Clover Corporation Limited
ABN 85 003 622 866

ASX ANNOUNCEMENT **18 October 2024**

The Manager
Company Announcements Office
ASX limited
20 Bridge Street
SYDNEY NSW 2000

2024 ANNUAL REPORT & NOTICE OF ANNUAL GENERAL MEETING

Enclosed are the following documents relating to Clover Corporation Limited, which were mailed to shareholders today for the 2024 Annual general Meeting:

- AGM Notice of Meeting
- Proxy forms
- 2024 Annual Report

A copy of the 2024 Annual Report has been mailed to shareholders and will also be placed in the 'ASX Announcements' section of the Clover website at the following URL:

http://www.clovercorp.com.au/en/invest-our-business/asx-announcements/

Signed for and on behalf of Clover Corporation Limited

Andrew Allibon

Andrew Allibon

Company Secretary

Clover Corporation Limited
ACN 003 622 866

39 Pinnacle Road
Altona North, Victoria, 3025

Telephone + 61 3 8347 5000
Facsimile + 61 3 9369 8900

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting (**AGM**) of Clover Corporation Limited (**Company**) will be held at 11:00am on Tuesday 19th November 2024 at PKF Offices, Level 15, 500 Bourke Street, Melbourne, Victoria, Australia and via webcast (see connection details below) using the online platform at https://meetnow.global/MGJ2NUM

Business of the Meeting

The Notice of Meeting describes the business that will be proposed at the Meeting and sets out the procedures for your attendance and voting. The AGM is an important forum for our shareholders, giving you the opportunity to consider the performance of the Company and hear from the Board, as well as vote on items of business. Shareholders, proxy holders and authorised corporate representatives will have reasonable opportunity to ask questions during the AGM.

Format of the Meeting

We are pleased to be able to meet face to face with our shareholders again. The Board has decided to hold the 2024 AGM as a hybrid meeting – allowing shareholders to attend in person or to participate on line. The meeting will commence with myself and the MD presenting our report for the year, followed by the Items of Business.

Information as to how shareholders may attend the AGM is provided in this Notice of Meeting.

Attending in Person

The health of our shareholders, employees and other meeting attendees is of paramount importance. We ask that you do not attend the AGM in person if you are feeling unwell or have been in recent contact with someone who may have been affected by COVID-19 or other communicable diseases.

Annual Report

Clover's Annual Report for the year ended 31 July 2024 is available at https://www.clovercorp.com.au/en/invest-our-business/reports-and-presentations

Board Recommendations

The Board recommends that shareholders vote in favour of resolutions 2 and 3 set out in the Notice of Meeting. Where a Director has a personal interest in a resolution, he or she makes no recommendation as to how shareholders should vote on that resolution. Similarly because resolution 1 concerns the adoption of the remuneration report, in view of the nature and purpose of the resolution the Board does not make any recommendation in respect of it.

My fellow Directors and I look forward to your participation at the AGM and appreciate your continued support.

Rupert Harrington
Chairman

ITEMS OF BUSINESS

Annual financial and other reports

To receive the Company's financial report, directors' report and auditor's report for the year ended 31 July 2024.

Resolution 1 — Adoption of remuneration report

To consider and if thought fit pass the following resolution as an **ordinary resolution**:

> That the remuneration report for the year ended 31 July 2024 be adopted.

Note: The remuneration report is set out on pages 14 to 23 of the Company's 2024 annual report. The vote on this resolution is advisory only and does not bind the directors of the Company.

Resolution 2 — Re-election of Mr Rupert Harrington as a director

To consider and if thought fit pass the following resolution as an **ordinary resolution**:

> That Mr Rupert Harrington, who retires in accordance with article 16 of the Company's constitution and, being eligible, stands for re-election, be re-elected as a director of the Company.

Resolution 3 — Approval of acquisition of FY25 performance rights by Managing Director under long term incentive plan

To consider and if thought fit pass the following resolution as an **ordinary resolution**:

> That the acquisition by the Managing Director of up to 582,356 performance rights for the year ending 31 July 2025 (**FY25 performance rights**) in accordance with the Company's long term incentive plan which entitle him to fully paid ordinary shares in the Company for no cash consideration subject to the satisfaction of performance conditions and otherwise on and subject to the terms summarised in the explanatory statement accompanying the notice of this meeting, be approved for the purpose of rule 10.14 of the ASX Listing Rules, and for all other purposes.

Dated: 18 October 2024

By order of the board

Andrew Allibon

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Andrew Allibon
Chief Financial Officer and Company Secretary

Notes:

1. A member entitled to attend and vote at this meeting is entitled to appoint not more than two other persons as the member's proxy or proxies, or attorney or attorneys, to attend and vote on behalf of the member.

2. Where two proxies or attorneys are appointed, the appointment is of no effect unless each proxy or attorney, as the case may be, is appointed to represent a specified proportion of the member's voting rights.

3. A proxy need not be a member.

4. A proxy form accompanies this notice. To be valid it must be received together with the power of attorney or other authority (if any) under which the form is signed, or a certified copy of that power or authority, not less than 48 hours before the time for holding the meeting, namely by 11:00 am (Melbourne time) on Sunday, 17 November 2024:

   (a) at the registered office of the Company, by:

      (1) hand delivery or post to 39 Pinnacle Road, Altona North, Victoria, 3025;

      (2) facsimile on +61 3 9369 8900; or

      (3) email at andrewa@nu-mega.com; or

   (b) at the Company's share registrar, Computershare Investor Services Pty Ltd (**Computershare**), by:

      (1) post to GPO Box 242, Melbourne, Victoria, 3001; or

      (2) facsimile on 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia);

   or online through www.investorvote.com.au or by such other electronic means specified in the proxy form.

5. Regulation 7.11.37 determination: A determination has been made by the board of directors of the Company under regulation 7.11.37 of the *Corporations Regulations* 2001 (Cth) that those persons who are registered as the holders of shares in the Company as at 7:00 pm (Melbourne time) on Sunday 17, November 2024 will be taken to be the holders of shares for the purposes of determining voting entitlements at the meeting.

6. **Webcast:** If you are unable to attend the meeting in person, there will be a webcast of the meeting available online which will allow you to view the proceedings live. This facility allows members or their representatives to listen to live proceedings (including viewing visual presentations), ask questions verbally or via a live text facility and vote at the appropriate time while the meeting is in progress using a computer, mobile phone or other device with access to the internet. Details about how to join and participate in the webcast are set out below:

   Securityholders must use the Computershare Meeting Platform to attend and participate in the meeting.

   To participate in the meeting, you can log in by entering the following URL https://meetnow.global/MGJ2NUM on your computer, tablet or smartphone.

   Online registration will open 30 minutes before the meeting.

   To make the registration process quicker, please have your SRN/HIN and registered postcode or country code ready. Proxyholders will need to contact Computershare prior to the meeting to obtain their login details.

To participate in the meeting online follow the instructions below.

1. Click on 'Join Meeting Now'.
2. Enter your SRN/HIN. Proxyholders will need to contact Computershare on +61 3 9415 4024 prior to the meetings to obtain their login details.
3. Enter your postcode registered to your holding if you are an Australian securityholder. If you are an overseas securityholder select the country of your registered holding from the drop down list.
4. Accept the Terms and Conditions and 'Click Continue'.

More information on how to use the online voting platform is explained at:

[https://www.computershare.com.au/onlinevotingguide]

Voting exclusion statements:

The Company will disregard:

1. any votes cast on resolution 1 (adoption of remuneration report) by or on behalf of a member (**KMP Member**) of the key management personnel for the consolidated entity of which the Company is part (details of whose remuneration are included in the remuneration report for the year ended 31 July 2024, and includes each director of the Company), or a closely related party of a KMP Member, unless the vote is cast as a proxy for a person entitled to vote:

   (a) in accordance with a direction on the proxy form; or

   (b) by a person chairing the meeting pursuant to an express authorisation on the proxy form to exercise the proxy as they see fit, even though item 1 is connected with the remuneration of the KMP Members;

2. any votes cast in favour of resolution 3 (approval of acquisition of performance rights by Managing Director under long term incentive plan) by or on behalf of:

   (a) any director of the Company who is eligible to participate in the long term incentive plan in respect of which approval of the Managing Director's participation is sought (including the Company's Managing Director, Mr Peter Davey); or

   (b) an associate of that person or those persons;

   however, this does not apply to a vote cast in favour of resolution 3 if it is cast by:

   (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or

   (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or

   (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided:

      (1) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and

      (2) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

In accordance with section 250BD of the *Corporations Act 2001* (Cth), a vote also must not be cast on resolution 3 as a proxy by a KMP Member, or a closely related party of that person, unless it is cast as proxy for a person entitled to vote in accordance with their directions. This restriction on voting undirected proxies does not apply to the chair of the meeting where the proxy appointment expressly authorises the chair of the meeting to exercise undirected proxies even if the resolution is connected, directly or indirectly, with the remuneration of a KMP Member.

The Chairman of the Company, if he chairs the meeting as expected, intends to vote undirected proxies held by him in favour of each resolution. Please refer to the proxy form accompanying this notice of meeting for more information.

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ACN 003 622 866

39 Pinnacle Road
Altona North, Victoria, 3025

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ANNUAL GENERAL MEETING
EXPLANATORY STATEMENT

1. General information

This explanatory statement is dated 18 October 2024. It is an important document and should be read carefully. It comprises part of, and should be read in conjunction with, the notice of annual general meeting of Clover Corporation Limited (**Clover** or **Company**) to be held on Tuesday, 19 November 2024 at 11:00am.

If you do not understand its contents or are not sure what to do, you should consult your stockbroker or other professional adviser.

If you have any questions regarding the matters set out in this explanatory statement (or elsewhere in the notice of annual general meeting), you may contact the Company Secretary, Andrew Allibon, by telephone (+61 3 8347 5001) or e-mail andrewa@nu-mega.com or the Company's share registrar, Computershare Investor Services Pty Ltd, by telephone:

1300 850 505 (within Australia)

+61 3 9415 4000 (outside Australia)

between 8:30 am and 5:00 pm (Melbourne time) Monday to Friday (except public holidays).

2. Resolution 1 — Adoption of remuneration report

There will be an opportunity for shareholders at the annual general meeting (**AGM**) of the Company to comment on and ask questions about the remuneration report, which appears on pages 14 to 23 of the Company's 2024 annual report.

An electronic copy of the Company's 2024 annual report is available on the Company's website at https://www.clovercorp.com.au/media/vcrcw1d4/clover-2024-annual-report.pdf

The vote on the proposed resolution adopting the remuneration report is advisory only and will not bind the Company or its directors. However, the board will take the outcome of the vote into consideration when reviewing the Company's remuneration policy and practices.

The *Corporations Act 2001* (Cth) (**Corporations Act**) contains a 'two strikes' rule in relation to remuneration reports. Briefly, if at two consecutive AGMs 25% or more votes are cast against the resolution that the Company's remuneration report be adopted, a 'spill resolution' must be put to the vote at the second AGM. The spill resolution is that another meeting of the Company's shareholders be held within 90 days to consider the appointment of new directors in place of those directors (other than the managing director) who were directors at the time the board resolution was passed to make the directors' report (in which the remuneration report was included).

At the Company's 2023 AGM, less than 25% of votes were cast against the resolution that the remuneration report be adopted. Accordingly, there is no requirement to allow for a possible spill resolution at this year's AGM.

Board recommendation:

In view of the nature and purpose of resolution 1, the directors make no recommendation as to how shareholders vote on this resolution.

3. Resolution 2 — Re-election of Mr Rupert Harrington as a director

Article 16.1(a) of the Company's constitution states that at each AGM of the Company one-third of the directors (other than the managing director) of the Company must retire from office. Further article 16.2(a) states that a director (other than the managing director) must retire from office no later than the third AGM following his or her last election or appointment by a general meeting.

A retiring director is eligible to stand for re-election.

In accordance with these requirements, Mr Rupert Harrington retires by rotation at this year's AGM and, being eligible, stands for re-election.

Mr Harrington is an experienced company director with over 30 years' experience as a non-executive director of companies operating in manufacturing, industrial services, health and technology. He has been involved in private equity since 1987 and is considered to be one of the key founders of the Australian industry.

Mr Harrington has been a non-executive director of the Company since 1 July 2015 and became Chairman of the Board and Nomination Committee in September 2017.

Mr Harrington is a non-executive director of Pro-Pac Limited (ASX:PPG) since 2016 and was previously a non-executive director of Integral Diagnostics Limited, Bradken Limited, Advent Partners and others.

He is a member of the Australian Institute of Company Directors.

Board recommendation:

The directors (other than Mr Rupert Harrington) recommend that shareholders vote in favour of resolution 2.

4. Resolution 3 — Approval of acquisition of FY25 performance rights by Managing Director under long term incentive plan

Under the Company's long term incentive plan, the Company (with shareholder approval) has previously issued to its Managing Director, Mr Peter Davey, the following performance rights, which at the date of this explanatory statement are outstanding:

- 255,199 performance rights for the year ended 31 July 2023 (**FY23 performance rights**).
- 249,712 performance rights for the year ended 31 July 2024 (**FY24 performance rights**)

Subject to resolution 3 being approved, the Company proposes to issue Mr Davey a further 582,356 performance rights for the year ending 31 July 2025 (**FY25 performance rights**) under the long-term incentive plan.

The proposed terms of these FY25 performance rights are summarised below:

Nature of performance rights	Each FY25 performance right entitles Mr Davey to acquire 1 fully paid ordinary share in the Company for no cash consideration, subject to the satisfaction of certain performance conditions (and subject to adjustment for bonus issues, rights offers and other share capital reconstructions)

Performance conditions	The FY25 performance rights are subject to the satisfaction of the following performance conditions: • For 20% of the performance rights, the performance condition is based on the average of the Company's net profit after tax for the financial year ending 31 July 2025 (**FY25**), the financial year ending 31 July 2026 (**FY26**) and the financial year ending 31 July 2027 (**FY27**) being specific growth targets on NPAT set by the Board reflecting both top line growth and development of new projects. • For 20% of the performance rights, the performance condition is based on the average of the Company's net profit after tax for FY25, FY26 and FY27 being growth targets on NPAT set by the Board reflecting both top line growth and development of new projects. • For 20% of the performance rights, the performance condition is based on certain strategic initiatives having been initiated which are expected to achieve significant growth and benefit and these benefits having been partially but not fully realised by FY27. • For 20% of the performance rights, the performance condition is based on certain strategic initiatives that significantly broaden the Company's performance by FY27. • For the remaining 20% of the performance rights, the performance condition is based on certain human resources and corporate culture measurements derived from annual employee opinion surveys in respect of FY25, FY26 and FY27. Where the board determines that the performance condition for any FY25 performance rights has not been satisfied, those rights will not be able to be exercised and will cease to exist once the board makes its determination. Where the board determines that the performance condition for any FY25 performance rights has been satisfied, the Company is required to notify Mr Davey in writing, and once notified those performance rights 'vest' and Mr Davey will be entitled to exercise them at any time during their exercise period. The board is required to make these determinations when the relevant data is available.
Consideration	No cash consideration is payable for the issue of the FY25 performance rights and no cash consideration is payable to acquire the shares underlying the FY25 performance rights.
Exercise period	The exercise period of 'vested' FY25 performance rights starts when Mr Davey is notified of the board's determination that the relevant performance conditions have been satisfied (after the conclusion of FY27) and ends on 31 July 2028.
Continuing employment	All of Mr Davey's FY25 performance rights will lapse and terminate upon him ceasing to be an employee of the Clover group except to the extent noted below: • If Mr Davey ceases to be an employee of the Clover group after the 1st anniversary of the date of issue of his FY25 performance rights due to redundancy, illness, disability or death but before any have vested, the board may test the performance conditions as at Mr Davey's leaving date and, if the board decides a performance condition as tested has been satisfied, the board may allow a

	proportion of the relevant performance rights to be retained on the basis they must be exercised within 6 months. • If Mr Davey ceases to be an employee of the Clover group in any other circumstances before any of his FY25 performance rights have vested, the board has a broad discretion to waive any performance conditions of the performance rights, vest any of the performance rights early and/or allow any of the performance rights to be retained. • Where Mr Davey ceases to be an employee of the Clover group after any of his FY25 performance have vested, he will retain the vested performance rights but will only have 6 months to exercise them if the exercise period would otherwise end later.
Adjustment	Where the share capital of the Company is reorganised or there is a bonus issue of shares to shareholders, the terms of the FY25 performance rights will be adjusted commensurately.
Satisfaction of share entitlement	The Company may satisfy any entitlement to shares underlying the FY25 performance rights by issuing the shares, arranging to buy them on-market, arranging to have them transferred from the Company's employee share ownership trust or otherwise.

Approval for the purposes of rule 10.14 of the ASX Listing Rules

Under rule 10.14 of the ASX Listing Rules, shareholder approval is required in order for a director (such as Mr Davey) to acquire securities under an employee incentive scheme, subject to a number of exceptions which are set out in rule 10.16.

Furthermore, under rule 7.1 of the ASX Listing Rules, a listed company must not issue or agree to issue equity securities in a 12 month period that represent more than 15% of its ordinary shares on issue at the commencement of the 12 month period without shareholder approval, unless an exception in rule 7.2 applies. Exception 14 in rule 7.2 applies to an issue of securities made with shareholder approval under rule 10.14. Accordingly, if shareholders approve the issue of FY25 performance rights to Mr Davey by passing resolution 3, the Company will be able to issue the FY25 performance rights without reducing the Company's 15%/12 month capacity under rule 7.1.

Additional information

A notice of meeting to obtain shareholder approval under rule 10.14 must comply with rule 10.15 of the ASX Listing Rules. The following additional information is provided for that purpose:

(a) Mr Peter Davey is a director of the Company and is therefore prohibited under rule 10.14.1 of the ASX Listing Rules from obtaining securities under an employee incentive scheme without shareholder approval, unless an exception applies.

(b) The Company is seeking shareholder approval to issue 582,356 FY25 performance rights to Mr Davey.

(c) Mr Davey's total remuneration package for FY25 is:

  (1) base salary $568,237 (inclusive of superannuation);

  (2) discretionary cash bonus of up to 50% of his base salary as part of his short-term incentive arrangements; and

  (3) 582,356 FY25 performance rights (subject to shareholder approval of resolution 3).

(d) At the date of this explanatory statement, Mr Davey holds 504,911 performance rights in total (the issue of which were approved at the annual general meetings in 2022 and 2023 respectively and were issued to Mr Davey under the Company's long term incentive plan), which if all vested at the date of this explanatory statement would entitle him to 504,911 fully paid ordinary shares in the Company, subject to any adjustment event.

In addition, Mr Davey has previously been issued 1,479,015 performance rights for no cash consideration in relation to the years ended 31 July 2016 to 31 July 2021 under the Company's long term incentive plan. Some of these performance rights vested and were exercised by Mr Davey, while others did not vest and in consequence lapsed. No acquisition price was paid by Mr Davey for the issue of these securities.

(e) A summary of the material terms of the FY25 performance rights is set out above. The directors of the Company consider that the performance rights (which are contractual rights to receive shares if certain performance conditions are met) are an appropriate form of incentive to motivate and retain the Company's senior management. They are cost efficient and an effective reward for delivering results and creating commonality of purpose between senior management and the Company.

(f) Rule 10.15.7 of the ASX Listing Rules requires that the date of issue of the performance rights must be no later than 3 years after the date of the annual general meeting. This requirement will be satisfied as the FY25 performance rights will be issued as soon as practicable following the annual general meeting of shareholders if shareholders pass resolution 3.

(g) The Company attributed a face value opportunity of $274,684 to the FY25 performance rights to be issued to Mr Davey at the time of presenting the annual accounts. This value has been calculated by multiplying the total number of FY25 performance rights (i.e. 582,356 performance rights) by $0.49 being the volume weighted average price of the ordinary shares in the Company on ASX over the 10 trading days ending immediately before the start of the performance period i.e. 31 July 2024. The actual value Mr Davey will receive (if any) will depend on the extent to which the performance conditions are satisfied and the share price on the day of issue.

(h) No cash consideration has been paid or is payable for the issue of the FY25 performance rights and no cash consideration is payable to acquire the shares underlying the FY25 performance rights.

(i) A summary of the terms of the Company's long term incentive plan is set out below.

Eligible person	A person is eligible to participate in the plan if he or she is a full-time or part-time employee, a non-executive director, a contractor, or a casual employee of the Company, its subsidiary or any other body corporate nominated by the Company, or a person who may become such an employee, director or contractor.
Invitation	The board may from time to time nominate any eligible person to participate in the plan and determine the number of performance rights to be offered to that person. An invitation to participate in the plan may: • be made by the board at any time; • be in any form; and • be on any conditions or subject to any restrictions, as the board decides.

Acceptance of invitation	An invitation may be accepted by an eligible person or, with the board's permission, in the name of an associate of the eligible person.
5% issue limit	The Company must not make an invitation to an eligible person under the plan, if: • the number of ordinary shares that could be issued in respect of all performance rights outstanding under the plan; plus • the number of ordinary shares issued during the previous 3 years under any employee share plan to which ASIC relief has applied; would exceed 5% of the total number of shares on issue on that day, or any other limit specified in any instrument or class order issued by the Australian Securities and Investments Commission applicable to the plan.
Performance conditions	An invitation must specify the performance conditions that apply to the performance rights, which may include: • the period over which the performance condition will be assessed (this period must not be more than 10 years from the issue date of the performance right); • the standard against which the performance condition will be measured (which may include share price or an earnings per share measure); • the manner in which a performance condition will be assessed; and • the time at which the performance right will expire.
Board discretion	The board will determine whether or not a performance condition in respect of some or all of a participant's performance rights have been satisfied and may at any time, by written notice to the participant, vary or waive a performance condition applicable to the participant's performance right.
Exercise of performance rights	If a participant is notified that the performance conditions in relation to the participant's performance rights have been satisfied, the participant may exercise the vested performance rights by giving written notice to the Company before their expiry date (if any). Unless the participant exercises all of the vested performance rights, the number of vested performance rights exercised must be in multiples of 1,000.
Lapsing of performance rights	A performance right may lapse upon the happening of various events including an applicable performance condition not being satisfied within the relevant assessment period (unless the board waives the condition), a purported transfer of a performance right to another person (unless the board approves the transfer) or the participant ceasing to be an eligible person (subject to the exception below).
Trust	The Company has established a discretionary trust to subscribe for or purchase ordinary shares, so that ordinary shares in the Company can be transferred to participants in the plan upon exercise of their vested performance rights.

Continuing employment or other engagement	Performance rights awarded to a participant will lapse and terminate upon the participant ceasing to be an eligible person except to the extent noted below: • If the participant ceases to be an eligible person after the 1st anniversary of the date of issue of the participant's performance rights due to redundancy, illness, disability or death but before any have vested, the board may early test the performance conditions as at the participant's leaving date and, if the board decides a performance condition as tested has been satisfied, the board may allow a proportion of the relevant performance rights to be retained on the basis they must be exercised within 6 months. • If the participant ceases to be an eligible person in any other circumstances before any of the participant's performance rights have vested, the board (before the participant ceases to be an eligible person) has a broad discretion to waive any performance conditions of the performance rights, vest any of the performance rights early and/or allow any of the performance rights to be retained. • Where the participant ceases to be an eligible person after the performance rights have vested, the participant will retain the vested performance rights but will only have 6 months to exercise them if the exercise period would otherwise end later.
Change of control	Unless the board determines otherwise, if: • a takeover bid is announced for all of the ordinary shares in the Company and the board becomes aware that a person has acquired or will acquire voting power in more than 25% of the ordinary shares in the Company; • the board becomes aware that a person has acquired or will acquire voting power in more than 25% of the ordinary shares in the Company; or • the board forms the view that the replacement of the majority of the board is imminent, due to a person acquiring voting power in more than 25% of the ordinary shares of the Company, the performance conditions applicable to all outstanding unvested performance rights will be measured and assessed as at the date of the relevant event, as if that date had been specified as the date in the invitation for measuring and assessing whether performance conditions had been satisfied.
Adjustment	Where there is a bonus issue of ordinary shares to the Company's shareholders, holders of performance rights that exercise those rights will be provided with additional ordinary shares equal to the number of bonus shares they would have been entitled to receive if the performance rights had been exercised before the record date for the bonus issue. Where there is a rights offer of ordinary shares to the Company's shareholders or the share capital of the Company is otherwise reconstructed, the terms of the performance rights will be adjusted in the manner the Company determines having regard to the ASX Listing Rules.
Administration and amendment	The plan is administered by the board. Further, the board may amend, add to or waive any rule of the plan or any restriction or other

	condition relating to any performance rights granted under the plan, subject to the ASX Listing Rules.

(j) No loan has been given by the Company in relation to the performance rights under the plan.

(k) Details of the performance rights and other securities issued under the Company's long term incentive plan that require the approval of shareholders under rule 10.14 of the ASX Listing Rules will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval of the issue was obtained under rule 10.14.

(l) Any additional persons covered by rule 10.14 of the ASX Listing Rules who become entitled to participate in an issue of securities under the Company's long term incentive plan after resolution 3 is passed and who were not named in the notice of annual general meeting (which includes this explanatory statement) or who are named and for whom participation requires shareholder approval under rule 10.14, will not participate until that approval is obtained.

For clarity, the following table outlines the performance rights that have been or are to be issued in the 2022, 2023, 2024 and 2025 financial years to the managing director, chief financial officer (**CFO**) and other executives who have been invited to participate in the long-term incentive plan.

Performance Rights	Vesting Year	Total Issued		Managing Director	CFO & Other Exec
FY22	FY24	257,964*	Lapsed Vested	105,431 35,144	88,042 29,347
FY23	FY25	469,305	Subject to Performance	255,199	214,106
FY24	FY26	475,046		249,712	225,334
FY25	FY27	1,541,362		582,356**	959,006
Total Rights subject to performance		2,485,713		1,087,267	1,398,446

* 64,492 of the FY22 performance rights have vested which will be able to be satisfied from the shares held by the employee share ownership trust (**EST**). Of these vested FY22 performance rights, 35,414 were granted to the Managing Director and 29,347 were granted to the CFO and other executives.

** FY25 performance rights for the managing director are subject to the approval of shareholders under resolution 3

In the November 2021 AGM, the shareholders approved the issue of performance rights under the long-term incentive plan for the purposes of exception 13 in rule 7.2 of the ASX Listing Rules (such that the issue of those performance rights, and the issue of shares on conversion of those performance rights could occur without reducing the Company's 15%/12 month capacity under rule 7.1). That approval contemplated the issue of shares to the EST which could then be used to satisfy the exercise of those performance rights. Accordingly, 560,030 shares were issued to the EST following the end of the FY22 financial year. The issue will serve to ensure that the shares to be provided on exercise of the FY22 (64,491) and FY23 (469,305) performance rights (assuming they are 100% vested) will be able to be satisfied from the shares held by the EST.

The board takes a disciplined approach to setting of the incentives for the long-term incentive plan. Over the previous 4 years of granted rights, 70% of the performance rights lapsed with 30% of performance rights vesting.

If resolution 3 is not passed, the Company will be unable to issue the FY25 performance rights to Mr Davey, and accordingly will need to review other ways to remunerate him, which could include paying him in cash. This would be less desirable as it would not have the same outcomes in terms of alignment of Mr Davey's interests with those of shareholders.

Board recommendation:

The directors (other than Mr Davey) recommend that shareholders vote in favour of resolution 3.

CLOVER CORPORATION

Clover Corporation Limited
ABN 85 003 622 866

Need assistance?

Phone:
1300 855 080 (within Australia)
+61 3 9415 4000 (outside Australia)

Online:
www.investorcentre.com/contact

CLV

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Clover Corporation Limited Annual General Meeting

The Clover Corporation Limited Annual General Meeting will be held on Tuesday, 19 November 2024 at 11:00am (AEDT). You are encouraged to participate in the meeting using the following options:

MAKE YOUR VOTE COUNT

To lodge a proxy, access the Notice of Meeting and other meeting documentation visit www.investorvote.com.au and use the below information:

Control Number: 999999

SRN/HIN: I9999999999

PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

For your proxy appointment to be effective it must be received by 11:00am (AEDT) Sunday, 17 November 2024.

ATTENDING THE MEETING VIRTUALLY

To watch the webcast, ask questions and vote on the day of the meeting, please visit:
https://meetnow.global/MGJ2NUM

For instructions refer to the online user guide www.computershare.com.au/virtualmeetingguide

ATTENDING THE MEETING IN PERSON

The meeting will be held at:
PKF Offices, Level 15, 500 Bourke Street, Melbourne, Victoria, Australia

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

Clover Corporation Limited
ABN 85 003 622 866

CLV

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Need assistance?

Phone:
1300 855 080 (within Australia)
+61 3 9415 4000 (outside Australia)

Online:
www.investorcentre.com/contact

YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **11:00am (AEDT) on Sunday, 17 November 2024.**

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

PARTICIPATING IN THE MEETING

Corporate Representative
If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate “Appointment of Corporate Representative”. A form may be obtained from Computershare or online at www.investorcentre.com/au and select "Printable Forms".

Lodge your Proxy Form:

XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is

Control Number: 999999

SRN/HIN: I9999999999

PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

☐ **Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with '**X**') should advise your broker of any changes.

I 9999999999 IND

Proxy Form

Please mark ☒ to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Clover Corporation Limited hereby appoint

☐ **the Chairman of the Meeting** **OR** ______________________

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Clover Corporation Limited to be held at PKF Offices, Level 15, 500 Bourke Street, Melbourne, Victoria, Australia and online on Tuesday, 19 November 2024 at 11:00am (AEDT) and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1 and 3 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 1 and 3 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1 and 3 by marking the appropriate box in step 2.

Step 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Adoption of remuneration report	☐	☐	☐
Resolution 2	Re-election of Mr Rupert Harrington as a director	☐	☐	☐
Resolution 3	Approval of acquisition of FY25 performance rights by Managing Director under long term incentive plan	☐	☐	☐

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s)

This section must be completed.

Individual or Securityholder 1	Securityholder 2	Securityholder 3	
			/ /
Sole Director & Sole Company Secretary	Director	Director/Company Secretary	Date

Update your communication details *(Optional)*

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

Mobile Number	Email Address

C L V 3 1 3 0 2 1 A

computershare

Clover Corporation Limited
ABN 85 003 622 866

CLVRM

MR RETURN SAMPLE
123 SAMPLE STREET
SAMPLE SURBURB
SAMPLETOWN VIC 3030

Dear Securityholder,

We have been trying to contact you in connection with your securityholding in Clover Corporation Limited. Unfortunately, our correspondence has been returned to us marked “Unknown at the current address”. For security reasons we have flagged this against your securityholding which will exclude you from future mailings, other than notices of meeting.

Please note if you have previously elected to receive a hard copy Annual Report (including the financial report, directors’ report and auditor’s report) the dispatch of that report to you has been suspended but will be resumed on receipt of instructions from you to do so.

We value you as a securityholder and request that you supply your current address so that we can keep you informed about our Company. Where the correspondence has been returned to us in error we request that you advise us of this so that we may correct our records.

You are requested to include the following;

> Securityholder Reference Number (SRN);
> ASX trading code;
> Name of company in which security is held;
> Old address; and
> New address.

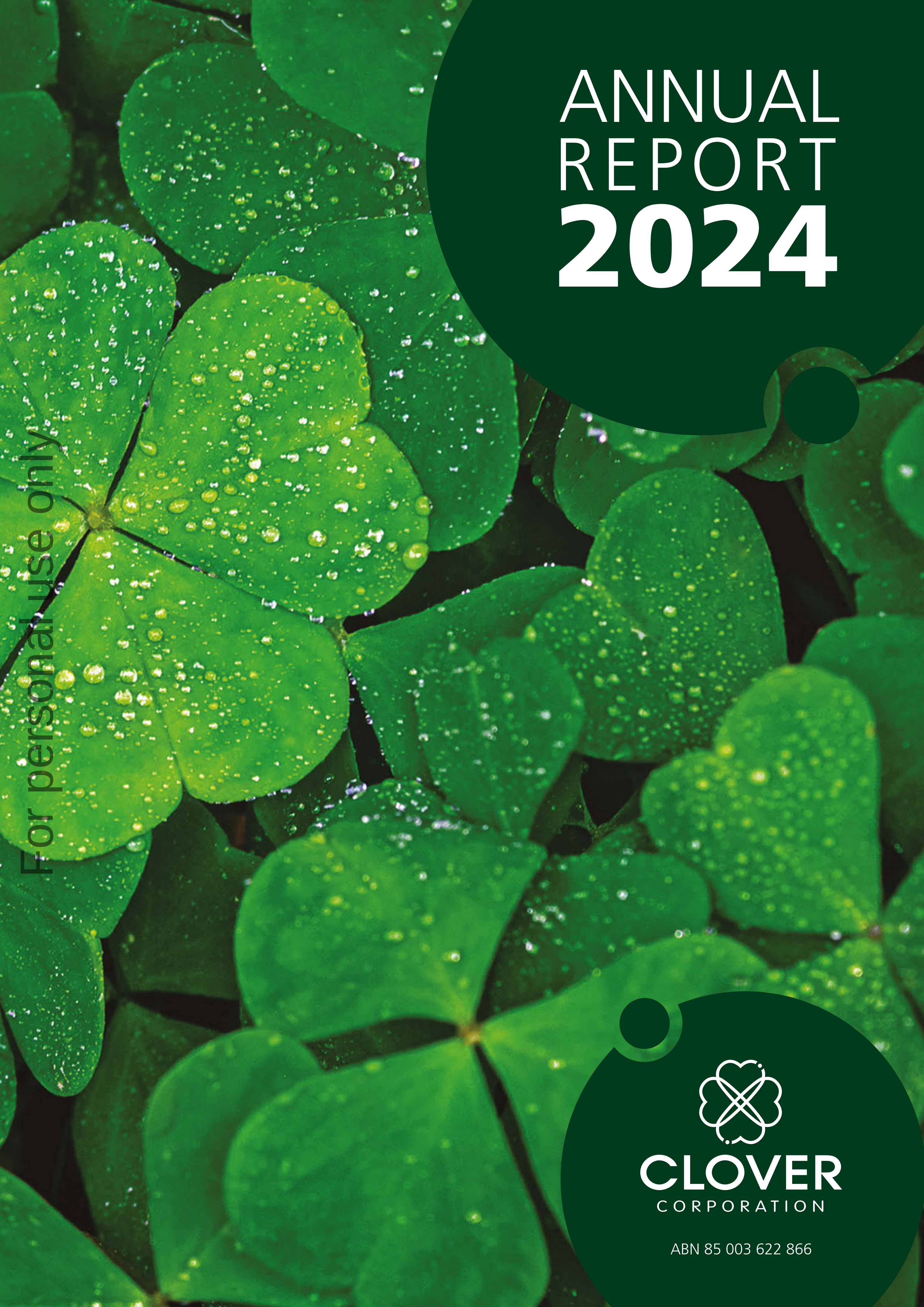
Please ensure that the notification is signed by all holders and forwarded to our Share Registry at:

Computershare Investor Services Pty Limited
GPO Box 2975
Melbourne Victoria 3001
Australia

Note: If your holding is sponsored within the CHESS environment you need to advise your sponsoring participant (in most cases this would be your broker) of your change of address so that your records with CHESS are also updated.

Yours sincerely

Clover Corporation Limited



ANNUAL REPORT 2024

CLOVER CORPORATION

ABN 85 003 622 866


Table of Contents

Vision

To optimise the health and development of adults, infants and children.

Purpose Statement

In collaboration with key market participants, Clover develops customised high value nutritional ingredients that enhance the wellbeing and dietary needs of their customers.

CHAIRMAN'S REPORT

Dear Shareholders

On reflecting on the performance of the Clover Corporation over the past financial year, it has been again a year of two distinct halves.

In the initial six months we witnessed a significant decline in revenue due to reduced demand in the infant formula market, which has also been exacerbated by the lower global birth rate. Management responded by reducing operating expenses, improving working capital, whilst continuing to focus on new product development and customer engagement.

The market stabilised during the second half resulting in strong sales and profit performance in the final quarter and an improved forward order book.

During the year Clover continued its strategic focus on improving and diversifying its supply chain.

As previously reported the performance of Melody Dairies has been unsatisfactory. Changes to the ownership structure provides better alignment of capacity usage and the opportunity for a new management structure. This has resulted in a profitable outcome in the final quarter.

A state-of-the-art fish oil extraction facility was established on time and on budget in Ecuador in the past year. This strategic investment will provide improved supply chain and cost benefits for Clover in the coming years.

Clover continues its commitment to drive growth by expediting the commercialisation of innovative products.

The Company recently announced the successful development of a commercial powdered Choline product. A patent application has been registered to protect our IP. Choline is essential for lipid disposition in the human body and is mandated for use in infant formula and used in prenatal products. Customer trials are expected in H1FY 25.

Our business development team continues implementation of the strategy to use our encapsulated powders and Gelphorm in nutraceutical markets. As you may be aware customer trials and shelf testing in these high-quality markets result in extended lead times for market acceptance.

The planning for commercialisation of Premneo continues. A critical step for regulatory approval in various markets, including ANZ and EU is completion of an independent safety data study. The results of this are currently under expert review and should pave the way for market access.

Whilst our traditional infant formula customer base has been challenged during the year, the turnaround in sales in the second half, and strengthening in the final quarter provides confidence that we should see a return to normalised revenue patterns in FY25.

On behalf of the Board of Directors, I extend my sincere thanks to you, our shareholders, for your continued support. I also want to acknowledge the dedication of our employees and management in responding to the fluctuating demands of our customers throughout the year.

Mr Rupert A Harrington

Chairman

Date: 23 September 2024

Revenue and Profit

The fiscal year 2024 was challenged due to reduced demand in the infant formula market, which has been affected by lower global birth rates and the exit of pipeline fill inventory for many manufacturers dealing with the renewal of licensing requirements in China

The company reported a total revenue of $62.2m which was in line with guidance, marking a decline from the previous year's $79.9m.

Net profit after tax (NPAT) also saw a significant drop, falling to $1.5m from $6.2m in FY23.

Second Half Performance

The second half of the year delivered revenue of $34.9m, a 28% increase on the 1st half, and a second half NPAT of $2.2m. The last quarter delivered improved orders, including those from our Chinese customers.

Operating Expenses and Gross Margin

Operating expenses for the year were $12.9m, down 6.6% from $13.8m in FY23. This reduction was achieved through lower headcount and cost management.

As a consequence of lower sales volumes and value, decisions on manufacturing commitments and scrapping of aged inventory has impacted the overall reported gross margin.

Product Diversification and Inventory Management

The company continues to diversify its product offerings, adding new customers in the food and nutraceutical markets.

Inventory levels were reduced to $29.6m, a $7.3m decrease from the previous year.

Financial Health

The balance sheet remains strong with a cash position as at 31 July 2024 of $12.2m. Stronger sales in the second half of the year and low debtor levels contributed to this healthy cash position. At the same time, additional loan repayments were made late in the year which will reduce interest costs in FY25.

A final dividend of 0.75 cent per share was declared.

Key Highlights

Ecuador Facility

The facility in Ecuador, situated in a major fishing port has commenced production. This facility is uniquely positioned to source and efficiently extract oil from the heads of tuna fish. Extraction of the oil, before the heads are turned into 'meal', optimises the value of the responsibly caught fish in the region. All the fish sourced are managed within the IATTC (Inter American Tropical Tuna Commission) guidelines which follows EU standards of responsible sourcing. The strategic decision to vertically integrate into the supply chain was driven by challenges during the pandemic, evolving global events, heightened regulations, and intensified competition. The facility is expected to meet up to 50% of the company's current oil requirements, providing cost savings and a timely return on capital.

Melody Dairies - New Zealand

A change in the ownership structure of Melody Dairies, a spray drying facility in Hamilton, New Zealand took place in December 2023.

Food Innovation Waikato (FIW) sold its 11% holding and relinquished the management contract to run the facility. Clover increased its holding by 2%, and now holds 43.9% of the facility with the other major partner in Landcorp purchasing the remaining 9%. Landcorp subsequently sold 12% of its holding to Spring Sheep in July 2024. As a shareholder, SpringSheep is very much aligned with Clover around optimisation of the facility.

At the same time FIW exited the business, a new management team was installed by Clover and SpringSheep to run the facility, with the business operating profitably in the final quarter of FY24.

Growth Platforms

Choline

Having now successfully completed a series of trials, moving from the laboratory to scaled production, the company has filed for IP for a unique Choline powder. The benefit to potential customers is that the unique free flowing powder removes manual handling and manufacturing challenges in the prenatal and infant formula markets where Choline is a specified ingredient. The mother and baby segment for Choline is projected to reach ~ $150m in 2024, with a CAGR of 6%.

Premneo

Regulators required a review of all available clinical trials involving DHA and preterm infants to prove safety. The study has been completed and is now under review by clinical experts. Clover is confident that the conclusions will pave the way for regulatory approvals.

Conclusion

Despite facing challenges in the infant formula market and global economic conditions, the company has managed to maintain a strong financial position through strategic inventory management, continued product diversification, and new market development in FY24.

The Ecuador facility is expected to support future growth and cost reduction opportunities.

As we move into FY25, Clover aims to build on the demand profile achieved in the last quarter. Diversification remains a core focus with our powders being used in the nutraceutical markets in addition to major long-term projects including Gelphorm and Premneo providing a channel for growth outside the infant formula market. At the same time the ability to extend our offering with existing infant formula customers using our unique powdered Choline product is exciting.

Mr Peter J Davey

Managing Director & CEO

Date: 23 September 2024

ABOUT CLOVER

Company Focus:

Clover seeks to improve human nutrition and quality of life by developing value-added nutrients for use in foods or as nutritional supplements. In doing so, Clover provides a competitive advantage for its customers, value to shareholders and a working environment in which employees can fully utilise and develop their respective skills.

Company History:

Clover was formed in 1988 as a family-owned Australian Company providing lipid-based ingredients for the food industry. Clover was listed on the ASX in November 1999.

In November 2002, Clover entered a joint venture with the Queensland-based Food Spectrum Group of companies. The incorporated joint venture, Nu-Mega Ingredients Pty Limited (Nu-Mega), was 70% owned by Clover. The joint venture ceased in November 2007 when Clover acquired the remaining 30% of Nu-Mega to make it a wholly owned subsidiary. Nu-Mega has significantly expanded its markets, introducing new products with a focus on encapsulation technology and the delivery of bioactive nutritional ingredients.

Company Operations:

Clover operates from two Australian controlled sites, a newly established fish oil recovery plant in Ecuador and the 43.9% owned spray drying facility in New Zealand:

- The Company's registered office and manufacturing plant for tuna oils and related products, Head Office, Customer Service, Quality Assurance, and Sales and Marketing departments are in Altona, Victoria.

- Innovation, Research & Development, Product Development, Technical Support departments are in Brisbane, Queensland.

- Fish oil recovery plant located in Manta, Ecuador.

- Melody Dairies Spray Drying facility which is located in Hamilton, New Zealand.

Company Technology and Products.

The major focus of the Company is on the delivery of bioactive ingredients using proprietary encapsulation technology to produce ready-to-blend products containing tuna oil and/or other nutritional lipids. The health benefits of omega-3 fatty acids in the diet have been well documented and this has assisted in developing the expanding global market for products containing these nutritionally important dietary components. One material that Clover uses is tuna oil, which is high in DHA (docosahexaenoic acid), an essential fatty acid, which is recognized for its importance in brain, nerve and eye tissue development in babies and infants. Clover, through its subsidiary Nu-Mega, supplies refined Omega 3 oils and a range of other encapsulated ingredients for use in infant formula, nutraceuticals, pharmaceuticals, and sports nutrition markets.

In addition to its own internally developed intellectual property, Clover has licensed patented technology from the Commonwealth Scientific Industrial Research Organisation (CSIRO) for the encapsulation of marine and algal oils to protect them from oxidation and degradation. Nu-Mega's Driphorm® range of microencapsulated powders enables the addition of Hi-DHA® tuna and/or algal oils to a broad spectrum of products in a convenient and stable dry powder form. These ingredients are marketed globally.

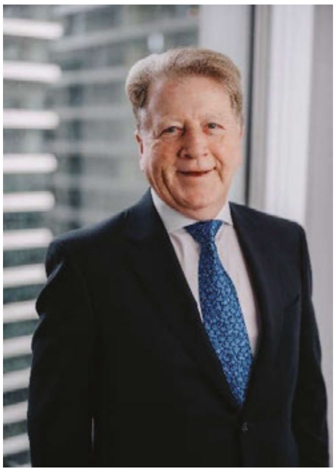
Clover continues to seek other nutritional and medical applications for its products, as well as developing new types of products, often in conjunction with customers.

DIRECTOR’S REPORT

Your directors present their report on the consolidated entity consisting of Clover Corporation Limited (“the Company”) and the entities it controlled (“the consolidated entity”) at the end of, or during, the year ended 31 July 2024.

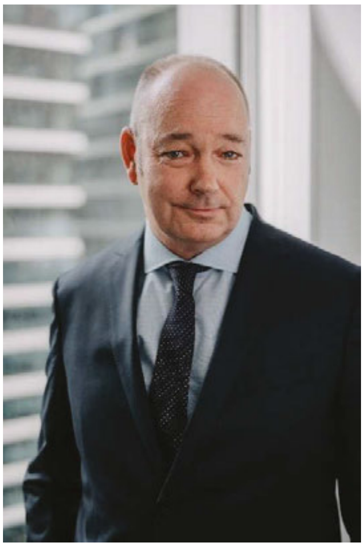
Directors

The following persons were directors of Clover Corporation Limited during the financial year and up to the date of this report:

Name and qualifications	Experience and special responsibilities
Mr Rupert A Harrington **BTech, MSc, CDipAF, MAICD.** Non-Executive Director since 1 July 2015 Appointed Chairman 21 September 2017 Chair of the Nomination Committee 	Mr Harrington is an experienced company Director with over 30 years’ experience as a Non-Executive Director of companies operating in manufacturing, industrial services, health and technology. He has been involved in private equity since 1987 and is considered to be one of the key founders of the Australian industry. He joined the Board of Clover in 2015 and has been Chairman since 2017. Mr Harrington is Non-Executive Director of Pro Pac Packaging Limited (ASX:PPG) and was previously a Non-Executive Director of Integral Diagnostics Limited (ASX: IDX – resigned December 2021) and Bradken Limited, Advent Partners and others.
Mr Graeme A Billings **BCom, FCA, MAICD** Non-Executive Director since 14 May 2013 Chair of the Audit Committee Member of the Remuneration Committee Member of the Nomination Committee 	Mr Billings has been a Chartered Accountant since 1980. Mr Billings was a partner at Coopers and Lybrand and then PricewaterhouseCoopers (PwC) for 24 years. Mr Billings was head of PwC’s Melbourne Assurance practice for several years as well as Global Leader of PwC’s Industrial Products and Manufacturing industry group. Mr Billings brings a range of financial, corporate governance, internal control, commercial and corporate transactional skills to the Company. Other current non-executive Company directorships: Chairman (appointed 2020) of Amotiv Limited (ASX:AOV) and Chairman of Austco Healthcare Limited (ASX:AHC), appointed 2015. Previously, Graeme was Chairman of Korvest Ltd (resigned in August 2021) and a Non-Executive Director and Audit Committee Chair of DomaCom Ltd (resigned in June 2021).

Mr Peter J Davey
MBA, GradDip Bus., Dip.Art (Design), GAICD.

Managing Director since 11 November 2014



Mr Davey has a track record of building businesses across a diverse range of industry sectors. He has held senior management positions within a number of manufacturing and distribution companies operating in competitive and diverse markets. Mr Davey has particular strengths in sales and marketing, and development and implementation of strategies for growth.

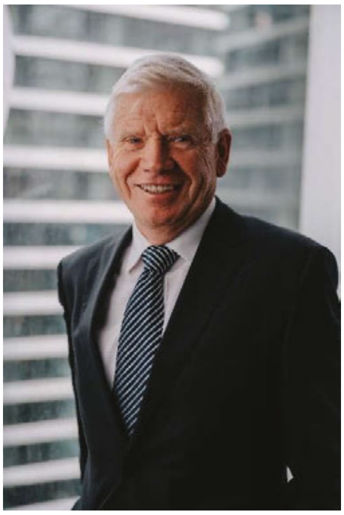
Mr Davey was formerly Executive Manager AgriProducts and a director of Viterra Australia Limited, responsible for the AgriProducts division that traded in agricultural inputs, fertilizer, seed and wool. In earlier roles, Mr Davey headed the Sales and Marketing divisions of FMP Products and Hi Fert Pty Ltd.

During his career, Mr Davey has had a particular focus on marketing-based businesses operating in the Asia and Oceania regions.

Other current Non-Executive Company directorships:
Chairman Melody Dairies Ltd Partnership, appointed 30 October 2018.

Mr Ian D Glasson
BEng (Hons) MIE Aust, GAICD

Non-Executive Director since 1 February 2017
Member of the Audit Committee
Chair of the Remuneration Committee
Member of the Nomination Committee



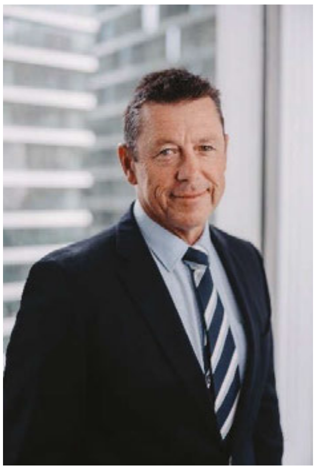
Mr Glasson is former CEO of PGG Wrightson based in Christchurch, New Zealand. He was formerly CEO of Gold Coin Group / Zuellig Agriculture which managed a portfolio of animal feed operations and farming ventures throughout South East Asia. Prior to that he was CEO for seven years of Sucrogen (formerly the sugar business of listed entity CSR and now owned by Wilmar) which generated revenues of nearly $2 billion and had extensive contacts across the local and international food and beverage sector and retail market.

He has also had extensive agribusiness experience with Goodman Fielder and Gresham Rabo, as well as spending the first sixteen years of his career in the oil and gas sector with Esso.

Other current Company Non-Executive directorships:
Ricegrowers Ltd (ASX:SGLLV), appointed 2016.

Name and qualifications	Experience and special responsibilities
Ms. Toni L Brendish **B.Com, Grad Dip Business Admin, FAICD.** Non-Executive Director since 20 October 2020 Member of the Audit Committee Member of the Remuneration Committee Member of the Nomination Committee 	Toni has more than 30 years' experience working in blue chip FMCG, healthcare, manufacturing, agriculture, and telecommunication companies in Asia, Australia, and New Zealand, including over 20 years in Chief Executive Officer / Managing Director roles. Toni Brendish' s most recent executive role was as Chief Executive Officer of Westland Milk Products in the South Island of New Zealand. Prior to this, Toni spent 11 years working for the Danone Group as Managing Director of their Infant Formula and Dairy businesses in Australia, New Zealand, Malaysia and Indonesia. She has also worked for Kimberly-Clark and Colgate Palmolive, together with a number of other blue chip FMCG organisations. Toni is currently a non-executive director of ASX-listed Cobram Estate Olives Ltd (ASX:CBO). She was appointed as a shareholder representative director on the board of Prolife Foods, a private New Zealand consumer foods business with brands including Mother Earth and Scoop and Weigh. Toni is also on the board advisory committee for dairy farming and milk producers, Aurora Dairies.
Dr Simon P Green **BSc(Hons), PhD, GAICD** Non-Executive Director since 20 October 2020 Member of the Audit Committee Member of the Remuneration Committee Member of the Nomination Committee 	Simon has 32 years of experience in the biotechnology industry focused on the discovery, development and commercialisation of life saving medicines. He was actively involved in CSL's global expansion over a 17-year period and held roles as Senior Vice President, Global Plasma R&D and General Manager of CSL's manufacturing plants in Germany and Australia. Simon is currently the founder and CEO of Immunosis Pty Ltd, a start-up diagnostics Company. He is also a Non-Executive Director and Chair of Remuneration and Nomination Committee of Syntara Limited (ASX:SNT). Simon previously served as a Non-Executive Director for Acrux Pty Ltd, an ASX listed Company from 2016-2019.

Mr Andrew G M Allibon,
B.Bus, CA
Chief Financial Officer & Co. Secretary



Mr Allibon is a Chartered Accountant with over 28 years' experience in executive finance roles across a range of industries operating in the Asia and Oceania regions.

Prior to joining Clover Corporation, he was CFO for the Leef Independent Living Solutions group of companies, since acquired by Independent Living Solutions (ILS) a leader in healthcare equipment solutions.

Other current Company Directorships:
- Melody Dairies Ltd Partnership.

Principal Activities

The principal activities of the consolidated entity during the financial year were the refining and sale of natural oils, the production of encapsulated powders and the research and product development of functional food and infant nutrition ingredients. There were no significant changes in the nature of the principal activities of the consolidated entity during the financial year.

Operating Results

The results for this report are for the financial year ended 31 July 2024, the comparative period being the financial year ended 31 July 2023. Total revenue from sale of goods decreased 22.1% to $62,207,000. Net profit after tax is $1,514,981 (FY23: profit of $6,205,316).

Review of Operations

A full review of operations is included in the Chairman's Report appearing on page 4 and the Managing Director's report appearing on pages 5 to 6 of this Annual Report.

Employees

The consolidated entity had a headcount of 60 employees as at 31 July 2024 (FY23: 56 employees).

Events Subsequent to Reporting Date

No matter or circumstance has arisen since 31 July 2024 that has significantly affected or may significantly affect the consolidated entity's state of affairs in future financial years.

Significant changes in the State of the Affairs

Other than in the accompanying Financial Report, there were no significant changes in the state of the affairs of the consolidated entity during the financial year.

Likely Developments

The consolidated entity will continue to pursue its policy of increasing the profitability and market share of its operating businesses during the next financial year.

Dividends

A fully franked final dividend of 0.75 cent per share for the 12 months ended 31 July 2023 was paid on 20 November 2023. The total final FY23 dividend paid was $1,252,496.

The Directors have declared a fully franked final dividend of 0.75 cent per share ($1,252,496) in respect of the year ended 31 July 2024. The record date for this dividend will be 22 October 2024 with payment due on 18 November 2024. No interim dividend was paid for FY24.

The total dividend declared in respect to FY24 is 0.75 cent per share, a decrease of 0.75 cent per share compared with the total dividend declared for FY23.

Environmental Regulations

The consolidated entity's operations are subject to environmental regulations under the laws of the Commonwealth and State. The consolidated entity complies with all applicable environmental regulations.

Directors' Meetings

The number of directors' meetings (including meetings of sub-committees of directors) and number of meetings attended by each of the directors of the Company during the financial year are:

Director	Directors Meetings		Nomination Committee Meetings		Audit Committee Meetings		Remuneration Committee Meetings	
	Number Eligible to Attend	Number Attended	Number Eligible to Attend	Number Attended	Number Eligible to Attend	Number Attended	Number Eligible to Attend	Number Attended
R A Harrington	15	14	3	2	-	-	-	-
G A Billings	13	13	3	3	4	4	6	6
P J Davey	15	15	-	-	-	-	-	-
I D Glasson	13	13	3	3	4	4	6	6
Ms T L Brendish	13	13	3	3	4	4	6	6
Dr S P Green	13	12	3	3	4	3	6	6

Insurance of Directors and Officers

During the financial year, the Company paid a premium in respect of a contract insuring its directors and officers against all liabilities to another person (other than the Company or a related body corporate) that may arise from their position, except where the liability arises out of conduct involving lack of good faith. The contract covers any past, present or future director, secretary, executive officer or employee of the Company and its controlled entities. Further details have not been disclosed due to confidentiality provisions of the contract of insurance.

Indemnity and insurance of auditor

The Company has not, during or since the end of the financial year, indemnified or agree to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Rounding Off of Amounts

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

Proceedings on behalf of the Company

No person has applied for leave of the Court to bring proceedings on behalf of the Company or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

Unissued shares or interests under option

As of the date of this report there are 64,491 Performance Rights offers whose conditions have been met, entitling recipients to one share per right for issue. An additional 2,485,713 performance rights are available, subject to meeting relevant conditions.

REMUNERATION REPORT (audited)

The Remuneration Report outlines the director and executive remuneration arrangements of the Company for the 2024 financial year in accordance with the requirements of the Corporations Act 2001 and its Regulations. It has been audited in accordance with section 300 of the Corporations Act 2001 (as amended).

(i) Key Management Personnel

Key Management Personnel (KMP) in this report are those individuals having responsibility for planning, directing and controlling the major activities of the Company during the financial year. They include Non-Executive Directors, CEO and CFO. The Directors and Chief Executive Officer determined that those persons having authority and responsibility for planning, directing and controlling activities are as listed below.

Name	***Position***
Directors	
R A Harrington	Non-Executive Chairman
G A Billings	Non-Executive Director
T L Brendish	Non-Executive Director
I D Glasson	Non-Executive Director
Dr S P Green	Non-Executive Director
P J Davey	Chief Executive Officer and Managing Director
Executive KMP	
P J Davey	Chief Executive Officer and Managing Director
A G M Allibon	Chief Financial Officer and Company Secretary

(ii) Remuneration Policy

The Company operates from four locations across Australia, New Zealand, Ecuador and markets its products internationally. All Executive KMP are based in Australia.

Through an effective remuneration framework, the Company aims to:

- Provide fair and equitable rewards;
- Align rewards to business outcomes that are linked to creation of shareholder value;
- Stimulate a high performance culture;
- Encourage the teamwork required to achieve business and financial objectives;
- Attract, retain and motivate high calibre employees; and
- Ensure that remuneration is competitive in relation to peer companies in Australia.

REMUNERATION REPORT (Continued)

(iii) Remuneration Framework Responsibilities

The Board has a People & Culture Committee to assist it in designing a suitable remuneration framework for the Company. Responsibilities of the People & Culture Committee include reviewing and making recommendations to the Board on the following issues:

- The structure of the total remuneration package (TRP) including base salary, other benefits, Short Term Incentive (STI) and share-based long-term incentive for the CEO;
- The mechanism to be used to review and benchmark the competitiveness of this TRP;
- Changes in the amounts of different components of the TRP following annual performance review of the CEO;
- Review and consideration of the structure of incentive plans operating within the Company from time to time;
- The Key Performance Indicators (KPIs) to be set for the CEO for each financial year;
- Review of performance against these KPIs at the end of each financial year, and recommendation on the amount of STI to be paid to the CEO;
- Decision on whether the Long-Term Incentive (LTI) Plan will be offered for any year; the number of performance rights to be awarded to the CEO and specified Executives under this plan when offered; and setting of associated performance indicators for future assessment;
- Determination of the number of performance rights vesting at the end of each assessment period of the LTI Plan, based on financial performance and other strategic indicators previously established; and
- The remuneration and any other benefits of the Non-Executive Directors.

The People & Culture Committee consists of four independent Non-Executive directors, Mr Ian Glasson (Chair), Ms Toni Brendish, Dr Simon Green and Mr Graeme Billings. The Company Secretary or General Manager of People & Culture may act as secretary for the Committee.

The Board Chairperson and any other Non-Executive Directors may attend committee meetings in an *ex officio* capacity. Executives including the CEO, and any advisors retained by the Committee may attend by invitation. More information on People & Culture Committee meetings held during the year and Directors' attendance at these meetings can be found on page 13 of this report.

The Board is responsible for reviewing and resolving on recommendations from the People& Culture Committee, including:

- Considering matters relating to remuneration of Executives reporting to the CEO;
- Approving the establishment of or amendment to employee share, performance rights and any other deferred incentive plan; and
- Considering matters related to Executive succession planning.

(iv) Non-Executive Directors' Remuneration

Total Non-Executive Directors' remuneration including superannuation paid at the statutory prescribed rate for the year ended 31 July 2024 was $494,014. These fees are within the NED pool fee of $750,000 which was approved in the November 2021 AGM.

The Board believes that the remuneration approved for Non-Executive Directors must:

- enable the Company to attract and retain suitably qualified directors with appropriate experience and expertise; and
- be appropriate in the context of the overall financial performance of the Company.

The People & Culture Committee reviews fees for Non-Executive directors regularly, utilising data on and trends in Director and Chairperson remuneration in the relevant group of the top 500 ASX-listed companies in Australia (from published reports), as well as data obtainable on director remuneration in a number of peer companies either from the same industry or with similar market capitalisation and financial performance. Remuneration consultants have been used to assist in this process.

REMUNERATION REPORT (Continued)

The Board has to date employed a remuneration policy whereby only fees and statutory superannuation benefits are payable to NED's. The tables on pages 19-21 of this report shows fees paid to Non-Executive Directors for the 2024 and 2023 financial years.

They do not participate in any share or performance rights plans. Non-Executive Directors are entitled to reimbursement of travel or other reasonable expenses incurred by them while discharging their duties.

(v) Executive Remuneration and Link to Business Strategy

The diagram below outlines components which may be included as part of the TRP for Executives.

TOTAL REMUNERATION PACKAGE						
Total fixed remuneration (cash salary, superannuation and non-monetary benefits)	+	STI (cash payment)	+	LTI (performance rights)	=	Total Remuneration Package
FIXED		VARIABLE				

The Managing Director and specified Executives (Executives) are eligible for STI payments, while the Managing Director and Executives may also have access to an LTI in the form of Performance Rights. The most recent LTI Offer was made to the CEO and Executives in August 2024.

The total fixed remuneration of the Managing Director is set against market benchmarks by use of a remuneration consultant. The Company seeks this benchmark information every 2-3 years. It was reviewed during the FY23 for setting remuneration from FY24.

Non-Executive Directors are responsible for appointing, briefing external consultants and managing this process. At other times, increases in fixed remuneration are determined by consideration of CPI salary increases applied across the whole Company, and use of published information on CEO/MD salaries in the top 500 ASX-listed companies and in companies from related industries of similar market capitalisation and financial status, as described for review of fees for Non-Executive Directors.

The Company's Executive remuneration is directly linked to its business strategy. The People & Culture Committee engages in an annual strategy review with management, identifying key goals and challenges for the year and the longer term. Following this, business plans and an annual budget are prepared and approved, with KPIs (both financial and non-financial) established for the business.

These are the basis for KPIs for the CEO, set by the Board, and for other Executives, set by the CEO.

A formal review of the achievement of each Executive is conducted by the CEO annually and proposed changes in fixed remuneration and the STI to be paid are submitted to the Board for approval. As noted in section (iii) of the Remuneration Report, the performance of the CEO against agreed KPIs is reviewed by the Remuneration Committee, and recommendations on adjustment to total fixed remuneration and payment of the STI are made to the Board, for approval.

The STI is a variable cash payment with the maximum payment based on a percentage of the Executive's total fixed remuneration. For the Managing Director 50% applied in FY24 (50% in FY23), while for other Executives, 10-20% applied in FY24 (10-20% applied in FY23).

The Company awards STI payments on evidence that the Executives have achieved targeted work plan objectives and dealt with unexpected challenges in a way that contributes to both short-term

REMUNERATION REPORT (Continued)

performance and long-term prospects of the Company. The Board retains discretion to vary STI payments outside of the set formula to recognise overall Company performance and changes in the Company's circumstances during the year.

KPIs set for the CEO and individual executives each year include financial, strategic and operational targets as summarised in the table below. The financial targets are set at two levels, with the initial target establishing a gateway to an entitlement to an STI payment.

For FY24, the financial targets were not achieved, which has meant that the 'gateway' was not met. The Board whilst having discretion on changes in the Company circumstances has considered this position and confirmed that an STI has not been awarded for the FY24 year. This is noted on page 20.

Table STI Weightings

KPI type	Possible STI weighting CEO	Possible STI weighting Exec	Description - Examples	Link to Company Strategy
Financial	50%	40-60%	Achievement of revenue, profit and free cash flow targets set for the year in the annual budget.	Sets target for growth in sales and profits for each year, contributing to increasing shareholder value. Net free cash flow provides for further investment in the business and capacity to pay dividends each year.
Environment, Social & Governance	20%	20-40%	Establishment of agreed plans to secure the sustainability of the Company and progress towards their implementation. Establishment of agreed plans to continue developing the cultural & social behavioural norms of the Company	Sustainability KPIs address the medium to long term prospects for the Company, including developing new products, technologies, expanding markets, contracting with customers and suppliers, forming alliances, and contributing to mitigation of business risk. KPI's that focus on a safe working environment, continual improvement in collaboration and addressing emerging governance issues.
Strategic	30%	20-50%	Commercial development of new products from the R&D team; expansion of sales – new products, new customers; meeting regulatory challenges; manufacturing efficiencies and cost effective sourcing of raw materials; effective management of inventory, debtors and creditors (working capital requirements).	Strategic KPIs address key priorities for the Company to advance to the next stage of its planned strategic direction, in the key management areas of Sales and Marketing, R&D output, Manufacturing, Regulatory and Cash Management. Examples include fast-tracking the output from the R&D team into profitable products attracting new sales. Adjustment to the changing nature of the market, to raw material availability and to manufacturing efficiency are all required to maintain both short term performance of the Company, and longer term growth.

REMUNERATION REPORT (Continued)

(vi) Long Term Incentive Plan

An LTI may be offered each year to the CEO at the discretion of the Board.

The incentive, when offered, is in the form of Performance Rights (rights to receive shares in the Company) which are delivered according to the terms of the Clover Corporation LTI Plan and a Letter of Invitation from the Board to the CEO, setting out the terms for vesting of Performance Rights at the end of an assessment period. Performance Rights are issued for nil consideration and entitle the recipient to receive one Clover Corporation share at no cost for each Performance Right that vests at the end of the assessment period.

The number of Performance Rights offered for a financial year is determined from a percentage of the CEO's total fixed remuneration for that year. This dollar value is converted into a number of Performance Rights based on the Volume Weighted Average Price of Clover Corporation shares on the ASX for the two-week period up to and including the last day of the previous financial year. Hurdles for vesting of Performance Rights reflect long term growth and financial performance of the Company relevant to current and future growth in shareholder value, including such parameters as Earnings per Share (EPS) growth over a three-year period, Return on Equity (ROE) over the same period, and achievements in building the Company's product portfolio, as reflected in New Product Sales.

Executives may also be invited to participate in the Company's LTI Plan. Performance Rights offered are on the same basis as for the CEO with the number calculated by taking a percentage of the Executive's total fixed remuneration for that year and converting this value to the number of Performance Rights granted using the same methodology as for the CEO, as described above.

Shares underlying Performance Rights that vest as a result of achievement of performance hurdles are either purchased on-market by the Company on behalf of the CEO and Executives, or shares can be issued provided that in the case of the CEO (who is also a director of the Company) shareholder approval is obtained. Any Performance Rights not vesting at the end of the assessment period lapse.

During the FY24 year, 35,693 shares that had vested, were issued to the Employee Incentive Plan participants.

REMUNERATION REPORT (Continued)

A summary of the Performance Rights current during the financial year are:

Year of Offer	Components	Allocation	Performance conditions	Targeted result Year ended 31 July 2024	Targeted Result Year Ended 31 July 2025	Targeted Result Year Ended 31 July 2026
2021	Financial	50%	Target – 5% compound growth on FY21 NPAT / EPS	*Not achieved*		
			Target – 15% compound growth on FY21 NPAT / EPS	*Not achieved*		
	Strategic	50%		*Partially Achieved*		
2022	Financial	50%	Target – 5% compound growth on FY22 NPAT / EPS		Pending	
			Target – 15% compound growth on FY22 NPAT / EPS		Pending	
	Strategic	50%			Pending	
2023	Financial	50%	Target – 5% compound growth on FY23 NPAT / EPS			Pending
			Target – 15% compound growth on FY23 NPAT / EPS			Pending
	Strategic	50%				Pending

The most recent performance assessment period of the 2021 Performance Rights ended on 31 July 2024 and the board of directors of the Company determined that a strategic element of the relevant performance conditions had been satisfied for the FY24 period. In consequence, some of the 2021 Performance Rights that have vested for both KMP and Executives can now be exercised.

The performance rights for KMP whose conditions have been met, and their vesting profile:

	As at 31 July 2024	**31 July 2024 Fair value of the rights as compensation ***	**As at 31 July 2023**	**31 July 2023 Fair value of the rights as compensation**
P Davey	35,144	17,221	27,266	29,993
A Allibon	7,624	3,736	-	-
	42,768	**20,957**	27,266	29,993

* Note: The actual value of the Performance Rights will be dependent on the Clover share price at the time of vesting. Rights valued at 31 July 2024 ($0.49) are based on the VWAP price of the ASX market close price for the last 10 business days of the year (FY23 - $1.10).

REMUNERATION REPORT (Continued)

	Rights whose conditions were fulfilled in years preceding 31 July 2022	Rights whose conditions were fulfilled in year ending 31 July 2023	Rights whose conditions were fulfilled in year ending 31 July 2024	Sub-total Rights whose conditions were fulfilled	Rights yet to be fulfilled, subject to achievement of targets and service conditions	Rights Exercised & Exercisable	Total open Rights
	#	#	#	#	#	#	#
P Davey	910,505	27,266	35,144	972,915	1,087,267	(972,915)	1,087,267
A Allibon	-	-	7,624	7,624	386,523	(7,624)	386,523
	910,505	**27,266**	**42,768**	**980,539**	**1,473,790**	**(980,539)**	**1,473,790**

(viii) Remuneration of Non-Executive Directors and Executive KMP

The following tables disclose details of the remuneration of the Directors and Executive KMP of the consolidated entity.

2024		Salary and Fees	Superannuation Contributions	STI	Non-cash Benefits	LTI	Total
Directors		$	$	$	$	$	$
R A Harrington		130,092	14,364	-	-	-	144,456
G A Billings	3	83,700	9,242	-	-	-	92,942
P J Davey	1,2	515,755	27,500	-	23,678	17,221	584,154
I D Glasson	3	83,700	9,242	-	-	-	92,942
Ms T L Brendish		73,700	8,137	-	-	-	81,837
Dr S P Green		73,700	8,137	-	-	-	81,837
		960,647	**76,622**	**-**	**23,678**	**17,221**	**1,078,168**

		Salary and Fees	Superannuation Contributions	STI	Non-cash Benefits	LTI	Total
Executive KMP		$	$	$	$	$	$
A G.M. Allibon	1	276,918	27,648	-	-	3,736	308,302
		276,918	**27,648**	**-**	**-**	**3,736**	**308,302**

1. STI gateway not achieved for FY24.
2. LTI consists of fair value of rights whose conditions were fulfilled in year ending 31 July 2024
3. ARC & Remuneration Committee Chair positions remuneration includes additional $10,000 p.a.

2023		Salary and Fees	Superannuation Contributions	STI	Non-cash Benefits	LTI	Total
Directors		$	$	$	$	$	$
R A Harrington		125,089	13,186	-	-	-	138,275
G A Billings	3	75,666	7,976	-	-	-	83,642
P J Davey	1,2	498,417	27,500	-	8,232	29,993	564,142
I D Glasson	3	75,666	7,976	-	-	-	83,642
Ms T L Brendish		70,865	7,470	-	-	-	78,335
Dr S P Green		70,865	7,470	-	-	-	78,335
		916,568	**71,578**	**-**	**8,232**	**29,993**	**1,026,371**

REMUNERATION REPORT (Continued)

2023	Salary and Fees	Superannuation Contributions	STI	Non-cash Benefits	LTI	Total
Executive KMP	**$**	**$**	**$**	**$**	**$**	**$**
A G.M. Allibon 1	258,922	25,420	-	-	-	284,342
	258,922	**25,420**	**-**	**-**	**-**	**284,342**

1. STI gateway not achieved for FY23. No recognition in FY23. FY22 was provided for in FY22 / paid in FY23
2. LTI consists of fair value of rights whose conditions were fulfilled in year ending 31 July 2023
3. ARC & Remuneration Committee Chair positions remuneration includes additional $4,800 p.a.

(ix) Employment Contracts

There are no specific employment contracts with Non-Executive Directors. Non-Executive Directors are appointed under a letter of appointment and are subject to election and rotation requirements as set out in the ASX listing rules and the Company's constitution, per the 'Board Nomination Policy and Procedure for Selection and Appointment of Directors' policy, which can be viewed in the Corporate Governance section of the Company's website at www.clovercorp.com.au.

Managing Director Mr Peter Davey was employed by the Company under a contract of employment dated 24 October 2017. The contract provides for base salary and continuing access to incentive remuneration subject to Remuneration Committee approval, 6 months' termination notice by either party, and non-solicitation and non-compete clauses.

Other Executives (standard contract)

All other Executives have rolling contracts. The Company may terminate the Executive's employment agreement by providing between 1 to 6 months' written notice or providing payment in lieu of the notice period (based on the fixed component of the executive's remuneration), together with statutory termination entitlements. The Company may terminate the contract at any time without notice if serious misconduct has occurred. Where termination with cause occurs, the Executive is only entitled to that portion of remuneration that is fixed, and only up to the date of termination.

(x) Minimum Shareholding Policy

To ensure Board members and KMP are aligned with the interests of shareholders, from 1 July 2023 the Board introduced a Minimum Shareholding Policy. It requires the Non-Executive Directors and other KMP to build and maintain a minimum shareholding by the latter of the 3rd anniversary of the policy or the 3rd anniversary of the KMP's appointment. The minimum shareholding is measured on the value of purchases made by each NED or KMP relative to directors' fees or salary.

KMP and Directors are required to meet a minimum shareholding equivalent as per the prescribed percentage of their total fixed remuneration and annual director fees as outlined below.

Managing Director and CEO	50 %
CFO	50 %
Non-Executive Directors	100 %

At the date of this report – full compliance has been met by KMP and Non-Executive Directors

REMUNERATION REPORT (Continued)

Directors' interests

The relevant interest of each director in the share capital of the Company, as notified by the directors to the Australian Securities Exchange in accordance with section 205G(1) of the Corporations Act 2001, at the date of this report is as follows:

Director	Ordinary Shares	Performance Rights*
R A Harrington	728,921	-
G A Billings	50,000	-
P J Davey	609,762	35,144
I D Glasson	80,000	-
T L Brendish	43,455	-
Dr S P Green	36,234	-
	1,548,372	35,144

* There are an additional 1,087,267 performance rights available to Mr Davey subject to meeting relevant performance and employment conditions.

KMP Interests

	Ordinary Shares	Performance Rights*
A.G. M Allibon	270,000	7,624
	270,000	7,624

* There are an additional 386,523 performance rights available to Mr Allibon subject to meeting relevant performance and employment conditions.

Auditor's Independence and Non-audit Services

The Board of Directors is satisfied that the provision of non-audit services during the period is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the Board of Directors prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and

- the nature of the services provided do not compromise the general principles relating to auditor independence as set out in the APES110 Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

The following fees for non-audit services were paid/payable to the external auditors during the year ended 31 July 2024:

	$
Taxation structural and compliance services	15,015
	15,015

REMUNERATION REPORT (Continued)

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 has been received by the Directors, and a copy is attached at page 67.

Signed in accordance with a resolution of the Board of Directors.

Mr Rupert A Harrington
Chairman
Melbourne

Date: 23 September 2024

CORPORATE GOVERNANCE

The Board of Clover Corporation Limited is committed to ensuring its policies and practices reflect good corporate governance and recognises that for the success of the Company an appropriate culture needs to be nurtured and developed throughout all levels of the Company.

This statement outlines the Company's Corporate Governance practices in place throughout the year, unless otherwise stated, and has been summarised into sections in line with the 8 core principles set out in the ASX Corporate Governance Council's "Corporate Governance Principles and Recommendations – 4th Edition".

Principle 1 – Lay solid foundations for management and oversight

The Board is ultimately responsible for the operations, management and performance of the Company. In discharging this responsibility, the Board delegates to senior management whose role it is to manage the Company in accordance with the directions and policies set by the Board. The Board monitors the activities of senior management in the performance of their delegated duties.

It is the responsibility of the Board to determine policies, practices, management and the operations of the Company and to ensure that the Company is compliant with statutory, legal and other regulatory obligations.

Responsibilities of the Board include the following:-

- Determining corporate strategies, policies and guidelines for the successful performance of the Company in the present and in the future;
- Monitoring the performance and conduct of the Company;
- Accountability to shareholders;
- Ensuring that risk management procedures and compliance and control systems are in place and operating effectively to ensure a safe operating and inclusive environment
- Monitoring the performance and conduct of senior management, and ensuring adequate succession plans are in place; and
- Ensuring the Company continually builds an honest and ethical culture.

The Board has delegated responsibility for the following to management:

- Day to day management of the Company;
- Production of performance measurement reports;
- Managing the compliance and risk management systems;
- Management of staff including, appointment, termination, staff development and performance measurement.

The Company has a Board Charter which is disclosed on its website using the following address https://www.clovercorp.com.au/en/invest-our-business/governance/ that sets out the respective roles and responsibilities of its board and management, and those matters which are expressly reserved to the board and those which are delegated to management.

The CEO is responsible for ensuring that the responsibilities delegated by the Board to management are properly discharged.

The performance of the CEO is evaluated by the Board with reference to the overall performance of the Company, its subsidiaries and associates in which the CEO represents the Company. Both qualitative and quantitative measures are used to evaluate performance.

The CEO evaluates the performance of the other senior executives and reports to the Board. The Board also reviews the performance of these executives via their attendance at Board meetings and the monthly Board reports.

Principle 1 – Lay solid foundations for management and oversight (continued)

The performance of the senior executives of the Company was assessed, as set out above, during the reporting period.

The Company conducts an annual evaluation of the performance of the Board, its Committees and individual Directors.

The Board is responsible for evaluating candidates and recommending individuals for appointment as Directors. The Company undertakes appropriate background and screening checks prior to nominating a Director for election by shareholders.

The Company maintains written agreements with each Director and senior Executives that sets out the terms of their appointment and outlines all relevant roles and obligations.

The Company Secretary is accountable to the Board, through the Chairman, and is responsible for advising the Board and its Committees on governance matters, monitoring the Board and ensuring Committee policies and procedures are followed, and coordinating the timely completion of Board and Committee papers.

<u>Diversity</u>

The Company values and respects the skills that people with diverse backgrounds, experiences and perspectives bring to the organisation. The Company is committed to rewarding performance and providing opportunities that allow individuals to reach their full potential irrespective of background or difference. When appointing or promoting people within the organisation the most suitably qualified candidates are selected. As a result, diversity is promoted throughout the organisation.

In March 2012, the Company established a Diversity Policy to formalise its commitment to providing equal access to opportunities irrespective of background, beliefs or other factors. The policy is regularly updated and may be viewed in the Corporate Governance section of the Company's web site at www.clovercorp.com.au. The policy governs the conduct of the Company, its wholly owned subsidiaries and all Directors and employees of those entities.

As at 31 July 2024 the organisation had a headcount of 60 employees. As the Company has less than 100 employees, it is not a relevant employer under the Workplace Gender Equality Act 2012, despite this the Company has adopted the ASX Corporate Governance Principles and Recommendations on diversity and works to the following principles:

- Ensuring targets are based on current workforce data including growth, promotions and attrition, and that they are achievable and provide stretch goals
- Incorporating targets in leaders' KPIs to improve accountability and sponsorship
- Sharing gender targets and updates on achievements, internally and externally, including reporting to the board on a regular basis.

Clover is committed to inclusion at all levels of the organisation regardless of gender, marital or family status, sexual orientation, gender identity, age disabilities, ethnicity, religious beliefs, cultural background, socio-economic background, perspective and/or experience, and to creating and fostering a supportive and understanding environment by providing opportunities and development that allow individuals to reach their full potential irrespective of background or difference.

The company has revisited key policies, strategies and frameworks that attract, retain, and encourage participation and inclusion of both men and women in FY24. Our goal is to continue to maintain and improve our gender balance and strengthen our retention rate of women by creating an environment that encourages women's participation, inclusion, development, and growth.

CORPORATE GOVERNANCE

The proportion of women employees in the whole organisation was 36%. The Company's objective is to incrementally grow this as vacancies allow and suitably qualified candidates are available. The aim is to achieve female representation at all levels of 40% or more.

The Company will continue to ensure that neither gender or diversity differences interfere with the employment of individuals based on their suitability for the position available and aspires to achieve greater diversity.

Principle 2 – Structure the Board to add value

The Company's constitution states that its Board is to comprise no less than three and no more than ten Directors. The names and details of the Directors of the Company at the date of this statement are set out in the Directors' Report.

At the date of this report the Board consisted of five Non-Executive Directors and one Executive Director. Each Director has undertaken to provide the Board with all information that is relevant to the assessment of his/her independence in a timely manner. The Board has assessed the independence of its members and is of the view that the following Directors are independent:

Mr R A Harrington	Non-Executive
Mr G A Billings	Non-Executive
Mr I D Glasson	Non-Executive
Ms T L Brendish	Non-Executive
Dr S P Green	Non-Executive

The Company has established a Nomination Committee which currently consists of four independent Non-Executive Directors and is chaired by one of the independent Non-Executive directors. The Committee periodically reviews the Board's membership having regard to the Company's particular needs, both present and future. Where a Board member is due for re-election at the next Annual General Meeting, that Director abstains from consideration of their nomination for re-election.

The Company has a Nomination Committee Charter that sets out the process by which new Director candidates are identified and selected, the use of professional intermediaries and the requirement for a diverse range of candidates to be considered. This policy may be viewed in the Corporate Governance section of the Company's web site at www.clovercorp.com.au.

The Nomination Committee considers the structure, balance and skills of the Board in making decisions regarding appointment, retirement and nominations for re-election. When a vacancy occurs, the necessary and desirable skills, expertise and experience required to complement the Board are identified and a process to identify the most appropriate candidates is implemented. The committee engages recruitment consultants and other independent experts to undertake research and assessment as required.

Directors are initially appointed by the full Board, subject to election by the shareholders of the Company at the next Annual General Meeting. Under the Constitution, one third of the Board is required to retire from office each year. Retiring Directors may stand for re-election subject to approval by the Board.

The Company has an established induction procedure which allows new Board appointees to participate fully and actively in Board decision making at the earliest opportunity.

The Board considers that the current Directors bring an appropriate mix of skills, breadth and depth of knowledge and experience and diversity to meet the Board's responsibilities and objectives. The range of skills and experience possessed by the each of the Directors is set out in the Directors' Report, and is summarised in the table below:

CORPORATE GOVERNANCE

Principle 2 – Structure the Board to add value (continued)

Skill Category	Description of Attribute	Board Capability
Governance	Board experience as a director of an ASX listed company, demonstrated commitment to highest standards of governance including experience with companies subject to rigorous governance standards and member of a governance body.	Significant
Risk and Compliance	Experience with the establishment of risk and compliance frameworks and the identification and monitoring key risks to the Company.	Significant
Leadership	Sustainable success in business at a Senior Executive level or practice leadership level in relevant sectors including manufacturing, finance, R&D and consumer products.	Significant
R&D / Product Development	Knowledge and experience (local & international) of developing and commercialising new science-based products with health offerings.	Adequate
Strategy	Experience in developing, implementing, and challenging a plan of action designed to achieve the long-term goals of the Company.	Significant
Financial and Accounting	Experience in financial accounting and reporting, corporate finance and internal financial controls. Includes the ability to probe the adequacy of financial controls.	Significant
Quality and Safety	Experience related to work health and safety governance and/or quality governance.	Significant
Regulatory, Legal, and Public Policy	Experience in Government relations, public and regulatory policy or qualified legal professional.	Developing
Business Acquisition and Integration	Experience in M&A and implementation / business integration.	Significant
People, Culture and Remuneration	Management experience in relation to workplace culture, remuneration, organisational development, succession, diversity, and human resource management and or ASX listed company Remuneration Committee membership.	Significant
Technology Strategy and Governance	Knowledge and experience in IT including artificial intelligence (AI), privacy, data management, cyber security, document protection and Digital Experiences	Adequate
Environment and Social	Experience in environmental and social governance.	Adequate
Global Experience	Expertise in understanding the challenges of growing international trading and operational expansion	Significant

In the discharge of their duties and responsibilities the Directors, either individually or jointly, have the right to seek independent professional advice at the Company's expense. In respect of advice to individual Directors, the prior approval of the Chairman is required; such approval is not to be unreasonably withheld. The Chairman is entitled to receive a copy of any such advice obtained.

CORPORATE GOVERNANCE

Principle 2 – Structure the Board to add value (continued)

The Chairman is responsible for monitoring and assessing the performance of individual Directors, each Board committee and the Board as a whole. The Chairman interviews each Director and provides feedback regarding their performance. In 2024 each Director independently completed an external confidential assessment of the performance of the Board. The results of the assessments are compiled into a written report which is presented to the Board and discussed. The performance of each Director of the Company was assessed during the reporting period.

Principle 3 – Act lawfully, ethically and responsibly

Code of Conduct
The Company has an established code of conduct dealing with matters of integrity and ethical standards, which can be viewed at the Corporate Governance section of the Company's web site at www.clovercorp.com.au.

The Board recognises the need for the Directors and employees to adhere to the highest standards of behaviour and business ethics.

All Directors and employees are expected to abide by the code of conduct which covers a number of areas including the following:-

- Professional conduct and ethical standards;
- Compliance with laws and regulations;
- Relationships with shareholders, customers, suppliers and competitors;
- Confidentiality and continuous disclosure;
- Standards of workplace behaviour and equal opportunity;
- Privacy and anti-discrimination;
- Proper use of Company assets;
- The environment; and
- Investigation and reporting of breaches of the code.

Share Trading
The Company has established a share trading policy which may be viewed in the Corporate Governance section of the Company's web site at www.clovercorp.com.au.

Whistle Blowing
The Company has established a Whistleblower policy which can be viewed at the Corporate Governance section of the Company's web site at www.clovercorp.com.au. It is the responsibility of the Company Secretary and Managing Director to regularly update the board as to whether any material incidents have been reported under that policy. With respect to confidentiality, our employees have a range of options in respect of who they may contact including an Officer of Clover Corporation, ASIC, APRA, the Auditors, an Actuary or legal practitioner.

Anti-bribery and Corruption

The Company has established an Anti-bribery and Corruption policy which can be viewed at the Corporate Governance section of the Company's web site at www.clovercorp.com.au. It is the responsibility of the Company Secretary and Managing Director to regularly update the board as to whether any material incidents have been reported under that policy.

Principle 4 – Safeguard integrity in financial reporting

The Company has an established Audit Committee, which has a formal charter outlining the committee's function, composition, authority, responsibility and reporting. The Audit Committee charter may be viewed in the Corporate Governance section of the Company's web site at www.clovercorp.com.au.

There are currently four members of the Audit Committee, all of whom are non-executive Directors and are considered to be independent (refer to principle 2 above).

Mr Billings, who is the Chair of the Audit & Risk Committee, is not the Chairman of the Board. The Chairman of the Board is not a member of the Audit Committee (but may attend committee meetings in an *ex officio* capacity). The details of the Audit Committee members at the date of this statement and their attendance at meetings are set out in the Directors' Report.

The Non-Executive Chairman, CEO, and Company Secretary may attend Audit Committee meetings by invitation. The external auditors, PKF, are requested by the Audit Committee to attend appropriate meetings to report on the results of their half-year review and of their planning for and result of the full year audit.

The function of the Audit Committee is to assist the Board in fulfilling its statutory and fiduciary responsibilities relating to:

- The external reporting of financial information, including the selection and application of accounting policies;
- The independence and effectiveness of the external auditors;
- The effectiveness of internal control processes and management information systems;
- Compliance with the Corporations Act, ASX Listing Rules and any other applicable requirements;
- The application and adequacy of risk management systems within the Company.

The CEO and the Chief Financial Officer are required to state in writing to the Board, by submission to the Audit Committee, that the Company's financial statements present a true and fair view, in all material respects, of the Company's financial position and operational results and that they are in accordance with relevant accounting standards. A declaration under Section 295A of the Corporations Act from the CEO and Chief Financial Officer has been received in respect of the current reporting period.

Before it is released to the market, the Chairman reviews any periodic corporate reports.

Principle 5 – Make timely and balanced disclosure

The Board recognises the need to ensure that all investors have equal and timely access to material information regarding the Company and for announcements to be factual, clear, balanced and complete.

The Company has established a Continuous Disclosure Policy to ensure compliance with the ASX and Corporations Act continuous disclosure requirements which can be viewed at the Corporate Governance section of the Company's web site at www.clovercorp.com.au. The policy requires timely disclosure through the ASX Company announcements platform of information concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company's securities, or which would materially influence the decision making of investors. Internal procedures are in place to ensure that relevant information is communicated promptly. The Company Secretary is the nominated continuous disclosure officer for the Company.

It is the responsibility of the Company Secretary to ensure the board receives copies of all market announcements promptly after they have been made.

The Company will not release any information publicly, including any new and substantive investor or analyst presentation, that is required to be disclosed through the ASX, until the Company has received formal confirmation of its release to the market by the ASX.

CORPORATE GOVERNANCE

Principle 6 – Respect the rights of security holders

The Board is committed to ensuring that shareholders are fully informed of all material matters affecting the Company in a timely manner.

The dissemination of information is mainly achieved as follows:-

- An Annual Report is distributed (electronically if preferred) to shareholders in November each year;
- A newsletter is periodically distributed to shareholders;
- Announcements to the ASX and press releases advising of events which are of particular significance to the progress and prospects of the Company, and
- Significant information is also posted on the Company's website.

In addition, shareholders are encouraged to attend and participate in the Annual General Meeting (AGM) of the Company. The external auditor attends the AGM to answer shareholders' questions with regard to the conduct of the audit and the content of the Auditor's Report. The Company ensures that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands. The Company's shareholders may elect to receive information from the Company and its registry electronically. Otherwise the Company and its registry will communicate by post with shareholders who have not elected to receive information electronically. The Company's share registry helps to manage these shareholder communication preferences. The Company's share registry is Computershare Investor Services Pty Ltd; https://www.computershare.com.au

Principle 7 – Recognise and manage risk

The Company is committed to identifying and managing areas of significant business risk to protect shareholders, employees, earnings and the environment. Arrangements in place include:-

- Regular detailed financial, budgetary and management reporting;
- Procedures to manage financial and operational risks;
- Regular monthly 'deep dives' to assess risk in each Board meeting;
- Established organisational structures, procedures and policies dealing with the areas of health and safety, environmental issues, industrial relations and legal and regulatory matters;
- Comprehensive insurance and risk management programs;
- Procedures requiring Board approval for all borrowings, guarantees and capital expenditure beyond minor levels;
- Where applicable, the utilisation of specialised staff and external advisors; and
- Regular operational audits undertaken by major customers.

Management is responsible for the design and implementation of a risk management and internal control system which manages the material business risks of the Company and reporting to the Board on whether those risks are being managed efficiently. Management reported to the Board on an ongoing basis during the current reporting period.

Whilst the Company does not have an internal audit function, the Board of Directors regularly reviews the external risks to the Company and confirms it has conducted such a review his financial period. The Board reviews and approves management's plans to reduce the impact of potential risks and monitors progress against these plans.

The Company's risk management approach is to identify, evaluate, and mitigate or manage its financial, operational and business risks. Our risk assessment approach includes an estimation of the likelihood of risk occurrence and potential impacts on the financial results. Risks are assessed across the business and reported to the Audit & risk Committee and to the Board where required under the Company's Risk Management Framework.

CORPORATE GOVERNANCE

Principle 7 – Recognise and manage risk (continued)

The Board remains optimistic about future trading performance but acknowledges there are certain factors that may pose a risk to the achievement of business strategies and future performance, in particular the potential ongoing impact of supply chain challenges and commodity price movements. The focus of the Company's risk management efforts this year has also included consideration of political risk in the context of its international investments and operations, capacity management, cyber risk as well as broader environmental and sustainability activities.

Other than as disclosed, the Company does not have any exposure to economic, environmental and social sustainability risks to disclose during the reporting period. The Board is monitoring the evolving debate and expected reporting requirements in future periods around mandatory climate change and sustainability reporting disclosures.

The CEO and the Chief Financial Officer are required to state in writing to the Board, by submission to the Audit Committee, that the risk management and internal control compliance systems are operating efficiently and effectively. In their declaration under section 295A of the Corporations Act the CEO and Chief Financial Officer have made this statement in respect of the current reporting period.

Principle 8 – Remunerate fairly and responsibly

The Company has established a People & Culture Committee which currently consists of four independent, non-executive Directors. Mr Ian Glasson is the Chair of the People & Culture Committee. The Committee makes recommendations to the full Board on remuneration matters and other terms of employment for Executive Directors and Non-Executive Directors.

Senior executive performance is continually monitored by the CEO and the CEO's performance is subject to continuous monitoring by the full Board.

The remuneration of the CEO is reviewed annually by the People & Culture Committee, which consists of only Non-Executive Directors. The remuneration of the senior executive staff is reviewed annually by the full Board after taking into consideration the recommendations of the People & Culture Committee and the CEO.

The CEO and senior executive staff are remunerated by way of salary, performance incentive payments, non-monetary benefits, and superannuation contributions.

Non-Executive Director's fees are reviewed periodically by the full Board after taking into consideration the Company's performance, market rates, level of responsibility and the recommendations of the People & Culture Committee. Non-Executive Directors are remunerated by way of fees in the form of cash and superannuation contributions and are not entitled to receive bonus payments or any equity-based remuneration.

Remuneration is set so as to attract and retain suitable personnel and to motivate them to pursue the long-term growth and success of the Company.

Further information of Directors' and Executive remuneration is set out in the Remuneration Report.

For further information concerning the corporate governance practices of the Company refer to the corporate governance section of the Company's web site at www.clovercorp.com.au.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 JULY 2024

	Notes	2024 $'000	2023 $'000
Revenue	2	**62,207**	79,875
Net Exchange Gains / (Losses)	3	**172**	294
Net Interest expense	3	**(899)**	(730)
Raw materials, consumables & conversion costs		**(45,345)**	(56,137)
Marketing and sales expenses		**(4,818)**	(5,691)
Administration and corporate expenses		**(5,556)**	(5,514)
Research and development expenses		**(2,493)**	(2,572)
New Market Development Costs		**(865)**	(677)
Share of net profit of investments accounted for under the equity method		**(486)**	(487)
Profit before income tax	3	**1,917**	8,361
Income tax (expense)	4	**(402)**	(2,156)
Profit after tax for the period attributable to members of the parent entity		**1,515**	6,205
Other comprehensive profit/(loss)			
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation adjustments		**(386)**	822
Total comprehensive profit for the year		**1,129**	7,027
Earnings per share (EPS)			
Basic earnings per share (cent per share)	22	**0.91**	3.72
Diluted earnings per share (cent per share)	22	**0.91**	3.72

This Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 JULY 2024

	Notes	2024	2023
		$'000	$'000
Current assets			
Cash and cash equivalents	6	**12,259**	9,437
Trade and other receivables	7	**13,711**	11,948
Inventories	8	**29,554**	36,877
Other current assets - prepayments		**1,357**	1,744
		56,881	60,006
Non-current assets			
Property, plant and equipment	9	**10,692**	9,103
Right of use assets	10	**1,845**	2,238
Investments in associates	11	**11,251**	11,662
Deferred tax assets	4	**1,816**	1,286
Intangible assets	12	**1,907**	1,907
		27,511	26,196
Total assets		**84,392**	86,202
Current liabilities			
Trade and other payables	13	**5,087**	4,647
Interest bearing liabilities	14	**3,435**	1,743
Lease liability	15	**411**	386
Current tax liabilities		**-**	594
Short-term provisions	16	**898**	919
		9,831	8,289
Non-current liabilities			
Interest bearing liabilities	14	**5,033**	7,690
Lease liability	15	**1,508**	1,893
Deferred tax liability	4	**892**	1,142
Long-term provisions	16	**58**	37
		7,491	10,762
Total liabilities		**17,322**	19,051
Net assets		**67,070**	67,151
Equity			
Issued capital	17	**36,270**	36,270
Reserves	18	**(1,199)**	(855)
Retained profits		**31,999**	31,736
Total equity		**67,070**	67,151

This Statement of Financial Position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 JULY 2024

	Issued capital	Retained profits	Share-based payment reserve	Foreign currency translation reserve	Total
	$'000	$'000	$'000	$'000	$'000
Balance at 1 August 2022	**35,603**	**28,448**	**-**	**(1,011)**	**63,040**
Profit attributable to members of the entity	-	6,205	-	-	6,205
Other comprehensive income	-	-	-	822	822
Total Comprehensive Income for the year		6,205		822	7,027
Transactions with Owners in their capacity as owners					
Dividend paid	-	(2,917)	-	-	(2,917)
Shares issued for the period	667				667
Share-based payment reserve	-	-	(666)	-	(666)
Balance at 31 July 2023	**36,270**	**31,736**	**(666)**	**(189)**	**67,151**
Balance at 1 August 2023	**36,270**	**31,736**	**(666)**	**(189)**	**67,151**
Profit attributable to members of the entity	-	1,515	-	-	1,515
Other comprehensive income	-	-	-	(386)	(386)
Total Comprehensive Income for the year		1,515		(386)	1,129
Transactions with Owners in their capacity as owners					
Dividend paid	-	(1,252)	-	-	(1,252)
Shares issued for the period	-	-	-	-	-
Share-based payment reserve	-	-	42	-	42
Balance at 31 July 2024	**36,270**	**31,999**	**(624)**	**(575)**	**67,070**

This Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 JULY 2024

	Notes	2024	2023
		$ '000	$ '000
Cash flows from operating activities			
Receipts from customers		**60,730**	87,489
Payments to suppliers and employees		**(49,069)**	(78,122)
Net Interest paid		**(899)**	(730)
Income tax paid		**(2,308)**	(1,901)
Net cash inflow from operating activities	21	**8,454**	6,736
Cash flows from investing activities			
Acquisition of plant and equipment		**(2,328)**	(1,639)
Investment in MDLP		**(287)**	-
Loans to Associates		**(356)**	(890)
Net cash outflow on investing activities		**(2,971)**	(2,529)
Cash flows from financing activities			
Dividends paid	5 (a)	**(1,252)**	(2,917)
Loan Drawdowns		**5,000**	-
Repayment of interest-bearing liabilities		**(5,966)**	(1,735)
Lease payments		**(443)**	(229)
Net cash outflow on financing activities		**(2,661)**	(4,881)
Net increase / (decrease) in cash held		**2,822**	(674)
Cash and cash equivalents at the beginning of the period		**9,437**	10,111
Cash and cash equivalents at the end of the period	6	**12,259**	9,437

This Statement of Cash Flows should be read in conjunction with the accompanying notes.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report covers Clover Corporation Limited (“the Company”) and controlled entities (“the consolidated entity or “the Group”). Clover Corporation Limited is a listed public Company, incorporated and domiciled in Australia.

Basis of preparation
The financial report is a general-purpose financial report that has been prepared in accordance with Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001.

The financial report also complies with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

The consolidated financial statements have been prepared on the basis of historical cost, except for certain financial instruments that are measured at fair value. All amounts are presented in Australian dollars, unless otherwise noted.

The consolidated entity has applied the relief available to it in ASIC Corporations Instrument (Rounding in Financial/ Directors’ Reports) 2016/191 and accordingly amounts in the financial report and the directors’ report have been rounded off to the nearest thousand dollars, unless otherwise stated.

The financial report was authorised for issue on 23 September 2024 by the Board of Directors.

This Note 1 details the material accounting policies adopted by the consolidated entity in the preparation of the financial report.

(a) (i) Changes in accounting policy and disclosures, standards and interpretations

The consolidated entity has adopted all amendments to Australian Accounting Standards which became applicable for the consolidated entity from 1 August 2023. No significant impact has arisen on recognition, measurement, or disclosure in the financial report from application of these standards.

(b) Principles of consolidation and investment in associates

Investment in controlled entities

The consolidated financial statements incorporate the financial statements of Clover Corporation Limited and entities controlled by the Company and its subsidiaries. All subsidiaries have a reporting date of 31 July.

Investment in associates

Associates are entities over which the consolidated entity has significant influence but not control or joint control. Investments in associates are accounted for using the equity method. Under the equity method, the share of the profits or losses of the associate is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in associates are carried in the statement of financial position at cost plus post-acquisition changes in the consolidated entity’s share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Dividends received or receivable from associates reduce the carrying amount of the investment.

(c) Income tax

In determining the current tax position, Research and Development incentive allowances are accounted as tax credits, reducing income tax payable and current tax expense.

Tax consolidation

Clover Corporation Limited and its wholly-owned Australian subsidiaries have not formed an income tax consolidated group under tax consolidation legislation.

(d) Inventories

Costs are assigned on the basis of weighted average costs.

(e) Property, plant and equipment

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

Depreciation

The depreciable amount of all fixed assets are depreciated on a straight-line basis.

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

Class of asset	**Depreciation Rates**
Buildings, at cost	4.00% - 15.00%
Plant and equipment, at cost	5.00% - 33.33%
Furniture and equipment, at cost	10.00% - 33.00%

(f) Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost.

Right-of-use assets are depreciated on a straight-line basis in a accordance with lease terms.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

(g) Leases

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate.

(h) Financial instruments

Financial assets

The consolidated entity's financial assets are measured at amortised cost and comprise trade and other receivables and cash and cash equivalents.

Allowance for expected credit losses (ECL)

For trade receivables and contract assets, the consolidated entity applies a simplified approach in calculation of ECLs. Thus, the consolidated entity does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The consolidated entity's current impairment allowance has been based on historical credit loss experience, adjusted for forward looking factors specific to the debtors and the economic environment and future positions.

The loss allowance is recognised in profit or loss.

Financial liabilities

The consolidated entity measures all financial liabilities at amortised cost.

The financial liabilities of the consolidated entity comprise trade payables, bank and other loans and lease liabilities.

(i) Impairment of assets

At each reporting date, the consolidated entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Any excess of the asset's carrying value over its recoverable amount is expensed to profit or loss.

(j) Intangibles

Goodwill

Goodwill is carried at cost less accumulated impairment losses.

(k) Foreign currency transactions and balances

Functional and presentation currency

The consolidated financial statements are presented in Australian dollars which is the Company's functional and presentation currency.

Transaction and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate.

(l) Revenue

Revenue from sale of inventory is recognised at the point in time when control of the assets is transferred to the customer, which is generally upon delivery.

All revenue is stated net of the amount of goods and services tax (GST).

(m) Employee benefits

Provision is made for the consolidated entity's liability for employee benefits arising from services rendered by employees to the reporting date.

(n) Share-based payments

Equity-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards in respect of shares, in the form of performance rights, that are provided to employees in exchange for the rendering of services.

The cost of equity-settled transactions is measured at fair value on grant date. Fair value has been calculated using the VWAP for each period in which the performance rights have been awarded. No account is taken of any other vesting conditions.

The cost is recognised in employee benefits expense, together with a corresponding increase in equity, over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the consolidated entity's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

(o) Operating segments

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. This includes start-up operations which are yet to earn revenues.

Operating segments have been identified based on the information provided to the CEO and CFO.

(p) Critical accounting estimates and judgements

The directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data; obtained both externally and within the consolidated entity.

Key estimate

Impairment
The consolidated entity assesses impairment at each reporting date by evaluating conditions and events specific to the consolidated entity that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations performed. In assessing recoverable amounts, several key estimates are made.

Allowance for expected credit losses
The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience, historical and future collection rates.

Key judgements

Impairment of goodwill:
Goodwill is allocated to the tuna oil cash-generation units which are based on the controlled entity's principal activities. The Company assessed the recoverable amount of goodwill and determined that no impairment was required at reporting date. Recoverable amounts of relevant assets are reassessed using value-in-use calculations that incorporate various key assumptions.

Refer to Note 12 for further details on the assumptions used in these calculations.

Inventory realisation:

The measurement of inventory at the lower of cost and net realisable value requires judgements to be made in respect of the forecast demand for the consolidated entity's products and the matching of raw material purchasing and the manufacturing process to meet forecasts. The possibility that inventory lines may exceed optimum levels or be obsolete is factored into adjustments necessary to measure inventory at net realisable value, should it be determined to be lower than cost.

Certain lines of inventory are carried at net realisable value, that being lower than cost (refer to Note 8). The impact of net realisable value adjustments on the financial result for the year is disclosed in Note 3.

Income tax:

Deferred tax assets are recognised for unused tax losses and tax offsets to the extent that it is probable that taxable profit will be available against which the losses and offsets can be utilised. Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

	Consolidated 2024 $'000	2023 $'000
2. Revenue and other income		
Operating activities:		
Sales of goods	**62,207**	79,875
Other income:		
Interest revenue	**-**	-
Total revenue	**62,207**	79,875
The disaggregation of revenue from contracts with customers is as follows:		
Timing of revenue:		
Goods transferred at a point in time	**62,207**	79,875
Geographical location:		
Australia / New Zealand	**29,672**	32,105
Asia	**17,124**	20,225
Europe / Middle East	**12,845**	24,536
Americas	**2,566**	3,009
	62,207	**79,875**
3. Expenses		
Profit before income tax includes the following items:		
Employee benefits expense	**8,839**	7,836
Share-based payments expense / (credit)	**42**	-
Inventory Scrap / Impairment	**1,200**	867
Melody Dairies contractual charges	**-**	-
Depreciation and amortisation:		
- buildings	**340**	357
- plant and equipment	**359**	251
- office furniture and equipment	**39**	59
- right-of-use assets	**427**	252
	1,165	919
Net exchange Gains / (Losses)	**172**	294
Interest expense	**899**	730
Minimum lease payments:		
- short term leases	**571**	567

	Consolidated	
	2024	2023
	$'000	$'000

4. Income tax expense:

(a) The components of tax expense comprise:

Current tax	**(378)**	2,097
Deferred tax asset	**530**	277
Deferred tax liability	**250**	(218)
	402	2,156

(b) Reconciliation of income tax expense/(credit):

The aggregated amount of income tax expense attributable to the period differs from the amount's prima facie payable on profits from ordinary activities. The difference is reconciled as follows:

Prima facie tax payable on group profit before income tax at 30%	**575**	**2,508**
Tax effect amounts:		
- Research and development claim	**(49)**	(597)
- Lower tax rates in foreign jurisdictions	**36**	-
- Prior period tax losses brought to account	**(126)**	-
- Sundry other	**(34)**	245
Income tax expense/ attributable to profit	**402**	2,156

(c) Deferred tax assets

Deferred tax asset	**1,816**	**1,286**

The deferred tax assets balance comprises the following temporary differences:

Impairment of inventory	**288**	134
Provisions	**344**	341
Lease Liability	**303**	356
Other temporary differences	**881**	455
	1,816	1,286
Reconciliation:		
Opening balance	**1,286**	1,009
(Charges) / credits to income statement	**530**	277
Closing balance	**1,816**	1,286

		Consolidated 2024 $'000	2023 $'000
(d)	**Deferred tax liability**	**892**	1,142
	The deferred tax liability comprises the following temporary differences:		
	Prepayments	**38**	45
	Book / tax Assets	**459**	477
	Lease Asset	**291**	347
	Unrealised foreign exchange	**104**	198
	Other temporary differences	**-**	75
		892	1,142
	Reconciliation:		
	Opening balance	**1,142**	924
	Charges / (credits) to income statement	**(250)**	218
	Closing balance	**892**	1,142

5. Dividends

(a) Dividend paid during the period

	2024 $'000	2023 $'000
Final dividend for the year ended 31 July 2023 of 0.75 cent per share (FY22: 1.0 cent per share) fully franked at the tax rate of 30%, paid 20 November 2023	**1,252**	1,664
Interim dividend for the year ended 31 July 2024 of 0.0 cent per share (FY23: 0.5 cent per share)	**-**	1,253
	1,252	2,917
Franking account balance		
Franking credits available for subsequent financial years	**13,113**	13,299

The above available amounts are based on the balance of the dividend franking account at the period end adjusted for franking credits that will arise from the payment of the current tax liability; franking debits that will arise from payment of dividends recognised as a liability at period end; and franking credits that will arise from dividends recognised as a receivable at period end.

There were no dividend or distribution reinvestment plans operating during the financial period.

(b) Dividends declared after reporting date

The Directors have declared a final dividend for the financial year ended 31 July 2024 of 0.75 cent per share (FY23: final 0.75 cent per share) fully franked at 30%, payable on 18 November 2024, but not recognised as a liability at the end of the financial period.

The record date for this dividend will be 22 October 2024.

	Consolidated	
	2024	2023
	$'000	$'000

6. Cash and cash equivalents

Cash at bank	**12,259**	9,437
	12,259	9,437

7. Trade and other receivables

Current		
Trade debtors	**11,997**	11,070
Less: expected credit losses	**(214)**	(54)
Net Trade Debtors	**11,783**	11,016
Loan to Associate	**1,246**	890
Income Tax Receivable	**541**	-
Other debtors	**141**	42
Total current trade and other receivables	**13,711**	11,948

Provision for impairment of receivables

Trade receivables are amounts due from customers for goods sold in the ordinary course of business. They are generally due for settlement between 30 and 120 days and therefore are classified as current. Other receivables generally arise from transactions outside the usual operating activities of the consolidated entity. Settlement timeframes may vary, though their classification is current.

Refer to Note 26 for more information on credit risk of trade and other receivables.

8. Inventories

Raw materials	**16,110**	21,478
Goods in transit	**1,136**	1,034
Finished goods	**13,347**	14,644
	30,593	37,156
Less: provision for inventory obsolescence	**(1,039)**	(279)
Total Inventories	**29,554**	36,877

	Consolidated	
	2024	2023
	$'000	$'000
9. Property, plant and equipment		
Land, at cost	**2,000**	2,000
Buildings, at cost	**6,190**	6,234
Less: accumulated depreciation	**(2,829)**	(3,049)
Total Buildings	**3,361**	3,185
Plant and equipment, at cost	**6,008**	2,827
Less: accumulated depreciation	**(1,211)**	(959)
Total plant and equipment	**4,797**	1,868
Capital WIP	**212**	1,991
Furniture and equipment, at cost	**679**	377
Less: accumulated depreciation	**(357)**	(318)
Total furniture and equipment	**322**	59
Total property, plant and equipment	**10,692**	9,103

Reconciliation of the carrying amounts of each class of asset at the beginning and the end of the current financial period:

	2024 $'000	2023 $'000
Land		
Balance at beginning of the period	**2,000**	2,000
Carrying amount at the end of the period	**2,000**	2,000
Buildings		
Balance at beginning of the period	**3,185**	2,752
Additions	**347**	-
Transfers In	**169**	790
Depreciation expense	**(340)**	(357)
Carrying amount at the end of the period	**3,361**	3,185
Plant and equipment		
Balance at beginning of the period	**1,868**	1,343
Additions, net of disposals	**1,608**	-
Transfers In	**1,573**	751
Depreciation expense	**(252)**	(226)
Carrying amount at the end of the period	**4,797**	1,868

	Consolidated 2024 $'000	2023 $'000
Capital WIP		
Balance at beginning of the period	**1,991**	1,740
Additions	**286**	1,639
Transfers Out	**(1,958)**	(1,487)
Foreign currency translation	**-**	124
Depreciation expense	**(107)**	(25)
Carrying amount at the end of the period	**212**	1,991
Furniture and equipment		
Balance at the beginning of the period	**59**	192
Additions, net of disposals	**85**	-
Transfers In / (Out)	**216**	(74)
Depreciation expense	**(39)**	(59)
Carrying amount at the end of the period	**321**	59

10. Right of use assets

	2024	2023
Right of use assets – premises	**2,693**	2,659
Less: accumulated depreciation	**(848)**	(421)
	1,845	2,238
Balance from prior year	**2,238**	1,150
Additions to Right of use assets	**-**	1,340
Foreign currency translation	**34**	-
Depreciation expense	**(427)**	(252)
Carrying amount at end of period	**1,845**	2,238

11. Investment in associates

	2024	2023
Investment in Melody Dairies	**11,251**	11,662
Total Investment in associates	**11,251**	11,662

The consolidated entity has a 43.9% (FY23: 41.9%) interest in Melody Dairies, a limited partnership established for the purpose of undertaking construction and operation of a manufacturing facility in New Zealand. The objective of the project is to enable expansion of the consolidated entity's capacity to deliver its products to the market, through its equity interest in the project.

The consolidated entity's interest in Melody Dairies is accounted using the equity method in the consolidated financial statements. As of the reporting date, the consolidated entity's investment is represented by its share of assets, cash and related working capital amounts to an equity accounted total of $13.894m, net of $2.643m in equity accounted operating losses and translation adjustments.

Melody Dairies continues to be in breach of its banking covenant with the Bank of New Zealand (BNZ) loan agreement. BNZ has acknowledged the breach and has not taken any action in relation to the breach. The total value of the borrowings held by Melody Dairies is $NZ 20.1m with BNZ.

The presence of a covenant breach can lead to the total borrowings falling due within 12 months and were this to happen Clover and the other partners would be required to fund their share of these borrowings.

12. Intangible assets

	Consolidated 2024 $'000	2023 $'000
Goodwill on acquisition, at cost	**1,907**	1,907
Total intangible assets	**1,907**	1,907

There were no acquisitions of controlled entities in FY24 (FY23: None).

Impairment assessment

Goodwill is allocated to the tuna oil cash-generating unit which is based on the controlled entities' principal activities.

During the 31 July 2024 financial year, the Company assessed the recoverable amount of goodwill relating to the tuna oil segment and determined that goodwill is not impaired. The recoverable amount of the cash-generating unit, being the assets of the cash-generating unit and goodwill, was assessed by reference to the cash-generating unit's value-in-use. Value-in-use is calculated based on the present value of cash flow projections over a 5-year period approved by the Board of Directors. The cash flows are discounted using a pre-tax 12% risk rate and 2% annual growth rate. Management believes that any reasonable possible change in key assumptions on which recoverable amount is based would not cause the aggregate carrying amount of the cash generating unit to exceed its recoverable amount.

13. Trade and other payables

	Consolidated 2024 $'000	2023 $'000
Current		
Trade creditors	**5,081**	3,961
Sundry creditors and other accruals	**6**	686
	5,087	4,647

14. Interest bearing liabilities

	2024	2023
Current interest-bearing liabilities	**3,435**	1,743
Non-current interest-bearing liabilities	**5,033**	7,690
	8,468	9,433

Assets pledged as security

The interest-bearing liabilities are secured by a first mortgage over the investment in Melody Dairies (with a carrying value of $11.251m), land and buildings (with a carrying value of $5.361m), as well as a general charge over the consolidated entity's assets.

	Consolidated	
	2024	2023
	$'000	$'000
15. Lease liabilities		
Current lease liabilities	**411**	386
Non-current lease liabilities	**1,508**	1,893
	1,919	2,279

	< 1 year	1 -5 years	> 5 years	Total undiscounted lease liabilities	Lease liabilities included in the Statement of Financial Position
	$'000	$'000	$'000	$'000	$'000
2024 Lease Liabilities	411	1,242	266	2,103	1,919
2023 Lease Liabilities	475	1,832	241	2,548	2,279

The Company is reasonably certain that the lease term (inclusive of options) of the newly occupied facility in Queensland will be exercised and have disclosed the lease term as 10 years. The facility in Ecuador has an initial lease period of 5 years with options to extend that lease period for a further 10 years.

16. Provisions

	2024	2023
Aggregate employee entitlements:		
Current		
- Annual Leave	**453**	488
- Long Service Leave	**440**	431
- International Obligations	**5**	-
	898	919
Non-current		
- Long Service Leave	**58**	37
Total employee entitlements	**956**	956

	Consolidated	
	2024	2023
	$'000	$'000
17. Issued capital		
(a) Issued and paid-up capital		
166,999,431 (FY23:166,999,431) fully paid ordinary shares	**36,270**	36,270
Total contributed equity	**36,270**	36,270

The Company has issued share capital amounting to 166,999,431 ordinary shares of no-par value.

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held. At shareholders' meetings, each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

(a) Movement in ordinary shares

The Company issued nil shares during the financial period.

Rights to capital

At the reporting date there were 64,491 performance rights offers whose conditions had been met, entitling recipients to one share per right, which vested as at 31 July 2024. In the case of the CEO / Managing Director's 35,144 rights, these rights will require shareholder approval at the November 2024 Annual General Meeting for shares to be issued.

There are an additional 1,640,231 performance rights available to entitling recipients that have been granted but are still subject to meeting conditions of achievement in future years.

(b) Capital management

The Company's objective in managing capital is to continue to provide shareholders with attractive investment returns and ensure that the Company can fund its operations and continue as a going concern.

The Company's capital consists of shareholders' equity plus net debt. The movement in equity is shown in the Consolidated Statement of Changes in Equity.

There are no externally imposed capital requirements other than meeting the bank covenants imposed by two of the lending facilities as at 31 July 2024. The Company was compliant with all covenants.

To maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or raise debt.

18. Reserves

	Consolidated	
	2024	2023
	$'000	$'000
Foreign currency translation	**(575)**	**(189)**
Share-based payment reserve	**(624)**	**(666)**
Total	**(1,199)**	**(855)**

The foreign currency translation reserve records exchange differences arising on translation of the financial statements of foreign subsidiaries.

The Long-Term Incentive Plan grants shares in the Company to certain employees. The fair value of performance rights granted under the Long-Term Incentive Plan is recognised as an employee expense with a corresponding increase in the equity reserve.

19. Share-based payments

Certain employees (including key management personnel) have been granted performance rights under the consolidated entity's Long Term Incentive Plan during the current and previous financial year. The performance rights do not give the holder a legal or beneficial interest in ordinary fully paid shares in the Company until those rights vest. Prior to vesting, performance rights do not carry a right to vote or receive dividends. When the performance rights have vested, ordinary fully paid shares will be allocated, and these shares will rank equally with existing shares.

The following table summarises the performance conditions in respect of active grants for which 50% of the performance rights that are subject to a particular condition vest on achievement of the target, and a further 50% on achievement of the stretch goals.

	Targeted result Year ended 31 July 2024	**Targeted result Year ended 31 July 2025**	**Targeted result Year ended 31 July 2026**	**Targeted result Year ended 31 July 2027**
Issue Date	August 2021	August 2022	August 2023	August 2024
Vesting and Test Date	July 2024	July 2025	July 2026	July 2027
Financial Measure Target	5% compound growth on FY21 NPAT	5% compound growth on FY22 NPAT	5% compound growth on FY23 NPAT	Average NPAT Target over 3 years
Financial Measure Stretch	15% compound growth on FY21 NPAT	15% compound growth on FY22 NPAT	15% compound growth on FY23 NPAT	Average NPAT Stretch over 3 years

In relation to the rights granted, the performance condition shown in the table accounts for 50% of the total potential LTI and the other 50% is based upon achievement of targeted levels of new product sales and strategic goals.

The movement in the number of rights on issue is summarised in the following table.

Number of rights		**Granted**				**Weighted average fair value of grants issued $'000**
31 July 2023	**Opening balance**	**Fulfilled / (Lapsed)**	**(Vested)**	**To be fulfilled**	**Closing balance**	
Total rights	870,038	(834,346)	(35,692)	1,202,315	1,202,315	$ 1,454
31 July 2024						
Total rights	1,202,315	(1,137,824)	(64,491)	2,485,712	2,485,712	1,758

The weighted average fair value of the performance rights granted to employees was historically determined on the basis of the price paid by the Company to acquire the settlement shares on market.

In the current financial year, the weighted average fair value of the rights granted has been calculated on the last 10 days VWAP share price relative to each year of issue.

20. Parent Company information

	Consolidated	
	2024 $'000	2023 $'000
Current assets	**97**	225
Non-current assets	**37,286**	37,774
Total assets	**37,383**	37,999
Current liabilities	**257**	95
Total liabilities	**257**	95
Net assets	**37,126**	37,904
Equity		
Issued capital	**36,270**	36,270
Reserves	**(624)**	(666)
Accumulated Gains / (Losses)	**1,480**	2,300
Total equity	**37,126**	37,904
Net profit for the period before other comprehensive income	**433**	(406)
Total comprehensive income for the period	**433**	(406)
Earnings per share (cents per share)	**0.3c**	(0.2c)

In FY24 and FY23 no dividend was issued by Nu-Mega Ingredients Pty Ltd to Clover Corporation Limited.

Controlled entities:	Country of Incorporation	Percentage Owned 2024 %	2023 %
Clover Corporation Ltd Employee Incentive Plans Trust	Australia	**100**	100
Nu-Mega Ingredients Pty Limited	Australia	**100**	100
Subsidiaries:			
- Nu-Mega Ingredients Limited	United Kingdom	**100**	100
- Nu-Mega Ingredients (USA) Inc	United States of America	**100**	100
- Nu-Mega Ingredients (NZ) Limited	New Zealand	**100**	100
- Nu-Mega Ingredients NL B.V.	Netherlands	**100**	100
- Nu-Mega Ingredients Ecuador NMI S.A.	Ecuador	**100**	100
- Prem Neo Pty Ltd	Australia	**100**	100

21. Reconciliation of cash flow from operating activities to Operating Profit

Profit for the period	**1,515**	6,205
Non cash items :		
- Amortisation and depreciation	**1,165**	808
- Foreign exchange on international assets & liabilities	**(172)**	(293)
- Melody Dairies Limited Partnership Loss	**486**	487
- Employee benefits not paid in cash	**-**	-
Change in assets and liabilities, net of the effects of purchase of subsidiaries		
Decrease /(Increase) in receivables	**(1,763)**	7,614
(Increase)/Decrease in other assets	**387**	1,414
(Increase)/Decrease in inventories	**7,323**	(912)
(Decrease)/Increase in payables	**440**	(8,913)
(Decrease)/Increase in employee entitlements	**-**	70
Decrease/(Increase) in deferred tax assets	**(530)**	223
(Decrease)/Increase in current tax liability	**(250)**	-
Decrease(/Increase) in other	**(147)**	33
Net cash inflow from operating activities	**8,454**	6,736

22. Earnings per share

The following reflects the income and share data used in the calculation of basic and diluted earnings per share:

		2024 **$ 000**	2023 $ 000
(a)	Reconciliation of earnings to net profit or loss		
	Profit attributable to members of the parent entity	**1,515**	6,205
	Earnings used to calculate basic and diluted EPS	**1,515**	6,205
(b)	Weighted average number of ordinary shares outstanding during the period used in the calculation of basic earnings per share	**166,999,431**	166,999,431
(c)	Weighted average number of ordinary shares outstanding during the period used in the calculation diluted earnings per share	**166,999,431**	166,999,431
(d)	Basic earnings per share (cents per share)	**0.91c**	3.72c
(e)	Diluted earnings per share (cents per share)	**0.91c**	3.72c

The weighted average number of potential dilutive ordinary shares in FY24 is accounted for by:

-	Shares Issued	Nil	Nil

23. Auditor's remuneration

	2024 **$**	2023 $
Remuneration of the auditor of the parent entity in respect of:		
- Auditing and reviewing the financial reports of the Company and the controlled entities	**116,491**	105,000
- Taxation structuring and compliance services	**15,015**	15,290
	131,506	120,290

24. Related party transactions

(a) Ultimate parent entity:

Clover Corporation Limited is the ultimate parent entity of the consolidated entity.

(b) Ownership interests:

Information in relation to ownership interest in controlled entities is provided in Note 20.

25. Key management personnel compensation

(a) Names and positions held in the consolidated entity of key management personnel in office at any time during the period were:

Name	*Position*
Directors	
R A Harrington	Non-Executive Chairman
G A Billings	Non-Executive Director
T Brendish	Non-Executive Director
I D Glasson	Non-Executive Director
Dr S Green	Non-Executive Director
P J Davey	Chief Executive Officer and Managing Director
Executive KMP	
A G Allibon	Chief Financial Officer and Company Secretary

Key management personnel remuneration has been included in the Remuneration Report section of the Directors' Report.

	2024 **$**	2023 $
Short-term benefits	**1,365,013**	1,280,721
Long-term benefits	**21,457**	29,993
	1,386,470	1,310,714

(b) Performance rights:

There were 42,768 Performance Rights offers available to Key management personnel whose conditions have been met as at 31 July 2024. There were an additional 128,303 Performance Rights offers available to key management personnel, subject to meeting relevant conditions which were not met. The right to convert 42,768 Performance Rights to key management personnel was satisfied in financial year ending 31 July 2024.

(c) Shareholding:

	Balance 31 July 2023	**Shares Purchased & (Sold)**	**Converted Rights**	**Retirement**	**Balance 31 July 2024**
Directors					
R A Harrington	528,921	200,000	-	-	728,921
G A Billings	50,000	-	-	-	50,000
P J Davey	551,360	31,136	27,266	-	609,762
I D Glasson	60,000	20,000	-	-	80,000
T Brendish	27,055	16,400	-	-	43,455
DR S Green	36,234	-	-	-	36,234
	1,253,570	**267,536**	**27,266**	**-**	**1,548,372**
KMP					
A Allibon	89,000	181,000	-	-	270,000

26. Management of financial risk

The consolidated entity's principal financial instruments consist of cash, deposits with bank, accounts receivable, payables and borrowings.

Financial risk management policies

The consolidated entity manages its exposure to key financial risks, including interest rate and currency risk in accordance with the consolidated entity's financial risk management policies. The majority of sales are transacted in US dollars and Australian dollars. The objective of the policies is to support the delivery of the consolidated entity's financial targets whilst protecting future financial security.

Primary responsibility for identification and control of financial risks rests with the audit and risk committee under the authority of the board. The board reviews and agrees policies for managing each of the risks identified below, including the review of credit risk policies and future cash flow requirements.

Specific financial risk exposures and management

The main risks arising from the consolidated entity's financial instruments are interest rate risk, foreign currency risk, price risk, credit risk and liquidity risk. Interest rate risk is not significant given the consolidated entity has minimal borrowings. The consolidated entity uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to foreign exchange risk and assessments of market forecasts for foreign exchange rates. Ageing analysis and monitoring of specific credit allowances are undertaken to manage credit risk and liquidity risk is monitored through the development of future rolling cash flow forecasts.

(a) Foreign currency risk

As a result of the consolidated entity having cash balances, trade receivables and trade payables denoted in foreign currency, the consolidated entity's statement of financial position can be affected by movements in the relevant exchange rates relative to the Australian dollar. The consolidated entity utilises foreign exchange hedges to manage its exposure to currency fluctuations arising from the purchase of goods and services in foreign currency.

At 31 July 2024, the consolidated entity had the following financial assets and liabilities denominated in foreign currency.

	2024	2023
	$'000	$'000
Financial assets		
Cash and cash equivalents	**3,993**	2,177
Trade and other receivable	**6,627**	3,814
Total financial assets	**10,620**	5,991
Financial liabilities		
Trade and other payables	**(1,596)**	(3,036)
Total financial liabilities	**(1,596)**	(3,036)

At 31 July 2024, had the Australian Dollar moved as illustrated in the table below with all other variables held constant, profit after tax and equity would have been affected as follows:

26. Management of financial risk (continued)

Foreign exchange movement	Post Tax Profit Higher/(Lower)		Change in Equity Higher/(Lower)	
	2024 $'000	2023 $'000	**2024 $'000**	2023 $'000
Change in Profit				
AUD:USD + 5%	**(357)**	(392)	**(357)**	(392)
AUD:USD - 5%	**395**	434	**395**	434
AUD:EUR + 5%	**(137)**	(303)	**(137)**	(303)
AUD:EUR - 5%	**151**	336	**151**	336
AUD/NZD + 5%	**(280)**	(291)	**(280)**	(291)
AUD/NZD - 5%	**310**	321	**310**	321

Significant assumptions used in the foreign currency exposure sensitivity analysis include:

- Reasonable estimates of movements in foreign exchange rates were determined based on a review of the last two years' historical movements and economic forecasters' expectations.
- The reasonable movement of 5% was calculated by taking the spot rates for each currency as at reporting date, moving this spot rate by 5% and then re-converting the foreign currency into Australian dollars at the revised spot rate.
- The net exposure at reporting date is representative of what the consolidated entity was, and is expecting, to be exposed to in the next twelve months from reporting date.

(b) Price risk

The consolidated entity's exposure to commodity and price risk is considered minimal. There are annual fixed price purchase contracts in place for forecast raw material requirements. From time to time it may be necessary to purchase raw materials from outside of the agreements.

(c) Credit risk

Credit risk arises from the financial assets of the consolidated entity, which comprise cash and cash equivalents, trade and other receivables. The consolidated entity's exposure to credit risk arises from potential default of the counter party, with a maximum exposure equal to the carrying amount of the financial assets.

The consolidated entity trades only with recognised, creditworthy third parties, and as such collateral is not requested nor is it the consolidated entity's policy to securitize its trade and other receivables.

It is the consolidated entity's policy that all customers who wish to trade on credit terms are subject to credit verification procedures including an assessment of their independent credit rating, financial position, past experience and industry reputation. Risk limits are set for each individual customer in accordance with parameters monitored by the CEO.

26. Management of financial risk (continued)

These risk limits are regularly monitored. A breakdown of receivables showing those within/out of terms is shown below. Receivable balances are monitored on an ongoing basis to minimize the occurrence of bad debts.

Trade receivables as at 31 July 2024

	Consolidated	
	2024	2023
	$'000	$'000
Trade receivables:		
Within terms	**9,800**	8,901
Over terms	**1,983**	2,112
Total	**11,783**	11,013

As at 31 July 2024, 3 customers make up the provision for Doubtful debts. One of these customers is in voluntary administration with low confidence of recovering any portion of the debt. The amount provided is $277,000 for this one customer.

For the remaining financial assets there are no significant concentrations of credit risk within the consolidated entity and financial instruments are spread amongst a number of AAA rated financial institutions.

(d) Liquidity risk

Liquidity risk arises from the financial liabilities of the consolidated entity and the consolidated entity's subsequent ability to meet these obligations to repay their financial liabilities and other obligations as and when they fall due.

The consolidated entity's objective is to maintain a balance between continuity of funding and flexibility through the use of cash balances, borrowings, working capital and leasing.

Maturity analysis of financial assets and liability based on management's expectations

The risk implied from the values shown in the tables below, reflects a balanced view of cash inflows and outflows. Leasing obligations, trade payables and other financial liabilities mainly originate from the financing of assets used in the consolidated entity's ongoing operations such as property, plant, equipment and investments in working capital.

Consolidated	**Balance as at 31 July 2024**	**Less than 1 year**	**1-5 years**	**Over 5 years**
	$'000	**$'000**	**$'000**	**$'000**
Realisable cash flows from financial assets				
Cash and cash equivalents	12,259	12,259	-	-
Trade and other receivables	13,170	13,170	-	-
Anticipated cash inflows	25,429	25,429	-	-
Financial liabilities and obligations due for payment				
Trade and other payables	5,087	5,087	-	-
Interest bearing liabilities	8,468	3,435	5,033	-

Leasing liabilities	1,919	320	1,389	210
Anticipated cash outflows	15,474	8,842	6,422	210
Net inflow/(outflow)	9,955	16,587	(6,422)	(210)

(e) Interest rate risk

The consolidated entity's primary interest rate risk arises from long-term borrowings. The consolidated entity's bank loans outstanding, totalling $8,468,000 (FY23: $9,433,000) are principal and interest payment loans, bearing interest at a weighted average current annual rate of 8.1%.

(f) Fair value

All assets and liabilities recognised in the statement of financial position, whether they are carried at cost or at fair value, are recognised at amounts that represent a reasonable approximation of fair value, unless otherwise stated in the applicable notes.

The carrying amounts of cash and bank balances, other receivables and other payables approximate their fair values due to their short-term nature.

27. Operating segments

Identification of reportable segments

The consolidated entity operates in the industry of manufacturing tuna oil and encapsulated products in Australia. Financial information about the business is reported to and reviewed by the Chief Executive Officer and Board of Directors on a monthly basis, in order to assess performance and determine the allocation of resources.

Geographical information

Revenues from external customers by domestic and export location of operations and information about its non-current assets by location of assets is shown in the following table.

	Revenue from external customers		Non-current assets	
	2024 $'000	2023 $'000	**2024 $'000**	2023 $'000
Australia / New Zealand	**29,672**	32,105	**20,796**	22,228
Asia	**17,124**	20,225	**-**	-
Europe / Middle East	**12,845**	24,536	-	-
Americas	**2,566**	3,009	4,808	1,804
Total	**62,207**	79,875	**25,604**	24,032

During the financial year there were 2 customers who represented 25% and 17% of total sales respectively (FY23: 25% and 15% respectively).

28. Events subsequent to reporting date

No matter or circumstance has arisen since 31 July 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

29. Contingencies

There are no contingent liabilities at the reporting date.

Consolidated Entity Disclosure Statement

Name of Entity	Type of Entity	Trustee, partner or participant in JV	% of share capital	Place of Business / Country of Incorporation	Australia resident or foreign resident	Foreign jurisdiction(s) of foreign residents
Nu-Mega Ingredients Pty Ltd	Company	-	100	Australia	Australia	n/a
Nu-Mega Ingredients Limited	Company	-	100	United Kingdom	Foreign	United Kingdom
Nu-Mega Ingredients (USA) Inc	Company	-	100	United States of America	Foreign	United States of America
Nu-Mega Ingredients (NZ) Limited	Company	-	100	New Zealand	Foreign	New Zealand
Nu-Mega Ingredients NL BV	Company	-	100	Netherlands	Foreign	Netherlands
Nu-Mega Ingredients Ecuador NMI SA	Company	-	100	Ecuador	Foreign	Ecuador
Prem Neo Pty Ltd	Company	-	100	Australia	Australia	n/a

Basis of Preparation

This Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with the Corporations Act 2001 and includes information for each entity that was part of the consolidated entity as at the end of the financial year in accordance with AASB 10: Consolidated Financial Statements.

Determination of Tax Residency

Section 295 (3A)(vi) of the Corporations Act 2001 defines tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgement as there are different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the consolidated entity has applied the following interpretations:

- Australian tax residency

The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5:

- Foreign tax residency

Where necessary, the consolidated entity has used independent tax advisors in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with (see section 295 (3A)(vii) of the Corporations Act 2001).

Partnerships and trusts

Entities are typically taxed on a flow through basis. Australian tax law generally does not contain corresponding residency tests for partnerships and trusts, and these additional disclosures on the tax status of partnerships and trusts have been provided where relevant.

DIRECTORS DECLARATION

The Directors of Clover Corporation Limited declare that in their opinion:

(a) the financial statements and notes of the consolidated entity are in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the consolidated entity’s financial position as at 31 July 2024 and of its performance for the period ended on that date; and
- (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*;

(b) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in note 1;

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

(a) The Consolidated Entity Disclosure Statement on page 60 is true and correct.

This declaration has been made after receiving the declarations required to be made to the directors in accordance with section 295A of the Corporations Act 2001 for the financial year ending 31 July 2024.

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

Mr Rupert A Harrington

Chairman

Melbourne

Date: 23 September 2024

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ABN 75 600 749 184
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CLOVER CORPORATION LIMITED

Report on the Financial Report

Auditor's Opinion

We have audited the accompanying financial report of Clover Corporation Limited (the Company) and its controlled entities (collectively the Group), which comprises the consolidated statement of financial position as at 31 July 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity, and the consolidated statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement, and the Directors' Declaration of the Company and the consolidated entity (the Group) comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

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

(a) giving a true and fair view of the Group's financial position as at 31 July 2024 and of its financial performance for the year ended on that date; and

(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report.

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

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

Key audit matter – Valuation of goodwill	***How our audit addressed this matter***
As at 31 July 2024, the carrying value of goodwill totalled $1,906,935 (2023: $1,906,935), as disclosed in note 12 of the financial report. The accounting policy in respect to these assets is outlined in note 1 (i) *Intangible Assets.* An annual impairment test for goodwill and other indefinite life intangible assets is required under AASB 136 *Impairment of Assets*. Management's testing has been performed using a discounted cash flow model (Impairment Model) to estimate the value-in-use of the Cash-Generating Unit (CGU) to which these intangible assets have been allocated. The evaluation of the recoverable amount required the Group to exercise significant judgement in determining key assumptions. The outcome of this impairment assessment could vary if different assumptions were applied. Due to these factors, we consider the valuation of goodwill to be a Key Audit Matter.	Our procedures included but were not limited to: • Assessing the appropriateness of Management's determination that a single CGU is appropriate in assessing impairment; • Assessing the integrity and mathematical accuracy of the Impairment Model; • Assessing the reasonableness of the cash flow budget approved by the Directors, comparing to actual results, and considering trends, strategies, and outlooks; • Assessing the reasonableness of inputs into the Impairment Model; • Assessing the short and medium term growth rates applied in the forecast cash flow, considering historical results and available industry data; • Performing sensitivity analysis around the key assumptions within the cash-flow projections, to

- consider the likelihood of such movements occurring sufficient to give rise to impairment; and
- Reviewing the appropriateness of the disclosures in the financial report.

Key audit matter – Valuation of investment in associate (Melody Dairies)	***How our audit addressed this matter***
Clover holds a 43.9% equity interest in Melody Dairies a New Zealand entity which is presented as an investment in an associate in the financial statements. The equity accounted carrying amount of the investment is disclosed in note 11 as $11,251,00 (2023: $11,662,000). The evaluation of the recoverable amount of the investment in the associate required the Group to exercise significant judgment in determining key assumptions, assessing financial performance, and projecting future cash flows. The outcome of this impairment assessment could vary substantially if different assumptions were applied. Due to these factors, we consider valuation of investment in associate (Melody Dairies) as a Key Audit Matter.	Our procedures included but were not limited to: • Assessing the integrity and mathematical accuracy of the Impairment Model; • Assessing the reasonableness of the cash flow forecasts, comparing to actual results, and considering trends, strategies, and outlooks; • Considered the terms, conditions & impact of the take or pay arrangements relating to the operation of the Melody Dairy facility & the related forecast model; • Assessing the reasonableness of inputs into the Impairment Model; • Assessing the short and medium term growth rates applied in the forecast cash flow, considering historical results and available industry data; • Performing sensitivity analysis around the key assumptions within the cash-flow projections, to consider the likelihood of such movements occurring sufficient to give rise to impairment; and • Reviewing the minutes of Melody Dairies directors' meetings and financial statements through 31 July 2024 for evidence of concerns as to the current state of the business or its outlook; and • Reviewing the appropriateness of the disclosures in the financial report.

Key audit matter – Banking arrangements in Investment in associate (Melody Dairies)	***How our audit addressed this matter***
Clover holds a 43.9% equity interest in Melody Dairies a New Zealand entity which is presented as an investment in an associate in the financial statements. The equity accounted carrying amount of the investment is disclosed in note 11 as $11,251,00 (2023: $11,662,000). During the year there was breach of a covenant within a banking facility agreement held by Melody Dairies. The total value of the borrowings held by	Our procedures included but were not limited to: • Confirming our understanding of the terms and conditions of the banking facility agreement held by Melody Dairies including the potential consequences of a covenant breach; • Reviewing the financial performance and cashflow position of Melody Dairies as at 30 June 2024; • Discussing with the Board and Management of Clover in relation to their understanding of the banking

Melody Dairies is $NZD20.05m (2023: $NZ20.8m) with the bank of New Zealand. The presence of a covenant breach can lead to the total borrowings falling due within 12 months and were this to happen Clover and the other partners would be required to fund their share of these borrowings. On the basis that this scenario would have cashflow implications for Clover as an equity owner of Melody Dairies we consider this a Key Audit Matter.	relationship Melody Dairies has and the consequences if these borrowings fell due within 12 months; • Noting that whilst the bank has not provided a formal written waiver at the date of this audit report, it is the view of the board that the banking relationship remains strong and there is no intention to action the consequences of this covenant breach; and • Assessing the appropriateness of the disclosures included in note 11.

Key audit matter – Revenue recognition	***How our audit addressed this matter***
The Group's sales revenue amounted to $62,207,000 during the year (2023: $79,875,000). Note 1(m) *Revenue* describes the accounting policies applicable to distinct revenue streams, noting that revenue from the sale of goods, after adjusting for discounts or allowances, is recognised upon the delivery of goods to customers. Shipments dispatched but not yet delivered to customers are classified as goods in transit inventories. On the basis of the significance of the account and the processes used to determine the recognition point, we have considered revenue recognition as a Key Audit Matter.	Our procedures included but were not limited to: • Evaluating a sample of contracts, identifying contracted performance obligations, and agreeing revenue amounts to the records accumulated as inputs to the financial statements, including supporting billing systems and bank records; these procedures enabled our assessment of the values recorded and the timing of revenue recognition aligned to fulfilment of the Group's performance obligations, transferred at a point in time; • Evaluating the cut-off process and its reliability to fairly account for dispatches not yet transferred to customers at the reporting date and the recognition of revenue in accordance with the Group's accounting policies; and • Assessing the consistency of the Group's accounting policies in respect of revenue recognition with the criteria prescribed by the applicable standard, AASB 15 Revenue from contracts with customers.

Other Information

The Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 31 July 2024 but does not include the financial report and our Auditor's Report thereon.

Our opinion on the financial report does not cover the other information and, accordingly, we do not express any form of assurance conclusion thereon, with the exception of our opinion on the Remuneration Report.

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

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

Directors' Responsibilities for the Financial Report

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

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

b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and for such internal control as the Directors determine is necessary to enable the preparation of:

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events and conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the group financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on the Remuneration Report

Auditor's Opinion

We have audited the Remuneration Report included in pages 14 to 23 of the Directors' Report for the year ended 31 July 2024. In our opinion, the Remuneration Report of Clover Corporation Limited for the year then ended complies with Section 300A of the *Corporations Act 2001*.

Responsibilities

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

PKF	**Kenneth Weldin**
Melbourne, 23 September 2024	**Partner**

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF CLOVER CORPORATION LIMITED

In relation to our audit of the financial report of Clover Corporation Limited for the year ended 31 July 2024, I declare to the best of my knowledge and belief, there have been:

(a) no contraventions of the auditor independence requirements of the *Corporations Act 2001*; and

(b) no contraventions of any applicable code of professional conduct.

PKF
Melbourne, 23 September 2024

Kenneth Weldin
Partner

Additional ASX Information

ASX Information

Additional information required by the Australian Securities Exchange Listing Rules and not disclosed elsewhere in this report.

Distribution of shareholders as at 31 July 2024

Category	
1 – 1,000	941
1,001 – 5,000	1,175
5,001 – 10,000	525
10,001 – 100,000	646
100,001 and over	90
Total Number of Holders	**3,377**
Total number of holders of less than a marketable parcel. The minimum parcel of $500 @ $.4850 per unit (1,031 parcels)	**949**

Voting rights

On a show of hands every Shareholder present in person or by proxy at a general meeting shall have one vote.

Where a poll is demanded, every Shareholder present in person or by proxy at a general meeting shall have one vote for every ordinary share held.

Additional ASX Information

Twenty largest shareholders as at 31 July 2024*

Rank	Name	Number of Fully Paid Ordinary Shares	Percentage of Issued Ordinary Shares (%)
1	WASHINGTON H SOUL PATTINSON & COMPANY LIMITED	32,717,159	19.59
2	CITICORP NOMINEES PTY LIMITED	22,108,065	13.24
3	UBS NOMINEES PTY LTD	16,414,463	9.83
4	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	13,359,928	8.00
5	ANACACIA PTY LTD	11,618,012	6.96
6	EVELIN INVESTMENTS PTY LIMITED	7,550,000	4.52
7	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	7,427,140	4.45
8	INCANI & PAPADOPOULOS SUPER PTY LTD	2,010,000	1.20
9	MR PETER HOWELLS	1,380,000	0.83
10	GANESH SUPER FUND	1,128,457	0.68
11	BNP PARIBAS NOMS PTY LTD	1,127,044	0.67
12	NEWECONOMY COM AU NOMINEES PTY LIMITED	960,983	0.58
13	MR GARRIE ELLICE	960,000	0.57
14	MR PEI YIN FOO	900,000	0.54
15	BNP PARIBAS NOMS (NZ) LTD	870,430	0.52
16	BAOBAB NOMINEES PTY LTD	861,011	0.52
17	MS NINA TSCHERNYKOW	858,881	0.51
18	MORGAN STANLEY AUST SECURITIES (NOMINEE) Pty Ltd	783,764	0.47
19	CONNAUGHT CONSULTANTS (FINANCE) PTY LTD	741,000	0.44
20	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED A/c2	719,184	0.43
		124,495,521	74.55
		42,503,820	25.45
		166,999,341	100.00

** As shown on the register, beneficial holdings may differ.*

Securities quoted by the ASX

All the Company's issued ordinary shares are quoted by the ASX under the code CLV.

Register of securities

New South Wales — Computershare Investor Services Pty Limited
Level 3, 60 Carrington Street
Sydney NSW 2000
Telephone: 1300 850 505

CORPORATE DIRECTORY

Directors

Mr Rupert A Harrington	Non-Executive Director and Chairman
Mr Graeme A Billings	Non-Executive Director
Ms Toni L Brendish	Non-Executive Director
Mr Ian D Glasson	Non-Executive Director
Dr Simon P Green	Non-Executive Director
Mr Peter J Davey	Chief Executive Officer and Managing Director

Company Secretary

Mr Andrew G M Allibon

Registered Office

39 Pinnacle Road
Altona North VIC 3025

Telephone: (03) 8347 5000
Facsimile: (03) 8347 5055

Auditors

PKF Melbourne Audit & Assurance Pty Ltd
Level 15,
500 Bourke Street
Melbourne VIC 3000

Share Registry

Computershare Investor Services Pty Limited
Level 3, 60 Carrington Street
Sydney NSW 2000

Telephone: 1300 850 505

Australian Securities Exchange Code

Ordinary Shares CLV

Website

http://www.clovercorp.com.au