REDOX

Enquiries:

☎ **Phone:**
1800 955 908 (within Australia)
+61 3 9415 4163 (outside Australia)

Redox Limited
ABN 92 000 762 345

Broker Code

Adviser Code

Broker Firm Offer Application Form

This Application Form is important. If you are in doubt as to how to deal with it, please contact your professional advisers without delay. You should read the Redox Limited replacement prospectus dated 21 June 2023 (**Prospectus**) carefully before completing this Application Form. The Corporations Act prohibits any person from passing on this Application Form (whether in paper or electronic form) unless it is attached to or accompanies a complete and unaltered copy of the Prospectus (whether in paper or electronic form).

A **I/we apply for**

Shares in Redox Limited at A$2.55 per Share or such lesser number of Shares which may be allocated to me/us.

B **I/we lodge full Application Monies**

A$.

C **Individual/Joint applications - refer to naming standards overleaf for correct forms of registrable title(s)**

Title or Company Name Given Name(s) Surname

Joint Applicant 2 or Account Designation

Joint Applicant 3 or Account Designation

D **Enter the postal address - include State and Postcode**

Unit Street Number Street Name or PO Box/Other information

City/Suburb/Town State Postcode

E **Enter your contact details**

Contact Name

Telephone Number - Business Hours
( )

F **CHESS Participant**

Holder Identification Number (HIN)

X

Please note that if you supply a CHESS HIN but the name and address details on your form do not correspond exactly with the registration details held at CHESS, your application will be deemed to be made without the CHESS HIN, and any Shares issued as a result of the Offer will be held on the issuer sponsored subregister.

G **Cheque payment details, if applicable**

Drawer	**Cheque Number**	**BSB Number**	**Account Number**	**Amount of cheque**
				A$

Cheques should be drawn up according to the instructions provided by your Broker.

By submitting this Application Form:

- I/we represent and warrant that I/we have read and understood the Prospectus to which this Application Form relates in full;
- I/we declare that this Application is complete and lodged according to the Prospectus, and any relevant Supplementary Prospectus, and the declarations/statements on the reverse of this Application Form;
- I/we declare that all details and statements made by me/us (including the declaration on the reverse of this Application Form) are complete and accurate;
- I/we declare that each Applicant, if a natural person, is at least 18 years old;
- I/we declare that I/we are not in the United States or other place outside Australia or New Zealand;
- I/we declare that I/we are an Australian and New Zealand resident;
- I/we agree to be registered as the holder of Shares and I/we agree to be bound by the Constitution of Redox Limited; and
- I/we provide authorisation for the Company, Registry and the Joint Lead Managers to do anything on your behalf necessary for Shares to be allotted to you.

See overleaf for completion guidelines ➔

How to complete this Broker Firm Offer Application Form

A Number of Shares applied for
Enter the number of Shares you wish to apply for. The minimum application size for investors is $2,000 worth of Shares and in multiples of $500 worth of Shares thereafter.

B Application Monies
Enter the amount of Application Monies. To calculate the amount, multiply the number of Shares applied for in Step A by the Issue Price of A$2.55.

C Applicant Name(s)
Enter the full name you wish to appear on the statement of shareholding. This must be either your own name or the name of a company. Up to 3 joint Applicants may register. You should refer to the table below for the correct forms of registrable title. Applications using the wrong form of names may be rejected. Clearing House Electronic Subregister System (CHESS) participants should complete their name identically to that presently registered in the CHESS system.

D Postal Address
Enter your postal address for all correspondence. All communications to you from the Registry will be mailed to the person(s) and address as shown. For joint Applicants, only one address can be entered.

E Contact Details
Enter your contact details. These are not compulsory but will assist us if we need to contact you regarding this Application.

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Company: use the company's full title, not abbreviations	ABC Pty Ltd	ABC P/L or ABC Co
Joint Holdings: use full and complete names	Mr Peter Robert Williams & Ms Louise Susan Williams	Peter Robert & Louise S Williams
Trusts: use the trustee(s) personal name(s)	Mrs Susan Jane Smith <Sue Smith Family A/C>	Sue Smith Family Trust
Deceased Estates: use the executor(s) personal name(s)	Ms Jane Mary Smith & Mr Frank William Smith <Est John Smith A/C>	Estate of late John Smith or John Smith Deceased
Minor (a person under the age of 18): use the name of a responsible adult with an appropriate designation	Mr John Alfred Smith <Peter Smith A/C>	Master Peter Smith
Partnerships: use the partners personal names	Mr John Robert Smith & Mr Michael John Smith <John Smith and Son A/C>	John Smith and Son
Long Names	Mr John William Alexander Robertson-Smith	Mr John W A Robertson-Smith
Clubs/Unincorporated Bodies/Business Names: use office bearer(s) personal name(s)	Mr Michael Peter Smith <ABC Tennis Association A/C>	ABC Tennis Association
Superannuation Funds: use the name of the trustee of the fund	Jane Smith Pty Ltd <Super Fund A/C>	Jane Smith Pty Ltd Superannuation Fund

Corporate Directory

Company's registered office

Redox Limited

2 Swettenham Road
Minto NSW 2566

Sole Global Co-ordinator and Bookrunner, Joint Lead Manager and Financial Adviser

UBS Securities Australia Limited

Level 16, Chifley Tower, 2 Chifley Square
Sydney NSW 2000

Joint Lead Manager

Ord Minnett Limited
Level 18, Grosvenor Place, 225 George Street
Sydney NSW 2000

Co-Lead Managers

Shaw and Partners Limited
Level 7, Chifley Tower, 2 Chifley Square
Sydney NSW 2000

Wilsons Corporate Finance Limited
Level 32, Governor Macquarie Tower, 1 Farrer Place
Sydney NSW 2000

Investigating Accountant

Deloitte Corporate Finance Pty Limited

Quay Quarter Tower
50 Bridge Street
Sydney NSW 2000

Tax Adviser

Deloitte Tax Services Pty Limited

Quay Quarter Tower
50 Bridge Street
Sydney NSW 2000

Legal Adviser

Herbert Smith Freehills

Level 34, ANZ Tower, 161 Castlereagh Street
Sydney NSW 2000

Independent Market Expert

Frost & Sullivan Australia Pty Limited

Level 36, Governor Phillip Tower, 1 Farrer Place
Sydney NSW 2000
Australia

Share Registry

Computershare Investor Services Pty Ltd

Yarra Falls, 452 Johnston Street
Abbotsford VIC 3067

Redox Offer Information Line

Between 8.30am and 5.00pm Sydney time,
Monday to Friday

Toll free within Australia

1800 955 908

Outside Australia

+61 3 9415 4163

Offer website

redox.com/investors

Company website

www.redox.com

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