IN THE SUPREME COURT OF VICTORIA ~~AT MELBOURNE~~
COMMERCIAL COURT
GROUP PROCEEDINGS LIST

S ECI 2023 03566

Case: S ECI 2023 03566
Filed on: 30/09/2026 03:35 PM

BETWEEN

MICHAEL GARY WARNER

Plaintiff

and

ANSELL LIMITED (ACN 004 085 330)

Defendant

AMENDED STATEMENT OF CLAIM

Date of document: 30 September 2026~~9 August 2023~~
Filed on behalf of the Plaintiff

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NOTE

In this amended statement of claim, the following conventions are used in referring to financial results:

a) FY21 or F21, FY22 or F22 etc refer to the financial years ended 30 June 2021, 30 June 2022 etc;

b) 1H or H1 and 2H or H2 refer to the first half and second half of the relevant financial year (with 1H21 being the six-month period ended 31 December 2020, 2H22 being the six-month period ended 30 June 2022, etc);

c) 1Q or Q1, 2Q or Q2, 3Q or Q3, 4Q or Q4 refer to the quarters of the relevant financial year (with 1Q21 being the three-month period ended 30 September 2021, 2Q22 being the three-month period ended 31 December 2021, etc);

d) all references to currency (including the symbol '$'), other than in relation to share price, are to US Dollars unless otherwise stated.

A THE PARTIES

A.1 The Plaintiff and Group Members

1 Michael Gary Warner (**Plaintiff**) commences this group proceeding pursuant to Part 4A of the *Supreme Court Act 1986* (Vic) on his own behalf and on behalf of all persons who:

(a) acquired an interest in fully paid ordinary shares in the defendant (**ANN Shares**) during the period between 24 August 2021 and 28 January 2022 (**Relevant Period**);

(b) suffered loss or damage by reason of the conduct of the defendant as referred to in this statement of claim;

(c) were not, during the Relevant Period, and are not, as at the date of this statement of claim:

(i) a related party (as defined by s 228 of the *Corporations Act 2001* (Cth)) (**Corporations Act**) of the defendant;

(ii) a related body corporate (as defined by s 50 of the Corporations Act) of the defendant;

(iii) an associated entity (as defined by s 50AAA of the Corporations Act) of the defendant;

(iv) an officer or a close associate (as defined by s 9 of the Corporations Act) of the defendant;

(v) a Chief Justice or a Justice of the High Court of Australia; or

(vi) the Chief Justice or a Judge of Appeal, Judge, Associate Judge or Judicial Registrar of the Supreme Court of Victoria,

(**Group Members**).

2 As at the date of the commencement of this proceeding, there were more than seven Group Members.

3 The Plaintiff acquired an interest in ANN Shares during the Relevant Period.

Particulars

Date	Number of shares	Average price per share	Amount paid (incl brokerage and GST)
24 August 2021	500	$38.50	$19,271.18
20 September 2021	200	$35.38	$7,095.95
11 November 2021	300	$31.50	$9,469.95

A.2 Ansell

4 The defendant (**Ansell**) is and at all material times was:

(a) incorporated pursuant to the Corporations Act and capable of being sued;

(b) included in the official list of the Australian Securities Exchange (**ASX**), a financial market operated by ASX Limited;

(c) a person within the meaning of:

(i) s 1041H of the Corporations Act;

(ii) s 12DA of the *Australian Securities and Investments Commission Act 2001* (Cth) (**ASIC Act**);

(iii) s 18 of the Australian Consumer Law, set out in Schedule 2 of the *Competition and Consumer Act 2010* (Cth) (**CCA**), as applicable pursuant to:

a. s 131 of the CCA;

b. s 28 of the *Fair Trading Act 1987* (NSW);

c. s 12 of the *Australian Consumer Law and Fair Trading Act 2012* (Vic);

d. s 16 of the *Fair Trading Act 1989* (Qld);

e. s 19 of the *Fair Trading Act 2010* (WA);

f. s 14 of the *Fair Trading Act 1987* (SA);

g. s 6 of the *Australian Consumer Law (Tasmania) Act 2010* (Tas);

h. s 7 of the *Fair Trading (Australian Consumer Law) Act 1992* (ACT); and/or

i. s 27 of the *Consumer Affairs and Fair Trading Act 1990* (NT).

5 At all material times, Ansell:

(a) had on issue the ANN Shares, which were:

(i) ED securities within the meaning of s 111AE of the Corporations Act;

(ii) quoted ED securities within the meaning of s 111AM of the Corporations Act;

(iii) a financial product within the meaning of:

a. ss 763A(1)(a) and 764(1)(a) of the Corporations Act;

b. ss 12BAA(1)(a) and 12BAA(7)(a) of the ASIC Act;

(iv) a financial service for the purposes of Division 2 of Part 1 of the ASIC Act by reason of s 12BAB(1AA) of the ASIC Act;

(v) able to be acquired and sold by investors and potential investors in ANN Shares (**Affected Market**) on the ASX;

(vi) likely to be affected, as to their traded price, by information available in respect of Ansell as a result of announcements and publications made by Ansell to the ASX.

(b) as the issuer of ANN Shares, was:

(i) a listed disclosed entity within the meaning of s 111AL(1) of the Corporations Act;

(ii) subject to and bound by the Listing Rules of the ASX (**ASX Listing Rules**);

(iii) subject to the requirements of s 674A of the Corporations Act;

(iv) taken to be aware of information if an officer of Ansell had, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer.

B ANSELL

B.1 Ansell's business

6 At all material times, Ansell, together with its subsidiaries, carried on business developing, manufacturing, sourcing, distributing and selling gloves and personal protective equipment (**PPE**), and operated in two main business segments:

(a) the Healthcare Global Business Unit (**Healthcare GBU** or **HGBU**), which manufactured and marketed products including surgical and examination gloves, healthcare safety devices and active infection prevention products for healthcare professionals and patients, and single use gloves; and

(b) the Industrial Global Business Unit (**Industrial GBU** or **IGBU**), which manufactured and marketed products including multi-use hand and body protection solutions for industrial worker environments and speciality applications.

7 At all material times, there were five "Strategic Business Units" (**SBUs**) within the Ansell business, with:

(a) three SBUs which formed part of the Healthcare GBU known as:

(i) **Exam/Single Use**;

(ii) **Life Sciences**; and

(iii) **Surgical**;

(b) two SBUs which formed part of the Industrial GBU, known as **Chemical** and **Mechanical**.

8 At all material times, products sold:

(a) by the Exam/Single Use SBU were a variety of single use and examination gloves (**Single Use Gloves**), used in acute clinical settings and in industries including manufacturing and food processing, and which gloves were manufactured by outsourced suppliers (**Outsourced Glove Products**) and in-house (**In-house Glove Products**);

(b) by the Chemical SBU included "AlphaTec multi-risk chemical and virus protective clothing" and other protective clothing designed for industrial applications including hazardous chemical handling (collectively, **Chemical Protective Clothing**); and

(c) by the Mechanical SBU included gloves and other items for industrial applications, including product manufacturing and warehouse work.

9 At all material times, the biggest components to Ansell's cost of goods sold (**COGS**) were:

(a) outsourced products (including the raw materials used in these products); and

(b) raw materials used in the manufacture of products manufactured internally by Ansell.

Particulars

Ansell reported COGS components and mix as follows, in its documents entitled "F'19 Full Year Results – June 2019" published on the ASX on 12 August 2019 (**FY19 Full Year Results**) (p 25) (WAR.0002.0003.0561 at 0585), "F'20 Full Year Results" published on the ASX on 25 August 2020 (**FY20 Full Year Results**) (p 21) (WAR.0002.0003.0601 at 0621), "Ansell FY21 Full Year Results" published on the ASX on 24 August 2021 (ANN.0004.0001.2056) (**FY21 Full Year Results**) (p 20) (ANN.0004.0001.2056 at 2075) and "Ansell FY22 Full Year Results" published on the ASX on 23 August 2022 (**FY22 Full Year Results**) (p 20) (WAR.0002.0003.0637 at 0656):

Financial Year	Total COGS	Raw materials (in-house)	Outsourced products (raw materials)	Outsourced products (non-RM portion)
FY19	~~US~~$915m	38%	22%	15%
FY20	~~US~~$981m	33%	21%	22%
FY21	~~US~~$1,217m	30%	24%	24%
FY22	~~US~~$1,286m	29%	26%	23%

10 At all material times from at least 1 July 2019, over 70~~75~~% of Ansell's sales of Single Use Gloves were Outsourced Glove Products.

Particulars

The Ansell FY2020 Full Year Results recorded that around 80% of Exam/SU sales are of outsourced products (p 14): WAR.0002.0003.0601 at 0614.

The Ansell FY2021 Full Year Results recorded that: "We focus primarily on thicker differentiated Exam/SU products (70% of Exam/SU sales) and hence are less impacted by the increased output of thin products" (p13): ANN.0004.0001.2056 at 2068.

The Ansell FY22 Full Year Results recorded that in-house products in the Exam/Single Use SBU were approximately 25% of sales that financial year, compared with 20% of sales over the previous three financial years (p 12) (WAR.0002.0003.0637 at 0648).

B.2 Board and Board committees

11 At all material times, Ansell's board of directors (**Board**):

(a) was responsible for the oversight and review of the management, administration and overall governance of Ansell, including:

(i) protecting the interests of holders of ANN Shares;

(ii) authorising policies and overseeing the strategic direction of Ansell;

(iii) monitoring management, including establishing goals for management and monitoring the achievement of those goals;

(iv) engaging and reviewing the Chief Executive Officer (**CEO**) of Ansell;

(v) monitoring communications to shareholders and the ASX (including disclosures made under the ASX continuous disclosure requirements) to ensure that shareholders and the market was kept well informed of all major developments affecting the state of affairs of Ansell;

(vi) assessing the suitability of Ansell's overall strategies, business plans and resource allocation;

(vii) monitoring financial and business results of Ansell and its subsidiaries; and

(viii) reviewing Ansell's wider risk profile;

(b) had authority to seek any information or advice, including independent professional advice, it considered necessary to fulfil its responsibilities;

(c) had access to Ansell's management, to seek any information and explanations from them; and

(d) had authority to reasonably require management or others of Ansell or its subsidiaries to attend Board meetings and provide any information or advice that the Board required.

Particulars

As to (a), this is recorded in the Ansell Board Charter adopted by the Board on 20 June 2019 (**Board Charter**), cl 1(a) and cl 4.

As to (b), this is recorded in the Board Charter, cl 9(a).

As to (c), this is recorded in the Board Charter, cl 9(b).

As to (d), this is recorded in the Board Charter, cl 9(d).

12 At all material times, Ansell had a Board committee called the Audit and Compliance Committee (**A&C Committee**) which:

(a) reported to the Board;

(b) oversaw all matters relating to the financial accounting, corporate reporting, internal control systems and financial and tax risk management practices of Ansell;

(c) assisted the Board in fulfilling responsibilities including:

(i) ensuring that Ansell met all its financial and corporate governance obligations and requirements;

(ii) in conjunction with the S&R Committee (as defied below), from 17 June 2021, providing oversight over Ansell's risk profile, policies and management, including the key strategic and financial risks identified during the annual material business risk review process;

(iii) reviewed, prior to release, each publicly issued corporate report and any other material public documents;

(iv) assessed adequacy of financial controls and the annual audit arrangements;

(d) reviewed Ansell's significant financial risks and financial risk appetite; and

(e) monitored the processes undertaken by management, and external and internal auditors.

Particulars

Ansell A&C Committee Charter, adopted the Board on 20 June 2019 and last reviewed and updated by the Board on 17 June 2021, clauses 1(a), 9(a) and 9(d) .

13 At all material times, Ansell had a Board committee called the Sustainability and Risk Committee (**S&R Committee**) which:

(a) reported to the Board;

(b) assisted the Board in fulfilling its responsibilities in relation to the oversight of Ansell's risk management framework, principles, processes and practices, and material risk (including strategic, operational, reputational, ethical, social and environmental, legislative or regulatory and market-related risks);

(c) monitored management's performance and the risk profile of Ansell against the agreed company risk appetite and risk management framework;

(d) reviewed material risk exposures, internal audit review findings and the "lessons learnt" for, among other areas, risks relating to product safety and supply chain and suppliers;

(e) monitored changes anticipated for the economic, regulatory and business environment, including consideration of emerging trends in order to assess and evaluate the potential impact on strategy and business objectives of Ansell; and

(f) oversaw the design and implementation of the risk management framework and internal control systems, in conjunction with existing business processes and systems, to manage Ansell's material business risk exposures.

Particulars

Ansell S&R Committee Charter, adopted by the Board on 20 June 2019, and ~~last~~ reviewed and updated by the Board on ~~17 June~~ 27 April 2021~~, clauses 1.3(a), 2.5(d), 2.5(e), 5.1(a)(iii), 5.1(a)(iv) and 7(a)~~ (ANN.0003.0001.0052).

B.3 Directors and key management personnel

14 Neil Salmon (**Salmon**):

(a) was ~~has been~~ the Managing Director and CEO of Ansell ~~since~~ from 1 September 2021 until on or around 15 February 2026;

(b) was the President of the Industrial GBU from 30 April 2019 until 31 August 2021;

(c) was the Chief Financial Officer (**CFO**) of Ansell from 15 July 2013 to 29~~30~~ April 2019;

(d) as CEO of Ansell, was ~~and is~~ responsible for:

(i) the day to day management of Ansell's operations;

(ii) providing the Board with accurate, timely and clear information on Ansell's operations;

(e) as President of the Industrial GBU, was a key management executive of Ansell, with authority and responsibility for planning, directing and controlling the activities of Ansell and its subsidiaries;

(f) attended nine of the 12 Board meetings held in the financial year ending 30 June 2022 (**FY22**); and

(g) at all material times up to and including the Relevant Period was a member of the Ansell Executive Leadership Team (**ELT**).

Particulars

As to (d), this is recorded in the Board Charter at cl 5(a).

As to (e), this is recorded in the Ansell Annual Report 2021 dated 24 August 2021 (**FY21 Annual Report**) (p 54) (ANN.0004.0001.2097 at 2154).

As to (f), this is recorded in the Ansell Annual Report 2022 dated 23 August 2022 (**FY22 Annual Report**) (WAR.0002.0003.0423 at 0466).

As to (g), this is recorded in the Ansell Annual Report 2019 (**FY19 Annual Report**) (p 26) (WAR.0002.0003.0164 at 0192), the Ansell Annual Report 2020 dated 25 August 2020 (**FY20 Annual Report**) (p 30) (WAR.0002.0003.0293 at 0326), FY21 Annual Report (p 36) (ANN.0004.0001.2097 at 2154) and the FY22 Annual Report (p 36) (WAR.0002.0003.0423 at 0462).

15 Magnus Nicolin (**Nicolin**):

(a) was the Managing Director and CEO of Ansell from March 2010 to 31 August 2021;

(b) was Special Adviser to the Board and Management from 1 September 2021 to 31 December 2021;

(c) as CEO of Ansell, was responsible for:

(i) the day to day management of Ansell's operations;

(ii) providing the Board with accurate, timely and clear information on Ansell's operations;

(d) as Special Adviser to the Board and Management, advised the Board and Salmon on key matters including in relation to innovation and strategy;

(e) attended:

(i) all Board meetings held in the financial year ending 30 June 2019 (**FY19**), the financial year ending 30 June 2020 (**FY20**) and the financial year ending 30 June 2021 (**FY21**);

(ii) all three Board meetings held between 1 July 2021 and 31 August 2021; and

(f) at all material times until 1 September 2021 was a member of the ELT.

Particulars

As to (b), this is recorded in the Board Charter at cl 5(a).

As to (d), this is recorded in the FY22 Annual Report (p 61): WAR.0002.0003.0423 at 0487.

As to (e), this is recorded in the Ansell Annual Report 2019 (**FY19 Annual Report**) (p 30)

(WAR.0002.0003.0164 at 0196), the Ansell Annual Report 2020 dated 25 August 2020 (**FY20 Annual Report**) (p 34) (WAR.0002.0003.0293 at 0330), the FY21 Annual Report (p 40) (ANN.0004.0001.2097 at 2140) and the FY22 Annual Report (p 40) (WAR.0002.0003.0423 at 0466).

As to (f), this is recorded in the FY19 Annual Report (p 26) (WAR.0002.0003.0164 at 0192), the FY20 Annual Report (p 30) (WAR.0002.0003.0293 at 0326), and the FY21 Annual Report (p 36) (ANN.0004.0001.2097 at 2154).

16 Zubair Javeed (**Javeed**):

(a) was ~~has been~~ the CFO of Ansell from ~~since~~ 29 April 2019 until on or around 13 March 2025;

(b) as CFO:

(i) had ~~and has~~ access to the S&R Committee and the A&C Committee as and when required; and

(ii) was ~~and is~~ a key management executive of Ansell, with authority and responsibility for planning, directing and controlling the activities of Ansell and its subsidiaries; and

(c) at all material times up to and including the Relevant Period was a member of the ELT.

Particulars

As to (b)(i), this is recorded in the Audit Compliance Committee Charter at cl 8(c) and the S&R Committee Charter at cl 8(c) (as reviewed and updated on 27 April 2021) (ANN.0003.0001.0052).

As to (b)(ii)~~(c)~~, Javeed is described in the FY20 Annual Report (p 47) (WAR.0002.0003.0293 at 0343), FY21 Annual Report (p 54) (ANN.0004.0001.2097 at 2164) and FY22 Annual Report (p 54) as one of the "Executive KMPs of Ansell, being those executives who have authority and responsibility for planning, directing and controlling the activities of the Group" (WAR.0002.0003.0423 at 0480).

As to (c), this is recorded in the FY19 Annual Report (p 26) (WAR.0002.0003.0164 at 0192), the FY20 Annual Report (p 30) (WAR.0002.0003.0293 at 0326), the FY21 Annual Report (p 36) (ANN.0004.0001.2097 at 2154) and the FY22 Annual Report (p 36) (WAR.0002.0003.0423 at 0462).

17 Darryl Nazareth (**Nazareth**)

(a) wash~~has been~~ the President of the Healthcare GBU of Ansell from ~~since~~ 1 April 2019 until on or around 31 August 2023;

(b) as President of the Healthcare GBU, was ~~and is~~ a key management executive of Ansell, with authority and responsibility for planning, directing and controlling the activities of Ansell and its subsidiaries; and

(c) at all material times up to and including the Relevant Period was a member of the ELT.

Particulars

This is recorded in the FY21 Annual Report (p 54) (ANN.0004.0001.2097 at 2164) and the FY22 Annual Report (p 54) (WAR.0002.0003.0423 at 0480).

As to (c), this is recorded in the FY19 Annual Report (p 26) (WAR.0002.0003.0164 at 0192), the FY20 Annual Report (p 30) (WAR.0002.0003.0293 at 0326), the FY21 Annual Report (p 36) (ANN.0004.0001.2097 at 2154) and the FY22 Annual Report (p 36) (WAR.0002.0003.0423 at 0462).

18 Rikard Froberg (**Froberg**):

(aa) was Chief Commercial Officer – Europe, Middle East and Africa (**EMEA**) and Asia Pacific (**APAC**) from at least January 2021 until 1 September 2021;

(a) wash~~has been~~ the President of Ansell's Industrial Global Business Unit from~~since~~ 1 September 2021 until on or around December 2023;

(b) at all material times up to and including the Relevant Period was ~~is~~ a member of the ELT. ~~Ansell's Executive Leadership Team.~~

Particulars

This is recorded in the FY21 Annual Report, (p 36) (ANN.0004.0001.2097 at. 2136) and the FY22 Annual Report, (p 36) (WAR.0002.0003.0423 at 0462) and was recorded on the Ansell website at https://www.ansell.com/au/en/about-us/our-people/executive-leadership/rikard-froberg

As to (b), this is recorded in the FY19 Annual Report (p 26) (WAR.0002.0003.0164 at 0192), the FY20 Annual Report (p 30) (WAR.0002.0003.0293 at 0326), the FY21 Annual Report (p 36) (ANN.0004.0001.2097 at 2154) and the FY22 Annual Report (p 36) (WAR.0002.0003.0423 at 0462).

19 Augusto M. Accorsi (**Accorsi**):

(a) was the ~~has been~~ SBU Vice President & General Manager, HGBU Single Use and Exam Solutions at Ansell from~~since~~ on or around July 2017 until on or around August 2023;

(b) at all material times up to and including the Relevant Period was ~~and is~~ a member of the ELT~~Ansell's Executive Leadership Team~~.

Particulars

This is recorded in the FY21 Annual Report, (p 36) (ANN.0004.0001.2097 at. 2136), the FY22 Annual Report, (p 36) (WAR.0002.0003.0423 at 0462) and the Ansell website at https://www.ansell.com/au/en/about-us/our-people/executive-leadership/augusto-m-accorsi

As to (b), this is additionally recorded in the FY19 Annual Report (p 27) (WAR.0002.0003.0164 at 0193), the FY20 Annual Report (p 30) (WAR.0002.0003.0293 at 0326), and the FY22 Annual Report (p 36) (WAR.0002.0003.0423 at 0462).

20 Paul Bryce (**Bryce**):

(a) was SBU Vice President & General Manager, IGBU Chemical Solutions at Ansell from on or around July 2017 to on or around September 2022;

(b) at all material times up to and including the Relevant Period was a member of the ELT. ~~Ansell's Executive Leadership Team.~~

Particulars

As to (a), ~~T~~this is recorded in the FY21 Annual Report, (p 36) (ANN.0004.0001.2097 at. 2136).

As to (b), this is recorded in the FY19 Annual Report (p 27) (WAR.0002.0003.0164 at 0193), the FY20 Annual Report (p 30) (WAR.0002.0003.0293 at 0326), the FY21 Annual Report (p 36) (ANN.0004.0001.2097 at 2154) and the FY22 Annual Report (p 36) (WAR.0002.0003.0423 at 0462).

21 Angie Phillips (**Phillips**):

(a) was the ~~has been~~ SBU Vice President and General Manager, HGBU Surgical and Health Safety Solutions at Ansell from on or around August 2017 until on or around 30 September 2023;

(b) at all material times up to and including the Relevant Period was ~~and is~~ a member of the ELT. ~~Ansell's Executive Leadership Team.~~

Particulars

This is recorded in the FY21 Annual Report, (p 36) (ANN.0004.0001.2097 at. 2136) and the FY22 Annual Report, (p 36) (WAR.0002.0003.0423 at 0462) and was recorded on the Ansell website at https://www.ansell.com/au/en/about-us/our-people/executive-leadership/angie-phillips

As to (b), this is additionally recorded in the FY19 Annual Report (p 27) (WAR.0002.0003.0164 at 0193), the FY20 Annual Report (p 30) (WAR.0002.0003.0293 at 0326), and the FY22 Annual Report (p 36) (WAR.0002.0003.0423 at 0462).

22 Sean P. Sweeney (**Sweeney**):

(a) was the~~has been~~ SBU Vice President and General Manager, IGBU Mechanical Solutions at Ansell from ~~since~~ on or around July 2017 until on or around 31 August 2023;

(b) at all material times up to and including the Relevant Period was ~~and is~~ a member of the ELT~~Ansell's Executive Leadership Team~~.

Particulars

This is recorded in the FY21 Annual Report, (p 36) (ANN.0004.0001.2097 at. 2136) the FY22 Annual Report, (p 36) (WAR.0002.0003.0423 at 0462) and the Ansell website at https://www.ansell.com/au/en/about-us/our-people/executive-leadership/sean-p-sweeney

As to (b), this is additionally recorded in the FY19 Annual Report (p 27) (WAR.0002.0003.0164 at 0193), the FY20 Annual Report (p 30) (WAR.0002.0003.0293 at 0326), and the FY22 Annual Report (p 36) (WAR.0002.0003.0423 at 0462).

23 Renae Leary (**Leary):**

(a) was the ~~has been~~ Chief Commercial Officer – Americas at Ansell from ~~since~~ on or around May 2019 until 31 August 2023;

(b) at all material times up to and including the Relevant Period was ~~and is~~ a member of the ELT ~~Ansell's Executive Leadership Team~~.

Particulars

This is recorded in the FY21 Annual Report, (p 36) (ANN.0004.0001.2097 at. 2136) and the FY22 Annual Report, (p 36) (WAR.0002.0003.0423 at 0462) and was recorded on the Ansell website at https://www.ansell.com/au/en/about-us/our-people/executive-leadership/renae-leary

As to (b), this is additionally recorded in the FY19 Annual Report (p 26) (WAR.0002.0003.0164 at 0192) and the the FY20 Annual Report (p 30) (WAR.0002.0003.0293 at 0326).

24 Francois le Jeune (**le Jeune**):

(a) was the ~~has been~~ Chief Commercial Officer -- EMEA & APAC from ~~since~~ on or around January 2022 until on or around December 2023;

(b) from at least July 2019 ~~the commencement of the Relevant Period~~ until on or around January 2022 was Senior Vice President – Business Development, Transformation and Corporate Marketing at Ansell;

(c) at all material times up to and including the Relevant Period was ~~and is~~ a member of the ELT ~~Ansell's Executive Leadership Team~~.

Particulars

This is recorded in the FY19 Annual Report (p 26) (WAR.0002.0003.0164 at 0192), FY20 Annual Report, (p 30) (WAR.0002.0003.0293 at 0326), the FY21 Annual Report, (p 36) (ANN.0004.0001.2097 at. 2136) and the FY22 Annual Report, (p 36) (WAR.0002.0003.0423 at 0462) and was recorded on the Ansell website at https://www.ansell.com/au/en/about-us/our-people/executive-leadership/francois-le-jeune

25 Mike Gilleece (**Gilleece**):

(a) was the ~~has been~~ Senior Vice President, Corporate General Counsel at Ansell ~~since~~ from on or around July 2017;

(b) at all material times up to and including the Relevant Period was ~~and is~~ a member of the ELT ~~Ansell's Executive Leadership Team~~.

Particulars

This is recorded in the FY19 Annual Report (p 26) (WAR.0002.0003.0164 at 0192), FY20 Annual Report, (p 30) (WAR.0002.0003.0293 at 0326) FY21 Annual Report, (p 36) (ANN.0004.0001.2097 at 2136) and the FY22 Annual Report, (p 36) (WAR.0002.0003.0423 at 0462) and was recorded on the Ansell website at https://www.ansell.com/au/en/about-us/our-people/executive-leadership/michael-gilleece

26 John Marsden (**Marsden**):

(a) was ~~has been~~ Senior Vice President – Global Operations ~~and Global Supply Chain since~~ 1 April 2019 to 26 February 2020 and thereafter has been Senior Vice President – Global Operations and Global Supply Chain;

(b) at all material times up to and including the Relevant Period was ~~and is~~ a member of the ELT ~~Ansell's Executive Leadership Team~~.

Particulars

This is recorded in the FY19 Annual Report (p 26) (WAR.0002.0003.0164 at 0192), FY20 Annual Report, (p 30) (WAR.0002.0003.0293 at 0326), FY21 Annual Report, (p 36) (ANN.0004.0001.2097 at 2136), the FY22 Annual Report, (p 36) (WAR.0002.0003.0423 at 0462) and the Ansell website at https://www.ansell.com/au/en/about-us/our-people/executive-leadership/john-marsden

27 Deanna Johnston (**Johnston**):

(a) has been Global Chief Information Officer since on or around May 2020;

(b) at all material times up to and including the Relevant Period was ~~and is~~ a member of the ELT~~Ansell's Executive Leadership Team~~.

Particulars

This is recorded in the FY19 Annual Report (p 26) (WAR.0002.0003.0164 at 0192), FY20 Annual Report, (p 30) (WAR.0002.0003.0293 at 0326), FY21 Annual Report, (p 36) (ANN.0004.0001.2097 at 2136), the FY22 Annual Report, (p 36) (WAR.0002.0003.0423 at 0462) and the Ansell website at https://www.ansell.com/au/en/about-us/our-people/executive-leadership/deanna-johnston

27A Fred Marx (**Marx**):

(a) was the Vice President – Finance – Global Operations and Supply Chain from at least July 2019 to on or around March 2024;

(b) at all material times up to and including the Relevant Period:

(i) led all strategic and tactical initiatives for the Global Operations and Supply Chain finance function;

(ii) oversaw overall financial management, planning, systems and controls, and had a significant role in long-term planning at Ansell;

(iii) attended and participated in meetings of the directors of Ansell, including on 4 November 2020, 8 December 2020, 9 December 2020, 12 February 2021, 15 June 2021, 16 June 2021, 18 August 2021, and 7 October 2021; and

(iv) participated in the quarterly business reviews undertaken by the ELT, including preparation of materials, receipt by way of copy email of materials, and attendance at meetings.

Particulars

As to (a) and (b)(i)-(ii), this is recorded on Marx's public LinkedIn page (as at 1 June 2026).

As to (b)(iii), this is recorded in the minutes of the meetings of the directors held on 4 November 2020 (ANN.0010.0003.0523 at 0525), 8 December 2020 (ANN.0037.0001.0001 at 0001), on 9 December 2020 (ANN.0037.0001.0001 at 0005), 12 February 2021 (ANN.0029.0001.1571 at 1022), 15 June 2021 (ANN.0001.0001.1840), 16 June 2021 (ANN.0001.0001.1840 at 1844), 18 August 2021 (ANN.0001.0001.1854 at 1858) and 7 October 2021 (ANN.0001.0001.1827 at 1828).

As to (b)(iv), this is recorded in emails dated 20 January 2021 (ANN.0013.0011.1740) 20 April 2021 (ANN.0013.0010.0500, ANN.0013.0010.0694), 27 July 2021 (ANN.0030.0003.1136), 28 July 2021 (ANN.0013.0008.7478, ANN.0030.0228.7912, ANN.0013.0008.8058), 29 July 2027 (ANN.0030.0007.4097), 2 November 2021 (ANN.0013.0001.0640), 3 November 2021 (ANN.0013.0001.4147), 4 November 2021 (ANN.0013.0009.1042) and 25 January 2022 (ANN.0014.0030.4788, ANN.0014.0030.4865)

27B Pablo Bedetti (**Bedetti**):

(a) was the Vice President – Corporate FP&A, Strategy, and Integrated Business Planning from on or around April 2020 to on or around March 2024;

(b) at all material times up to and including the Relevant Period:

(i) was the head of corporate and commercial financial planning and analysis at Ansell;

(ii) led company strategic planning and corporate development activities;

(iii) attended and participated in meetings of the directors of Ansell, including on 8 December 2020, 9 December 2020, 11 February 2021, 28 April 2021, 15 June 2021, 16 June 2021, 17 June 2021, 17 August 2021, 18 August 2021,

10 November 2021, 14 December 2021, 15 December 2021 and 31 January 2022;

(iv) participated in the quarterly business reviews undertaken by the ELT, including preparation of materials, receipt by way of copy email of materials, and attendance at meetings.

Particulars

As to (a) and (b)(i)-(ii), this is recorded on Bedetti's public LinkedIn page (as at 1 June 2026).

As to (b)(iii), this is recorded in the minutes of the meetings of the directors held on 8 December 2020 (ANN.0037.0001.0001 at 0001, 0002), on 9 December 2020 (ANN.0037.0001.0001 at 0005), 11 February 2021 (ANN.0029.0001.01571 at 1574), 28 April 2021 (ANN.0029.0001.1803 at 1804 - .1805), 15 June 2021 (ANN.0001.0001.1840 at 1841), 16 June 2021 (ANN.0001.0001.1840 at 1845), 17 June 2021 (ANN.0001.0001.1840 at 1846), 17 August 2021 (ANN.0001.0001.1854 at 1855), 18 August 2021 (ANN.0001.0001.1854 at 1859), 10 November 2021 (ANN.0001.0001.1874 at 1874 - .1875, .1876), 14 December 2021 ((ANN.0001.0001.1832 at 1833), 15 December 2021 (ANN.0001.0001.1832 at 1835, .1836), 31 January 2022 (ANN.0001.0001.1865 at 1865).

As to (b)(iv), this is recorded in emails dated 14 January 2021 (ANN.0013.0011.0369), 20 January 2021 (ANN.0013.0011.1740) 20 April 2021 (ANN.0013.0010.0500, ANN.0013.0010.0694), 27 July 2021 (ANN.0013.0008.5948, ANN.0030.0003.1136), 28 July 2021 (ANN.0013.0008.7478, ANN.0030.0228.7912, ANN.0013.0008.8058), 29 July 2027 (ANN.0030.0007.4097), 2 November 2021 (ANN.0013.0001.0640), 4 November 2021 (ANN.0013.0009.1042) and 25 January 2022 (ANN.0014.0030.4788, ANN.0014.0030.4865)

28 John Bevan (**Bevan**):

(a) was ~~has been~~ a director of Ansell from ~~since~~ 1 August 2012 until 24 October 2023;

(b) was ~~has been~~ the Chair of the Board from ~~since~~ on or around November 2019 until 24 October 2023;

(c) at all material times during the Relevant Period:

(i) was the official spokesperson for the Board;

(ii) represented the views of the Board to the public;

(iii) approved Board agendas and ensured that adequate time was available for discussion of all agenda items, including strategic issues;

(d) attended all Board meetings held during FY19, FY20, FY21 and FY22.

Particulars

As to (c), this is recorded in the Board Charter at cl 3(b) and (c).

As to (d), this is recorded in the FY19 Annual Report, (p 30) (WAR.0002.0003.0164 at 0196), FY20 Annual Report (p 34) (WAR.0002.0003.0293 at 0330), FY21 Annual Report (p 40) (ANN.0004.0001.2097 at 2140) and FY22 Annual Report (p 40) (WAR.0002.0003.0423 at 0466).

29 Leslie Desjardins (**Desjardins**):

(a) has been a director of Ansell since 30 November 2015;

(b) has been Chair of the A&C Committee since 18 October 2018;

(c) has been a member of the S&R Committee since 18 October 2018;

(d) attended all Board meetings held during FY19, FY20 and FY21;

(e) during the 2022 Financial Year, attended:

(i) 11 of the 12 Board meetings held;

(ii) all A&C Committee meetings (of which there were four);

(iii) one ~~all~~ S&R Committee meetings ~~(of which there was four)~~.

Particulars

As to (b) and (c), this is recorded in the FY19 Annual Report (p 30) (WAR.0002.0003.0164 at 0196).

As to (d), this is recorded in the FY19 Annual Report (p 30) (WAR.0002.0003.0164 at 0196), FY20 Annual Report (p 34) (WAR.0002.0003.0293 at 0330) and

FY21 Annual Report (p 40) (ANN.0004.0001.2097 at 2140).

As to (e), this is recorded in the FY22 Annual Report (p 40) (WAR.0002.0003.0423 at 0466).

30 William Reilly (**Reilly**):

(a) has been a director of Ansell since 20 October 2017;

(b) has been a member of the S&R Committee since October 2017;

(c) attended all Board meetings during FY19, FY20, FY21 and FY22; and

(d) during the 2022 Financial Year, attended all S&R Committee meetings (of which there were four).

Particulars

As to (c), this is recorded in the FY19 Annual Report, (p 30) (WAR.0002.0003.0164 at 0196), FY20 Annual Report (p 34) (WAR.0002.0003.0293 at 0330), FY21 Annual Report (p 40) (ANN.0004.0001.2097 at. 2140) and FY22 Annual Report (p 40) (WAR.0002.0003.0423 at 0466).

As to (d), this is recorded in the FY22 Annual Report (p 40) (WAR.0002.0003.0423 at 0466).

31 Christina Stercken (**Stercken**):

(a) has been a director of Ansell since 20 October 2017;

(b) has been a member of the A&C Committee since October 2017;

(c) has been a member of the S&R Committee since October 2017;

(d) attended all Board meetings during FY19, FY20, FY21 and FY22; and

(e) during FY22, attended:

(i) all A&C Committee meetings (of which there were four); and

(ii) all S&R Committee meetings (of which there were four);

Particulars

As to (d), this is recorded in the FY19 Annual Report (p 30) (WAR.0002.0003.0164 at 0196), FY20 Annual Report (p 34) (WAR.0002.0003.0293 at 0330), FY21 Annual Report (p 40) (ANN.0004.0001.2097 at. 2140) and FY22 Annual Report (p 40) (WAR.0002.0003.0423 at 0466).

As to (e), this is recorded in the FY22 Annual Report (p 40) (WAR.0002.0003.0423 at 0466).

32 Christine Yan (**Yan**):

(a) has been a director of Ansell since 1 April 2019;

(b) has been a member of the A&C Committee since 1 April 2019;

(c) attended all Board meetings FY19 on and from 1 April 2019 in FY19, all Board meetings in FY20, 18 of 19 Board meetings in FY21, and all Board meetings in FY22;

(d) during FY22, attended all A&C Committee meetings (of which there were four).

Particulars

As to (c), this is recorded in the FY19 Annual Report, (p 30) (WAR.0002.0003.0164 at 0196), FY20 Annual Report (p 34) (WAR.0002.0003.0293 at 0330), FY21 Annual Report (p 40) (ANN.0004.0001.2097 at. 2140) and FY22 Annual Report (p 40) (WAR.0002.0003.0423 at 0466).

As to (d), this is recorded in the FY22 Annual Report (p 40) (WAR.0002.0003.0423 at 0466).

33 William Peter Day (**Day**):

(a) was a director of Ansell from 20 August 2007 until 11 November 2021;

(b) from at least 18 October 2018 ~~July 2016~~ until 11 November 2021, was a member ~~the Chair~~ of the A&C Committee and the Chair of or a member of the S&R Committee;

(c) attended all Board meetings during FY19, FY20 and FY21;

(d) between 1 July 2021 and 11 November 2021, attended:

(i) all Board meetings (of which there were six);

(ii) all meetings of the A&C Committee (of which there was one);

(iii) all meetings of the S&R Committee (of which there was one).

Particulars

As to (b), Day is recorded in the Ansell annual report for the financial year ending 2017 (**FY17 Annual Report**) (p 47) as Chair of ~~the A&C Committee and member of~~ the S&R Committee and member of the A&C Committee.

As to (c), this is recorded in the FY19 Annual Report (p 30) (WAR.0002.0003.0164 at 0196), FY20 Annual Report (p 34) (WAR.0002.0003.0293 at 0330), and FY21 Annual Report (p 40) (ANN.0004.0001.2097 at. 2140).

As to (d), this is recorded in the FY22 Annual Report, (p 40) (WAR.0002.0003.0423 at 0466).

34 Marissa Peterson (**Peterson**):

(a) was a director of Ansell from 22 August 2006 until 11 November 2021;

(b) was a member of the A&C Committee from at least 1 July 2019 until 11 November 2021;

(c) attended all Board meetings during FY19, FY20 and FY21;

(d) between 1 July 2021 and 11 November 2021, attended:

(i) all meetings of the A&C Committee (of which there was one);

(ii) all Board meetings (of which there were six).

Particulars

As to (b), Peterson is recorded in the FY19 Annual Report (p 24) (WAR.0002.0003.0164 at 0190) as a member of the A&C Committee.

As to (c), this is recorded in the FY19 Annual Report (p 30) (WAR.0002.0003.0164 at 0196), FY20 Annual Report (p 34) (WAR.0002.0003.0293 at 0330), and

FY21 Annual Report (p 40) (ANN.0004.0001.2097 at. 2140).

As to (d), this is recorded in the FY22 Annual Report, (p 40) (WAR.0002.0003.0423 at 0466).

35 During the period in which they held their respective positions, each of:

(a) Salmon, Nicolin, Javeed, Nazareth, Froberg, Accorsi, Bryce, Phillips, Sweeney, Leary, le Jeune, Gilleece, Marsden, ~~and~~ Johnston, Marx and Bedetti (**Ansell Executives**);

(b) Bevan, Desjardins, Reilly, Stercken, Yan, Day and Peterson (**Non-Executive Directors**),

was an officer of Ansell within the meaning of s 9 of the Corporations Act and ASX Listing Rule 19.12 and any information of which he or she became aware, or which ought reasonably to have come into his or her possession in the course of the performance of his or her respective duties as an officer of Ansell, was information of which Ansell was aware within the meaning of "aware" in rule 19.12 of the ASX Listing Rules.

C COVID-19 RELATED SPIKES IN DEMAND, PRICING AND COSTS

C.1 Surge in demand for certain Ansell products

36 The onset of COVID-19 drove:

(a) sales of Single Use Gloves;

(b) sales of Outsourced Glove Products;

(c) growth of the Exam/Single Use SBU, which experienced **organic growth** (being sales revenue growth compared with the prior corresponding period, restated at the current financial year's average foreign exchange rates and excluding the effect of acquisitions) of 34.5% from 1 January 2020 to 30 June 2020;

(d) growth of the Chemical SBU, which experienced organic growth of 12.6% from 1 January 2020 to 30 June 2020; and

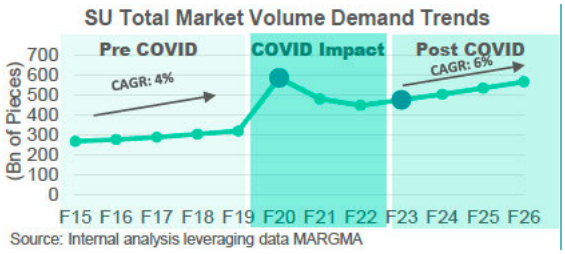
(e) sales of Chemical Protective Clothing, which experienced a 31.8% increase in demand from 1 January 2020 to 30 June 2020 due to strong demand from governments, non-government organisations and the private sector.

Particulars

As to (a):

A. The FY20 Annual Report recorded that demand for Single Use Gloves 'surged' in the second half of FY20 as 'the COVID-19 pandemic unfolded globally' (WAR.0002.0003.0293 at 0311). ~~overall volumes of Single Use Gloves in the second half of the year was constrained by supply (p 24).~~

B. The FY21 Half Year Results recorded "strong volume growth with sales capped by supply" and recorded the following (p 9) (WAR.0002.0002.0060 at 0068):



As to (b):

C. This can be inferred from A and B above, given the significant proportion of Single Use Glove sales which are Outsourced Glove Products (as referred to in paragraph 10). Further, in the edited transcript of the Full Year 2021 Earnings Call of 23 August 2021, it is recorded that Salmon stated "what we are now seeing is lower pricing and lower demand on the less differentiated styles, which are also the styles most relevant to COVID-19 protection" (p ~~8~~9) (WAR.0002.0002.0861 at 0869).

As to (c):

D. This is recorded in FY20 Full Year Results (p 10) (WAR.0002.0003.0601 at 0610). In comparison, organic revenue growth of the Exam/Single Use SBU:
   a. in FY19 was only 3.4%, with a decline in revenue for gloves used in acute clinical settings: FY19 Full Year Results (p 13) (WAR.0002.0003.0561 at 0573);
   b. from 1 July 2019 to 31 December 2020 was only 1.4%: FY20 Full Year Results (p 10) (WAR.0002.0003.0601 at 0610).

As to (d):

E. This is recorded in FY20 Full Year Results (p 10) (WAR.0002.0003.0601 at 0610).

F. In comparison, organic growth of the Chemical SBU:

a. in FY19, was only 1% (FY19 Full Year Results, p 15) (WAR.0002.0003.0561 at 0575);
b. from 1 July 2019 to 31 December 2020 was only 3%: FY20 Full Year Results (p 10) (WAR.0002.0003.0601 at 0610).

As to (e):

G. This is recorded in FY20 Full Year Results (p 10) (WAR.0002.0003.0601 at 0610).

H. As to the date range relevant to (a)-(e), Ansell's COVID-19 associated increase in demand started in China in February 2020 and expanded world-wild in or around March 2020: FY20 Full Year Results (p 11) (WAR.0002.0003.0601 at 0611).

37 Strong demand for Single Use Gloves, Outsourced Glove Products and Chemical Protective Clothing continued until at least 31 December 2020.

Particulars

A. The FY21 Full Year Results record that the Exam/Single Use SBU experienced organic growth of 47.5% from 1 July 2020 to 31 December 2020 (p 12) (ANN.0004.0001.2056 at 2067).

B. The FY21 Q2 Quarterly Business Review presentation (**QBR**) for Healthcare GBU recorded that for the first half of FY21: (i) Exam sales growth was up 47.5% year on year, with 35% attributable to pricing and 13% to volume; (ii) Surgical sales growth up 19.6% year on year, driven by volume; and (iii) Life Sciences sales growth up 32.3% year on year, with 10% attributable to pricing and 22% to volume (ANN.0013.0002.9106 at 9110).

C. The FY21 Full Year Results record that the Chemical SBU experienced organic growth of 21.8% from 1 July 2020 to 31 December 2020 (p 12) (ANN.0004.0001.2056 at 2067). The FY21 Full Year Results also record that "Chemical Protective Clothing demand… slowed in FY21 H2 as it cycled an *exceptionally high prior period comparison" (emphasis added)* (p 12) (ANN.0004.0001.2056 at 2067).

D. The FY21 Q2 QBR for Industrial GBU recorded that Chemical Body Protection sales volumes grew by 101.3% year on year 'led by new capacity

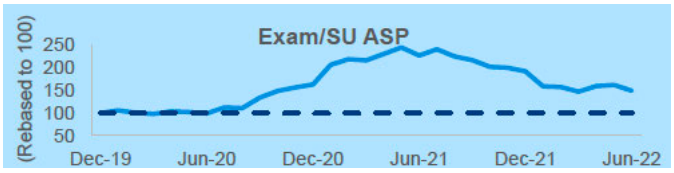
coming online to support elevated pandemic demand' (ANN.0013.0011.1764 at 0008).

C.2 Surge in pricing of Single Use Gloves

38 Between on or around May 2020 and June 2021, the average sale price of Single Use Gloves increased 150~~250~~%.

Particulars

Ansell FY22 Full Year Results Investor Presentation, 23 August 2022 (p 10) recorded the following average sale price for Single Use Gloves (with $100 the rebased sum) (WAR.0002.0003.0637 at 0646):



Further particulars ~~will~~ may be provided prior to trial.

C.3 Surge in outsourced supplier costs and raw material constraints

39 Between at least 1 July 2020 and 30 June 2021, costs of Outsourced Glove Products increased significantly.

Particulars

A. The particulars subjoined to paragraph 9, in relation to FY19, FY20 and FY21, are repeated.

B. In the edited transcript of the Full Year 2020 Ansell Earnings Call of 24 August 2020, it is recorded that Javeed stated: "Some key points regarding the raw materials…. The nitrile benefit from H1, we saw that continue into H2, but unfortunately, it was, to a large extent, outdone by pricing from outsourced suppliers" (p 7).

C. In the edited transcript of the Half Year 2021 Earnings Call of 15 February 2021 (WAR.0002.0002.0841), it is recorded that Javeed stated: "the pricing from our outsourced suppliers has really stepped up and really accelerated versus the first half" (p 7).

D. In the edited transcript of the Full Year 2021 Earnings Call of 23 August 2021 (WAR.0002.0002.0861), it is recorded that Javeed stated: "we've navigated through and we're

navigating through an unprecedented period of upward pricing and cost management as it relates to the outsourced Exam/Single Use costs and the products there" and "over the last couple of months, though, I think we've seen supply and demand of exam product is finding perhaps some equilibrium. And again, this, in turn, is bringing back some competitiveness in terms of how costs are passed through to customers" (p 7) and "as the pandemic broke… [p]rices did go up as we had to pass through these exponential costs from outsourced suppliers…" and that 'going forward as prices retreat" (p 12).

E. The FY21 H1 Investor Presentation reports on "unprecedented increases in outsourced Exam costs", reporting that:
   a. "F'21 H1 was impacted by significantly higher outsourced finished goods nitrile exam costs. NRL costs increased +13% year on year"; and
   b. "Outsourced costs expected to escalate in F'21 H2. We are also seeing increases in NBR costs due to higher demand for the raw materials as industry capacity expansions start to come online"

   (ANN.0030.0031.2476 at 2494).

F. In the Business Plan Review HGBU - FY 2022 Business Planning presentation (ANN.0010.0003.0096) presented to the Board on 15 June 2021 it is recorded that:
   a. "Large and multiple increases in costs across the exam portfolio", "Freight and warehousing costs escalated" and "Nitrile costs escalated" in F'21 (.0097).
   b. "Higher costs of outsourced Exams & clothing raw materials. Cost escalations $333m across Exam and Life Sciences" (.0099).
   c. "High-grade nitrile raw material (NBR) will remain constrained until 2022" and "Limited shipping vessel and container availability continue to inflate ocean freight rates, creating additional cost pressures and supply volatility", implying higher costs associated with constrained supply and material inputs (.0111).
   d. in graphical form, the finished goods cost by material and product profile from January 2020 to May 2021 (actual) and forwards to August 2021. Costs of nitrile gloves increased from $20 per 1000 pieces in January 2020 to a peak of around $90 in December 2020-Feb 2021, before gradually declining (.0114).

e. Thin Nitrile and TouchNTuff gloves input costs increased from $10 per 1000 pieces pre covid to about $110 in about April 2021 (.0015).

G. In the QBR presentation for HGBU, F21Q4 (ANN.0013.0008.7480 at 0002) records: "Higher costs of outsourced Exams & clothing raw materials. Cost escalations $224m driven by Exam".

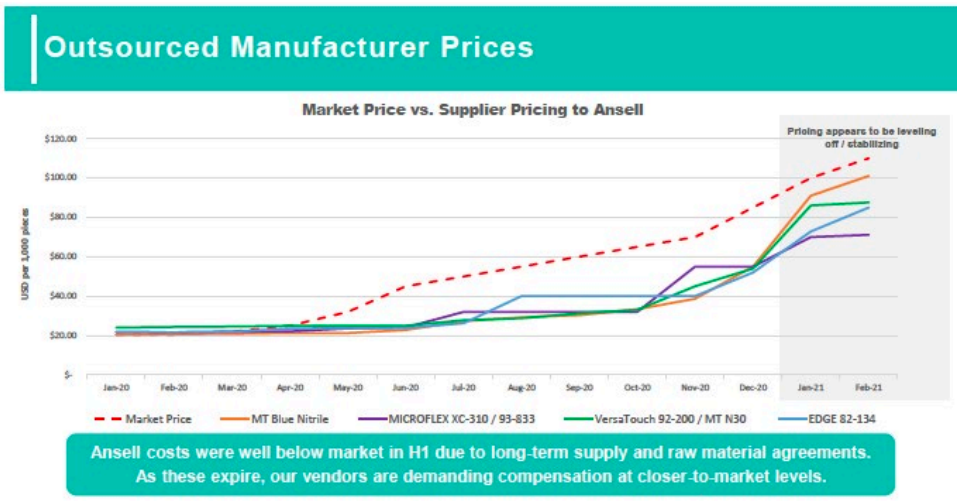
39A Ansell's costs of manufacturing Outsourced Glove Products:

(a) were below market-rate in the first half of FY21 due to long-term supply and raw material agreements it had in place;

(b) increased in the second half of FY21 as the agreements expired and Ansell vendors charged compensation at closer to market levels.

Particulars

This is recorded in an Healthcare GBU presentation titled 'F22 Op Plan Alignment Session' dated February 2021) (ANN.0020.0002.2989 at 0036) as follows:



C.4 Softening of demand and decline in prices

40 In the second half of FY21 (viz. 1 January to 30 June 2021):

(a) demand for Chemical Protective Clothing slowed;

(b) there was a normalisation in demand for Single Use Gloves;

(c) sale volumes of Single Use Gloves declined in comparison to the first half of FY21.

Particulars

The FY21 Full Year Results record that "Chemical Protective Clothing demand remained strong supported by recent capacity expansions, but slowed in FY21 H2 as it cycled an exceptionally high prior period comparison" and, with respect to Exam/Single Use, that "overall volumes in FY21 H2 declined due to supply constraints and a normalisation of demand" (ANN.0004.0001.2056 at 2067). Item D of the particulars subjoined to paragraph 39 are also repeated.

The following further particulars are provided as to (a):

A. The presentation F21 July QBR – IGBU (ANN.0030.0007.4100) records:
   a. At 4103: A "Significant slow-down in underlying demand on BP" [body protection] (.4103).
   b. At 4104, the H2 results summary states: "Chem -$8.1m vs FC on slowing BP demand ($7.6m short Fc) while HP was mixed with strong NA GP Hand (food customers) offset EMEA $4m miss (mostly HEC)".
   c. At 4115, the Chemical SBU F'21 Recap reports under "Challenges" that "H2 BP sales softening at $62m vs H1's $69m".

The following further particulars are provided as to (b) and (c):

B. The QBR presentation F21 H2, Corporate Overview (ANN.0013.0013.2498) records:
   a. At 2502, "Chem/Exam growth slowed in H2 on unfav comps and volume misses"; and "surgical growth in H2 slowed despite better than Fc sales".
   b. At 2502, notes sales were $50m short vs forecast, stating "Exam short $53m (NA) - Vol/Mix miss primarily NA Med ($27) while price miss split SU/Med", and noting there is room to improve the forecast.
   c. At .2507, notes organic growth in the Exam/Single Use SBU declined from H1 to H2 by 4.2% (from 47.5% to 43.3%). The volume/mix driver of sales in this period fell from 19% to -24.3%. At 2507, notes "Exam volume declined on tough YoY (F20 inventory)". The volume/mix driver of sales in this period fell from 19% to -24.3% but the pricing component grew from 28.5% to 67.6%.

C. The QBR presentation for HGBU, F21Q4 (ANN.0013.0008.7480) records at 0008: in H1 F21, Exam volumes (comprising both Med Exam and Indl Appl Exam) were 4,550, compared with 3,791 in H2 F21, reflecting a 16.7% decline in H2.

D. The F21 H2 & Full Year QBR EMEA APAC region update, July 2021 (ANN.0030.0288.4959) records at 4967 that "in relation to "SU" (being single use), demand had "softened" since peak in March 2021.

E. The 4 November 2021 - 1Q22 GSC QBR deck (3 November 2021) records that between April 2021 and July 2021, demand for Exam/Single Use SBU products declined 16% (ANN.0014.0030.2744 at page 37).

F. The FY21 Q3 QBR HGBU Pre-Read dated 20 April 2021 (ANN.0013.0010.0503) records at 0518 that market prices for Exam gloves peaked in February/March 2021.

Further particulars may ~~will~~ be provided, following discovery and the service of subpoenas.

41 From on or around June 2021, the average sale price of Single Use Gloves declined.

Particulars

The particulars subjoined to paragraph 38 are repeated.

~~Further particulars will be provided, following discovery and the service of subpoenas.~~

D ANSELL GROWTH AND OTHER EVENTS IN FY21

D.1 Drivers of FY21 growth

42 In FY21~~:~~,

(a) the Exam/Single Use SBU:

(i) experienced organic growth of 47.5% in the first half of FY21;

(ii) experienced organic growth of 45.2% year over year;

(iii) together with the other two SBUs within the Healthcare GBU, accounted for more than 80% of Ansell's revenue increase that year; ~~and~~

(iv) reported sales of Single Use Gloves 38.2% higher compared to FY20; and

(b) Ansell experienced an increase of 22.5% in revenue in sales compared to FY20, of which:

(i) 2.7% of the increase was attributable to the volume and mix of products sold; and

(ii) 19.8% of the increase was attributable to the price of the products sold.

Particulars

As to (a), FY21 Full Year Results (pp 12, 15, 16 and 18) (ANN.0004.0001.2056 at 2067, 2070 and 2073).

As to (b), F21 H2/FY QBR Corporate Overview (July 2021) (ANN.0013.0013.2498 at 2501).

43 The primary drivers of growth of Ansell in the FY21 period were:

(a) increased demand for Ansell products as a result of COVID-19;

(b) higher sales prices for Single Use Gloves;

(c) the pass through of ~~manufacturing~~ cost increases for ~~predominantly~~ outsourced glove products, labour and freight ~~supplier costs~~; and

(d) an increase in Ansell's profit margin (including as a result of (b) and (c) above) .

Particulars

A. The FY21 Full Year Results recorded that Industrial GBU reported 7.1% organic growth in sales, with "strong growth from ~~a number of~~ most products either due to increased demand from end users seeking additional protection or industry shifts as a result of COVID-19…" (ANN.0004.0001.2056 at 2071).
B. The FY21 Annual Report recorded "volume growth was positive outside of the Exam/Single Use business unit" and "EBIT on a reported basis was 56% higher than the prior year and margins improved 330bps to 16.7%. This was due to the favourable impact from stronger sales and higher production volumes …" (p 21) (ANN.0004.0001.2097 at 2121).
C. The presentation titled "F'21 Half Year Results Six Months Ending 31 December 2020" dated 16

February 2021 (**FY21 H1 Results**) recorded "Strong volume growth with sales capped by supply. Even stronger price/mix growth mainly due to effective pass through of cost increases from outsourced suppliers but also pricing initiatives and favourable mix" (p 9) (WAR.0002.0002.0060 at 0068) and "Price growth due to pricing initiatives and pass through of cost increases (predominantly outsourced suppliers) (p 18) (WAR.0002.0002.0060 at 0077).

D. The FY21 ~~Full Year Results~~ Annual Report recorded that Healthcare GBU "EBIT on a reported basis was 75.5% higher than the prior year and margins improved 420bps to 20.1%. This was due to favourable impact from stronger sales (predominantly pricing…)…" (ANN.0004.0001.2097 at 2124).;

E. The FY21 Annual Report recorded "Exam/Single Use delivered organic growth of 45.2%. Growth was driven by higher market prices and effective execution of price increases to recover increased costs." (p 24) (ANN.0004.0001.2097 at 2124).

F. Sub-paragraph D to the particulars to paragraph 39 is repeated.

G. In the edited transcript of the Half Year 2021 Earnings Call of 15 February 2021 (WAR.0002.0002.0841), it is recorded that:

   a. Nicolin stated "*on the PPE industry, in the short term, clearly, some increased demand"* (p 2), *"CAGR development on sales, EBIT and EPS …. Obviously, a big kicker in the last 12 months, 2 6-month periods…"* (p 3), "some of the key observations on exam gloves is strong volume growth. And strong value growth as well because we're seeing a significant imbalance between supply and demand, and that has driven a significant price increase into the marketplace in multiple waves. We have responded to that to essentially protect our bottom line, not necessarily to protect our EBIT margin.. we're quite careful and very deliberate about how we take price" and "so that's the exam story, quite impactful…" (at [3]).

   b. Javeed stated "You've already heard from [Nicolin] the key sales drivers, so I'll not repeat those. But of course we're very pleased with the volume growth rate and being able to get product to the front line. And at the same time, we do know we're comparing against a pre-pandemic period…. (p 7).

H. In the edited transcript of the Full Year 2021 Earnings Call of 23 August 2021 (WAR.0002.0002.0861), it is recorded that Nicolin stated "very significant growth factors. Sales up 22% in constant currency" (p 2). Javeed was present on this Earnings Call.
I. The 15 June 2021 Corporate Overview presentation to the Ansell Board noted that the FY21 EBIT outlook was increased from $294m to $354m "driven largely by price execution / achievement ahead of realized inventory and raw material costs" (ANN.0010.0003.0035 at 0039).
J. The Business Plan Review HGBU presentation to the board of directors meeting on 15 June 2021 recorded that in FY21, the Exam/Single Use SBU "grew 47%: +$308m revenue growth due to price" (ANN.0010.0003.0096 at 0099).
K. The positive admissions in Ansell's defence filed 8 December 2024 at [43(a)] and [44(a)] are also referred to.

D.2 Negative impacts in FY21

44 The growth of Ansell in the FY21 was impacted by:

(a) supply disruptions, including disruptions to operations due to COVID-19 related temporary enforced government shutdowns, including shutdowns of factories of suppliers and logistics delays;

(b) increased costs for Outsourced Glove Products, labour and freight; and

(c) greater provisioning for inventory.

Particulars

A. The FY21 Annual Report (p 21) recorded that "… positive movements were partially offset by increased costs for labour and freight and greater inventory provisions" (ANN.0004.0001.2097 at 2121). The particulars to paragraph 49A below are also referred to and repeated.
B. The FY21 Annual Report (p 22) recorded that "Exam/Single Use products, which are predominantly outsourced, experienced significant cost increases throughout FY21. These increases in conjunction with increased freight costs and shipping delays incurred in the second half, resulted in a large increase in trade payables…" (ANN.0004.0001.2097 at 2122).

C. The FY21 Annual Report (p 24) recorded that, with respect to the Exam/Single Use SBU, "overall volumes were constrained by supply disruptions, including COVID-19 driven factory shutdowns of outsourced suppliers and logistic delays …" (ANN.0004.0001.2097 at 2124).

D. The Consolidated Statement of Financial Position of Ansell and subsidiaries as at 30 June 2021 recorded, as a current liability, current asset provisions of ~~US~~$92.5m, compared to ~~US~~$66.4m as at 30 June 2020 (FY 21 Annual Report, p 77) (ANN.0004.0001.2097 at 2177). The accompanying note describes those provisions as "principally inventory and accounts receivable. Provisions are established for obsolete or slow moving inventories and bad or doubtful receivables" (FY21 Annual Report, p 82) (ANN.0004.0001.2097 at 2182). Inventories recognised as an expense as at 30 June 2021 valued at ~~US~~$1,197.7m, compared with ~~US~~$941.9m as at 30 June 2020. Total finished goods inventories were valued at ~~US~~$515.3m as at 30 June 2021, compared with ~~US~~$268.4m as at 30 June 2020.

E. The FY21 Full Year Results recorded "unprecedented increases in outsourced Exam/SU Costs" and "Outsourced cost increased significantly throughout FY21" (p 19-20) (ANN.0004.0001.2056 at 2075-6).

F. In the edited transcript of the Half Year 2021 Earnings Call of ~~15~~16 February 2021, it is recorded that Javeed stated: ""pricing from outsourced suppliers… continues on this very aggressive upward trend" and "We're seeing small clusters of COVID outbreaks potentially impacting manufacturing and supply chains … both within our facilities as well as outsourced suppliers (p 7); "the usual pass-through of savings by outsourced suppliers was not seen at the finished goods level. As long as supply remains unable to find an equilibrium with current demand, I'd expect nitrile costs, and in fact nitrile rubber pricing, to remain very elevated… Our spot price is trending much higher than where they've been. … the outsourced costs as a percentage of overall costs of goods is higher than historical norms (p 8) (WAR.0002.0002.0841 at 0848).

G. In the edited transcript of the Full Year 2021 Earnings Call of ~~23~~24 August 2021, it is recorded that:

    a. Nicolin stated "the only red on this chart is, of course, the cash flow. But part of it was planned, meaning we built up inventory and we prioritised customer service ahead

of managing inventory" (p 3) (WAR.0002.0002.0861 at 0863);

b. Javeed stated: "I told you in our first half earnings call, we should expect the second half growth would be somewhat dominated by our ability to pass through the exam on single-use cost increases, and clearly, I think we've managed very well on that front … I the last few weeks, … there has been some caution because we've been dealing with some operational disruption… at the same time, we're seeing ocean freight capacity quite constrained. And when you combine all these factors, there's inevitably impact on volumes…. Although our manufacturing sites were able to operate, as [Nicolin] said, with efficiencies and our pricing processes, remained, I'd say, nimble… we did also have to manage quite an uptick in labour and logistic costs… at the same time, we've taken quite a prudent and, I'd say, risk-adverse approach in terms of providing for things like potential inventory write-downs… I do expect inflationary pressures to continue across the supply chain " (at p 6). And "we've navigated through and we're navigating through an unprecedented period of upward pricing and cost management as it relates to the outsourced Exam/Single Use costs and the products there" (p 7) (WAR.0002.0002.0861 at 0867).

H. The Global Operations FY22 Op Plan Preview presentation for Healthcare GBU dated April 2021 records $50.3m of negative inventory revaluations in FY21 (ANN.0013.0010.0701 at 0704).

45 In the FY21 period, the impact of inflation also increased a number of costs inputs.

Particulars

Ansell Full Year Results FY21 (p 9) (ANN.0004.0001.2056 at 2064).

46 The rate of organic growth of the Exam/Single Use SBU decreased by 4% in the second half of FY21 compared to the first half of FY21, due to overall volumes of Single Use Gloves declining as a result of supply constraints and normalisation of demand.

Particulars

Ansell Full Year Results FY21 (p 12). Organic Growth of the Exam/Single Use SBU in FY21H1 was 47.5%, compared to 43.5% in FY21H2 (ANN.0004.0001.2056 at 2067).

47 The rate of organic growth of the Chemical SBU decreased by 16.2% in the second half of FY21 compared to the first half of FY21, due to a slowing in demand for Chemical Protective Clothing.

Particulars

Ansell Full Year Results FY21 (p 12). Organic Growth of the Chemical SBU in FY21H1 was 21.8%, compared to 5.6% in FY21H2 (ANN.0004.0001.2056 at 2067).

D.3 Higher level of inventory carried by Ansell and Ansell customers

48 As at 30 June 2021, Ansell held finished goods valued at $515.3m, that value representing the lower, for each finished good, of:

(a) the cost; and

(b) the net realisable value, being the estimated selling price in the ordinary course of the business less estimated costs to sell.

Particulars

FY21 Annual Report (p 93) (ANN.0004.0001.2097 at 2193). The make-up of the inventory held, the cost of that inventory, and the estimated selling price(s) used by Ansell in determining the net realisable value is currently unknown to the Plaintiff.

49 The value of finished goods held by Ansell as at 30 June 2021 was 92% higher than the value of finished goods that had been held by Ansell as at 30 June 2020.

Particulars

FY21 Annual Report (p 93) recorded the value of finished goods as at 30 June 2020 as ~~US~~$268.4m (ANN.0004.0001.2097 at 2193). The proportion of the finished goods held by Ansell as at 30 June 2021 which

were Outsourced Glove Products, and the estimated selling price(s) used by Ansell in determining the net realisable value of the finished goods, is currently unknown to the Plaintiff.

49A As at 30 June 2021:

(a) the total value of Ansell's inventory accounted as being excess and obsolete products (**E&O Inventory**) had increased to $36.4m, up from $27.3m in January 2021;

(b) E&O Inventory values had exceeded target levels and trended upwards each month since July 2020;

(c) inventory turns across the Ansell Group per annum (**Global Stock Turns**) were at 2.2 per annum, which was:

(i) down from 3.1 turns in June 2020;

(ii) lower than Ansell's operational imperative of over 3 turns;

(d) the value of E&O Inventory held by the Exam/Single Use SBU had increased to $11.7m, from $6.8m in January 2021;

(e) the value of E&O Inventory held by the Mechanical SBU was $9.2m, compared to $10.3m in January 2021;

(f) the value of E&O Inventory held by the Chemical SBU had increased to $10m, from $5.7m in January 2021;

Particulars

At to (a), (d), (e) and (f), this is recorded in an email titled "Excess Inventory Report - F22 January" dated 12 February 2022 from Philomene Leclercq to Pablo Bedetti, Paul Bryce, Fred Marx, and others (ANN.0014. 0027.7696) and the attached spreadsheet titled EO_2022-01 January.xlsb (ANN.0014.0027.7699, tab 'Graph Evolution').

As to (b), this is recorded in the Supply Chain FY21 Q4 QBR (ANN.0014.0036.4684_at 0025) as follows:



As to (c)(i) this is recorded in the Supply Chain FY22 Q2 QBR (ANN.0014.0030.4866 at 0051). As to (c)(ii), the FY21 Q4 Supply Chain QBR (ANN.0014.0036.4684 at 0025) records "Global Stock Turns at 2.2x Attention required"; "Global inventory levels at 2.2x turns and needs significant attention". Earlier, the same presentation records Ansell's Business Imperatives to achieve inventory turns greater than three (ANN.0014.0036.4684 at 0005).

50 As at 30 June 2021, Ansell carried:

(a) higher volumes of Outsourced Glove Products than it had held as at 30 June 2020;

(b) an average of 6.4 months' worth of inventory across the Healthcare GBU, with the months of coverage for key styles varying between 2 and 17 months.

Particulars

As to (a), tThis can be inferred from the higher value of finished goods held, as referred to in paragraph 49 above. Further, the FY21 Full Year Results recorded "Working Capital increased to support strong business growth (both volume and price)" (p 23) (ANN.0004.0001.2056 at 2078).

Further, the HGBU QBR dated 28 July 2021 records the volume (and dollar value) of the following Outsourced Glove Products held as at June 2020 compared to June 2021 (ANN.0013.0008.7480 at _0020):

Style	**FY20 vol**	**FY21 vol**	**YoY vol increase**	**F20 value ($k)**	**F21 Value ($k)**	**YoY value increase ($k)**
EMAP						
313017	3,853	16,461	327%	$123	$1,538	$1,415
313023	23,002	24,882	8%	$647	$2,266	$1,619
303001	18,886	31,530	67%	$448	$2,177	$1,729

313016	6,303	17,504	178%	$165	$1,702	$1,537
EMAP total	**52,044**	**90,377**	**74%**	**$1,383**	**$7,683**	**$6,300**
Americas						
MF-300	90,833	146,090	61%	$3,452	$11,512	$8,061
MK-296	65,777	71,208	8%	$2,097	$7,911	$5,814
SG-375	19,715	80,722	309%	$1,506	$13,729	$12,223
UF-524	51,454	72,400	41%	$1,074	$7,285	$6,211
92675	61,525	86,794	41%	$2,237	$9,508	$7,181
XC-310	40,578	71,140	75%	$968	$6,207	$5,239
Americas total	**329,882**	**528,354**	**60%**	**$11,334**	**$56,152**	**$44,818**
Group total	**381,926**	**618,731**	**62%**	**$12,717**	**$63,835**	**$51,118**

As to (b), the HGBU QBR dated 28 July 2021 records the inventory by key styles as follows (ANN.0013.0008.7480 at_0020):

Style	**F21 sales (k$)**	**Style ranking**	**Months cover**
EMAP			
92600	61,453	1	4.5
313041	18,271	2	6.1
313017	9,429	7	5.9
92200	7,725	9	7.2
303001	7,613	10	10.6
313023	7,467	11	3.7
93853	6,174	17	10.5
303003	2,803	27	9.4
313016	2,368	29	17.1
Americas			
MF-300	43,172	1	3.7
92600	39,638	2	2.5
MK-296	36,150	3	2.3
92675	29,949	4	2.7
SG-375	25,859	5	10.3
XC-310	23,072	6	2.4
UF-254	18,732	8	4.8
313021	17,323	9	3.6
92134	6,636	16	4.6
313029	3,851	24	9.8

Further particulars may be provided, following discovery.

51 As a result of carrying high levels of inventory (including Outsourced Glove Products), Ansell's product costs lagged behind the market by two to three ~~a number of~~ months ~~currently unknown to the Plaintiff~~ .

Particulars

A. In the transcript of the Ansell Annual Shareholders Meeting of 10 November 2021, it is recorded that Salmon stated "our product costs lag behind market because of the months of inventory we carry. With rising prices, this is favourable. As we adjust pricing lower, this is unfavourable… because it will be some months before the benefit of lower input costs shows in cost of goods sold…" (p 8) (ANN.0005.0001.0449 at 0456).
B. In a HGBU presentation titled 'F22 Op Plan Alignment Session' dated February 2021, it is recorded that 'pricing needs to lag lower costs by 3 months due to in-transit inventory (2 mos.) and FG Warehouse (1 mo.) (ANN.0020.0002.2989 at 0005).

Further particulars may be provided, following discovery.

51A As at May 2021, the Chemical SBU held, with respect to the three main seam type styles of Chemical Protective Clothing, an average of 15 months' cover on demand and 8 months' cover on forecast.

Particulars

This is recorded in an email from Bryce to Salmon dated 20 May 2021 (ANN.0015.0003.1320) in which Bryce stated 'Fact Check 3: what do we determine as "ample product on hand"? On-Hand and In-transit on the 3 main seam types are now at an average of 15 mths cover on demand, 8 mths on Fcast' and extracted the following table:

	3mth Dmd	3mth Fcast		OH+IT	Mth cover on Dmd	Mth cover on Fcast
Stitched	23,742	24,932		190,150	8.01	7.63
Bound	124,189	262,765		2,108,991	16.98	8.03
S&T	7,289	8,882		115,495	15.85	13.00
Totals	**155,219**	**296,579**		**2,414,636**	**15.56**	**8.14**
1800-111	20,337	86,339		364,420	17.92	4.22
2000-111	46,025	131,171		716,120	15.56	5.46
	66,362	**217,510**		**1,080,540**	**16.28**	**4.97**

52 In FY21, Ansell had recommended to its customers (and in particular distributors and governments) that they carry higher levels of inventory (including of Ansell products), to deal with spikes in demand from unexpected events such as pandemics.

Particulars

This is recorded in the Ansell FY21 Annual Report (p 45) (ANN.0004.0001.2097 at 2145).

53 By 30 June 2021, Ansell customers had rebuilt their inventory of Ansell products, which had otherwise been depleted earlier in the pandemic.

Particulars

This can be inferred from comments made by Salmon, as recorded in the FY21 Full Year Earnings Call transcript (dated 24 August 2021), that: "Demand's going to come down temporarily because inventories have rebuilt globally, even there is some overshoot in inventory with some steps in the channel" (p 10) (WAR.0002.0002.0861 at 0870).

On 13 July 2021, Bryce emailed Salmon stating that demand from major Chemical SBU customers Bunzl and Hantover had 'dropped significantly' and that Hantover had 'reported that their warehouses are full and have asked to delay production/shipment of at least 4-5 direct shipment orders' (ANN.0015.0001.5399 at 5399).

On 11 August 2021, the HGBU "Monthly M1 Report" presentation stated that 4Q21 saw 'Exam demand drop from distributor leveling and market pricing missed forecast' (ANN.0020.0021.3917 at 3918).

The F21 Q4 Americas QBR recorded that 'Large distributors such as GWW, Fastenal look to restock inventory in anticipation of demand. Despite this macro trend, certain customers (Grainger and ISN) have heavy inventory positions with products that will impact 1Q FY22 orders (SG-375)' (ANN.0030.0228.7915 at .7919).

Commentary in the EMEA/APAC SUI/MED Monthly Report for EMEA Mature Markets in May 2021 recorded that "Customer and end users sitting on 3 months of stock on average, some accounts bumped up SU stock to 6 months" (, ANN.0030.0002.5845 at .5860).

In an email from Leary to Sweeney and others dated 2 July 2021 it is recorded that Ansell's customer [redacted] have $5.5M of existing inventory of the two categories - $1.4M in Edge and $4.1M in Ringers (ANN.0023.0010.2386).

On 12 July 2021, Anita Chow (Senior Director, Investor Relations & Treasury) emailed Javeed extracts of a report on the exam glove market from global investment firm Janchor, which stated that the US glove market was 'currently oversupplied' and 'Distributors [were] carrying too much inventory (could be up to 3-months)' (ANN.0021.0003.1119).

Further particulars may be provided, following discovery.

E EVENTS AT ANSELL IN FY22

E.1 Events from 1 July 2021 to 24 August 2021

53A By the end of July 2021, Ansell had recorded that key customers had rebuilt their inventory levels, both at a distributor and end user level, which was expected to impact on sales volumes in FY22.

Particulars

In relation to the EMEA region this is recorded in the presentation titled F21 H2 & Full Year QBR EMEA APAC region update, dated 28 July 2021 (ANN.0030.0288.4959 at 4967); in relation to the Americas region this is recorded in the presentation titled H2 FY21 QBR Am Region Presentation dated 28 July 2021 (ANN.0030.0228.7915 at 7919 and 7924).

53B Global Stock Turns across Ansell were:

(a) 2.2 in July 2021; and

(b) 2.3 in August 2021, which level management considered required 'significant attention'.

Particulars

Each of the Global Stock Turn figures are recorded in the presentation titled Ansell Supply Chain FY22 Q2 QBR (ANN.0014.0030.4866 at page 51).

As to management's comment at paragraph (b), this is recorded in the presentation titled Supply Chain FY22 Q1 QBR (ANN.0014.0030.2744 at page 15).

53C Inventory turns in the Healthcare GBU were:

(a) 2.3 in July 2021, compared to a budget of 3.0; and

(b) 2.4 in August 2021, compared to a budget of 2.9.

Particulars

This is recorded in the presentation titled Supply Chain FY22 Q1 QBR (ANN.0014.0030.2744 at page 43), in the graph titled "HGBU TURNS" tracking "HGBU-TURNS-Bud" against "HGBU-TURNS-Act".

53D E&O Inventory was valued:

(a) in July 2021, at $50.1m; and

(b) in August 2021, at $52.9m.

Particulars

Excel spreadsheet titled EO_2022-01 January, worksheet titled 'Graph evolution' (ANN.0014.0027.7699).

53E Volume of products sold in July 2021 were lower than the budget (as defined in 53V below):

(a) for surgical gloves by 25.2%, driven by plant closures and labour restrictions; and

(b) for the Exam/Single Use SBU by 21.7%, driven by a drop in demand from distributor leveling and market pricing.

Particulars

This is recorded in the presentation titled HGBU Monthly M1 Report July 2021 dated 13 August 2021 (ANN.0013.0001.2794 at 2797).

53F In relation to sales and EBIT, Ansell's:

(a) sales revenue in July 2021 was $4.9m, or 2.8% lower than the budget;

(b) EBIT in July 2021 was $5.6m, or 21.7% lower than the budget;

(c) sales revenue in August 2021 was 7.7% lower than the budget; and

(d) EBIT in August 2021 was 49.9% lower than the budget.

Particulars

As to (a) and (b), this is recorded in the presentation titled Tuesday 4.1 July Results & FY22 Guidance dated 15 August 2021 (ANN.0027.0012.4331).

As to (c) and (d), this is recorded in the presentation titled Board Reporting August Results dated 26 September 2021 (ANN.0013.0010.3461 at 3464).

53G In July 2021, the [redacted] customer for Ansell's Mechanical SBU, [redacted] cancelled 60 purchase orders it had with placed with Ansell.

Particulars

A. [redacted]

B. An email dated 20 July 2021 from Messier to Sweeney records that [redacted] had cancelled 60 purchase orders (ANN.0023.0018.0450 at 0451).

C. This issue was estimated to cost Ansell $10m against its budgeted results, with an additional 4 million pairs of gloves in inventory (ANN.0015.0001.6349).

D. By August 2021, sales revenue in the Mechanical SBU was $3.9m below budget due to issues associated with [redacted] and Ansell estimated that full year impacts would result in sales revenue being $8m lower than budget. (ANN.4011.0001.2505 at page 2).

E.2 Events during the Relevant Period (viz 24 August 2021 to 31 January 2022)

53H Ansell:

(a) failed to meet its monthly forecast:

(i) for September 2021, of revenue of $182.7m and EBIT% of 13.9 based on the budget;

(ii) for October 2021, of revenue of $165.8m and EBIT% of 14.6 based on the Q2 Reforecast (as defined in paragraph 53AG below);

(iii) for November 2021, of revenue of $178.5m and EBIT% of 12 based on the Q2 Reforecast;

(iv) for December 2021, of revenue of $170.5m and EBIT% of 14.5 based on the Q2 Reforecast;

(v) for January 2022, of revenue of $174.9m and EBIT% of 15.9; and

(b) overestimated the monthly forecast revenue and EBIT% for each calendar month between September 2021 and January 2022 (inclusive).

Particulars

The monthly Board Reporting Results for the months August 2021 to January 2022 (ANN.0013.0010.3461; ANN.0015.0001.1162; ANN.0014.0025.5814; ANN.0015.0005.6848; ANN.0015.0002.0534; ANN.0015.0011.7563) recorded the monthly forecasts and actual results on the page titled "Finance Update: Monthly KPI Dashboard Trend", which collectively show:

Month	Forecast (revenue $m / EBIT%)	Actual result
September 21	$182.7 / 13.9%	$180.2 / 11.9%
October 21	$165.8 / 14.6%	$163.3 / 7.6%
November 21	$178.5 / 12.0%	$168.0 / 10.1%
December 21	$170.5 / 14.5%	$161.6 / 14.3%
January 22	$174.9 / 15.9%	$153.9 / 9.1%

On the slide "Executive Summary", the monthly Board Reporting Results collectively show:

Month	Sales Performance YTD	EBIT Performance YTD
August 21	-$18.6m vs FxB	-35.6% vs FxB
September 21	-$19.8m vs FxB	-27.7% vs FxB
October 21	-$9.5m vs Q2F	-8.2% vs Q2F
November 21	-$18.4m vs Q2F	-$9.4m vs Q2F
December 21	-$24.9m vs Q2F	-$9.8m vs Q2F
January 22	-$18.2m vs Q3F	-$4.6m vs Q2F

So far as the plaintiff is aware, the monthly forecast tracked Ansell's performance in August and

September 2021 against the budget set out in 53V (prior to the August R&O being applied). For the period after September 2021, the monthly forecast tracked Ansell's performance against a version of the Q2 Reforecast set out in 53AG(a)-(d).

53I In Q1 of FY22:

(a) total group results:

(i) of sales revenue was $19.8m below budget; and

(ii) of EBIT was $20.8m below budget;

(iii) of GPADE was $28m below budget, largely driven by "unfavorable Exam PPV & Inventory Revaluation"; and

(b) sales revenue for the:

(i) HGBU was $31.9m below budget;

(ii) Exam/Single Use SBU was $28m below budget, driven by "lower volume (demand, channel stock)";

(iii) Surgical SBU was $1.2m below budget;

(iv) Life Sciences was $2.3m below budget;

(v) IGBU was $12.9m below budget;

(vi) Mechanical SBU was $1.3m below budget; and

(vii) Chemical SBU was $11.7m below budget.

Particulars

This is recorded in the presentation titled FY22 Q1 QBR Corporate overview dated 3 November 2021 (ANN.0038.0005.3697 at page 4).

53J In September 2021, Ansell calculated that:

(a) based on [redacted] year to date sales compared to plan, that as a result of lower sales to [redacted] the Mechanical SBU was ~$3.9m behind the budget in North America as at August 2021; and

(b) the Mechanical SBU would be behind the budget by $8.0m for full year FY22 as a result of challenges experienced with [redacted]

Particulars

This is recorded in an instant messages exchange between Sweeney and Shashi Ranjan dated 9 September 2021 (ANN.4011.0001.2505 at page 2).

53K By November 2021, total volumes for the Exam/Single Use SBU for FY22 were forecast to be below the level recorded in FY19, FY20 and FY21.

Particulars

This is recorded in the presentation titled FY22 Q1 QBR Corporate overview (ANN.0038.0005.3697 at page 11).

53L Global Stock Turns across Ansell were:

(a) 2.3 between August and October 2021;

(b) 2.4 in November 2021; and

(c) 2.3 in December 2021.

Particulars

Each of the Global Stock Turn figures are recorded in the presentation titled Ansell Supply Chain FY22 Q2 QBR (ANN.0014.0030.4866 at page 51).

53M Inventory turns in the Healthcare GBU were:

(a) 2.6 in September 2021; and

(b) 2.6 in December 2021.

Particulars

As to paragraphs (a), this is recorded in the presentation titled Supply Chain FY22 Q1 QBR (ANN.0014.0030.2744 at page 43).

As to paragraph (b) this is recorded in the presentation titled Ansell Supply Chain FY22 Q2 QBR (ANN.0014.0030.4866 at page 51).

53N E&O Inventory was valued:

(a) in August 2021, at $52.9m;

(b) in September 2021, at $54.0m;

(c) in October 2021, at $64.9m;

(d) in November 2021, at $62.4m;

(e) in December 2021, at $61.5m.

Particulars

Excel spreadsheet titled EO_2022-01 January, worksheet titled 'Graph evolution' (ANN.0014.0027.7699).

53O In relation to pricing:

(a) the market price trends for 3.5g gloves declined from $77 per 1,000 pieces in July 2021 to $46 in October 2021 and further to $29 in January 2022;

(b) the average sale price (**ASP**) of Ansell's outsourced thin nitrile gloves reduced from $31 per 1,000 pieces in July 2021 to $23 in January 2022; and

(c) the ASP of Ansell's in-house 'robust' gloves declined from $81 per 1,000 pieces in July 2021 to $58 in January 2022.

Particulars

This is recorded in the presentation titled F22 Q2 Business Review HGBU dated 25 January 2022 (ANN.0014.0030.4789 at page 18).

53P In relation to supply in Q1 of FY22, Ansell had been impacted by supply disruptions which had resulted in insufficient supply to its Chinese market to meet demand in the period September and October 2021.

Particulars

Email chain titled "RE: China SU Market Price Movement Sep 16 Update" (ANN.0018.0001.2101 at pages 3 and 6).

F ANSELL'S BUDGET SETTING PROCESS FOR FY22

F.1 Long Range Plan to guide budget setting

53Q At meetings of the Board of Directors on 8 and 9 December 2020, Ansell adopted a "Long Range Plan" (**LRP**) which LRP:

(a) was to guide planned growth and budget setting from Financial Years 2021 to 2024;

(b) set out objectives for annualised growth on a number of metrics; and

(c) was to be followed by the Board in setting targets to guide planning for FY22.

Particulars

So far as the Plaintiff is currently aware, the LRP is contained in the presentations to the Board dated December 2020 (ANN.0038.0003.2253; ANN.0038.0003.2068; ANN.0038.0003.2122).

The growth metrics included that:

A. HGBU reported revenue was targeted to grow at a CAGR of 1.2%, but 'volume/mix' would grow at a CAGR of 9.6% (ANN.0038.0003.2068, p 12.);
B. Exam revenue would grow at a CAGR of 8.6%, excluding price impacts (ANN.0038.0003.2068, p 13).;
C. Exam pricing was not anticipated to 'reset' until FY23 (ANN.0038.0003.2253, at 2274); and
D. IGBU revenue and GPADE was targeted to grow at a CAGR of 4.5% and 5.4%, respectively (ANN.0038.0003.2122, p 13).

The LRP assumed that:

E. the end of the Covid-19 pandemic would lead to a reversal of the positive growth dynamics

experienced by the Exam SBU, and in particular would lead to the price increases implemented in FY20 and FY21 to reverse some time in FY22 or FY23, and that reversal would cause a decline in revenue of the HGBU yielding a Sale CAGR -1.2% (ANN.0038.0003.2068 at p 2).

F. Post-pandemic there would be a "reset year", estimated to occur in FY23, in which:
i. sales revenue would decline 26% to $1.189m;
ii. EBIT would decline by 10.4% in FY23,
(ANN.0038.0003.2068 at pp 6 and 42).

G. There would be a price correction in the Exam SBU post-pandemic, with an estimated $328m decrease in the value of reported sales (ANN.0038.0003.2253 at 2274).

On or about 12 January 2021, a "F22 Operating Plan" paper was presented to the ELT which stated that the targets which would guide planning for FY22 will be set by the Board during a meeting on 8 – 10 February 2021, and would follow the LRP (ANN.0013.0011.0372).

53R On 12 February 2021, Bedetti presented the FY22 Operating Plan target-setting process to the Board:

(a) which provided the following assumptions for growth, as compared to the FY21 Q3 forecast:

(i) the Exam/Single Use SBU would experience 26% growth, valued at approximately $194m;

(ii) the Surgical SBU would experience 10% growth, valued at approximately $30m;

(iii) the Life Sciences SBU would experience 26% growth, valued at approximately $24m;

(iv) the Mechanical SBU would experience 3% growth, valued at approximately $15m; and

(v) the Chemical SBU would experience -2%, growth, or a loss of approximately $7m;

(b) in which management recommended a LRP-based benchmark as the target to drive FY22 planning;

(c) which proposed a LRP-based benchmark of Earnings Per Share (**EPS**) of $1.83 in FY22, with key assumptions including:

(i) 26% growth in the Exam/Single Use SBU;

(ii) cost and price pressures remaining in the Exam/Single Use SBU the first half of FY22 but declining in the second half,

with assumptions to continue to evolve during the budget process; and

(d) which target-setting process was confirmed by the Board.

Particulars

Presentation titled F22 Operating Plan Target Setting dated 11 February 2021 (ANN.0010.0001.0913 at 0918; 0920); Minutes of Board meeting dated 12 February 2021 (ANN.0010.0001.1010 at 1020, item 3).

53S In April 2021, Bedetti presented to the Board, including:

(a) reporting that as at 30 March 2021 and against the Q3 FY21 forecast:

(i) Exam/Single Use SBU sales were down $24m; and

(ii) Exam/Single Use SBU gross profit was up $42m based on favourable market pricing ahead of inventory cost;

(b) updating the Q4 FY21 forecast to include a -$19m corporate risk adjustment for risk on pricing;

(c) providing an update on the FY22 target-setting process, including:

(i) an assumption change of -$60m for non-recurring market pricing ahead of inventory cost; and

(ii) an assumption change of +$51m for lower exam volume offset by other SBUs and favourable purchase price variances.

Particulars

Presentation titled Board Meeting Ansell Finance Update (April 2021) (ANN.0010.0001.1078 at 1086,

1088, 1094, and 1095); Minutes of Board meeting dated 28 April 2021 (ANN.0029.0001.1803 at 1805).

F.2 FY22 Forecast

53T In June 2021, the ELT presented materials to the Board, including:

(a) a proposed FY22 Operating Plan, which provided changes to the proposed FY22 budget targets presented in February 2021, including:

(i) the FY21 landing figure of $344m;

(ii) adjustments against FY21 for non-recurring profit of $60m;

(iii) assumptions for volume, price and cost in FY22 including Exam/Vol Mix of $74.6m and Exam Price Less Cost of $26.5m;

(iv) positive growth driven by Volume/Mix of $41.3m;

(v) an overall adjustment for risk of $30m;

(vi) FY22 EBIT of $344.7m; and

(vii) FY22 EPS of 196.7 cents;

(b) an IGBU F22 operating plan review, which anticipated:

(i) organic growth across the IGBU of 6.0%, driven by building on volume gains in the "pandemic economy" for transition, and maintaining growth in recovering industrial verticals;

(ii) EBIT growth of 6.0%, driven by improved plant performance and a plan to maintain F21 margins;

(iii) growth in all Mechanical SBU styles including record capacity and supply; and

(iv) growth in Chemical SBU hand styles, but a decrease in Chemical Body styles;

(c) an HGBU F22 operating plan review, which anticipated:

(i) organic growth across the HGBU of 10.1%, driven by elevated levels of demand for Exam/Single Use SBU products through the first half of FY22, and Surgical and Life Science increases dependent on incremental supply;

(ii) EBIT growth of 16.4%, driven by strong sales volume growth and SG&A improvements;

(iii) 15% volume growth in the Exam/Single Use SBU, driven by supply and inventory, capacity improvements, stable margins, developing new products, and eCommerce; and

(iv) 11% volume growth in the Surgical SBU, driven by production and other initiatives, gaining market share and expanding sales teams;

(v) 16.8% volume growth in the Life Sciences SBU, driven by expanding channel coverage in Asia, increasing sales of Isolator Gloves, and expanding production capacity and capabilities; and

(d) Bedetti noting that volume increases were critical to the success of the FY22 Operating Plan (as defined in 53V below).

Particulars

As to (a), this is recorded in the presentation titled F22 Operating Plan Corporate Overview dated June 2021 (ANN.0010.0003.0035 at 0042 - 0041).

As to (b), this is recorded in the presentation titled F22 Operating Plan Review – IGBU (ANN.0010.0003.0069 at 0077, 0080 and 0082).

As to (c), this is recorded in the presentation titled "Business Plan Review HGBU: FY 2022 Business Planning" (ANN.0010.0003.0096 at 0105, 0106).

As to (d), this is recorded in the minutes of the meeting of the Board of 15 June 2021, item 5 (ANN.0001.0001.1840 at 1841).

53U Following management's presentations, the Board conveyed that the budget needed to show greater growth from FY21, which the Board requested be achieved by increasing the FY22 EBIT budget by $10m.

Particulars

Minutes of the Board meeting held 17 June 2021 record that director feedback provided included 'Would like to see more EBIT/EPS leverage from top line growth' and 'Budget is a bit conservative – would like to see more flow through to the bottom line' (ANN.0001.0001.1840 at 1846).

An email from Javeed on 18 June 2021 records that , "We have a $10m EBIT shortfall against F'22, versus Board expectations. We will make up that shortfall through a combination of additional pricing, procurement savings and SG&A cuts. For the purposes of the Board follow up and incentives etc we will confirm we can make the commitment without having to go through a whole bottom up exercise" (ANN.0021.0003.2415 at 2146 – 2147).

53V Following the Board's request referred to in paragraph 53U above, the ELT prepared a further iteration of the FY22 Operating Plan to include:

(a) a baseline EBIT of $344.7 as presented to the board in June 2021 and which incorporated the matters referred to in sub-paragraphs 53T(a)(i)-(iv) above;

(b) a deduction of $8.7m in EBIT to include cloud computing accounting impacts;

(c) an additional $11m in EBIT for Board of Directors 'Go Gets' of $7.5m in pricing, $3m in SG&A phasing and $0.5m 'other' (**BoD Go Gets**), leading to a new baseline EBIT of $346.9m; and

(d) an updated EPS for FY22 of 198.1 cents,

(this being the finalised **FY22 Operating Plan** or **budget**).

Particulars

This is set out in a document titled 'Rollup_LIVE_FCCS_v22 - Exam Adj HO (no links)' dated 22 July 2021 (ANN.0021.0002.9136) and summarised in a document titled 'F'22 Target Setting – DRAFT' dated 29 July 2021 (ANN.0010.0001.0562 at 0565).

53W On 17 August 2021, the ELT presented a Finance Update to the Board, which:

(a) set out an assessment of risks and opportunities in respect of the FY22 Operating Plan, which:

(i) identified the F22 Plan EBIT of $346.9m as referred to in para 53V(c), above;

(ii) incorporated adjustments for foreign exchange and the removal of an extant centralised risk adjustment;

(iii) identified and quantified a set of risks and opportunities including as to supply, demand and pricing with total net risk and opportunities of:

a. $79.9 m to sales; and

b. $53.2 m to EBIT,

weighted to 1H22 on near term demand and supply risks (**August R&O**);

(iv) weighted the offset opportunities to 2H22;

(v) identified that following the assessment of risks and opportunities, management needed an additional $24m to get "back to Plan"; and

(vi) forecast FY22 EBIT of $323 and FY22 EPS of 183.3 cents on the basis of the August R&O, which forecast assumed a substantial improvement in 2H22 as compared to 1H22:

(b) stated that management's most recent assessment found growing risks to FY22 H1 driven by Covid/supply challenges as well as volatility in the Exam outlook;

(c) stated that further actions and/or information was needed to improve that outlook; and

(d) stated that in the interim (i.e. having regard to the matters set out in (a)), management recommended setting a range of 175-195 cents for the FY22 EPS guidance (**Management Recommended Guidance Range**).

Particulars

Presentation titled Finance Update for August Board Meeting (ANN.0010.0001.0376 at 0382 – 0383).

As to the substantial improvement in 2H22 as compared to 1H22 referred to in paragraph (a)(iv), this is recorded in the spreadsheet titled 'Q1Fc R&O F22Aug v2' (ANN.0020.0003.0233), which records that in 2H22:

A. Ansell's group EBIT would be 61.8% higher than in 1H22 (sheet labelled 'Group', cells I44 – N44, U44 – Z44);
B. IGBU GPADE would be 28.6% higher than in 1H22 (sheet labelled 'IGBU'); and
C. HGBU GPADE would be 32.9% higher than in 1H22 (sheet labelled 'HGBU').

53X On 17 August 2021 the Board of Directors approved the Management Recommended Guidance Range.

Particulars

Board Meeting Minutes of 17 August 2021 record that 'The Board and Management discussed the recommended FY22 Guidance range noting that the appropriate articulation of the assumptions underpinning the guidance range was critical. The guidance range as recommended by Management was approved by the Board' (ANN.0010.0001.0217 at 0218).

G ANSELL'S DETERIORATING POSITION AGAINST THE INITIAL FY22 FORECAST

G.1 Period prior to the Board approving the Management Recommended Guidance Range

53Y Between 27 and 29 July 2021, Ansell's ELT, Marx and Bedetti met to conduct a quarterly business review (**QBR**) regarding the fourth quarter of FY21 (**4Q21 QBR**).

53Z The 4Q21 QBR reported that:

(a) in Q421:

(i) the HGBU had delivered sales revenue $39.7m below the Q421 forecast; and

(ii) the IGBU had delivered sales revenue $8.4m below the Q421 forecast;

(b) the FY22 Operating Plan required:

(i) 8.8% revenue growth from FY21 results for the HGBU;

(ii) 9.8% revenue growth in the Exam/Single Use SBU; and

(iii) 7.5% revenue growth from FY21 results for the IGBU;

(c) in the Surgical SBU, the drivers for the FY22 Operating Plan required a growth in customers and increased capacity in supply;

(d) in the Life Sciences SBU, the FY22 Operating Plan required 10.2% growth in sales from FY21, to be largely driven by higher volume of sales;

(e) in the IGBU:

(i) delivery of the FY22 Operating Plan required revenue growth of 7.4% on FY21 actual results (Fx adjusted), with 9.2% growth in the Mechanical SBU and 4.1 % growth in the Chemical SBU;

(ii) in the Chemical SBU, the key drivers for FY22 organic sales growth were to build upon and maintain momentum on Nitrile & NRL and BP GP/HEC; and

(iii) in the Mechanical SBU, the key drivers for FY22 included:

a. organic sales growth, to be driven by record capacity and supply increases to support brand growth and a market rebound; and

b. margin growth to be driven in part by the Amazon 4 Glove initiative.

Particulars

As to (a), this is recorded in the presentation titled F21 H2 / FY QBR Corporate Overview (ANN.0013.0013.2498 at 2501 – 2502).

As to (b), this is recorded in the presentation titled F21 H2 / FY QBR Corporate Overview (ANN.0013.0013.2498 at 2514).

As to (c), this is recorded in the presentation titled HGBU QBR Q4 FY21 (ANN.0013.0008.7480 at 0021 - 0023).

As to (d), this is recorded in the presentation titled HGBU QBR Q4 FY21 (ANN.0013.0008.7480_at 0026 – 0027).

As to (e), this is recorded in the presentation titled F21 July QBR – IGBU (ANN.0030.0007.4100 at 4112, 4115 – 4116, 4120 – 4121).

53AA On or about 12 August 2021, Javeed, Bedetti, Marx and Leary received a pack of documents detailing Ansell's results for July 2021 (**July 2021 CFO Pack**), which reported:

(a) Group sales for July were 7.2% below the budget;

(b) Group EBIT was 34% below the budget;

(c) HGBU sales were 12.4% below the budget, driven by a 13.9% miss in the Exam/Single Use SBU; and

(d) HGBU EBIT was 47% below the budget.

Particulars

The July 2021 CFO Pack was sent by Ann Hay (**Hay**) to Javeed, Bedetti, Marx, Leary and Jeffrey Balsam: ANN.0014.0012.5186 and ANN.0014.0012.5188 (at 5189, 5190, 5192).

G.2 Period after the Board approved the Management Recommended Guidance Range

53AB On 14 September 2021, Javeed, Bedetti, Marx and Leary received a pack of documents detailing Ansell's results for August 2021 (**August 2021 CFO Pack**). The August 2021 CFO Pack reported:

(a) Group sales for August were 7.7% below budget (5.2% below YTD budget);

(b) Group EBIT for August was 49.9% below budget (35.6% below YTD budget);

(c) HGBU sales for August were 11.7% below budget (12% below YTD budget), driven by a 13.2% miss in the Exam/Single Use SBU (13.4% YTD); and

(d) HGBU EBIT for August was 60.7% below budget (54.2% below YTD budget).

Particulars

The August 2021 CFO Pack was sent by Hay to Javeed, Bedetti, Marx, Anita Chow and others: ANN.0014.0012.4122 and ANN.0014.0012.4123 (at 4124, 4125, 4127).

53AC On 13 October 2021, Javeed, Bedetti, Marx and Leary received a pack of documents detailing Ansell's results for September 2021 (**September 2021 CFO Pack**), which reported:

(a) Group sales for September were 0.7% below budget (3.7% below budget YTD);

(b) Group EBIT for September was 15.3% below budget (28.9% below budget YTD);

(c) HGBU sales for September were 2.7% below budget (8.9% below budget YTD); and

(d) HGBU EBIT for September was 47.5% below budget (51.8% below budget YTD).

Particulars

The September 2021 CFO Pack was sent by Hay to Javeed, Bedetti, Marx and others: ANN.0014.0012.6295 and ANN.0014.0012.6296 (at 6297, 6298, 6300).

53AD Between 3 and 5 November 2021, Ansell's ELT met to conduct a QBR regarding the first quarter of FY22 (**1Q22 QBR**).

53AE In the course of the 1Q22 QBR, the following matters were reported:

(a) the matters set out in paragraphs 53I, 53K and 53M(a) above;

(b) that an approximately ~15% increase in volume in the HGBU would be required to meet the Q2 Reforecast;

(c) that in the Americas region:

(i) Ansell was experiencing difficulties executing the FY22 Drivers/Priorities;

(ii) net sales for 1Q22 were:

a. $3.6m below budget overall;

b. 6.1% below budget in the Life Sciences SBU; and

c. 5.8% below budget in the Chemical SBU; and

(iii) regional EBIT performance was:

a. $4.5m below budget overall; and

b. $4.3m below budget in the HGBU;

(iv) In 1Q22:

a. distributors in the North American region were still indicating higher than average PPE inventory levels, with a reluctance to over-purchase due to market prices declining;

b. major supply disruptions had been experienced across North America for surgical gloves, with demand 'far outpacing supply';

(d) that in the EMAP region:

(i) sales in 1Q22 were $230.1m against budget $271.3m (a 15.2% miss);

(ii) region EBIT in 1Q22 was $68.8 against budget $88.3m (a 22.1% miss);

(iii) against the target to deliver growth of $13m in the Surgical SBU, Ansell was $9m below budget due to supply allocation;

(iv) against the target to increase Mechanical sales in Europe by $9m, there had been modest growth in 1Q22, but there were 'worrying signs from the auto sector';

(v) against the target 'Exam Price Reduction -$24m', Ansell had delivered pricing up $26m year on year in Q1, but anticipated challenges in 2H22; and

(vi) the Q2 forecast for EMAP, compared to the FY22 budget, forecast:

a. a $66.5m negative variance for full year sales, with $41.3m of that variance derived from the 1Q22 results; and

b. a $24.4m negative variance for full year EBIT, with $18.7m of that variance derived from the 1Q22 results;

(vii) hospitals and distributors held 6-10 months' worth of inventory of medical products, which was considered high; and

(viii) demand for single use gloves had further softened as prices decreased across product categories, with distributors reluctant to place forward orders, noting expectations for pricing to soften further;

(e) that in relation to its Supply Chain:

(i) in 1Q22, Ansell had experienced supply disruptions linked to workforce restrictions and covid interruption resulting in manufacturing volumes being below budget:

a. in the Mechanical SBU by 31%;

b. in the Chemical SBU by 40%;

c. in the Surgical SBU, by 11%;

d. in the Examination/Single Use SBU, by 35%.

(ii) In the second half of FY22:

a. Vessel capacity was expected to remain tight through to 2023;

b. Port operations were expected to continue to experience disruptions;

c. Ansell was expected to continue to be reliant on the "most challenging" shipping lanes; and

d. shipping costs were expected to remain high, and to rise from $3200/TEU to $4500/TEU with risk of further increases to follow additional supply chain disruptions;

Particulars

As to (a) – (b), this is recorded in the presentation titled FY22 Q1 QBR Corporate overview (ANN.0038.0005.3697 at 0004, 0011, 0013).

As to (c), this is recorded in the presentation titled F22 Q1 Business Review Americas (ANN.0013.0001.4148 at 4050, 4152, 4153, 4168).

As to (d), this is recorded in the presentation titled F22 Q1 Business Review: EMAP (ANN.0030.0293.0624 at 0626, 0633, 0648, 0650).

As to (e), this is recorded in the presentation titled Supply Chain FY22 Q1 QBR (ANN. 0014.0030.2744 at pages 28 and 47-48).

H ANSELL'S Q2FY22 REFORECAST AND DETERIORATING POSITION AGAINST THAT REFORECAST

H.1 Q2 Reforecast

53AF Between October 2021 and November 2021, Ansell undertook a second quarter reforecasting process, during which process:

(a) on 22 October 2021, Bedetti emailed Salmon and Javeed attaching a draft reforecast, which was $28m in EBIT below a forecast EPS of 183 cents and $20m below an EPS forecast of 175 cents; and

(b) on around 2 November 2021, Bedetti prepared an amended Q2 reforecast which:

(i) recorded that group sales in Q1 were $19.8m below what had been forecast in the FY22 Operating Plan;

(ii) assumed that group sales in Q2 would improve to exceed those which had been forecast in the FY22 Operating Plan for Q2 by $28.9m;

(iii) recorded that EBIT for Q1 was $19.6m below what had been forecast in the FY22 Operating Plan for Q1; and

(iv) assumed that EBIT for Q2 would be $5.5m below what had been forecast in the FY22 Operating Plan for Q2.

Particulars

As to (a), on 22 October 2021, Bedetti emailed the presentation to Salmon and Javeed (ANN.0015.0001.0290; ANN.0015.0001.0291), with the matters referred to at (a) above recorded at 0294.

As to (b), on 2 November 2021, Bedetti emailed to Javeed the amended Q2 reforecast (ANN.0020.0002.7200; ANN.0020.0002.7201). The matters set out in (i) to (iv) are recorded in the sheet 'Group P&L byQ'.

53AG On 3 November 2021 Bedetti presented a Q2 reforecast to the ELT (**Q2 Reforecast**) which:

(a) assumed HGBU volumes would improve by 15% in H2 of FY22 compared to H1 of FY22;

(b) assumed in H2 of FY22, the ASP of:

(i) all Exam/Single Use SBU products would be at a level:

a. 18.4% lower than that achieved in 1H of FY22;

b. 5.1% lower than that achieved in FY21; and

c. 63.2% above than that achieved in FY20;

(ii) Thin Nitrile Exam products would be at a level:

a. 22% below that achieved in 1H of FY22;

b. 11.3% below that achieved in FY21; and

c. 102.9% above that achieved in FY20;

(iii) Mid Duty Exam products would be at a level:

a. 21.2% below that achieved in 1H of FY22;

b. 3.7% below that achieved in FY21; and

c. 73.3% above that achieved in FY20;

(iv) Heavy Duty Exam products would be at a level:

a. 16.9% below that achieved in 1H of FY22;

b. 1% below that achieved in FY21; and

c. 49.3% above that achieved in FY20; and

(v) High Risk Exam products would be at a level:

a. 15.5% below that achieved in 1H of FY22;

b. 9.9% below that achieved in FY21; and

c. 43.9% above that achieved in FY20;

(c) assumed in H2 of FY22, the average margin earned on:

(i) all Exam/Single Use SBU products would be at a level:

a. 19% lower than that achieved in 1H of FY22;

b. 3% above than that achieved in in FY21; and

c. 54.5% above than that achieved in FY20;

(ii) Thin Nitrile Exam products would be at a level:

a. 14.3% below that achieved in 1H of FY22;

b. 20% above that achieved in FY21; and

c. 118.2% above that achieved in FY20;

(iii) Mid Duty Exam products would be at a level:

a. 17.6% below that achieved in 1H of FY22;

b. 27.3% above that achieved in FY21; and

c. 64.7% above that achieved in FY20;

(iv) Heavy Duty Exam products would be at a level:

a. 22.2% below that achieved in 1H of FY22;

b. equal to that achieved in FY21; and

c. 44.8% above that achieved in FY20;

(v) High Risk Exam products would be at a level:

a. 23.1% below that achieved in 1H of FY22;

b. 14.3% below that achieved in FY21;

c. 27.7% above that achieved in FY20; and

(d) forecast full year results that were below the results budgeted for in the FY22 Operating Plan by:

(i) $13.5m in group sales;

(ii) $42.4m in GPADE

(iii) $20.1m in EBIT;

(iv) 13.7c in EPS;

(v) $71m in sales revenue for the Exam/Single Use SBU; and

(vi) $32m in sales revenue for the Chemical SBU.

(e) identified the following risks and opportunities with respect to the Q2 reforecast:

(i) $81m in sales risk and $67m in EBIT risk, $50m of which respective risk was attributed to 'Exam pricing/margin risk', which was regarded as a 'key risk';

(ii) $20m in sales opportunities, $15m of which was contingent on favourable market conditions; and

(iii) $22.4m in EBIT opportunities,

with a net risk adjustment to Q2 of $61m in sales and $44.6m in EBIT.

Particulars

These assumptions are recorded in the presentation titled F22 Q1 Business Review Corporate overview (ANN.0038.0005.3697, at pages 7-8, 11, 20). The plaintiff understands that these assumptions were based on the amended Q2 reforecast referred to in the particulars to 53AF(b).

53AH On 10 November 2021, the ELT presented the Q2 Reforecast to the Board:

(a) which did not refer to any risk and opportunities assessment undertaken as part of the reforecast, either as undertaken above at sub-paragraph 53AG(e) above or at all;

(b) described the Q2Fc as 'holding in line with August Guidance Setting Review';

(c) which provided for FY22 EPS of 184.3 cents; and

(d) in which Management:

(i) 'noted that despite the heightened level of uncertainty, the revised business forecast, validated in detailed business reviews, continues to indicate results expectations at or above the mid-point of the current guidance range'; and

(ii) recommended that FY22 EPS guidance in range of $1.75 – $1.95 be maintained.

Particulars

Presentation titled Finance Update for November Board Meeting (ANN.0010.0001.0010 at 0021 – 0022).

Minutes of a Meeting of the Directors held by videoconference on Wednesday 10 November 2021, item 4.1 (ANN.0001.0001.1874 at 1874 – 1875).

H.2 Deteriorating position against Q2 Reforecast

53AI On 11 November 2021, Javeed, Bedetti, Marx and Leary received a pack of documents detailing Ansell's results for October 2021 (**October 2021 CFO Pack**), which reported:

(a) Group sales for October were 5.5% below Q2 Reforecast (1.4% below Q2 Reforecast YTD);

(b) Group EBIT for October was 32.3% below Q2 Reforecast (8.2% below Q2 Reforecast YTD);

(c) HGBU sales for October were 3.4% below Q2 Reforecast (0.8% below Q2 Reforecast YTD); and

(d) HGBU EBIT for October was 37.3% below Q2 Reforecast (9.1% below Q2 Reforecast YTD).

Particulars

The October 2021 CFO Pack was sent by Hay to Javeed, Bedetti, Marx, Chow and others: ANN.0021.0001.0571 and ANN.0021.0001.0573 at 0574, 0575, 0577.

53AJ On 9 December, Javeed, Bedetti, Marx and Leary received a pack of documents detailing Ansell's results for November 2021 (**November 2021 CFO Pack**), which reported:

(a) Group sales for November were 5.0% below Q2 Reforecast (2.1% below Q2 Reforecast YTD);

(b) Group EBIT for November was 16.9% below Q2 Reforecast (10.1% below Q2 Reforecast YTD);

(c) HGBU sales for November were 5.2% below Q2 Reforecast (1.7% below Q2 Reforecast YTD); and

(d) HGBU EBIT for November was 40.1% below Q2 Reforecast (16.6% below Q2 Reforecast YTD).

Particulars

The November 2021 CFO Pack was sent by Hay to Javeed, Bedetti, Marx, Chow and others: ANN.0014.0014.1575 and ANN.0014.0014.1576 at 1577, 1578, 1580.

53AK On 14 January 2022, Javeed, Bedetti, Marx and Leary received a pack of documents detailing Ansell's results for December 2021 (**December 2021 CFO Pack**), which reported:

(a) Group sales for December were 3.9% below Q2 Reforecast (2.4% below Q2 Reforecast YTD);

(b) Group EBIT for December was 2% below Q2 Reforecast (8.5% below Q2 Reforecast YTD);

(c) HGBU sales for December were 5.6% below Q2 Reforecast (2.3% below Q2 Reforecast YTD); and

(d) HGBU EBIT for December was in line with Q2 Reforecast (13% below Q2 Reforecast YTD).

Particulars

The December 2021 CFO Pack was sent by Hay to Javeed, Bedetti, Marx, Chow and others: ANN.0014.0027.8133 and ANN.0014.0027.8135 at 8136, 8137, 8139.

53AL In the period between Ansell's AGM on 11 November 2021 and the issuance of the Trading Update on 31 January 2021, the following events took place:

(a) by 25 November 2021, Ansell was projecting that sales revenue for Q2 of FY22 would be $30m below the Q2 Reforecast;

(b) supply disruptions in November and December 2021 had been experienced in Ansell's APAC and Chinese markets, which had resulted in insufficient supply into those markets;

(c) by 16 January 2022, Ansell had lost significant Surgical and Life Science business in APAC due to shipment delays.

(d) In January 2022 Ansell had lost approximately $2.5m of sales revenue with hospital customers related to supply in the APAC region.

Particulars

As to (a) this is recorded in ANN.0014.0001.3590.

As to (b) this is recorded in ANN.0024.0018.4906; ANN.0019.0023.6472; ANN.0030.0292.5110; ANN.0018.0011.1516; ANN.0018.0017.0471; ANN.0019.0023.6472; ANN.0030.0292.5110; ANN.0018.0011.1516; ANN.0024.0018.4906; and ANN.0018.0017.0471.

As to (c) this is recorded in ANN.0018.0017.2187 and ANN.0018.0017.2190.

As to (d), this is recorded in ANN.0018.0017.2187 and ANN.0018.0017.2190.

I ANSELL'S FY22 GUIDANCE

I.1 Guidance

54 On 24 August 2021, Ansell published to the ASX, *inter alia*:

(a) the FY21 Full Year Results; and

(b) an announcement entitled "Ansell Limited Announces Full Year F'21 Results – Record Sales and Earnings Performance" (**August Announcement**),

(together, the **August Publications**).

55 The FY21 Full Year Results stated, in terms of the FY22 outlook:

(a) Ansell was focussed on leveraging investments in its SBUs, and in particular:

(i) there were favourable economic conditions for Surgical, Life Sciences and Mechanical SBUs;

(ii) investments in differentiation were showing strong returns for Surgical, Life Sciences and Mechanical SBUs;

(iii) Ansell was focussed on "[t]argeting continued outperformance" for Surgical, Life Sciences and Mechanical SBUs;

(iv) with respect to the Exam/Single Use SBU and the Chemical SBU, increased in-house capacity enabling growth in differentiated styles would offset the lower pricing and demand on less differentiated COVID-19 related styles;

(b) COVID-19 impacts were expected to persist;

(c) [not used.] ~~Ansell had a diversified portfolio supplying a variety of end markets and geographies;~~

(d) with respect to the FY22 EPS Guidance, from a demand perspective:

(ia) Ansell had a diversified portfolio supplying a variety of end markets and geographies;

(i) Ansell expected to see continued demand for Mechanical, Surgical and Life Sciences products and its In-House Glove Products;

(ii) Ansell expected lower demand in areas which benefitted most from COVID-19 (ie Chemical Protective Clothing and Outsourced Glove Products);

(iii) pricing was expected to be a feature, positively and negatively;

(e) with respect to the FY22 EPS Guidance, from a supply perspective:

(i) recent capacity investments should support sustained demand;

(ii) there had been increased COVID-19 cases in South East Asia in recent months, a number of Ansell factories and suppliers in the region had short term closures or reduced operations, and this would disrupt supply and may impact sales during the first half of FY22;

(iii) increased freight costs and shipping delays were also expected to persist throughout FY22;

(f) in terms of other assumptions made with respect to the FY22 EPS Guidance:

(i) Ansell anticipated that net interest expense would be in the range of $20m to $21m and effective tax rate would be in the range of 22 to 23%;

(ii) pursuant to a new computing accounting policy, increased software investments in FY22 would now be expensed rather than capitalised and amortised, resulting in 5 to 6 cents adverse EPS impact;

(g) Ansell expected FY22 ~~Earnings Per Share~~ EPS to be in the range of ~~US~~$1.75 to ~~US~~$1.95.

56 The August Announcement stated that:

(a) the COVID-19 pandemic continued to be the dominant influence on the global economy;

(b) capital expenditure had been increased to ~~US~~$82.7~~5~~m in FY21, a 36.5% increase on FY20, to meet higher demand for some Ansell products;

(c) Ansell was planning on maintaining capital expenditure at elevated levels in FY22 and were confident that it could deliver the desired returns from the investment;

(d) 12 new glove lines and several new body protection lines went live in FY21 which would support growth for FY22 and beyond;

(e) Ansell had ensured in FY21 that the business was well positioned for the post COVID-19 environment by continuing to invest in, among other things, product innovation;

(f) in terms of the FY22 outlook:

(ia) it was likely that COVID-19 would continue to feature throughout FY22 but the impacts would depend on vaccination rates and virus mutations;

(i) from a demand perspective:

a. lower demand was expected ~~for~~ in areas which had benefited most during the onset of COVID-19, such as Chemical Protective Clothing and "undifferentiated" Exam/Single Use Gloves~~, which had benefitted most during the onset of COVID-19~~;

b. continued demand was expected for In-House Glove Products and Mechanical, Surgical and Life Sciences SBU products;

c. Ansell had a diversified portfolio supplying a variety of end markets and geographies;

d. pricing was expected to feature throughout FY22, positively and negatively;

(ii) from a supply perspective:

a. Ansell's recent capacity investments ~~FY22 investment in capacity~~ should sustain demand for products;

b. there were increased COVID-19 cases in South East Asia in recent months, which had the impact of closures or reduced operations to a number of Ansell's factories and suppliers in South East Asia, which would disrupt supply and may impact sales during the first half of FY22;

c. increased freight costs and shipping delays were expected to persist through FY22;

(iii) net interest expense was anticipated to be in the range of ~~US~~$20 to ~~US~~$21m and the effective tax rate in the range of 22 to 23%;

(iv) there would be an adverse EPS impact in the range of 5 to 6 cents as a result of expensing (rather than capitalising and amortising) a portion of increased software investments in FY22;

(v) as a result of the matters referred to in (f)(ia) to (v) above, FY22 EPS ~~earnings per share (**EPS**)~~ was expected to be in the range of ~~US~~$1.75 to ~~US~~$1.95 (**Forecast Range**).

57 By the August Publications, Ansell represented that:

(a) [not used.] ~~the Forecast Range had been set based on appropriate business-risk assumptions and accounting methodology, including:~~

(i) ~~lower demand for products which had seen COVID-19 associated increases in sales, including Outsourced Single Use Gloves;~~

(ii) ~~negative pricing and lower product margins in FY22;~~

(iii) ~~increased COVID-19 cases in South East Asia which may disrupt manufacturing;~~

(iv) ~~increased freight costs and shipping delays in FY22;~~

(v) ~~uncertainties in the global economy and the PPE market due to the ongoing COVID-19 pandemic,~~

(b) it expected FY22 EPS to be in the Forecast Range (**FY22 Guidance**);

~~Ansell had appropriate internal systems that were capable of forecasting, with a reasonable degree of confidence:~~

(i) ~~future customer demand for its products;~~

(ii) ~~pricing trends in the market that it operated within;~~

(c) it had ~~there was~~ a reasonable basis to expect ~~consider~~ that EPS for FY22 would be in the Forecast Range (**FY22 Reliability Representation**); and/or

(d) ~~there did not exist a material risk that the EPS for FY22 would be lower than the Forecast Range~~ it was likely that EPS for FY22 in the Forecast Range would be achieved (**FY22 Likelihood Representation**),

(~~each an **EPS**~~ (b) to (d) collectively the **FY22 Guidance ~~Reliability~~ Representations**).

Particulars

The FY22 Guidance was an express representation, made in writing in the August Announcement (ANN.0001.0001.4159 at 4163). It was also made in writing in the FY21 Full Year Results ANN.0004.0001.2056 at 2081).

As to the FY22 Reliability Representation, Ansell's defence at paragraph 57(a) is referred to.

As to the FY22 Likelihood Representation, ~~T~~the representation~~s are~~ is ~~to be~~ implied ~~from~~ by the matters referred to in paragraphs 55 and 56 as a whole, and in particular from: (i) the statements concerning the business being positioned well post the COVID-19 environment and positioning the business post the COVID-19 environment; (ii) the nature of the assumptions made by Ansell and the descriptions of the outlook; (iii) ~~the~~ ~~wide~~ fact that the Forecast Range represented a wider guidance range ~~given~~ than Ansell

typically published (and Ansell's defence at paragraph 57(b)(ii) is referred to); and (v) the absence of any factors qualifying the range.

I.2 Maintaining Guidance

58 On 11 November 2021, Ansell published to the ASX (**November Announcements**):

(a) the addresses to be given by Bevan and Salmon ~~(**Salmon's Address**)~~; and

(b) the slide presentation to be given by Salmon and Nicolin,

at the Annual General Meeting of Ansell to be held that day.

59 The November Announcements stated that:

(a) the impact of COVID-19 remained a dominant influence, both positively and negatively, on Ansell's current situation;

(b) Ansell expected more volatility than it had seen so far during the course of the pandemic;

(c) Single-use pricing was likely to experience pressure following industry expansions;

(d) Ansell had issued in August a wider guidance range than normal, reflecting the uncertainty from the unprecedented COVID-19 emergency which was in the process of evolving and with it, PPE markets were evolving too;

(e) in setting the Forecast Range, in August 2021 Ansell had assumed:

(i) lower demand in areas which benefitted most from COVID-19, being "Chemical Body Protection and undifferentiated Exam/SU gloves";

(ii) pricing as a feature with respect to demand, positively and negatively;

(iii) from a supply perspective:

a. Ansell's FY22 investment in capacity should sustain demand for products;

b. there had been increased COVID-19 cases in South East Asia in recent preceding months, which had had the impact of closures or reduced operations to a number of Ansell's factories and suppliers in South East

Asia, and which were to disrupt supply and may impact sales during the first half of FY22;

c. increased freight costs and shipping delays were expected to persist through FY22;

(f) By November 2021, Ansell had seen the following conditions:

(i) demand and pricing declines compared to the end of FY21 for much of the Outsourced Glove Products;

(ii) industrial demand strong in some markets and uneven in others;

(iii) from a supply perspective:

a. manufacturing sites were closer to normal production levels in South East Asia at the end of October;

b. significantly increased freight costs, shipping delays;

c. price increases were coming into effect over coming months;

(iv) a costs base impacted by the inflationary environment;

(g) external conditions were more challenging than had been anticipated in August 2021 for some aspects of Ansell's business, but Ansell's diverse portfolio meant it had opportunities; and

(h) Ansell maintained the ~~Forecast Range~~FY22 Guidance.

Particulars

As to (a) to (c), these statements were contained in the Chairman's Address (ANN.0005.0001.0449 at 0450 to .0453).

As to (d) to (h), these statements were contained in the CEO Presentation including slide 5 of his presentation (p 18 of the November Publication) (ANN.0005.0001.0449 at 0454 to .0469).

60 By the publication of the November Announcements, Ansell repeated each of the FY22 ~~EPS~~ Guidance ~~Reliability~~ Representations.

Particulars

The representations are to be implied from the matters referred to in paragraph 59 as a whole, and in particular from (i) the statements concerning the wider guidance range than normal having been set by Ansell in August 2021; (ii) the listing of the assumptions made by Ansell in August 2021 and the nature of those assumptions; (iii) the comparison of the assumptions made by Ansell in August 2021 against what had been seen by November 2021; and (iv) the maintaining of the FY22 Guidance ~~Forecast Range~~.

61 The ~~EPS~~ FY22 Guidance ~~Reliability~~ Representations were continuing representations that were maintained by Ansell from 24 August 2021 until the making of the Corrective Statement (as defined below) on 31 January 2022.

61A Further and alternatively, by not correcting, qualifying or withdrawing the FY22 Guidance, the FY22 Reliability Representation and/or the FY22 Likelihood Representation until the making of the Corrective Statement, Ansell impliedly represented, throughout the Relevant Period, that it:

(a) continued to expect FY22 EPS to be in the Forecast Range;

(b) had a reasonable basis to continue to expect that EPS for FY22 would be in the Forecast Range; and

(c) continued to be likely that EPS for FY22 in the Forecast Range would be achieved,

(each a **Continuing Representation**).

J THE TRUE POSITION

62 As at 24 August 2021, the assumptions which Ansell adopted in setting the Forecast Range in relation to:

(a) demand for Ansell products;

(aa) supply of Ansell products;

(b) pricing of Ansell products; and

(c) profit margins on Ansell products,

were unreasonably optimistic.

Particulars

So far as the plaintiff is presently aware, the primary assumptions adopted in setting the Forecast Range are summarised in ANN.0038.0003.2253 at 2274, ANN.0038.0003.2068 at pages 12-13, ANN.0038.0003.2122 at page 13, ANN.0010.0001.0913 at 0918 and 0920, ANN.0010.0001.1078 at 1086, 1088, 1094, and 1095, ANN.0010.0003.0035 at 0041 - 0042, and 58, ANN.0010.0003.0069 at 0077, 0080 and 0082, ANN.0010.0003.0096 at 0105, 0106, ANN.0001.0001.1840 at 1841, ANN.0021.0003.2415 at 2146 – 2147, ANN.0010.0001.0562 at 0565, ANN.0021.0002.9136; ANN.0010.0001.0376 at 0382 – 0383 and ANN.0020.0003.0233 at sheets labelled 'Group', cells AI5 – AJ5, I44 – N44, U44 – Z44, sheet labelled 'IGBU', sheet labelled 'HGBU', sheet labelled 'FY Bridge', sheet labelled 'R&O H1 H2'; ~~and are~~ as referred to in paragraphs 53Q to 53W~~,~~ above.

The assumptions that were unreasonably optimistic included those as to:

a. volume of sales, with respect to the Exam/Single Use SBU;

b. the impact of declining prices, with respect to the Exam/Single Use SBU;

c. the impact of inventory revaluations to EBIT;

d. growth in sales and EBIT beyond those in FY21 including in the Chemical and Mechanical SBUs, and in particular growth in all Mechanical SBU styles in the Mechanical SBU

e. provisioning for risk, including as to the price of and demand for Exam product, and disruptions to supply and the valuation of E&O inventory;

f. the BoD Go Gets.

As to the basis on which those assumptions were unreasonably optimistic, the Plaintiff refers to:

g. the facts and matters set out in Sections C and D and paragraphs 10, 53A to53G, 53W, and 53Y to 53AA, above and the failure to take adequate account of those matters;

h. the prevailing market conditions experienced by Ansell;

i. the assumptions underlying the Forecast Range using as a base line FY21 results and performance despite it being an anomalous trading year;

j. the initial FY22 budget being a stretch and the BoD Go Gets stretching it further;

k. the EPS for FY19 (adjusted for a "Transformation Program" and other one-off costs) having been $1.12, for FY20 (restated on account of a change in accounting policy) having been $1.20, and for FY21 having been $1.92. The EPS for FY21 had represented an increase of 60% from FY20 (FY21 Annual Report, pp 13 and 21), and was described by Peterson in the FY21 Annual Report as "at maximum" for the purposes of Board remuneration metrics (p 50) (ANN.0004.0001.2097 at 2150).

In addition, the Plaintiff refers to the following exchanges which demonstrate internal ongoing concerns as to the forecasting process and matters underlying the assumptions and their reasonableness:

As to uncertainty in 2H22:

l. The presentation titled 'F21 H2 FY QBR Region slides-EMAP' dated 27 July 2021, states 'further H2 risk very hard to assess' in relation to Exam pricing, and that 'the H1 assumptions appear overstated by about $30-35m top line and $10-15m bottom line with further uncertainty in H2' (ANN.0013.0008.5949 at 5963).

m. In an instant message from Marx to Balsam dated 21 July 2021, he states, in the context of a discussion concerning the identification of risks and opportunities to the FY22 Operating Plan, that 'focus is on H1 as it is so hard to predict H2' (ANN.4005.0001.3451).

n. In an instant message from Froberg to Javeed dated 6 August 2021, he stated, in the context of a discussion of risks and opportunities to the FY22 EMAP Operating Plan, that 'H2 is really a wild guess at this point' (ANN.4003.0007.7037).

o. In an instant messages from Javeed to Anita Chow dated 23 August 2021, he stated, in the context of a discussion of the FY22 Guidance and the risks and opportunities analysis performed in respect of the FY22 Operating Plan, that 'the whole thing

quite frankly is like gazing in to a crystal ball[.] I still wonder if it was better only to have provided guidance for H1!' (ANN.4003.0007.6530).

As to volume and sales:

p. In an instant message from Damon Richardson (VP Operations, SU/Exam SBU) to Marx, dated 31 March 2021, he stated, in the context of a discussion about constraints to supply in FY22, that 'there is no supply and demand gap in FY22. All of the opportunistic demand will dissipate and not carry over.' (ANN.4005.0001.4353).

q. In an instant message exchange between Leary and Bill Jordan (Snr Director, US Alternate Care, Government) dated 14 May 2021, Leary wrote 'are you aware that you have a F22 budget at 24% volume exam growth, I think thats crazy but finance says you agreed to [it]'. Jordan responded 'we called out some risks - I didn't interpret the process or my input as being agreement nor did I see the process as their offering much flexibility. I spoken up about concern re units, product and pricing alignment being a serious concern.' (ANN.4007.0001.2195).

r. In an instant message exchange between Leary and Accorsi dated 14 May 2021, Leary wrote 'I want to touch base to let you know that I am working with Nissa this afternoon on the F22 budget for SU and my concerns on the volume growth plan. I think it is too aggressive and want to review it with you tomorrow so we are in sync before next week.' In response, Accorsi wrote 'we don't want to add anything to the volume already submitted but not sure there is appetite to further reduce the volumes to what is already in the plan. especially considered that F22 volume is already significantly lower than F20. F22 is mostly in line to F19 which is 100% pre-covid volume' (ANN.4007.0001.4554).

s. In an instant message exchange between Leary and Froberg dated 29 July 2021, in the context of sales targets, they exchange the following messages:

> Leary: 'it seems everyone has forgotten the statement I made that the SU/EXAM sales target was overly optimistic, by over $20M'
>
> …
>
> Froberg: 'And I was told I could not adjust my budget even though it was based on GBU guidance from March. Now we have to explain

"the gap". That's how it works, let's just keep calm'

…

Leary: 'and the fact that they based growth on the forecast not the actual year end landing. That is completely odd'

(ANN.4007.0001.4036).

As to pricing and cost:

t. A slide deck titled "SU OS FY22 Plan" dated 31 March 2021 records that:

   i. 'Pricing will continue to decrease through FY22 with the largest drops expected between August-December 2021' (0986)

   ii. 'Best case – Prices ease gradually on strong demand and limited supply, and do not drop below $70… Worst case-prices rapidly deflate to near pre covid levels' (0988)

   (ANN.0014.0013.0986).

u. In an instant message exchange between Froberg and Javeed dated 11 June 2021Froberg states: 'My budget is stretched, given current exam prices the pricing assumption is not realistic and I need to be transparent to the board about that. Having a big hedge in centrals will not help me in F22 if I start missing my numbers due to exam price assumptions' (ANN.4003.0007.7025).

v. In an instant message exchange between Froberg and Javeed dated 15 June 2021:

   i. Froberg states: 'I will not say anything here but i disagree with this view on exam pricing and not sure why we make so much effort to give an optimistic view. You know I am selling certain styles at a loss today'.

   ii. Javeed writes: 'Yes I am not sure why but its how the GBU and Magnus feel ... so I have not pushed back too hard because ultimately the Board don't care. They want a higher budget than what we have submitted...you will see it in wrap up'.

   (ANN.4003.0007.7027).

w. In an instant message from Javeed to Anita Chow dated 5 August 2021, in the context of a discussion about Ansell's inventory position, Javeed commented that:

   i. 'I do believe we have a slowdown in overall exam/SU demand compared to last year because there was overstocked positions through the value chain. That said carrying more inventory at the moment is logical providing we don't see a collapse in pricing. The fact that Malaysia is really struggling to contain the virus should help us sell through the excess'

   ii. 'The NA sales really concern me … we are all good on everything except NA sales in Exam/SU … ultimately if that market reverts back to pre-covid pricing we will lose +$100m overnight … and I don't think the team there are close enough to the dynamics!"

   (ANN.4003.0007.6516).

x. In an instant message exchange between Bedetti and Javeed dated 2 June 2021, the following exchange:

   i. Bedetti states 'ok. chatting with nissa and androniki. they are mentioning rumblings about customers wanting to return high cost inventory (customers without any contractual right to do so). Renae is taking a hard line but we were thinking there should be some ELT alignment on how we handle these? (ie no returns, perhaps some discounts, etc). so far only 1 customer has raised it, but the hypothetical might be worth raising?'

   ii. Javeed replies: 'indeed - Renae has mentioned that to me and it will have to get get discussed today at the ELT. clearly demand is falling away quicker than what anyone has anticipated'

   (ANN.4003.0007.7588).

y. On 28 July 2021 as part of the risk and opportunity analysis of the QBR, risks were identified with the Americas region that 'Plan is heavily supply depended; Exam shortfall in Q1 supply plan indicated -could have topline implications if ASP declines; Grainger buy in shift away from Ringers & EDGE to other MECH portfolio (liming); BP strong pipeline & growth plan (timing shift to H2),

price concession may be required to drive volumes; Continued pricing pressure in non TNT Exam may require additional price concessions' (ANN.0030.0228.7915 at .7922).

z. In an instant message exchange between Chow and Javeed dated 29 July 2021, the following exchange:

   i. Chow writes: 'So the risk to FY22 for Exam/SU i think has 3 buckets (1) volume - we may not increase the volumes as budgeted which is 14% higher than FY21 but 5% lower than FY20; (2) we may not be able to maintain the margin $ per unit as per budget which is 0.3c higher than FY21 and 1.6c higher than FY20; and (3) we may have to sell our higher priced inventory at lower costs - this amount could be more than the $47m in the event pricing goes down faster than the ramp up and we have a lot more inventory units on hand compared to last year. Do you agree?'

   ii. Javeed responds: 'Completely agree with this very good summary'

   (ANN.4003.0007.6508).

aa. In an email to Leary dated 9 August 2021 titled "R&O Schedule QBR v2.xlsx", (ANN.0014.0012.5156 at .5156-7) Zaunere writes 'Focusing on H1, and reviewing the pricing recommendation for Exam D2 pricing, we are still seeing significant pricing opportunity in H1. Note, H1 costs are anticipated to be significantly higher than our budget assumptions as well so the pricing upside is offset by the higher costs and therefore yielding only some incremental margin. Also, received some field feedback on the demand risk for the Exam portfolio. Based on their insights, we align that there is a risk in the key products reviewed demand trend. Based on the miss in July volumes, continued risk identified in demand and supply constraints, we increased the demand/supply risk for Exam with an offset in pricing upside. Additionally we increased the Risk on E&O and inbound freight based on July results'.

bb. The spreadsheet attached to the "R&O Schedule QBR v2.xlsx", email (ANN.0014.0012.5156) records in sheet "QBR Summary" on the total risks line that 'Note, H2 assumes price & cost goes down in tandem, no risk identified to Sales or GP' (ANN.0014.0012.5158, 'QBR Summary', cell N29A).

As to inventory:

cc. On 17 July 2021, Bedetti wrote to Chow identifying an issue with Ansell's North American sales team that in the preceding four months, 'inventory kept growing but we kept missing sales because we were mismatched between what customers ordered and what we had. The eternal challenge in NA is our sales team is not effective at pivoting to sell what we have if its not what the customers are ordering' (ANN.4004.0009.8076).

dd. By the end of July 2021, Ansell was aware that key customers had rebuilt their inventory levels, both at a distributor and end user level. This was expected to impact on sales volumes in FY22 (ANN.0030.0288.4959 at .4967 in relation to the EMEA region; ANN.0030.0228.7915 at .7919 and .7924 in relation to the Americas region).

As to opportunities in the Mechanical SBU:

ee. An email that was copied to Sweeney and Salmon on 19 July 2021 flagged 'some serious negative impacts' including budget exposure of at least $10m and excess inventory in relation to the [redacted] cancellation. (ANN.0015.0001.6349).

ff. An email chain dated 23 July 2021 including emails sent to Leary showed forecast demand volume sales for FY22 compared to FY21 in the Mechanical SBU in North America. That modelling was subject to a comment that 'the main point is that Amazon/[redacted] volume plan is in flux." The modelling embedded in that email shows [redacted] USA demand -24% lower for FY22 compared to FY21, and total demand for North America in FY22 -11% against FY21 (ANN.0017.0009.4345 at 4347 to 4348).

As to overall risks and opportunities:

gg. An email chain between Leary and Zaunere noted that in the Americas region, to meet the FY22 budget originally required sales growth of 8.8% above forecast sales in the "8+4Fc", but would now require 11.7% growth above the FY21 landing. Leary questioned the reasonableness of that assumption, writing 'I didn't realize it was so high, that's not what we went in with. What happened? I think our head is in the clouds with such a high budget. 8.8% was already incredibly high, 11.7% is ridiculous' (ANN.0017.0009.4345 at 4346-4345).

hh. In a chat message between Sweeney and Bryce on 27 July 2021, Sweeney noted that as at July 2021, Ansell were already calling into question the full year FY22 target and ability to meet the plan. Bryce noted that 'forecast was way off, which impacts then target deliverable for F'22 = null and void...' (ANN.4008.0001.3550).

ii. In a chat message between Nissa Zaunere and Renae Leary on 28 July 2021, they discuss unrealistic assumptions for the Americas region in FY22 including the following:

i. Actions by the GBUs pushing for higher volumes in the budget, on the basis that concerns with declining demand were too conservative.

ii. Concerns that historically the Surgical SBU had 'never come through so why would we assume they are going to'.

iii. In relation to the Mechanical SBU on BP products, and in the Exam SBU, on single use products, concerns that Ansell held so much inventory 'so not sure why they would have planned to the capacity level they did', particularly given there was 'no Covid demand'

(ANN.4004.0009.8076).

jj. The slide deck titled 'F21 July QBR – IGBU' contains:

i. A graph at .4111 modelling 'net sales run rate trends' for Mechanical and Chemical sales on a quarterly basis in FY22. Commentary on that graph states:

1. In relation to the Mechanical SBU that 'H2 will need a pick up from current run rate levels to achieve the plan'.

2. In relation to the Chemical SBU, that 'Risk to H1 based on run rates, though demand fc higher than plan. Much smaller CBO carried into F22 -> reliant on new demand. Same as Mech – H2 need meaningful pick up from current levels.'

ii. A slide titled 'F22 Outlook and Priorities' for the Chemical SBU (.4116), which shows that the FY22 operating plan required 0.4% organic sales growth for the Chemical Body

segment compared to the F21 results, whereas compared to the F21 forecast, a contraction of -4.9% had previously been allowed for (ANN.0030.0007.4100).

kk. A slide deck titled 'F'22 EPS Range – Updated R&O' sent to Salmon by Javeed on 12 August 2021 contains a slide titled 'F22 Budget phasing with risk adjustment'. Commentary on that slide states 'Risk adjustment/hedge currently weighted equally for both sales and EBIT. Can move entire adjustment to H1 and leave H2 "as reported". H2 is aggressive with/without hedge.' (ANN.0013.0001.2544).

As to the BoD Go Gets:

ll. Paragraphs 53U and 53V(c) and the particulars there to are repeated.

mm. The email referred to in the particulars to paragraph 53U, in which, in relation to Froberg being 'disappointed' in relation to the BoD Go Gets, Bryce stated 'I can imagine and also empathise with Rikard. It is a tough one considering the PPE market dynamics are not in our favour right now (or anyone's for that matter, based on what I am hearing)' (ANN.0021.0003.2415).

~~The Forecast Range implied that Ansell's FY21 profit would be maintained, and it can therefore be inferred that assumptions made with respect to demand, pricing and gross profit on the sale of Ansell products reflected values similar to FY21, notwithstanding:~~

~~A. FY21 profits were driven by the surge in demand and pricing of Single Use Gloves and Chemical Protective Clothing, as referred to in paragraphs 36 to 38 above;~~

~~B. prior to the onset of the pandemic, there was very little growth in the Exam/Single Use SBU (as referred to in the particulars subjoined to paragraph 36);~~

~~C. growth of Single Use Gloves and Chemical Protective Clothing had already slowed by the second half of FY21, as referred to in paragraphs 46 and 47;~~

~~D. Single Use Gloves accounted for 80% of revenue increase in FY21, as referred to in paragraph 42 above;~~

~~E. demand for Single Use Gloves had already softened in the second half of FY21, as referred to in paragraph 40 above;~~

~~F. pricing of Single Use Gloves was softening by June 2021, as referred to in paragraph 38 above;~~

~~G. over 75% of Single Use Gloves were Outsourced Glove Products, as referred to at paragraph 10 above;~~

~~H. Ansell had high levels of Outsourced Glove Products in its inventory as at 30 June 2021, purchased at high cost, which was unfavourable in a market with falling prices, as referred to in paragraphs 50 48 to 51A above;~~

~~I. supply costs were increasing due to inflation, as referred to at paragraph 45 above;~~

~~J. Ansell customers were carrying higher levels of Ansell inventory than they had been at the beginning of FY21, following Ansell's recommendation that they do so, as referred to in paragraph 52 above.~~

Further particulars may ~~will~~ be provided, following discovery and the service of expert reports.

63 By reason of the matters referred to in paragraphs 10; ~~36 to 53~~Sections C, D and E.1; and paragraph 62 above, at the time of making the ~~EPS~~ FY22 Guidance ~~Reliability~~ Representations in August 2021:

(a) there was no reasonable basis to ~~consider~~ expect that the EPS for FY22 would be in the Forecast Range; and

(b) it was likely ~~there was a material risk~~ that the EPS for FY22 would be lower than the Forecast Range.

64 Further and alternatively:

(a) throughout the Relevant Period; and/or

(b) ~~A~~as at 11 November 2021,

the assumptions ~~Ansell had adopted in setting~~ underlying the decision to maintain the FY22 Guidance ~~Forecast Range relation to demand, pricing and gross profit margins on Ansell products~~ were unreasonably optimistic.

Particulars

Between the time of issuing the FY22 Guidance on 24 August 2021 and 11 November 2021, the assumptions underlying the decision to maintain the FY22 Guidance included those referred to in paragraph 62.

Paragraph 62 ~~is~~ and the particulars thereto are repeated.

The assumptions underlying the maintenance of the FY22 Guidance as at 11 November 2021 included those referred to in paragraph 62 and the assumptions underlying the Q2 Reforecast.

So far as the plaintiff is presently aware, the primary assumptions adopted in setting the Q2 Reforecast are as set out in paragraph 53AG(a)-(d).

The assumptions adopted in maintaining the FY22 Guidance that were unreasonable optimistic included:

a. the assumptions underpinning the Forecast Range which were unreasonably optimistic as described in the particulars to 62;

b. the assumptions regarding Ansell's expected financial performance set out in the 2Q Reforecast;

As to those assumptions being unreasonably optimistic, the Plaintiff refers to:

c. the prevailing market conditions experienced by Ansell

d. the failure to take adequate account of the facts and matters set out in Sections E.2 and G.2 and paragraph 53AI above, including that by 11 November 2021:

    i. Ansell had observed declines in demand and pricing for Outsourced Glove Products compared to the end of FY21 (as referred to in paragraphs 53K, 53AE(c), 53AE(d), 53AG(d), and 59(f) above);

    ii. Ansell had experienced significantly increased freight costs and shipping delays

(as referred to in paragraphs 53AE(e) and 59(f) above);

iii. Ansell expected further price increases (from a supply perspective) to come into effect over coming months and also expected the cost base to be impacted by the inflationary environment (as referred to in paragraph 59(f) above);

iv. Ansell had experienced unfavourable profit margins because of the months of inventory it carried in a market with falling prices (as recorded in the transcript of the Ansell Annual Shareholders Meeting of 10 November 2021 at p 8), paragraph 51 (particular A) and paragraphs 53N(d) and (e);

v. Ansell's financial results for the period July – October 2021, as detailed in paragraphs 53F, 53I, and 53AA – 53AE.

e. The Q2 Reforecast process detailed at Section H.1 above, including:

i. a failure to properly assess the impact of the 1Q22 results, including as to the increased reliance these results placed on the 2H22 performance to be able to meet the Forecast Range;

ii. a failure to incorporate an appropriate risks and opportunities assessment, including the failure to properly account for risks that emerged in the course of 1Q22, including as to the impact of inventory revaluations, greater costs associated with shipping, and supply disruptions; and

iii. a reliance on unreasonably optimistic underlying assumptions, including those assumptions detailed above at paragraph 53AG and the absence of risk assessments as identified in 53AH(a).

~~Further, by~~ By 11 November 2021 there remained internal ongoing concerns as to Ansell's performance in FY22, as demonstrated by the following:

As to volume and sales:

A. An instant messages exchange between Bedetti and Leary on 29 September 2021, in which Bedetti wrote:

'Based on the latest demand plan that sales has worked with Connie on, there's a significant volume miss even worse than the August R&O. Right now, vs what we said in August R&O and even with the help on pricing, Exam is looking $30-35m lower than budget which is $5-10m worse than the August R&O - mostly medical'

(ANN.4004.0009.9178).

B. An instant messages exchange between Accorsi and Nazareth dated 30 September 2021, in the context of a discussion about demand forecasting, in which Nazareth wrote:

'I have raised the red flag with Neil and Zubair. They will be responsible for burning the house down if they do not make a change.'

(ANN.4009.0001.4313)

C. An instant message exchange between Javeed and Chow on 6 October 2021 as follows:

Chow: given that prices a falling at same rate as they increased, it actually could have been possible to match FY21 results but what hurts us is lower exam/SU volume in FY21 and high inventory

Javeed: indeed - that is why I was so disappointed in today's S&OP call - I am absolutely astonished at the lack of data transparency we have in those meetings and we go around in circles… in the meantime we have loaded up with inventory because we were too slow to cancel the POs back in April.

(ANN.4003.0007.6570).

D. An email Froberg sent the rest of the ELT on 20 October 2021 that provided the following in respect of the EMEA/APAC region:

'Continued trend with sales significantly below budget (exams and BP demand, surgical and Life Science supply)'

'Exam prices continue down, China product now in some cases quoted at $35 level, Top Glove stating prices are expected to go below pre covid levels in coming months'; and

'Large overstocking of BP across channels and markets'

(ANN.0018.0013.0519).

E. An instant messages exchange between Accorsi and Nazareth on 29 October 2021 in which the following exchange took place:

Nazareth: 'Exam biz is tanking in NA.. are they focusing on selling this?'

Accorsi: 'they are going down the path of holding on pricing but giving up on volume … I don't agree with the approach but I was overruled on this discussion'

Nazareth: 'how are they going to sell volume of the thin stuff? …if they don't reduce price across this..'

(ANN.4009.0001.4321).

As to pricing and cost:

F. An email from Accorsi to Tracy Paredes, Damon Richardson and Nora Scheiss on 30 August 2021 in which Accorsi wrote:

'In addition to review the shutdown impacts on TNT and 93-260 forecast, we should add 15' to the agenda of the Control Tower this week so Jeff can present to the team the impact of inventory revaluation and the consequences of this impact. This is a key topic, as we are not moving inventory fast enough and costs are quickly coming down, we are facing significant financial exposure that everybody needs to understand.'

(ANN.0024.0025.7081).

G. An instant messages exchange between Accorsi and Jennifer Ross-Murphy on 1 September 2021 in which Ross-Murphy wrote:

'Zubair will not be able to talk out of missing inventory targets in next investor call - i think we need a smaller check in within next couple of weeks just on exam inventory - projecting H1 - I'll wait for Jeff's prez in this meeting to understand magnitude of risk exposure', to which Accorsi responded 'Already talked to Zubair yesterday, as you can imagine he is very nervous […] if this risk materializes, we will completely miss our EPS guidance'

(ANN.4012.0001.2574)

H. An email Accorsi sent Jennifer Ross-Murphy and Marsden on 8 September 2021 in which he wrote:

'SU inventory management is already a serious concern for the company, especially considering the potential impact inventory revaluations could have this FY'.

(ANN.0019.0003.4318)

I. An email chain between Bedetti, Salmon and Javeed between 9 and 10 September 2021, which included the following:

Bedetti: 'results aren't final yet but wanted to give you a heads up. We're currently expecting to land ~11-12m EBIT for the month vs Fxb of $25m (that includes $10m hedge). As I look back at the R&O exercise in August that determined our guidance, phased it by month particularly for operations that provided a phasing – the R&O expected August to be quite low (~$15m). … The further miss is being driven by nearly $3m of E&O provisions plus a soft Mechanical month (neither of those risks part of the R&O).

Salmon: 'Clearly a concerning start to the year, good to know that the R&O mostly anticipated this, but that still doesn't feel too good.'

Javeed: 'Pablo and I caught up on the prelim numbers last night and your response is exactly how we are seeing the situation as well.'

(ANN.0015.0008.8409).

J. An email Javeed sent Nicolin on 10 September 2021, which forwarded an email chain concerning Ansell's August results, in which Javeed wrote:

'I have started to override the E&O formulaic outcomes but this August result is way off where we need to be. It's not the easiest start to the year as we anticipated but we will need to really pull out all the stops going forward to get anywhere near the mid- point of our guidance. (Hitting +$35m EBIT months feels like a stretch at the moment).'

(ANN.0013.0011.8128).

K. An email exchange between Salmon, Javeed, Bedetti and Marx between 4 and 5 October 2021, beginning with an email from Bedetti circulating a slide deck that recorded that, in respect of the Exam/Single Use SBU:

'Risk of Higher Cost Inventory is the main issue & the risk is real (Latest Inv Reval estimated $46m which is +$25m budget and $5m worse than Guidance Assumption)' (ANN.0015.0001.3036 at 3037).

In emails exchanged between Salmon and Bedetti in response, the following exchange took place:

Salmon: 'So is the problem too much inventory at old prices or inability to drive down current POs at a rate to match selling price decreases? Or both?'

Bedetti: 'I think the answer to your last question is both but mainly the too much inventory at old prices…especially excess at old prices since the market price is falling and we aren't moving it so the inventory reval no longer is timing issue that we can recover.'

Javeed: 'Neil, your questions are the ones we have debated yesterday as well and indeed we need to do all of the above…I have copied in Fred so he can take Augusto and John M through the analysis and reconfirm actions (I know this has to be driven from both demand and supply/procurement angles and folk need to work with some urgency because as you rightly point out we know the H2 thin AUM already feels a bit rich given where we know the market is).

(ANN.0015.0007.1035).

L. In an instant message exchange between Marx and Bedetti dated 20 October 2021, the following exchanges occur:

Bedetti: hi fred - the august R&O for Ops was $30m vs budget and Fc is $50m vs budget so worse by $20m, right?

Marx: Pretty close to my numbers. I had 31m r and o. Right now 49 worse so miss is 18. I was expecting regions to be a bit better than r and o to offset as we reval inventory positions and allow them to price down to market fast. In the Exam meeting with Neil and Zubair, we were calling out an additional $5m of risk - which became $18m now"

(ANN.4004.0009.6245)

M. An email exchange between Javeed and Chow between 24 and 25 October 2021 in which the following exchange took place:

Chow: 'Zubair - out of curiosity, do you think there are adequate controls to prevent the build up of inventory?'

Javeed: 'I don't think our control of inventory is optimal and hence why we are spending millions trying to fix the supply chain. I am very disappointed so far in the control of our inventory and hence why this will be a big topic through the next couple of weeks. […]The trade off between inventory and leverage of mfg costs is there in every company I have worked at but the difference at Ansell is we have this unique issue of exam and BP inventory that has both price and demand massively impacted by the pandemic. Either way you are right to highlight this topic and it's one that I don't have the perfect answer for!'

(ANN.0021.0006.9007).

As to overall risks and opportunities:

N. An email exchange between Bedetti and Javeed dated 10 September 2021, in which the following exchange took place:

Bedetti: 'Net the R&O expected a low August. As we look at results we'll see it was worse because unexpected weakness in Mech and E&O provisions. Wanted to do this as I was shocked by where EBIT was but it gives "some comfort" / perspective that it was not completely unexpected. Clearly severe pressure on the rest of year.'

Javeed: 'The net picture only barely passes reasonableness if you believe we can average $33m EBIT months in the back half. I am not sure given where we are that feels realistic. It will take a lot to convince me that we have a pipeline that supports that view.'

(ANN.0014.0024.8785).

O. An email exchange between Javeed and Garrard on 12 September 2021 in which Javeed wrote:

'The risk adjustment assumed that the majority of the Exam/SU price pressure (and inventory reval) will take place in H1. After 2 months of F'22 trading I think this assumption will prove to be solid but we should be prepared also for a faster decline in overall pricing throughout F'22' … We have had a soft start to F'22 even after the risk adjustment. We will do everything we can to mitigate but there is a chance H2 will now be even

more pressured v budget. We are finding that the market conditions for exam/su product are very competitive as the new market supply has saturated demand and many customers/distributors are apparently in over stocked positions'

(ANN.0021.0007.1266).

P. An email exchange between Leary and Javeed between 21 and 23 October in which the following exchange took place:

Leary: 'Do you think anyone is hearing me on the risk with our product costs?'

Javeed: 'Absolutely loud and clear but rather than do public hangings I am in the background driving the conversation and accountability. I have highlighted the significant risk to Neil yesterday and I need to understand who thinks they own the product costs and inventory position because at the moment it feels like it's falling in between 2 stools!!'

(ANN.0017.0007.2357).

Q. Emails between Javeed, Bedetti and Salmon on 10 September 2021 in which Bedetti conveyed that the August group EBIT result was $10.6m, materially lower than the $15.2m expected from 'the R&O exercise in August that determined' Ansell's FY22 Guidance

(ANN.0015.0008.8409);

R. An email exchange between Javeed and Bedetti between 13 and 14 September 2021 in which Bedetti provided preliminary financial results for August 2021. The following exchange took place:

Bedetti: 'wanted to check in particularly you want us to drill in. I think it's mainly the exam situation plus the continuing E&O which was not identified in the R&O.'

Javeed: 'I think the exam situation is clearly the main topic but it may also be worthwhile just getting a view of what is expected in mechanical. […]So the question is can we catch up in mechanical or do we have risk there as well for the half?'

Bedetti: 'I think it definitely is fair to raise it as an emerging risk though. The other emerging risk is whether we can turn E&O into an opportunity – in

the Aug R&O we assumed the Exam helps would offset risk, so far we haven't seen the helps.'

(ANN.0020.0003.1535);

S. An instant messages exchange between Sweeney and Christina Beahm on 26 October 2021 in which the following exchange took place:

Sweeney: 'I'm only just now realizing that NA put $7m into the forecast for the R840…that's not realistic at all is it? Can we even support such volumes with the QL approach.'

Beham: 'No and no. QL needs 10 months to ramp'.

(ANN.4011.0001.4165)

In the relevant period on and after 11 November 2021 further events continued to undermine Ansell's performance in FY22, including as demonstrated by the following:

T. Paragraphs 53H(a)(iii) – (v), 53AI – 53AK and the particulars thereto are repeated;

U. Paragraph 53AL and the particulars thereto are repeated.

Further particulars may ~~will be~~ provided, following discovery and the service of expert reports.

65 By reason of the matters referred to in paragraphs 63 and 64 above, together with the matters referred to in ~~10, 36 to 53 and 64 above~~ Sections G and H; and paragraph 53AI above, at the time of repeating the ~~EPS~~ FY22 Guidance ~~Reliability~~ Representations in November 2021, further and alternatively throughout the time the Continuing Representations were made:

(a) there was no reasonable basis to ~~consider~~ expect that the EPS for FY22 would be in the Forecast Range; further and alternatively

(b) it was likely ~~there was a material risk~~ that the EPS for FY22 would be lower than the Forecast Range.

K CORRECTIVE DISCLOSURE ON 31 JANUARY 2022~~1~~

66 On 31 January 2022, Ansell published on the ASX an announcement entitled "Ansell Limited Provides FY22 Trading and Business Update" (**Corrective Statement**), in which it stated:

(a) it expected to deliver sales in the first half of FY22 of ~~US~~$1,009m, EBIT of ~~US~~$111m and EPS of ~~US~~$0.61;

(b) margins were lower in the first half of FY22 due to COVID-19 related operational challenges and softer demand for Single Use Gloves;

(c) volumes of Outsourced Glove Products were lower, with a significant factor being a desire by distributors and end users to work down high levels of inventory before re-ordering;

(d) recovery of lost output, following imposed shutdowns on manufacturing early in FY21, was slower than anticipated;

(e) continued logistics disruption lengthened delivery times with the result that some orders were not fulfilled as expected in the first half of FY22;

(f) demand for Single Use Gloves slowed faster than expected, making it more challenging for Ansell's supply chain to adjust and also leading to reduced inventory turns;

(g) freight and labour costs were higher than expected;

(h) manufacturing facilities were seeing increased incidences of COVID-19 and it was difficult to anticipate if increasing COVID-19 infections would lead to other factories having to shut down or operate at partial levels;

(i) Ansell now anticipated FY22 EPS guidance to be in the range of ~~US~~$1.25-~~US~~$1.45 **(Corrected Range)**, given lower than anticipated performance in the first half of FY22, taking into account:

  (i) supply disruption;

  (ii) resetting of Single Use Gloves demand;

  (iii) margin outlook;

  (iv) expectations that operational challenges and supply chain disruptions would continue in in the second half of FY22; and

(j) any impact of the Omicron variant of COVID-19 (beyond the impacts known to date) had not been factored into the updated EPS guidance.

66A The Corrected Range was materially lower than the Forecast Range.

67 Following the release of the Corrective Statement, the price of ANN Shares fell $5.37.

Particulars

The price of ANN Shares fell from a closing price of $31.24 on 28 January 2022 to $25.87 on 3 February 2022.

Further particulars may be provided following service of expert evidence.

L ANSELL'S CONTINUOUS DISCLOSURE CONTRAVENTIONS

68 By reason of some or all of the matters referred to in paragraphs 9, 10; Parts C, D and E; paragraphs 53U – 53W; and Parts ~~C, D and F~~ G and H~~, during the Relevant Period:~~ on and from 24 August 2021, further and alternatively on and from 11 November 2021, further and alternatively from a date earlier than 31 January 2022:

(a) there was no reasonable basis to ~~consider~~ expect that the EPS for FY22 would be in the Forecast Range; and/or

(b) ~~there was a material risk~~ it was likely that the EPS for FY22 would be ~~materially~~ lower than the Forecast Range,

((a) and (b) being **Deficiencies in the Forecast Range**).

69 By 24 August 2021:

(a) the information referred to in paragraphs 9, 10, Parts C and D, paragraphs 53A, 53B(a), 53C(a), 53D(a), 53E, 53F(a)-(b), 53G, 53U, 53V and 53W, Sections F.2, G.1, and paragraph 62 ~~36 to 50 and 53~~ above (**August Guidance Information**) was in the possession of each of the Non-Executive Directors, or ought reasonably to have come into each of his or her possession in the course of the performance of his or her duties as a member of the Board; and

(b) the August Guidance ~~i~~Information ~~referred to in paragraphs 9, 10, 36 to 50, 52 and 53 above~~ was in the possession of, or ought reasonably to have come into the possession of,~~,~~ in the course of the performance of their respective duties, each of the Ansell Executives.

Particulars

As to (a):

A. The particulars subjoined to paragraphs 9, 10;~~, 36 to 50 and 53~~ and Parts C and D above, in so far as they relate to matters recorded in Annual Reports, Full Year Results and/or Half Year Results, are repeated.

AA. Each Non-Executive Director attended the 15 – 17 June 2021 board meeting at which the presentations referred to in the particulars to paragraph 43 (items I and J) and 53T were presented.

AB. Each Non-Executive Director attended the 17 August 2021 board meeting at which the presentations referred to in the particulars to 53W were presented.

B. The Board was responsible for monitoring communications to shareholders and the ASX (including disclosures made under the ASX continuous disclosure requirements), as referred to in sub-paragraph 11(a)(v) above, and ought to have come into the possession of the August Guidance Information prior to the release of the ASX Announcements in the ordinary course of business (including, but not limited to, they ought to have come into the possession of the August Guidance Information as a result of the information they did receive, including in items A to AB above). ~~Each of the Non-Executive Directors attended all Board meetings in the period FY19 to 24 August 2021 (bar Yan, who attended all from her appointment bar one), as referred to in paragraphs 28 to 34 above. It can be inferred from the Board's responsibility and the perfect (or near perfect, with respect to Yan) attendance at Board meetings, that the matters recorded in Annual Reports, Full Year Results and/or Half Year Results disclosed on the ASX, came into the possession of each of the Non-Executive Directors, alternatively, ought to have came into their possession the course of their performance of their duties as members of the Board, prior to or at the date of disclosure to the ASX.~~

As to (b):

C. Each of the Ansell Executives received the QBRs referred to in particulars to paragraph 37, 40 (in relation to FY21 QBR only), 49A (in relation to FY21 QBR only), 50, 53 and 53Z (ANN.0013.0011.1740; ANN.0030.0007.4097; ANN.0013.0013.2496; ANN.0013.0008.7478; ANN.0013.0008.5948; ANN.0013.0010.0500; ANN.0013.0008.8058; ANN.0030.0003.1136;

ANN.0030.0228.7912).~~The particulars subjoined to paragraphs 9, 10, and 36 to 50, 52 and 53E above are repeated.~~

CA Each of the Ansell Executives attended the 15 – 17 June 2021 Board meeting at which the presentations referred to in paragraph 53T and the particulars thereto were presented (ANN.0010.0003.0035; ANN.0010.0003.0069; ANN.0010.0003.0096; ANN.0001.0001.1840).

CB Nicolin, Salmon, Javeed, Gilleece and Bedetti attended the 17 August 2021 board meeting at which the presentations referred to in the particulars to paragraphs 53W and 53X were presented (ANN.0010.0001.0376; ANN.0010.0001.0217).

D. Each of Nicolin and Javeed presented the Full Year Results and Half Year Results in FY19 to FY21 in the Half Year/Full Year Earnings calls. It can be inferred from their presentation of these results that the results came into their possession prior to the presentation.

E. Nicolin signed the consolidated financial statement contained in the FY21 Annual Report in accordance with a resolution of directors (p 115) from which it can be inferred that the financial statement came into his possession prior to signing it.

F. Through the course of performance of their duties as CEO and CFO respectively, each of Nicolin and Javeed ought to have reviewed the Annual Report prior to its disclosure on the ASX, and so the matters disclosed in the Annual Reports ought to have come into each of his possession.

G. Each of Nicolin and Javeed were present during the FY21 Full Year Earnings Call, and so statements made on that call attributed in the transcript to one of them, or to Salmon, were also in the possession of each of Nicolin and Javeed.

H. Each of the Ansell Executives held senior positions in Ansell's operations and ought to have come into possession of the August Guidance ~~i~~Information prior to release of the ASX announcements in the ordinary course of business (including, but not limited to, they ought to have come into the possession of the August Guidance Information as a result of the information they did receive, including in items C to G above (as applicable to that Ansell Executive).

I. Further, as to Salmon, his knowledge can also be inferred from the following:

    a. The emails referred to in:

        i. the particulars to paragraph 51A (ANN.0015.0003.1320);

ii. the particulars to paragraph 53 (ANN.0015.0001.5399); and
iii. particular (ee) to paragraph 62 (ANN.0015.0001.6349).

b. An email exchange between Salmon and Javeed on 18 June 2021, in the context of a discussion of directors' feedback on the 15 – 17 June 2021 Board presentations, containing the following exchange:

Salmon: 'I'm nervous about just reducing hedge as I still think we need the hedge. The only new news I am aware of is firming up the risk column in that getting body protection back on track is not getting any easier and freight cost is the other item probably worse than assumption in R&O.'

Javeed: 'I would not recommend going through the R&O again because that picture changes every day, and quite frankly I think the narrative is anecdotal in so many instances there is a danger it could end up being false precision.' (ANN.0015.0002.4359).

c. An email exchange between Froberg and Javeed on 5 August 2021 (to which Nicolin, Salmon, Bedetti and Nazareth were copied) regarding the July 2021 financial result of the EMEA/APAC region, in which Froberg noted that said results implied an additional $26m sales risk from pricing in the Exam/Single Use SBU than that contained in the August R&O (ANN.0020.0003.3157 at 3158-3159).

d. An email exchange between Javeed, Bedetti, Nicolin and Salmon between 19 and 21 August 2021 in which, in the context of discussing the proportion of FY21 sales, EBIT and EPS growth which was 'covid related', Bedetti provided calculations indicating that COVID-19 benefited Ansell's FY21 results by $224m in sales, $78m in EBIT and 48 cents in EPS (at 4117, and attaching underlying calculations in ANN.0013.0001.4215), to which Salmon replied:

'Another way of looking at the F'22 challenge. In F'21 we delivered 70c of EPS growth, of which 48c directly linked to covid (per attached analysis) and 22c the

rest (or 2/3, 1/3). If the 48c benefit drops back to zero in F'22, then the base business needs to grow 41c to hit mid-point of guidance. That seems a stretch even with improving trends as the 22c in F'21 was already a very good number, so to almost double it is challenging.' (ANN.0013.0001.4116).

e. An email Javeed sent Salmon and Nicolin stating, in the context of a discussion about references to 'organic growth' for FY22:

'I had calculated that earlier to be between 2.5% and 5.5% growth v F21 with 4% being our net R&O mid point position. So in other words if we hit the mid point of the range at 185 cents EPS that would correspond to something like 4% organic growth (2,210m v 2,039m constant currency) and the 175 cents low end would be 2.5%. (Note our R&O range goes much lower than 175 cents so these revenue numbers are a little abstract).' (ANN.0013.0001.3479).

f. An email Nicolin sent to Bedetti, Javeed and Salmon on 19 June 2021 in which he referred to the ELT having met to discuss the implementation of the BoD Go Gets and wrote:

'The conclusion from the elt meeting is not materially different from this view, 2/3 from pricing to be worked out (how much from where) in the next week+ and sG&a we will just manage to 3 million savings without reworking any detail plans.' (ANN.0013.0001.7670).

J. Further, as to Nicolin, his knowledge can also be inferred from the following:

a. The particulars contained in particular I(c), (d) and (f) above (ANN.0020.0003.3157 at 3158-3159; ANN.0013.0001.4116; ANN.0013.0001.7670)

b. An email Nazareth sent Marx and Accorsi on 13 August 2021 setting out a note Nicolin had separately sent Nazareth, which note included the following:

'it would be good to get the latest summary on SU supply and demand as well as pricing by product segment - with our take down in guidance thinking from our R&O

analyses - we are all a bit nervous and 90% of the issues are within SU […]' (ANN.0014.0014.4696).

K. Further, as to Javeed, his knowledge can be inferred from the following:
   a. The email referred to in the particulars to paragraphs 53 and 53V (ANN.0021.0003.1119; ANN.0021.0003.2415).
   b. His receipt of the July 2021 CFO Pack referred to in paragraph 53AA.
   c. The instant message referred to in particulars (c), (d), (j), (k), (l), (m) and (o) to paragraph 62 (ANN.4003.0007.7037; ANN.4003.0007.6530; ANN.4003.0007.7025; ANN.4003.0007.7027; ANN.4003.0007.6516; ANN.4003.0007.7588; ANN.4003.0007.6508).
   d. The particulars contained in particular I(f) above (ANN.0013.0001.7670).
   e. An instant message he sent Marx on 28 June 2021 stating 'it's clear that demand will be more volatile than F'21' (ANN.4003.0007.7966).
   f. An instant messages exchange between Froberg and Javeed on 30 July 2021 in which the following exchange took place:

      Froberg: 'I am ok with a stretchy target as a bonus basis, especially after a year like this. But external guidance is another matter. I told you a year ago F21 budget was too low, I am saying now F22 is too high. I want to strike the right balance but sometimes I feel like the message is not getting through. I think we will be $100m short on top line. Hopefully we can still get to $1.85 after bonus accrual releases, SG&A; savings and corporate hedge but this is very hard for me to assess [...] I will be upward of $10m short in July. Majority is surgical supply shortfall which Darryl thinks is very temporary (and perhaps it is) but not a good way to start the year.'

      Javeed: 'yes - the message is loud and clear Rikard - I also think the top line has a sizeable risk (not sure its as much as $100m) but we can miss there as long as we don't miss $30m of EBIT from that […] Yes that is not a good way to start the year - but July as you say will allow us to

calibrate. I have already told Magnus to average +$195m months for the rest of the year isn't realistic […] so bottom line is i think we can miss up to $50m on topline and perhaps +$15m on EBIT and we may be ok to still get to 1.80 to 1.85' (ANN.4003.0007.7035).

g. An instant messages exchange between Javeed, and Chow on 5 August 2021, in which the following exchange takes place:

Chow: [queried how supply constraints could be presented as an explanation for a reduction in 2H21 sales volumes] as '[t]his doesn't entirely sync with comments about building inventory to in the event of future supply chain shocks does it?'

Javeed: 'I do believe we have a slowdown in overall exam/SU demand compared to last year because there was overstocked positions through the value chain … our stories are pretty flaky - I hope we can get through the calls with strong conviction [...] the NA sales really concern me',

[Chow agrees.]

Javeed: 'we are all good on everything except NA sales in Exam/SU [...] ultimately if that market reverts back to pre-covid pricing we will lose +$100m overnight [...] and I dont think the team there are close enough to the dynamics!'

Chow: 'I know.. I dont think we can maintain the pricing differential. Do you think the other ELT members realise this?'

Javeed: 'yes I think they realise it but they are hoping the volume growth offsets [...] I don't think it can do' (ANN.4003.0007.6516).

h. An instant messages exchange between Froberg and Javeed on 6 August 2021 in which, in the context of a discussion regarding the August R&O, Froberg wrote:

'I can give you a decent estimate for H1, will be very similar to what I shared yesterday. H2 is really a wild guess at this point, but my gut is that exam risk remains. I don't see the pricing assumptions holding,

I suspect we will be back to pre COVID pricing by January but no one really knows.'
(ANN.4003.0007.7037).

i. An email exchange between Javeed and Bedetti between 5 and 6 August 2021, in the context of a discussion of Froberg's email referred to in particular at paragraph (a)(iii) above, in which the following exchange took place:

Javeed: 'I think the teams highlighting R&O for H1 makes it very difficult to now work out what the true exposure is. If what Rikard points out is anywhere near accurate we are going to actually go backwards pretty significantly in EMEA. I think we need a full year R&O picture or I am not sure how we can be firm with our EPS range. What are your thoughts?'

Bedetti: '2 things - I'm not sure how objectively we can predict H2. My sense is the extrapolation is that the wheels are coming off the car.'
(ANN.0020.0003.3157)

L. As to Nazareth, his knowledge can also be inferred from:

a. The particular contained in particular J(b) above.

b. An instant messages exchange on 15 June 2021 between Nazareth and Marx in which the following exchange took place:

Nazareth: 'why is GPADE % declining from 36.3 to 33.9% […] is mix getting less profitable?'

Marx: 'No it is all pricing […] We assumed giving back pricing in advance of cost (conservative but won't say that)'
(ANN.4005.0001.3661).

c. Emails between Nazareth and David Hargraves (employee of Ansell customer Premier Inc) on 16 August 2021 in which Hargraves conveyed, inter alia, the following points:

i. 'Premier believes it's members are significantly over-stocked on exam gloves (and gowns and masks) and the appetite for incremental commitment is low (at this time)'; and

ii. 'Premier's response to Ansell's most recent proposal was (a) pricing was not competitive (b) two year commitment not possible without corresponding commitment from our members (c) members are over stocked on PPE today and (d) the member appetite for additional commitment at this time is low' (ANN.0016.0017.3105).

d. a slide deck Marx emailed Nazareth and Accorsi on 18 August 2021 which recorded:

i. 'Market prices declining in line with "rapid deflation" scenario presented during FY22 Op Plan', driven by:

1. 'Oversupply on thin nitrile due to new capacity and new market entrants'; and
2. 'Lower consumption due to widespread vaccine roll-out in developed markets'; and

ii. 'F22 budget based on more gradual price decline assumptions', which included:

1. 'Assumed strong demand due to new COVID strains and outbreaks'; and
2. 'Assumed continued movement control orders and logistics delays would prevent oversupply'

(ANN.0014.0036.1459; ANN.0014.0036.1460).

M. As to Froberg, his knowledge can also be inferred from:

a. The particulars contained in paragraphs I(c); K(f) and K(h) above (ANN.0020.0003.3157 at 3158-3159; ANN.4003.0007.7035 and ANN.4003.0007.7037).

b. The instant messages referred to in particulars (n), (s), (u) and (v) to paragraph 62 (ANN.4003.0007.7037; ANN.4007.0001.4036; ANN.4003.0007.7025; ANN.4003.0007.7027).

c. An email chain between Froberg, Sweeney, Accorsi and Bryce on 28 July 2021 regarding proposed Ansell product pricing increases, in which Froberg wrote

'I will need your guys backup when we wrap up and certain ELT members will push for another price increase on top of this one to compensate for the latest freight surprise', to which:
Bryce responded stating 'We need volume in Chemical (and Exam / Mechanical) to drive upside vs the current risks highlighted. Further increases now will put pay to that!"; and
Sweeney responded stating 'As it relates to Mech, while I think that we've been very strategic in our approach, we've also been rather aggressive considering our market position and need to be clear here of the elasticity of demand and the opportunity we create for aggressive competitors should the gap between Ansell premium and others become to large.' (ANN.0018.0017.5721)

d. An instant messages exchange with Connie Sadowski (Sr Director, Supply Chain, Americas) on 11 August 2021, in which Sadowski stated that North America's Exam/Single Use SBU volumes were 16% below budget and Froberg responded 'similar picture here. I am at least $50m off vs Budget assumptions I think'. Sadowski stated 'I heard that EMEA pulled down their forecast; did the demand team pull down by the $50MM or was that by the sales team?', to which Froberg responded 'the $50m I am mentioning is different - my top down estimate of how much we will be off vs budget, that I have the pleasure of sharing with Magnus in about an hour' (ANN.4010.0001.2777).

e. An email from Marolo Rosa (Senior Director Sales, SUI APAC & ANZ) to Accorsi and Froberg on 3 August that stated:

'Below is the latest bi weekly pricing analysis from China. As you can see again another pricing reduction, much faster than we can adapt. Whilst this may not be felt as much in other markets China is now becoming critical, as we risk loosing a big chunk of business.

The products mostly affected are our outsourced styles, however the allocation of insourced styles, which we are trying to

use to bridge the gap and the price reductions implemented are not enough to make up for the loss.

[…]

If you compare Vs BGT we are down $1.1M just in the 1st month of the FY and afraid that if we are not able to act faster o cost we will have a loss of around $10 to 13M this year ($3 to $5M in Q1 alone) on SU portfolio Vs BGT.'

(ANN.0018.0004.9174).

N. As to Accorsi, his knowledge can also be inferred from:

a. The particulars contained in paragraphs J(b), L(d) and M(g) above (ANN.0014.0014.4696; ANN.0014.0036.1459; ANN.0014.0036.1460; ANN.0018.0004.9174).

b. The instant message referred to in particular (r) to paragraph 62 (ANN.4007.0001.4554).

c. An email to Leary and Accorsi from Bill Jordan (Senior Director, US Alternate Care, Government) on 14 June 2021 which reported on falling demand, and that many of Ansell's distributors were over-stocked with product that was priced higher than they could effectively sell (ANN.0014.0036.7758);

d. An instant messages exchange with Nicolas Roux on 2 July 2021 in which, in the context of a discussion about employee incentive reviews, Roux wrote to Accorsi:

'F22 will be tough and some of the budget assumptions drawn by corporate in Feb were maybe realistic then, but 4 month down the road its already quite different' (ANN.4012.0001.2531).

e. An email Accorsi sent Jennifer Ross-Murphy (to which Marx was copied) on 3 July 2021 stating 'we will end up with huge high cost inventory that we don't need as demand continues to decline…' (ANN.0014.0015.9377).

f. An email from Bryce to le Jeune and Accorsi on 7 July 2021 that stated 'we are already experiencing market correction / normalisation in 2021. As the pandemic demand subsides, supply chains recover and the channel is re-balancing their inventory levels as a consequence' (ANN.0024.0026.3289).

g. an email from Nora Scheiss (Senior Director, Product Portfolio Management HGBU) to Accorsi on 7 July 2021 forwarding an earlier chain including an email in which Scheiss stated 'The fact of the matter is that the sudden decline in demand and slowdown in sales is causing a panic internally about inventory buildup' (ANN.0030.0049.7804).

h. email from Marcus Heimann (Senior Marketing Director – EMEA/APAC) to Accorsi on 11 August 2021 that stated the following:

'I just want to share the latest market information from Germany. We have several customers reports that they have built up pandemic stocks with up to 6 months of examination gloves to ensure that they are covered with sufficient PPE. This is a similar to the feedback we experienced from the NORDICS/Onemed where the business stopped from one week to the other.

This also means customer are very selective and wait for market price reduction for their mid-term needs. In some cases it means, even if our latest pricing was seen attractive, they need to clear large volumes in their warehouses first.

All in all, it means some opportunities that we are working will be difficult to implement before Q3.'
(ANN.0024.0001.1283).

O. As to Bryce, his knowledge can also be inferred from:

a. The email referred to in the particulars to paragraph 53 (ANN.0015.0001.5399).

b. The email referred to in the particular (mm) to paragraph 62 (ANN.0021.0003.2415).

c. The instant message referred in particular (hh) to paragraph 62 (ANN.4008.0001.3550).

d. The particular contained in paragraph N(f) above (ANN.0024.0026.3289).

e. An email he sent Dave Zweigler (Business Development Manager) on 3 August 2021 regarding 'available to sell' inventory of body protection products, in which he noted that the reason 'ATS+ in transits' could be reducing was 'just because of the

forecast impact and reduction in shipments from the plant, as we are now significantly over-stocked and still not seeing demand anywhere near budget or forecast. Demand in July was disappointing at approx 130k pieces vs F'22 plan/budget of approx 267k and a forecast of approx. 352k pcs' (ANN.0026.0022.5986).

P. As to Phillips, her knowledge can be inferred from an instant message exchange with Gina Gilbert (Sr Director, Professional Education and Clinical Affairs, HGBU) on 24 August 2021 in which Phillips stated that 'Exam sales are rapidly declining' (ANN.4015.0001.2110).

Q. As to Sweeney, his knowledge can also be inferred from:
   a. The instant message referred to in the particulars to paragraph 53J (ANN.4011.0001.2505).
   b. The email referred to in particular (ee) to paragraph 62 (ANN.0015.0001.6349).
   c. The instant message referred to in particular (hh) to paragraph 62 (ANN.4008.0001.3550).

R. As to Leary, her knowledge can be inferred from:
   a. The instant messages and emails referred to in particulars (q), (r), (s) and (ff) to paragraph 62 (ANN.4007.0001.2195; ANN.4007.0001.4554; ANN.4007.0001.4036; ANN.0017.0009.4345).
   b. Her receipt of the July 2021 CFO Pack referred to in paragraph 53AA.
   c. The particular contained in paragraph N(c) above (ANN.0014.0036.7758).
   d. an email Leary received from Bill Jordan on 27 July 2021, pursuant to a request from Leary for 'input on SU/EXAM market dynamics, competitive behavior (pricing moves), end-customer behavior, product availability etc.', in which Jordan stated recent feedback he had received from customers and the International Safety Equipment Association included that:

      'Inventory was accumulated in excess of calendar H1 demand';

      'Pricing continues to be increasingly competitive in the thin, 3.5gram +/- space'; and

      'Some desensitization to product features and benefits. Market is currently more

price driven as entities are compensating for prior quarter's over-budget prices' (ANN.0017.0009.4739).

e. An instant messages exchange between Zaunere and Leary on 28 July 2021 Zaunere further stated 'we have soo much inventory so not sure why they would have planned to the capacity level they did', to which Leary replied 'our risk is not TNT, its the rest of SU/EXAM […] oh and there is no COVID demand!' (ANN.4007.0001.5420)

f. An email Marsden sent Leary on 28 July 2021 forwarding a chain in which he had written 'we missed Q4 FY21 forecast on Exam in NA, today at QBR there were a wide range of views on the run rate and Q1 FY22 forecast. […] Q1 will be critical, as post this, expect supply to easily dwarf demand and becomes a 'plan and sell-through execution'', to which Leary replied stating 'I welcome the opportunity to review the consensus process and more importantly add customer (distributor) forecasts which we do not do properly today. I believe this is the biggest reason for the poor forecast accuracy' (ANN.0017.0005.0926).

g. An instant messages exchange between Marsden and Leary on 5 August 2021 in which Leary stated 'As i look at our excess product there is clearly a major ordering mistake with some products, we have almost 100,000 cases of SG-375 a latex product, this is insane as this is not a product that ever had demand at these levels pre-COVID. The excess list is increasing significantly and we need to make sure we are not ordering more product we don't need. What are your thoughts?', to which Marsden replied 'there was a period where we were ordering anything we got our hands on […]'can we get it, can we sell it' […] think a bit of gold-rush mentality , that we didn't balance, or react as the market moved.' (ANN.4006.0001.3871)

S. As to le Jeune, his knowledge can also be inferred from the particular contained in paragraph N(f) above (ANN.0024.0026.3289).

T. As to Marsden, his knowledge can also be inferred from:

a. The particulars contained in paragraphs R(f) and (g) above (ANN.0017.0005.0926 and ANN.4006.0001.3871).
b. An instant messages exchange between Allison Campbell and Marsden on 29 July 2021 in which Campbell stated 'we have a ton of exam headed our way - and from what I can tell, most is going in to storage? Note ~5% of exam coming in is going to cover CBO, WH iventory will be increasing Aug/Sep.' (ANN.4006.0001.3458)

U. As to Marx, his knowledge can also be inferred from:
a. His receipt of the July 2021 CFO Pack referred to in paragraph 53AA.
b. The instant messages referred to in particular (m) and (p) to paragraph 62 (ANN.4005.0001.3451; ANN.4005.0001.4353).
c. The particulars contained in paragraphs K(e), L(b) and L(d) above (ANN.4003.0007.7966; ANN.4005.0001.3661; ANN.0014.0036.1459; and ANN.0014.0036.1460).
d. An instant message exchange with Bedetti on 8 July in which, in the context of a discussion of June 2021 results, Marx wrote:

'The IND slob I didn't realize would be so big. I get exam. […] The difference is exam could be an issue. Industrial products should sell - May take longer abs we are cutting Production. BP is a mess lol' (ANN.4004.0009.6193).
e. An email Balsam sent Ashley Ruvio, to which Marx was copied, on 9 July stating 'We have a lot of fluctuation from F20 to F22 in volumes that's difficult to explain to help regain confidence in the F22 Budget/post-COVID era' (ANN.0014.0016.1244).
f. An email Nissa Zaunere sent Marx on 5 August 2021 regarding unexpected costs in July, which stated:

'I understood there were a few styles we took early action on for cost relief in tandem with pricing, but seeing much higher costs than anticipated. Our R&O calls out a pricing opportunity that was straight margin. However, if we are not

getting the cost we were advised for budget, than there is a margin gap.' (ANN.0014.0015.6592).

V. As to Bedetti, his knowledge can also be inferred from:
   a. His receipt of the July 2021 CFO Pack referred to in paragraph 53AA;
   b. The instant messages referred to in particulars (x) and (cc) to paragraph 62 (ANN.4003.0007.7588; ANN.4004.0009.8076);
   c. The particulars at I(c)-(d) and (f), K(i) and U(d) above (ANN.0020.0003.3157 at 3158-3159; ANN.0013.0001.4116; ANN.0013.0001.7670; ANN.0020.0003.3157; ANN.4004.0009.6193).
   d. An instant messages exchange on 12 August 2021 between Bedetti and Chow in which Chow stated 'I think we have agreed to go with 175-195 EPS range' and further 'if we get to 175c it will be a good result considering operation disruption in SE Asia' (ANN.4004.0009.8092).

Further particulars ~~will~~ may be provided, following discovery or the service of expert reports.

70 By 11~~0~~ November 2021, the information referred to in paragraphs 53B(b), 53C(b), 53D(b), 53F(c)-(d), 53H(a)(i)-(iii), 53H(b)(for the calendar months September and October), 53I-K, 53L(b), 53M(a), 53N(a)-(b), 53O (for September to October 2021), 53P, Parts G.2 and H.1, and paragraphs 62 and 64 ~~51~~ above (**November Guidance Information**) was in the possession of, or ought reasonably to have come into the possession of, in the course of performance of their respective duties, each of the Non-Executive Directors and the Ansell Executives.

Particulars

The particulars to paragraph 69 ~~51~~ are repeated. Further:

A. Each Non-Executive Director received access to the Board Reporting Results for August and September 2021 referred to in the particulars to paragraph 53H via the upload of those results to Ansell's directors' portal on or around 25 September 2021 and 4 November 2021, respectively (ANN.0013.0010.3460; ANN.0015.0001.1140).

B. Each Non-Executive Director, along with Salmon, Javeed, Gilleece, Nazareth and Bedetti, attended the meeting of the Board on 10 November 2021 at which the presentation referred to in the particulars to 53AH was presented (ANN.0001.0001.1874).
C. Each Ansell Executive received the QBRs referred to in particulars to paragraphs 53B (FY22 QBR Q1 only), 53I, 53K, 53M (FY22 QBR Q1 only), 53P, 53AE, 53AG by email (ANN.0013.0001.0640; ANN.0014.0030.2741; ANN.0030.0293.0623; ANN.0013.0001.4147).
D. Each Ansell Executive, save for Marx, received the F22 Q1 EMEA / APAC QBR particularised at paragraph 53AE (ANN.0030.0293.0623). The plaintiff infers Marx received this document by reason of his position within Ansell and his involvement in the F22Q1 QBR meetings.
E. Each Ansell Executive, save for Bedetti received the F22 Q1 Americas QBR particularised at paragraph 53AE (ANN.0013.0001.4147). The plaintiff infers Bedetti received this document by reason of his position within Ansell and his involvement in the F22Q1 QBR meetings.
F. The plaintiff infers that each of the Ansell Executives received the F22 Q1 Corporate Overview QBR (ANN.0038.0005.3697) by reason of their senior positions within Ansell, and their involvement in the QBR F22Q1 QBR meetings.
G. Each Ansell Executive received the HGBU M1 report referred to in the particulars to paragraph 53E (ANN.0013.0001.2793).

The transcript records that each of Bevan, Day, Desjardins, Nicolin, Peterson, Reilly, Stercken, and Yan were present at the Annual Shareholders Meeting on 10 November 2021. Through his position as CFO, and role in presenting to investors at the Half Year Results and Full Year Results, Javeed ought to have come into possession of the information conveyed by Salmon at the Annual Shareholders Meeting through assisting his CEO with the November Guidance ~~i~~Information prior to the meeting or his attendance at the meeting.

Each of the Ansell Executives held senior positions in Ansell's operations and ought to have come into possession of the November Guidance ~~i~~Information prior to release of the ASX announcements in the ordinary course of business.

Further:

H. Further, as to Salmon, his knowledge can also be inferred from:

a. Receiving the email referred to in the particulars to paragraphs 53AF, and its attachment (ANN.0015.0001.0290; ANN.0015.0001.0291).
b. The matters referred to in paragraph 64 (particulars D, I and K) (ANN.0018.0013.0519; ANN.0015.0001.3036 at 3037; ANN.0015.0007.1035; ANN.0015.0008.8409).
c. An email from Salmon to Javeed, Bedetti, Marx, Nazareth, Accorsi, Leary, Froberg and Marsden on 17 September 2021 in which he stated, in the context of a proposal to discuss Ansell's demand and supply plans:

'Every time this has been discussed recently there have been a few comments made that we may still have an out of date demand plan and we may still be ordering the wrong stuff vs what the market will take – or that there are still some previously placed orders where product has not yet arrived in region and which we will have difficult selling.' (ANN.0015.0009.8099).
d. An email exchange with Chow dated 6 November 2021 regarding a Citi report on ASEAN glove manufacturers. Salmon states "yes team has been sharing this analysis and this is basis for my comment that market pricing is adjusting down much more quickly than we had anticipated. You are right to say our pricing has not fallen as quickly, which is partly a function of our products being less traded commodities, even in the thin category." (ANN.0015.0010.6984).

I. Further, as to Javeed, his knowledge can be inferred from:
a. The emails and their attachments referred to in the particulars to paragraph 53AF (ANN.0015.0001.0290, ANN.0015.0001.0291; ANN.0020.0002.7200; ANN.0020.0002.7201).

b. His receipt of the:
i. August 2021 CFO Pack referred to in paragraph 53AB;
ii. September 2021 CFO Pack referred to in paragraph 53AC; and

iii. October 2021 CFO Pack referred to in paragraph 53AI.

c. The particulars contained in paragraph H(c) above, and paragraph 64 (particulars C, D, G, I, J, K, L, M, N, O, P, Q, R) (ANN.0015.0008.8409; ANN.0015.0009.8099; ANN.0015.0007.1035; ANN.4003.0007.6570; ANN.0018.0013.0519; ANN.4012.0001.2574; ANN.0013.0011.8128; ANN.0015.0001.3036 at 3037; ANN.0021.0006.9007; ANN.0014.0024.8785; ANN.0021.0007.1266; ANN.0017.0007.2357; ANN.0020.0003.1535; ANN.4004.0009.6245).

d. An email Bryce sent Javeed, copying Froberg on 27 September 2021 in which he identified the following 'challenges' in the Chemical SBU:

'Market demand has dropped, especially in healthcare applications. This is driven by increased learnings related to COVID-19 safety protocols and the deployment of vaccines';

'In 2020, price was not a factor to winning business as it was all about supply. With capacity having caught up and demand reduced, it is back to being a competitive market once more'; and

'the rush to enter the market in 2020, there is indeed over-supply in the market and a lot of it is from new entrants who are willing to sell at any price and not necessarily with appropriate certification'. (ANN.0026.0021.7251).

e. An email from Chow to Javeed dated 14 October 2021 regarding an analysts report from Macquarie Research equities analyst David Bailey, in which she stated 'the question is if the positives will be good enough to offset the decline in Exam/SU. Looking at HGBU margins for Q1, I do question our exam/SU differentiation strategy and if the risk is only with 10% of our sales' (ANN.0021.0001.5011)

f. An instant message exchange between Marx and Bedetti dated 20 October 2021, in which the following exchange occurred:

Marx: We still at $1.60?

Bedetti: 164.7

Marx: Did you give Z a heads up yet or waiting to scrub?

Bedetti: Yeah. i let him know we were coming in below budget … he wasn't surprised. now just need the business to step up

Marx: Agree. I think we can put plan in place (forecast) at $1.75 and then STI release puts us at $1.80 ish (ANN.4004.0009.6245).

J. Further, as to Nicolin, his knowledge can be inferred from the particulars contained in paragraph 64 (particulars D, J) (ANN.0018.0013.0519; ANN.0013.0011.8128).

K. Further, as to Nazareth, his knowledge can be inferred from:

a. The particulars contained in paragraph H(c) above (ANN.0015.0009.8099) and paragraph 64 (particulars B, D, E) (ANN.4009.0001.4313; ANN.0018.0013.0519; ANN.4009.0001.4321);

b. An instant messages exchange between Accorsi and Nazareth on 29 October 2021 in which the following exchange took place:

Nazareth: 'Exam biz is tanking in NA.. are they focusing on selling this?'

Accorsi: 'they are going down the path of holding on pricing but giving up on volume … I don't agree with the approach but I was overruled on this discussion'

Nazareth: 'how are they going to sell volume of the thin stuff? …if they don't reduce price across this..' (ANN.4009.0001.4321).

c. An instant messages exchange between Marx and Nazareth on 11 November 2021 in which the following exchange took place:

Nazareth ‘any good news?’

Marx: ‘LOL I am still looking for some LOL’.

Nazareth: ‘are you seeing any sales oppty for thin NBR, besides that large australian oppty’

Marx: ‘Nothing at all. And that one seems to good to be true (let's see if they pay first)’.

…

Nazareth: ‘do you know what the price of Royal Blue to India is?’

Marx: ‘I don’t[.]We never qualified it for any product and we kept buying and buying[.]The tap should have been cut off and wasn't’.
(ANN.4005.0001.3725)

L. As to Froberg, his knowledge can be inferred from:
   a. The particulars contained in paragraph H(c) and I(d) above, and paragraph 64 (particular D) above (ANN.0015.0009.8099; ANN.0026.0021.7251; ANN.0018.0013.0519);
   b. An instant messages exchange between Froberg and Bedetti on 8 September 2021 in which Froberg stated that the Americas ‘SU position is starting to look pretty problematic from my outside perspective’, to which Bedetti responded ‘will see the SUI E&O; look by end of day. MED had a similar issue. I expect SUI will not look good either’. (ANN.4004.0009.7565).
   c. An email exchange between Balsam and Froberg between 8 and 10 September 2021, to which Bedetti and Leary were copied, in which the following exchange took place:

      Balsam: ‘We are going back to the historical lag on cost updates, so for Jan F22 it would be Nov FOB costs from Supplier. In Q1 F22 it was more accelerated on less of a lag (was 0 to 1 month lag)’

      Froberg: ‘I am a little bit confused now, it seems to me this is a step away from the

agreed std cost change process?' … I do not recall any time lag on cost increases on the way up. In fact, I think there were significant PPV gains in ops throughout F21 due to Std costs being increased ahead of actual purchase costs? Delaying the cost reductions will make it excessively difficult to move the inventory in a market that is already suffering heavily from over-supply.'
(ANN.0014.0024.8723).

d. An email Froberg sent Jennifer Ross-Murphy on 13 September 2021 in which he stated 'As you know we are suffering from very large inventory of BP suits that are difficult to move in current market conditions.[…] Not looking to finger point – I think reality is that we all, including myself, were too focused on SU inventory – but we will need to have clear answers for the upcoming QBR as this is costing us millions in excess write-offs.' (ANN.0018.0013.3257)

e. An email Paul De Weert (VP Sales Single Use / Industrial EMEA Mature Markets) sent to Anne Rowland De Zylva, copying Froberg on 20 September 2021 in which he provided the following market feedback:

'SU demand overall has reduced & same time availability has increased with arrivals of big volumes (of inferior product) from China; Demand on high end disposable (TNT range) decreases with availability of cheaper alternatives distribution partners we had assigned 92-600 quota not needing all the quota';

'some end-users have purchased this product under time / 'special' reduced pricing pressure & are now utilizing as well inventory built with the peak of the pandemic';

'Multiple manufacturers significantly increasing pricing – same time multiple as well (incl. partners) trying to move stock with special pricing'; and
'Inventory levels at partners confirmed as 'very high'
(ANN.0018.0017.9345).

f. An email Bryce sent Javeed, copying Froberg on 27 September 2021 in which he

identified the following 'challenges' in the Chemical SBU:

'Market demand has dropped, especially in healthcare applications. This is driven by increased learnings related to COVID-19 safety protocols and the deployment of vaccines';

'In 2020, price was not a factor to winning business as it was all about supply. With capacity having caught up and demand reduced, it is back to being a competitive market once more'; and

'the rush to enter the market in 2020, there is indeed over-supply in the market and a lot of it is from new entrants who are willing to sell at any price and not necessarily with appropriate certification'. (ANN.0026.0021.7251).

g. An instant message Bedetti sent to Froberg on 28 October 2021 in which Bedetti stated 'net the company still carries overall risk with the exam situation'. (ANN.4004.0009.7570).

M. As to Accorsi, his knowledge can be inferred from:
   a. The particulars contained in paragraphs H(c), K(b) and R(e) and paragraph 64 (particulars B, D, E, F, G, H) (ANN.0015.0009.8099; ANN.4009.0001.4321; ANN.0014.0036.4498; ANN.4009.0001.4313; ANN.4012.0001.2574; ANN.0018.0013.0519; ANN.4009.0001.4321; ANN.0024.0025.7081; ANN.4012.0001.2574; ANN.0019.0003.4318).

N. As to Bryce, his knowledge can be inferred from paragraph L(f) above (ANN.0026.0021.7251) and paragraph 64 (particular D) (ANN.0018.0013.0519).

O. As to Sweeney, his knowledge can be inferred from the particulars contained in paragraph 64 (particulars D and S) (ANN.0018.0013.0519; ANN.4011.0001.4165).

P. As to Leary, her knowledge can be inferred from:
   a. The particulars contained in paragraphs H(c) and L(c) above, and paragraph 64 (particulars A, D, P) (ANN.0015.0009.8099;

ANN.0017.0007.2357;
ANN.0014.0024.8723;
ANN.4004.0009.9178;
ANN.0018.0013.0519).

b. Her receipt of the:
    i. August 2021 CFO Pack referred to in paragraph 53AB;
    ii. September 2021 CFO Pack referred to in paragraph 53AC; and
    iii. October 2021 CFO Pack referred to in paragraph 53AI.

Q. As to Marsden, his knowledge can be inferred from the particulars in paragraphs H(c) above, R(e) below, and paragraph 64 (particulars D, H) (ANN.0015.0009.8099; ANN.0019.0003.4318; ANN.0014.0036.4498; ANN.0018.0013.0519).

R. As to Marx, his knowledge can be inferred from:
    a. His receipt of the emails and attached documents particularised at paragraphs 49A, 53AB, 53AC and 53AI;
    b. The particulars contained in paragraphs H(c), I(e), K(c) above, and paragraph 64 (particulars D, K, L) (ANN.0015.0009.8099; ANN.0015.0007.1035; ANN.4004.0009.6245; ANN.4005.0001.3725; ANN.0018.0013.0519; ANN.0015.0001.3036 at 3037; ANN.4004.0009.6245).
    c. His receipt of the:
        i. August 2021 CFO Pack referred to in paragraph 53AB;
        ii. September 2021 CFO Pack referred to in paragraph 53AC; and
        iii. October 2021 CFO Pack referred to in paragraph 53AI.
    d. An email exchange between Aris Angelou and Rein Mommaert on 16 September 2021, to which Marx was copied, in which the following exchange took place:

    Angelou: 'It appears that the IGBU stock has increased 1.4X while its E&O provision has almost quadrupled, HGBU's (containing SU) has more than doubled while its E&O provision has increased six-fold […]Currently approximately 20% of the stock in hand is either excess or obsolete while we are still paying for its storage. Is there a more detailed account of the nature of the provision (i.e. is it more for obsolete or for non-selling products)?'

Mommaert: 'It's excess stock, the demand in the market is dropping given everybody sits on high inventory levels. Accounting policies dictate we apply excess stock provision if it exceeds are cogs turnover which is currently understated. Stock depletion orders are being executed against discounted prices and it will take some time for the supply in the market to stabilize and pick up demand again.'
(ANN.0014.0025.2210).

e. An email Marx sent Accorsi, Marsden and others on 12 October 2021 with the subject 'Exam Supply: High level Picture Review and Recommendations', in which he wrote:

'There are two challenges we need to address:
Current orders placed (2.0b pieces) are based on significantly higher demand and not required now.
In many instances, we are looking to rebuild safety stock levels too fast, especially those styles that require more that 1 month. For instance, 92-675, no need to build immediately to 2.5 months SS, let's start with 1month, then increase to 1.5 and then 2.0 etc. once we have clear understanding of new demand forecast. Reason is simple, prices continue to move down and we don't want to buy large volumes of product at high costs.
[…]
due to high orders placed, we will be saddled with inflated inventory levels through April 2022 (if we don't take action).'
(ANN.0014.0036.4498)

S. Further, as to Bedetti, his knowledge can be inferred from:

a. His receipt of the emails and attached documents particularised at paragraphs 53AB, 53AC, 53AF, 53AI,

b. The particulars contained in paragraph H(c), I(f), L(b) and (g), and paragraph 64 (particulars A, D, I, K, L, N, Q, R)
(ANN.0015.0009.8099;
ANN.4004.0009.6245;
ANN.0015.0008.8409;
ANN.4004.0009.7565;
ANN.4004.0009.7570;
ANN.4004.0009.9178;

ANN.0018.0013.0519;
ANN.0015.0008.8409;
ANN.0015.0001.3036 at 3037;
ANN.0015.0007.1035;
ANN.4004.0009.6245;
ANN.0014.0024.8785;
ANN.0020.0003.1535).

c. His receipt of the:
    i. August 2021 CFO Pack referred to in paragraph 53AB;
    ii. September 2021 CFO Pack referred to in paragraph 53AC; and
    iii. October 2021 CFO Pack referred to in paragraph 53AI.

71 The Deficiencies in the Forecast Range was information which:

(a) Nicolin had, or ought reasonably to have come into possession of, in the course of the performance of his duties as CEO until 31 August 2021 and Special Advisor to the Board and Management from 1 September 2021 to 31 December 2021;

(b) Salmon had, or ought reasonably to have come into possession of, during the Relevant Period, in the course of the performance of his duties as President of Industrial GBU and/or CEO;

(c) Javeed had, or ought reasonably to have come into possession of, during the Relevant Period, in the course of the performance of his duties as CFO;

(ca) Nazareth had, or ought reasonably to have come into possession of, during the Relevant Period, in the course of the performance of his duties as President of the Healthcare GBU and member of the ELT;

(cb) Froberg had, or ought reasonably to have come into possession of, during the Relevant Period, in the course of the performance of his duties as a member of the ELT and as Chief Commercial Officer – EMEA and APAC until 1 September 2021 and, from 1 September 2021, President of Ansell's Industrial Global Business Unit;

(cc) Accorsi had, or ought reasonably to have come into possession of, during the Relevant Period, in the course of the performance of his duties as SBU Vice President & General Manager, HGBU Single Use and Exam Solutions and as a member of the ELT;

(cd) Bryce had, or ought reasonably to have come into possession of, during the Relevant Period, in the course of the performance of his duties as SBU Vice President & General Manager, IGBU Chemical Solutions and member of the ELT;

(ce) Phillips had, or ought reasonably to have come into possession of, during the Relevant Period, in the course of the performance of her duties as SBU Vice President and General Manager, HGBU Surgical and Health Safety Soluti and member of the ELT

(cf) Sweeney had, or ought reasonably to have come into possession of, during the Relevant Period, in the course of the performance of his duties as SBU Vice President & General Manager, IGBU Mechanical Solutions and member of the ELT;

(cg) Leary had, or ought reasonably to have come into possession of, during the Relevant Period, in the course of the performance of her duties as Chief Commercial Officer – Americas and member of the ELT;

(ch) Le Jeune had, or ought reasonably to have come into possession of, during the Relevant Period, in the course of the performance of his duties as Senior Vice President – Business Development, Transformation and Corporate Marketing at Ansell and member of the ELT;

(ci) Gilleece had, or ought reasonably to have come into possession of, during the Relevant Period, in the course of the performance of his duties as Senior Vice President, Corporate General Counsel and member of the ELT;

(cj) Marsden had, or ought reasonably to have come into possession of, during the Relevant Period, in the course of the performance of his duties as Senior Vice President – Global Operations and Global Supply Chain and member of the ELT;

(ck) Johnston had, or ought reasonably to have come into possession of, during the Relevant Period, in the course of the performance of her duties as Global Chief Information Officer and member of the ELT;

(cl) Marx had, or ought reasonably to have come into possession of, during the Relevant Period, in the course of the performance of his duties as Vice President – Finance – Global Operations and Supply Chain;

(cm) Bedetti had, or ought reasonably to have come into possession of, during the Relevant Period, in the course of the performance of his duties as Vice President – Corporate FP&A, Strategy and Integrated Business Planning;

(d) Desjardins, Stercken and Day had, or ought reasonably to have come into possession of, during the Relevant Period, in the course of their respective performances of their duties as directors and members of the S&R Committee and the A&C Committee;

(e) Reilly had, or ought reasonably to have come into possession of, during the Relevant Period, in the course of the performance of his duties as director and member of the S&R Committee;

(f) Yan had, or ought reasonably to have come into possession of, during the Relevant Period, in the course of the performance of her duties as director and member of the S&R Committee;

(g) Bevan had, or ought reasonably to have come into possession of, during the Relevant Period, in the course of the performance of his duties as Chair of the Board.

Particulars

Paragraphs 69 and 70 and the particulars thereto are repeated.

Further, in relation to Nicolin:

A. From the August Guidance Information and the November Guidance I~~i~~nformation in Nicolin's possession, or which ought to have been in his possession, as referred to in paragraphs 69 and 70, the Deficiencies in the Forecast Range were in his possession or ought to have been in his possession.
B. In his role as CEO and subsequent role as Special Advisor to the Board, reasonable information systems or management procedures ought to have brought (i) the Deficiencies in the Forecast Range, further and alternatively (ii) the August Guidance Information and the November Guidance Information ~~information referred to in paragraph 10 and Parts C and D above~~ and (iii) the modelling and assumptions underpinning the Forecast Range, to his attention. Nicolin ought reasonably to have discerned the significance of the information.

In relation to Salmon:

C. It can be inferred that Salmon was aware of the information referred to in Part D from his presentation of the FY21 Full Year Results at the

FY21 Full Year Results Webcast, and the information in paragraph 59(f) from his presentation. Further, Salmon is recorded in the FY21 Full Year Earnings Call transcript as stating that: (i) "within single use and chemical … lower demand on the products that were most in demand last year for COVID-19 purposes"; (ii) "We do, today, see lower pricing on the products that experienced peak pricing last year, but in other areas, we expect to be able to raise prices to offset those inflationary pressures", and "we went into this period [first half of FY22] with higher levels of inventory…" and (iii) "you've got the fade out of the specific COVID-19 demand and pricing, pricing more as supply and demand normalises. Demand's going to come down temporarily because inventories have rebuilt globally, even there is some overshoot in inventory with some steps in the channel".

D. Reasonable information systems or management procedures ought to have brought the Deficiencies in the Forecast Range to his attention during the transition of the role of CEO to Salmon, or alternatively from the date he became CEO (1 September 2021).

E. Further or alternatively, reasonable information systems or management procedures ought to have brought (i) the August Guidance Information and the November Guidance Information ~~information referred to in paragraph 10 and Parts C and D above~~ and (ii) the modelling and assumptions underpinning the Forecast Range, to Salmon's attention during the transition of the role of CEO to Salmon, or alternatively from the date he became CEO (1 September 2021). Salmon ought reasonably to have discerned the significance of the information.

EA. Further, Salmon's knowledge can be inferred from:

a. Receiving an email providing a copy of a slide deck presented to him on or about 12 November 2021 (ANN.0015.0001.1880) which contained the following statements:

i. In relation to market environment challenges that, "Excess due to increased capacity & post COVID demand decline; Fewer orders as customers deplete inventory, await lower pricing; Volatility complicating ability to predict demand and control price" (at 1883); and

ii. In relation to Ansell's 'single use expertise', that 'Sellers find it

difficult to explain the added value of buying single use gloves from Ansell in a market with excess supply and increased competition from new entrants' (at 1900).

b. An email from Froberg to Javeed, Salmon, le Jeune and Nazareth on 4 January 2022 in which Froberg stated 'Industrial exams continues to see weak demand, this is the main area of concern for H2 forecast' (ANN.0015.0009.2825).

c. An email from Bedetti dated 14 January 2022 to Salmon and Javeed confirming H1F22 EPS result of 60.6c (ANN.0015.0001.3844).

In relation to Javeed:

F. From those matters known to Javeed, or which Javeed ought to have come into possession of as CFO (referred to in the particulars to paragraphs 69 and 70 above), the Deficiencies in the Forecast Range was in Javeed's possession or ought to have been in his possession from 23 August 2021, alternatively 10 November 2021.

G. Further or alternatively, reasonable information systems or management procedures ought to have brought (i) the August Guidance Information and the November Guidance Information ~~information referred to in paragraph 10 and Parts C and D above~~ (ii) the modelling and assumptions underpinning the Forecast Range, to Javeed's attention, and Javeed ought reasonably to have discerned the significance of the information.

GA. Further, Javeed's knowledge can be inferred from:

a. The particular contained in paragraphs EA(b)-(c) above (ANN.0015.0009.2825; ANN.0015.0001.3844)

b. His receipt of the:

i. November 2021 CFO Pack referred to in paragraph 53AJ; and

ii. December 2021 CFO Pack referred to in paragraph 53AK.

c. An email Bedetti sent Javeed on 21 December 2021 attaching an updated FY22 forecast providing for EPS of 156.7 cents (ANN.0020.0002.2064; ANN.0020.0002.2065).

d. An instant messages exchange between Javeed and Chow on 12 January 2022 in which Chow stated that 'inventory numbers look really miserable' and that she would have expected 'inventory to come down unless we have a lot more volumes

compared to June 21', to which Javeed replied stating that 'We have slow moving inventory so it's not a surprise at all. We purchased too much and demand has dropped - we have known that since August' (ANN.4003.0007.6600).

GB. Further, Froberg's knowledge can be inferred from the particular contained in paragraph (EA)(b) above (ANN.0015.0009.2825).

GC. Further, Accorsi's knowledge can be inferred from an email exchange between Accorsi and Marx between 22 and 25 November 2021 in which Accorsi wrote:

'We know that NA is going for pricing at the expense of volume so I am not surprised that PO's are a bit slow, they are also not the fastest to give pricing for large opportunities, also the biggest miss is Canada… I am more worried about EMEA and APAC, even if we know that APAC still has supply challenges (especially China and ANZ), they keep missing their forecast big time;' and subsequently

'Yesterday I talked to a couple of people if Europe. There are 2 major reasons for the softness: some customers still sitting on inventory and the shutdowns in the auto industry (due to chips shortage) that impacts around 30% of their capacity… automotive is a major market for TNT and other robust styles… also auto parts and metal fabrication are all impacting.' (ANN.0014.0022.7741)

GD. Further, Leary's knowledge can be inferred from her receipt of the:

a. November 2021 CFO Pack referred to in paragraph 53AJ; and
b. December 2021 CFO Pack referred to in paragraph 53AK.

GE. Further, Nazareth's knowledge can be inferred from the particular contained in paragraph EA(b) above (ANN.0015.0009.2825).

GF. Further, le Jeune's knowledge can be inferred from the particular contained in paragraph EA(b) above (ANN.0015.0009.2825).

GG. Further, Marx's knowledge can be inferred from:

a. The particular contained in paragraph (GC) above (ANN.0014.0022.7741).
b. His receipt of the:
    i. November 2021 CFO Pack referred to in paragraph 53AJ; and
    ii. December 2021 CFO Pack referred to in paragraph 53AK.

c. An instant messages exchange on 12 November between Marx and Bedetti regarding Ansell's share price in which Bedetti stated 'i was thinking H1 release could be buying opportunity', to which Marx responded '100%' (ANN.4004.0009.6263).

d.

GH. Further, Bedetti's knowledge can be inferred from:

a. The particulars contained in paragraphs (EA)(c), (GA)(c) and (GG)(c), above (ANN.0015.0001.3844; ANN.4004.0009.6263; ANN.0020.0002.2064; ANN.0020.0002.2065)

b. His receipt of the:

i. November 2021 CFO Pack referred to in paragraph 53AJ; and

ii. December 2021 CFO Pack referred to in paragraph 53AK.

c. An email from Louise Foar (Associate Director, Corporate FP&A and Investor Relations) on 16 January 2022 in which Foar wrote:
'I wonder how we best challenge the sales forecasts – we were quite far off the Q2FC (25m short), so wonder how to impress upon the teams that we need to see deliverable FC's, not aspirational ones. ATM, it looks like H2 is growing at almost the same as it did last year, but this year, the pricing in H2 should be lower than H1, so it seems like it would be difficult to maintain the same kinds of H1/H2 sales ratios as in the past'
(ANN.0020.0014.7296).

d. An instant message exchange between Bedetti and Chow on 27 January 2022 where the following exchange took place:

Chow: 'we could have had really good results if we didnt buy so much product...'

Bedetti: 'yes exactly - if we didn't load up on inventory at peak prices and had the right inventory'
[…]

Bedetti: 'yeah with hindsight internally and externally we oversold our performance vs one-off effect[...] no matter what business - whenever there is a shortage its always followed by a glut'
(ANN.4004.0009.8163).

In relation to the Non-Executive Directors:

H. From those matters known to each of them (referred to in the particulars to paragraphs 69 and 70 above), the Deficiencies in the Forecast Range was in his or her possession or ought to have been

in his or her possession from 23 August 2021, alternatively 10 November 2021.

I. Further or alternatively, the Non-Executive Directors, acting reasonably, ought to have discerned the significance of the information known to each of them (or which ought to have been known to each of them), as referred to in the particulars to paragraphs 69 and 70 above.

J. Further or alternatively, the Non-Executive Directors ought to have known the information from their oversight and review of management and their monitoring of financial and business results of Ansell and monitoring of Ansell's risk profile, as referred to in paragraph 11 above.

K. Further or alternatively, each of the Non-Executive Directors ought to have known the modelling and assumptions underpinning the Forecast Range, from their responsibilities monitoring communications with shareholders/the ASX, assessing the suitability of Ansell's overall strategies and business plans, monitoring financial and business results and reviewing Ansell's wider risk profile, as referred to in paragraph 11 above. In reviewing the Forecast Range (and any modelling and assumptions underpinning it), acting reasonably, each of the Non-Executive Directors ought to have discerned the significance of the August Guidance Information and the November Guidance Information ~~information referred to in paragraph 10 and Parts C and D~~ which he or she knew (or ought to have known).

L. Further or alternatively, reasonable information systems or management procedures ought to have brought the Deficiencies in the Forecast Range to the attention of the Non-Executive Directors, including that each of (i) Nicolin (as CEO and Special Advisor); (ii) Salmon (as CEO or as key executive management during his transition to CEO); (iii) the A&C Committee; and (iv) the S&R Committee, ought to have reported the Deficiencies in the Forecast Range to Bevan and the Board (or other members of the Board, as the case may be).

M. Further or alternatively, reasonable information systems or management procedures ought to have brought (i) the August Guidance Information and the November Guidance Information ~~information referred to in paragraph 10 and Parts C and D~~ and (ii) the modelling and assumptions underpinning the Forecast Range, to the attention of the Non-Executive Directors. Each of the Non-Executive Directors ought then have discerned the significance of the information.

N. Further or alternatively, in relation to each of Day, Desjardins and Stercken:

a. each of them, as members of both the A&C Committee and S&R Committee, ought to have known (i) the August Guidance Information and the November Guidance Information ~~information referred to in paragraph 10 and Parts C and D~~ and (ii) the modelling and assumptions underpinning the Forecast Range, from those committee's responsibilities in overseeing all matters relating to financial accounting, corporate reporting, internal control systems, reviewing corporate reports and financial risks and monitoring management's performance and the risk profile of Ansell. Day, Desjardins and Stercken ought to have discerned the significance of this information.

b. Further or alternatively, Javeed ought to have reported the Deficiencies in the Forecast Range to the A&C Committee and the S&R Committee.

Further or alternatively, reasonable information systems or management procedures ought to have brought (i) the Deficiencies in the Forecast Range; further and alternatively (ii) the August Guidance Information and the November Guidance Information ~~information referred to in paragraph 10 and Parts C and D~~ and (iii) the modelling and assumptions underpinning the Forecast Range, to the attention of each of the A&C Committee and S&R Committee.

To the extent that they are matters of opinion or inferences, they are opinions or inferences that ought to have been formed from the August Guidance Information, further and alternatively the August Guidance Information and November Guidance Information known (or that ought to have been known) by each of the persons identified in these particulars.

Further particulars may ~~will~~ be provided, following the service of expert reports and discovery.

72 In the premises, ~~During the Relevant Period~~on and from 24 August 2021, further and alternatively on and from 11 November 2021, further and alternatively from a date earlier than 31 January 2022, the Deficiencies in the Forecast Range was information that Ansell:

(a) was aware of, further or alternatively became aware of, within the meaning of ASX Listing Rule 19.12; and

(b) had, for the purposes of s 674A(2)(b) of the Corporations Act.

Particulars

Paragraphs 35 and 69 to 71 and the particulars thereto are repeated.

Further particulars, including, where relevant, the manner in which Ansell was aware of the Deficiencies in the Forecast Range by virtue of Froberg, Accorsi, Bryce, Phillips, Sweeney, Leary, le Jeune, Gilleece, Marsden and Johnston having (or ought reasonably to have come into possession of) that information will be provided following discovery.

73 On and from 24 August 2021, further and alternatively on and from 11 November 2021, further and alternatively from a date earlier than 31 January 2022, the Deficiencies in the Forecast Range was information:

(a) that, until 31 January 2022, was not generally available within the meaning of s 674A(2)(c) and s 676 of the Corporations Act;

(b) which a reasonable person would expect to have a material effect on the price or value of ANN Shares, within the meaning of ASX Listing Rule 3.1 and 677(2)(d) of the Corporations Act.

Particulars

As to (b):

A. By reason of the publication of each of the FY21 Full Year Results, the August Announcement and the November Announcements on the ASX, the FY22 ~~EPS~~ Guidance ~~Reliability~~ Representations (and the matters stated in the FY21 Full Year Results, the August Announcement and the November Announcements as referred to in Part E above) were made in a manner likely to bring what was said to the attention of the Affected Market, and accordingly were objectively likely to influence investors in ANN Shares and potential investors in ANN Shares considering whether to buy or sell ANN Shares.
B. The true position as referred to in Part F was not known to the Affected Market. Had the true position been revealed to the Affected Market, this

would have qualified or contradicted some or all of the FY22 ~~EPS~~ Guidance ~~Reliability~~ Representations and the matters stated in the FY21 Full Year Results, the August Announcement and the November Announcements (as referred to in Part E above).

74 Pursuant to ASX Listing Rule 3.1, Ansell became obliged to communicate the Deficiencies in the Forecast Range to ASX on and from:

(a) 24 August 2021;

(b) further and alternatively, 11 November 2021;

(c) further and alternatively, a date earlier than 31 January 2022.

75 On and from 24 August 2021, further and alternatively on and from 11 November 2021, further and alternatively from a date earlier than 31 January 2022, Ansell:

(a) knew or ought reasonably to have known that the Deficiencies in the Forecast Range would or was likely to influence persons who commonly invest in securities in deciding whether to acquire or dispose of ANN Shares and/or would have a material effect on the price or value of ANN Shares;

(b) further or alternatively, knew that there was a real risk that the Deficiencies in the Forecast Range would or was likely to influence those persons in deciding whether to acquire or dispose of ANN Shares and/or would have a material effect on the price or value of ANN Shares;

(c) was negligent and/or reckless with respect to whether the Deficiencies in the Forecast Range would, if that information were generally available, have a material effect on the price or value of ANN Shares, within the meaning of s 674A(2)(d) of the Corporations Act.

Particulars

The particulars to paragraphs 69 to 71 above are repeated, from which it can be inferred that:
A. Ansell: (i) knew that the Deficiencies in the Forecast Range would or was likely to influence persons who commonly invest in securities in deciding whether to acquire or dispose of ANN Shares (and/or would have a material effect on the price or value of ANN Shares); (ii) further or alternatively, knew that

there was a real risk that the Deficiencies in the Forecast Range would or was likely to influence those persons in deciding whether to acquire or dispose of ANN Shares (and/or would have a material effect on the price or value of ANN Shares); (iii) further or alternatively, was indifferent to whether the Deficiencies in the Forecast Range would or was likely to influence persons who commonly invest in securities in deciding whether to acquire or dispose of ANN Shares (and/or would have a material effect on the price or value of ANN Shares);

B. A reasonable person in the position of Ansell would see there was a real risk that the Deficiencies in the Forecast Range would, if generally available, have a material effect on the price or value of ANN Shares.

Further or alternatively, Ansell ought to have known that the Deficiencies in the Forecast Range would or was likely to influence persons who commonly invest in securities in deciding whether to acquire or dispose of ANN Shares and/or would have a material effect on the price or value of ANN Shares. Having regard to the nature of the ~~EPS Guidance Reliability~~ FY22 Guidance Representations, and the risk that that the Deficiencies in the Forecast Range would, if generally available, have a material effect on the price or value of ANN Shares, in making the ~~EPS~~ FY22 Guidance ~~Reliability~~ Representations and omitting to correct or withdraw the ~~EPS~~ FY22 Guidance ~~Reliability~~ Representations, Ansell's conduct fell short of the standard of care which a reasonable person in Ansell's position, owing the statutory duties under ss 674, 674A and 1041H of the Corporations Act, s 12DA(1) of the ASIC Act and s 18 of the Australian Consumer Law, would have exercised in the circumstances.

Further particulars may ~~will~~ be provided, following discovery~~ and/or disclosure of documents in accordance with s 26 of the Civil Procedure Act 2010 (Vic).~~

76 Ansell did not communicate the Deficiencies in the Forecast Range to the ASX before 31 January 2022.

77 In the premises, Ansell contravened s 674A(2) of the Corporations Act (**Continuous Disclosure Contravention**).

M ANSELL'S MISLEADING OR DECEPTIVE CONDUCT

77A The FY22 Guidance Representations and Continuing Representations were:

(a) made in trade or commerce, in relation to a financial service (being ANN Securities) within the meaning of 12DA(1) of the ASIC Act;

(b) made in relation to a financial product (being ANN Securities) within the meaning of s 1041H(1) and s 1041H(2) of the Corporations Act; and

(c) made in trade or commerce within the meaning of s 18 of the Australian Consumer Law.

78 By reason of the matters referred to in paragraphs ~~10, 36 to 53 and~~ 62 to 65~~64~~ above, the ~~EPS~~ FY22 Guidance ~~Reliability~~ Representations (and any one of them) and/or the Continuing Representations (and any one of them) were misleading or deceptive or likely to mislead or deceive.

79 Further, in relation to the FY22 Guidance and, to the extent the Continuing Representations and the FY22 ~~EPS~~ Guidance ~~Reliability~~ Representations were representations as to future matters:

(a) the Plaintiff relies on s 12BB of the ASIC Act, s 769C of the Corporations Act and/or s 4 of the Australian Consumer Law; and

(b) Ansell had no reasonable grounds for making the representations.

80 In the premises, in ~~publishing to the ASX the FY21 Full Year Results, the August Announcement and the November Announcements~~ making each of the FY22 Guidance Representations and the Continuing Representations, Ansell engaged in conduct:

(a) in relation to the ANN Shares that was misleading or deceptive, or likely to mislead or deceive, contrary to s 1041H(1) of the Corporations Act;

(b) in trade or commerce, in relation to the ANN Shares, that was misleading or deceptive, or likely to mislead or deceive, contrary to s 18 of the Australian Consumer Law and s 12DA(1) of the ASIC Act,

(**Misleading or Deceptive Conduct**).

N LOSS

81 During the Relevant Period, the Plaintiff and Group Members acquired interests in ANN Shares.

Particulars

Paragraph 3 is repeated. Particulars of acquisitions by Group Members will be provided, following the trial of the common questions.

82 During the Relevant Period, the Affected Market was a market of investors or potential investors in ANN Shares:

(a) operated by the ASX;

(b) regulated by, inter alia, the ASX Listing Rules and s 674A(2) of the Corporations Act;

(c) in which the price or value of ANN Shares would reasonably be expected to have been informed or influenced by information disclosed in accordance with ASX Listing Rules and s 674A(2) of the Corporations Act or that otherwise becomes publicly available.

83 The Plaintiff and Group Members acquired interests in ANN Shares during the Relevant Period as a result of holding and acting upon the assumption, being an assumption generally made in the Affected Market and on which they were entitled to act, that the market price of ANN Shares represented the market price in a market:

(a) that had been informed of all material information that was required to be disclosed by Ansell in accordance with the ASX Listing Rules and s 674A(2) of the Corporations Act; and

(b) in which Ansell had not made any statements or representations that were misleading or deceptive or likely to mislead or deceive.

Particulars

Investors and potential investors in shares on the ASX, including ANN Shares, are generally aware that there is a complex and comprehensive regulatory regime including the ASX Listing Rules and ss 674A(2) and 1041H of the Corporations Act, one purpose of which

is to ensure that the market is promptly informed of all information which is relevant to the price at which securities are traded and that representations made to the market are not misleading or deceptive.

Particulars of the Plaintiff's holding and reliance upon the alleged assumption will be provided prior to trial.

84 In the Relevant Period, Ansell's Misleading or Deceptive Conduct and/or Continuous Disclosure Contravention (and each of them) (**Market Contraventions**) caused the market price of ANN Shares to be, or materially contributed to the market price of ANN being, greater than:

(a) their true value; and/or

(b) the market price that would have prevailed but for the Market Contraventions,

from the respective dates that those Market Contraventions commenced.

Particulars

This can be inferred from the matters alleged in paragraph 67 above.

The extent to which the Market Contraventions caused the price for ANN Shares to be greater than their true value and/or the market price that would have otherwise prevailed will be provided, following the service of expert evidence.

85 If Ansell had not engaged in the Market Contraventions, or any one or any combination of the Market Contraventions, the Plaintiff and Group Members:

(a) would have acquired ANN Shares at a lower price than that which prevailed; or

(b) would not have acquired ANN Shares at all.

Particulars

But for the FY22 ~~EPS~~ Guidance ~~Reliability~~ Representations, and the failure to correct the FY22~~EPS~~ Guidance ~~Reliability~~ Representations, the Plaintiff would not have acquired ANN Shares on 24 August 2021, 20 September 2021 and 11 November 2021, alternatively would have acquired them at a lower price.

86 The Plaintiff and the Group Members have suffered loss and damage resulting from the Market Contraventions.

Particulars

The loss suffered is:

A. the difference between the price at which the Plaintiff's or Group Member's interest in ANN Shares was acquired and the true value of that interest;
B. alternatively, the difference between the price at which they acquired their interest in the ANN Shares and whatever is 'left in hand' or has been realised upon sale;
C. alternatively, the difference between the price at which they acquired their interest in ANN Shares and whatever is 'left in hand', or has been realised on sale modified to take into account any part of the movement in the market price which did not result from the Market Contraventions;
D. alternatively, the difference between the price at which they acquired their interest in ANN Shares and the price that would have prevailed but for the Market Contraventions.

Further particulars of the Plaintiff's loss will be provided following service of expert reports. Further particulars of Group Members' loss will be provided following the trial of the common questions.

O COMMON QUESTIONS OF FACT OR LAW

87 The questions of law or fact common to the claims of each of the Plaintiff and the Group Members are:

(a) Whether Ansell made the FY22~~EPS~~ Guidance ~~Reliability~~ Representations;

(b) Whether Ansell contravened s 1041H of the Corporations Act, s 12DA(1) of the ASIC Act and/or s 18 of the Australian Consumer Law by making, maintaining, and/or failing to qualify the FY22~~EPS~~ Guidance ~~Reliability~~ Representations;

(c) Whether, during the Relevant Period, the Deficiencies in the Forecast Range was information that a reasonable person would expect to have a material value on the value of ANN Shares;

(d) Whether, during the Relevant Period, Ansell was negligent and/or reckless with respect to whether the Deficiencies in the Forecast Range was information which would have a material effect on the value of ANN Shares;

(e) Whether, during the Relevant Period, the Deficiencies in the Forecast Range was information that was not generally available;

(f) Whether, during the Relevant Period, Ansell was obliged to disclose to the ASX the Deficiencies in the Forecast Range and contravened s 674A(2) of the Corporations Act by failing to do so;

(g) Whether the Market Contraventions caused the price or value of ANN Shares to be higher during the Relevant Period than they would have been had the Market Contraventions not occurred and, if so, to what extent or by what amount.

AND THE PLAINTIFF CLAIMS on his own behalf and on behalf of Group Members:

A. A declaration that by making, maintaining or failing to qualify the ~~EPS~~ FY22 Guidance ~~Reliability~~ Representations (or any one of them), the Defendant engaged in conduct in contravention of s 1041H of the Corporations Act, s 12DA(1) of the ASIC Act and/or s 18 of the Australian Consumer Law.

B. A declaration that by making the Continuing Representations (or any one of them), the Defendant engaged in conduct in contravention of s 1041H of the Corporations Act, s 12DA(1) of the ASIC Act and/or s 18 of the Australian Consumer Law.

C. A declaration that the Defendant contravened s 674A(2) of the Corporations Act by failing to inform the ASX of some or all of the Deficiencies in the Forecast Range as soon as it became, for the purposes of ASX Listing Rules 3.1 and 19.12, of that information.

D. Damages and/or statutory compensation pursuant to s 1317HA of the Corporations Act, s 1041(1) of the Corporations Act, s 12GF(1) of the ASIC Act and/or s 236 of the Australian Consumer Law.

E. Interest pursuant to statute.

F. Costs.

G. Such further or other orders as the Court sees fit.

Date: 30 September 2026 ~~9 August 2022.~~

~~**J STOLJAR**~~

F FORSYTH

G COLEMAN

G T REES

Slater & Gordon
Solicitors for the Plaintiff