

16 February 2021

Manager Companies
Company Announcements Office
Australian Securities Exchange Limited
Level 4, Stock Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

ANSELL LIMITED (ANN)

Half Year Report & Accounts (Appendix 4D) for the period ended 31 December 2020

Please find attached for release to the market Ansell Limited's Half Year Report & Accounts (Appendix 4D) for the period ended 31 December 2020.

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

Yours sincerely

A handwritten signature in black ink, appearing to be "Catherine Stribley".

Catherine Stribley
Company Secretary
Ansell Limited



Appendix 4D

Condensed consolidated half year financial report For the six months ended 31 December 2020

Ansell Limited and Subsidiaries

ACN 004 085 330

This half year financial report is a general purpose financial report prepared in accordance with the ASX listing rules and Accounting Standard AASB 134: Interim Financial Reporting and is presented in United States dollars (\$). It should be read in conjunction with the annual financial report for the year ended 30 June 2020 and any public announcements to the market made by the entity during the period. The financial statements in this report are 'condensed financial statements' as defined in AASB 134: Interim Financial Reporting. This report does not include all the notes of the type normally included in an annual financial report.

Appendix 4D

Condensed consolidated half year financial report

For the six months ended 31 December 2020

Ansell Limited and Subsidiaries

ACN 004 085 330

Results for Announcement to the Market

US\$m

Revenue from ordinary activities	up	24.5%	937.8
Operating profit after tax attributable to members	up	61.9%	106.5
Net profit for the period attributable to members	up	61.9%	106.5

Dividends (distributions)

Amount per
share

Franked amount per
share

Dividend	33.2¢	Nil
Record date for determining entitlements to the dividend	23 February 2021	
Dividend Reinvestment Plan election cut off date	24 February 2021	
Dividend payment date	10 March 2021	

Net Tangible Asset backing

	31 December 2020 US\$m	30 June 2020 US\$m	31 December 2019 US\$m
Shareholders' Equity attributable to Ansell Limited shareholders	1,490.8	1,391.5	1,373.9
Less Intangible Assets	(1,093.1)	(1,065.9)	(1,084.7)
Net Tangible Assets	397.7	325.6	289.2
	No. Shares	No. Shares	No. Shares
Total fully paid ordinary shares on issue (millions)	128.5	128.5	130.2
Net tangible asset backing per ordinary share	\$3.09	\$2.53	\$2.22

Associates and Joint Ventures

	31 December 2020 %	30 June 2020 %	31 December 2019 %
Careplus (M) Sdn Bhd (CMSB)	50.0	50.0	-

■ Refer to the accompanying ASX Announcement and Investor Presentation for commentary on the figures reported above.

ANSELL LIMITED**ABN 89 004 085 330**

DIRECTORS' REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2020

This Report by the Directors of Ansell Limited (**the Company**) is made pursuant to the provisions of the *Corporations Act 2001* (Cth) for the half-year ended 31 December 2020 and is accompanied by the Condensed Consolidated Interim Financial Report of the Company and its subsidiaries (**the Group**) for the half-year ended 31 December 2020, in the form of ASX Appendix 4D.

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

1. Directors

The name of each person who has been a Director of the Company at any time during or since the end of the half-year, is:

John A Bevan	(Chairman)
W. Peter Day	
Leslie A Desjardins	
Nigel D Garrard	
Marissa T Peterson	
William G Reilly	
Christina M Stercken	
Christine Y Yan	
Magnus R Nicolin	(Managing Director and Chief Executive Officer)

2. Review and Results of Operations

A review of the operations of the Group during the half-year ended 31 December 2020 and the results of those operations is contained in the attached Half-Year Results Announcement.

3. Auditor's Independence Declaration

A copy of the independence declaration received from the Company's auditor, KPMG, in accordance with section 307C of the *Corporations Act 2001*, in respect of the review undertaken in relation to the Consolidated Half Year Financial Report for the half year financial period ending 31 December 2020, is attached.

4. Rounding Off

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors Reports) Instrument 2016/191 dated 31 March 2016 and in accordance with the Instrument, amounts in the Consolidated Half Year Financial Report have been rounded off to the nearest one hundred thousand dollars, unless otherwise stated.

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



J A Bevan
Director



M R Nicolin
Director

Dated in Melbourne this 16th day of February 2021.



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

To the Directors of Ansell Limited

I declare that, to the best of my knowledge and belief, in relation to the review of Ansell Limited for the half-year ended 31 December 2020 there have been:

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

KPMG

KPMG

A handwritten signature in blue ink, appearing to read 'Penny Stragalinos', written over a faint, larger version of the same signature.

Penny Stragalinos

Partner

Melbourne

16 February 2021

Condensed Consolidated Income Statement

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

	Note	2020 US\$m	2019 US\$m
Revenue			
Sales revenue	2	937.8	753.3
Expenses			
Cost of goods sold		(559.6)	(461.2)
Distribution		(41.4)	(34.9)
Selling, general and administration	3	(192.1)	(165.4)
Total expenses, excluding financing costs		(793.1)	(661.5)
Operating profit		144.7	91.8
Share of profit of equity accounted investment, net of tax	9	2.7	-
Profit before net financing costs and income tax expense		147.4	91.8
Net financing costs	3	(10.0)	(7.9)
Profit before income tax		137.4	83.9
Income tax expense		(30.3)	(17.5)
Profit for the period		107.1	66.4
Profit for the period is attributable to:			
Ansell Limited shareholders		106.5	65.8
Non-controlling interests		0.6	0.6
Profit for the period		107.1	66.4

		2020 US cents	2019 US cents
Earnings per share is based on net profit attributable to Ansell Limited shareholders			
Basic earnings per share	6	82.9	50.1
Diluted earnings per share	6	81.4	49.4

Condensed Consolidated Statement of Comprehensive Income

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

	2020 US\$m	2019 US\$m
Profit for the period	107.1	66.4
Other comprehensive income		
<i>Items that will not be reclassified to profit or loss:</i>		
Remeasurement of defined benefit superannuation / post retirement health benefit plans	(1.2)	-
Tax benefit on items that will not be subsequently reclassified to the income statement	0.3	-
<i>Total items that will not be reclassified to the income statement</i>	<i>(0.9)</i>	<i>-</i>
<i>Items that may subsequently be reclassified to the income statement:</i>		
Foreign currency translation reserve		
Net exchange differences on translation of financial statements of foreign subsidiaries	33.6	(2.5)
Hedging reserve		
Movement in effective cash flow hedges for the period	(6.3)	1.1
Movement in time value of options for the period	(1.3)	(0.6)
Tax benefit on items that may subsequently be transferred to the income statement	3.2	0.2
<i>Total items that may subsequently be reclassified to the income statement</i>	<i>29.2</i>	<i>(1.8)</i>
Other comprehensive income for the period, net of tax where applicable	28.3	(1.8)
Total comprehensive income for the period	135.4	64.6
Attributable to:		
Ansell Limited shareholders	134.1	64.4
Non-controlling interests	1.3	0.2
Total comprehensive income for the period	135.4	64.6

Condensed Consolidated Statement of Financial Position

of Ansell Limited and Subsidiaries

	31 December 2020 US\$m	30 June 2020 US\$m
Current Assets		
Cash on hand	-	0.1
Cash at bank and short-term deposits	350.0	406.0
Cash - restricted deposits	3.1	2.8
Trade and other receivables	235.4	181.2
Derivative financial instruments	7.0	5.7
Inventories	399.8	340.1
Other current assets	35.6	25.1
Total Current Assets	1,030.9	961.0
Non-Current Assets		
Trade and other receivables	2.8	4.1
Derivative financial instruments	1.7	1.8
Investments	16.9	11.9
Property, plant and equipment	284.7	251.5
Right-of-use assets	61.7	55.5
Intangible assets	1,093.1	1,065.9
Deferred tax assets	85.2	68.5
Retirement benefit assets	2.1	2.1
Other non-current assets	27.2	26.3
Total Non-Current Assets	1,575.4	1,487.6
Total Assets	2,606.3	2,448.6
Current Liabilities		
Trade and other payables	284.1	254.7
Derivative financial instruments	15.7	6.7
Interest bearing liabilities	50.0	50.0
Lease liabilities	21.1	18.3
Provisions	54.4	66.4
Current tax liabilities	28.9	12.3
Total Current Liabilities	454.2	408.4
Non-Current Liabilities		
Trade and other payables	3.7	1.6
Derivative financial instruments	1.0	0.8
Interest bearing liabilities	472.6	469.9
Lease liabilities	43.2	39.3
Provisions	12.2	9.3
Retirement benefit obligations	17.8	14.9
Deferred tax liabilities	72.6	76.6
Other non-current liabilities	25.4	24.4
Total Non-Current Liabilities	648.5	636.8
Total Liabilities	1,102.7	1,045.2
Net Assets	1,503.6	1,403.4
Equity		
Issued capital	806.0	806.0
Reserves	(90.6)	(120.2)
Retained profits	775.4	705.7
Total Equity Attributable to Ansell Limited Shareholders	1,490.8	1,391.5
Non-controlling interests	12.8	11.9
Total Equity	1,503.6	1,403.4

Condensed Consolidated Statement of Changes in Equity

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

	2020 US\$m	2019 US\$m
Total Equity at the beginning of the financial year	1,403.4	1,410.4
Change in accounting policy upon adoption of AASB 16 <i>Leases</i> net of tax	-	(4.1)
Total comprehensive income for the period attributable to:		
Ansell Limited shareholders	134.1	64.4
Non-controlling interests	1.3	0.2
Transactions with owners attributable to Ansell Limited shareholders:		
Share buy-back	-	(40.1)
Share-based payments reserve	0.5	(10.2)
Dividends	(35.4)	(34.5)
Transactions with owners attributable to non-controlling interests:		
Dividends	(0.3)	-
Total Equity at the end of the period	1,503.6	1,386.1

Condensed Consolidated Statement of Changes in Equity

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

	2020 US\$m	2019 US\$m
Issued Capital		
Balance at 1 July	806.0	873.9
Share buy-back	-	(40.1)
Total Issued Capital at 31 December	806.0	833.8
Reserves		
Share-Based Payments Reserve		
Balance at 1 July	63.4	67.4
Transactions with owners as owners:		
Charge to the income statement for the period	19.9	4.0
Issue of shares to employees to satisfy vesting of Performance Share Rights (PSRs) under the Group's Long Term Incentive plan	(19.4)	(14.2)
Balance at 31 December	63.9	57.2
Hedging Reserve		
Balance at 1 July	(1.9)	1.0
Comprehensive income for the period:		
Movement in effective cash flow hedges net of tax	(3.5)	1.1
Movement in time value of options net of tax	(0.9)	(0.4)
Balance at 31 December	(6.3)	1.7
General Reserve		
Balance at 1 July	11.6	11.0
Transfer from/(to) retained profits	0.5	0.3
Balance at 31 December	12.1	11.3
Foreign Currency Translation Reserve		
Balance at 1 July	(193.2)	(164.9)
Comprehensive income for the period:		
Net exchange difference on translation of financial statements of foreign subsidiaries	32.9	(2.1)
Balance at 31 December	(160.3)	(167.0)
Total Reserves at 31 December	(90.6)	(96.8)
Retained Profits		
Balance at 1 July	705.7	610.0
Change in accounting policy upon adoption of AASB 16 <i>Leases</i> net of tax	-	(4.1)
Transfer to reserves	(0.5)	(0.3)
Comprehensive income for the period:		
Net profit attributable to Ansell Limited shareholders	106.5	65.8
Actuarial loss on defined benefit pension plans net of tax	(0.9)	-
Dividends paid	(35.4)	(34.5)
Retained Profits at 31 December	775.4	636.9
Total Equity at 31 December attributable to Ansell Limited shareholders	1,490.8	1,373.9
Non-controlling interests		
Issued Capital	0.8	0.8
Reserves	1.0	0.8
Retained Profits	11.0	10.6
Total Non-controlling interests	12.8	12.2
Total Equity	1,503.6	1,386.1

Condensed Consolidated Statement of Cash Flows

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

	2020 US\$m	2019 US\$m
Cash Flows Related to Operating Activities		
Receipts from customers	896.0	756.1
Payments to suppliers and employees	(791.0)	(656.1)
Net receipts from operations	105.0	100.0
Income taxes paid	(28.2)	(8.6)
Net Cash Provided by Operating Activities	76.8	91.4
Cash Flows Related to Investing Activities		
Payments for businesses, net of cash acquired	(0.2)	(0.2)
Payments for property, plant and equipment and intangible assets	(45.1)	(27.6)
Payments for investments	(1.7)	-
Proceeds from the sale of property, plant and equipment	0.1	2.2
Net Cash Used in Investing Activities	(46.9)	(25.6)
Cash Flows Related to Financing Activities		
Proceeds from borrowings	-	34.8
Repayments of borrowings	(23.5)	(3.8)
Repayments of lease liabilities	(10.0)	(10.6)
Payments for share buy-back	-	(40.1)
Payments for shares acquired to satisfy vesting of PSRs under the Group's Long Term Incentive plan	(19.4)	(14.2)
Dividends paid - Ansell Limited shareholders	(35.4)	(34.5)
Dividends paid - Non-controlling interests	(0.3)	-
Interest received	0.7	3.0
Interest on interest bearing liabilities and financing costs paid	(9.6)	(9.9)
Interest paid on lease liabilities	(0.9)	(0.7)
Net Cash Used in Financing Activities	(98.4)	(76.0)
Net decrease in cash and cash equivalents	(68.5)	(10.2)
Cash and cash equivalents at the beginning of the period	408.9	397.5
Effect of movements in exchange rates on cash held	12.7	0.1
Cash and Cash Equivalents at the end of the period	353.1	387.4
Cash and Cash Equivalents at the end of the period comprises:		
Cash at bank and on deposit	350.0	384.5
Cash - restricted deposits	3.1	2.9
	353.1	387.4

Notes to the condensed consolidated half year financial statements

1. Summary of Significant Accounting Policies

General

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

- Healthcare GBU
- Industrial GBU

Statement of Compliance

The condensed consolidated half year financial statements are general purpose financial statements prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001* and are presented in United States dollars.

The consolidated financial statements were authorised for issue by the Board of Directors on 16 February 2021.

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

Accounting Estimates and Judgements

In preparing these half year financial statements, management make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 30 June 2020.

Significant Accounting Policies

The accounting policies applied in these half year financial statements are the same as those applied in the Group's consolidated financial statements for the year ended 30 June 2020. The accounting policies have been applied consistently by all entities in the Group.

The Group early adopted AASB 2019-3 *Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform* (the Amendment) from 1 July 2019, which is effective for annual reporting periods beginning on or after 1 January 2020. The reform is being undertaken to replace interbank offered rates (IBORs) with alternative risk-free rates. The mandatory temporary relief has enabled hedge accounting to continue during the period of uncertainty before the replacement of an existing interest rate benchmark with the alternative risk-free benchmark. Ansell's borrowing and hedging derivatives portfolio is exposed to USD and GBP LIBOR, which are not expected to be published until after the end of 2021. The Group applied the Amendment to hedging relationships that existed at 1 July 2019 or were designated thereafter and that are directly affected by the interest rate benchmark reform.

The adoption of AASB 2019-3 *Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform* has not had a significant impact on the Group's accounting policies or practices.

Notes to the condensed consolidated half year financial statements

2. Operating Segments

The Group comprises the following operating segments:

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

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

	Operating Segments			Total Group
	Healthcare	Industrial	Unallocated	
	US\$m	US\$m	US\$m	US\$m
31 December 2020				
Sales Revenue	549.7	388.1	-	937.8
Operating profit/(loss)	97.7	57.9	(10.9)	144.7
Share of profit of equity accounted investment, net of tax	2.7	-	-	2.7
Profit/(loss) before net financing costs and income tax expense	100.4	57.9	(10.9)	147.4
Net financing costs	-	-	(10.0)	(10.0)
Profit/(loss) before income tax expense	100.4	57.9	(20.9)	137.4
Income tax expense				(30.3)
Profit after income tax				107.1
Non-controlling interests				(0.6)
Net profit attributable to Ansell Limited shareholders				106.5
Segment depreciation and amortisation	12.1	15.0	3.5	30.6
Segment capital expenditure	21.0	21.7	2.4	45.1

	Operating Segments			Total Group
	Healthcare	Industrial	Unallocated	
	US\$m	US\$m	US\$m	US\$m
31 December 2019				
Sales Revenue	394.9	358.4	-	753.3
Operating profit/(loss)	54.6	44.4	(7.2)	91.8
Share of profit of equity accounted investment, net of tax	-	-	-	-
Profit/(loss) before net financing costs and income tax expense	54.6	44.4	(7.2)	91.8
Net financing costs	-	-	(7.9)	(7.9)
Profit/(loss) before income tax expense	54.6	44.4	(15.1)	83.9
Income tax expense				(17.5)
Profit after income tax				66.4
Non-controlling interests				(0.6)
Net profit attributable to Ansell Limited shareholders				65.8
Segment depreciation and amortisation	11.0	13.0	3.9	27.9
Segment capital expenditure	12.4	10.7	4.5	27.6

Notes to the condensed consolidated half year financial statements

2. Operating Segments (continued)

	Assets		Liabilities	
	December 2020 US\$m	June 2020 US\$m	December 2020 US\$m	June 2020 US\$m
Operating segments				
Healthcare	1,168.8	1,059.4	152.8	130.1
Industrial	917.9	835.4	129.2	133.7
Unallocated	519.6	553.8	820.7	781.4
Total Group	2,606.3	2,448.6	1,102.7	1,045.2

Regional Information

Sales revenue is disclosed in the four geographical regions based on where the products are sold to external customers. Assets (excluding goodwill, brand names and other intangibles) are allocated to the geographical regions in which the assets are located.

- Asia Pacific - manufacturing facilities in Malaysia, Thailand, Sri Lanka, Vietnam and China.
- Europe, Middle East and Africa - manufacturing facilities in Lithuania and Portugal.
- Latin America and Caribbean - manufacturing facility in Brazil.
- North America - manufacturing facility in Mexico.

	Sales Revenue		Regional Assets	
	December 2020 US\$m	December 2019 US\$m	December 2020 US\$m	June 2020 US\$m
Regions				
Asia Pacific	134.3	98.5	462.2	393.4
Europe, Middle East and Africa	324.2	257.3	219.7	172.8
Latin America and Caribbean	56.4	52.2	57.9	50.8
North America	422.9	345.3	268.2	229.0
Total Regions	937.8	753.3	1,008.0	846.0

Country of Domicile

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

	December 2020 US\$m	December 2019 US\$m
Sales Revenue	43.6	63.0
	December 2020 US\$m	June 2020 US\$m
Assets	25.0	28.2

Notes to the condensed consolidated half year financial statements

3. Profit Before Income Tax

Net Financing costs

	December 2020 US\$m	December 2019 US\$m
Interest expense on interest bearing liabilities	8.4	9.1
Interest expense on lease liabilities	0.9	0.7
Other financing costs	1.4	1.2
Interest income	(0.7)	(3.1)
Net financing costs	10.0	7.9

Depreciation and Amortisation

Depreciation - Property, plant and equipment	16.1	15.7
Amortisation - Intangibles	4.0	3.5
Depreciation - Right-of-use assets	10.5	8.7
Depreciation and amortisation	30.6	27.9

4. Issued Capital

	December 2020	December 2019
Movement in shares on issue		
Fully Paid Ordinary Shares		
Balance at 1 July	128,527,343	132,302,593
Share buy-back	-	(2,142,071)
Balance at 31 December	128,527,343	130,160,522
Executive Share Plan Shares		
Balance at 1 July	44,700	44,700
Balance at 31 December	44,700	44,700

Notes to the condensed consolidated half year financial statements

5. Dividends Paid or Declared

	December 2020 US\$m	December 2019 US\$m
Dividends Paid		
A final dividend of US28.25 cents per share unfranked for the year ended 30 June 2020 (June 2019 - US26.00 cents unfranked) was paid on 17 September 2020 (2019 - 5 September 2019)	35.4	34.5

Dividends Declared

An interim dividend for the year ended 30 June 2021 of US33.2 cents per share unfranked, has been declared and is payable on 10 March 2021.

The balance of available franking credits in the franking account as at 31 December 2020 was nil (2019: nil).

6. Earnings per Share (EPS)

	December 2020 US\$m	December 2019 US\$m
Earnings Reconciliation		
Profit for the period	107.1	66.4
Less profit for the period attributable to non-controlling interests	(0.6)	(0.6)
Earnings used in calculation of basic and diluted EPS	106.5	65.8

	No. Shares	No. Shares
Weighted average number of ordinary shares used as the denominator		
Number of ordinary shares for basic earnings per share	128,527,343	131,382,374
Effect of partly paid Executive Plan shares and PSRs	2,273,942	2,028,143
Number of ordinary shares for diluted earnings per share	130,801,285	133,410,517

Partly paid Executive Plan shares and PSRs have been included in diluted earnings per share.

	December 2020 US cents	December 2019 US cents
Earnings per share		
Basic earnings per share	82.9	50.1
Diluted earnings per share	81.4	49.4

Notes to the condensed consolidated half year financial statements

7. Financial Instruments

Financial risk management

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

These policies remain consistent with those disclosed in the consolidated financial statements for the year ended 30 June 2020.

Financial instruments carried at fair value

Fair Value Hierarchy

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

The different valuation methods have been defined as follows:

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

	December 2020			
	Level 1	Level 2	Level 3	Total
	US\$m	US\$m	US\$m	US\$m
Derivative financial assets	-	8.7	-	8.7
Derivative financial liabilities	-	16.7	-	16.7
Unlisted investment	-	-	3.0	-

The Group currently holds Level 2 derivative financial instruments and a Level 3 unlisted investment. In order to determine the fair value of the financial instruments, management used valuation techniques in which all significant inputs were based on observable market data. The fair value of the unlisted investment is calculated based on the Group's share of net assets of the investee as per the latest available information at each reporting date.

8. Ownership-based Remuneration Schemes

Grants of Performance Share Rights (PSRs) to the Managing Director and certain senior executives under the Group's Long Term Incentive (LTI) Plans were made in August 2018, August 2019 and August 2020 and are due to vest (upon the achievement of the performance hurdles stipulated in the LTI Plan) during the 2021, 2022 and 2023 financial years respectively. The value of these PSRs has been calculated by an external valuation expert and the related cost is amortised over the three year vesting periods.

Notes to the condensed consolidated half year financial statements

9. Equity Accounted Investment

Careplus (M) Sdn Bhd (CMSB) is a joint venture in which the Group has joint control with Careplus Group Berhad and a 50% ownership interest.

The carrying amount of the equity accounted investment has changed as follows in the six months to 31 December 2020:

	December 2020 \$m
Balance at the beginning of the financial year	8.9
Additions	1.7
Profit/(Loss) for the period	2.7
Dividends received	-
Net exchange differences on translation	0.6
Balance at the end of the period	13.9

As at 31 December 2020, the Group had \$3.6m trade payable owing to and \$10.1m other receivable from CMSB. Both are based on normal commercial terms and conditions. None of the balances are secured.

Recognition and measurement

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities and are accounted for using the equity method. Investments in joint ventures are initially recorded at cost which includes transaction costs.

Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of joint ventures with a corresponding adjustment to the carrying amount of the investment, until the date on which joint control ceases. Dividends received from joint ventures reduce the carrying amount of the investment.

ANSELL LIMITED**ABN 89 004 085 330**

Directors' Declaration

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

1. the Condensed Consolidated Interim Financial Report (including the notes to the Condensed Consolidated Interim Financial Report) of the Company and its subsidiaries (**the Group**) for the half-year ended 31 December 2020, in the form of ASX Appendix 4D, is in accordance with the *Corporations Act 2001* (Cth) including:
 - (a) giving a true and fair view of the financial position of the Group as at 31 December 2020 and of its performance for the half-year ended 31 December 2020; and
 - (b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.
2. as at the date of this declaration there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



J A Bevan
Director



M R Nicolin
Director

Dated in Melbourne this 16th day of February 2021.



Independent Auditor's Review Report

To the shareholders of Ansell Limited

Report on the Half-year Financial Report

Conclusion

We have reviewed the accompanying **Half-year Financial Report** of Ansell Limited.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Half-year Financial Report of Ansell Limited is not in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the **Group's** financial position as at 31 December 2020 and of its performance for the Half-year ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The **Half-year Financial Report** comprises:

- Condensed consolidated statement of financial position as at 31 December 2020
- Condensed consolidated income statement, condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the Half-year ended on that date
- Notes 1 to 9 comprising a summary of significant accounting policies and other explanatory information
- The Directors' Declaration.

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

Basis for Conclusion

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

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

Responsibilities of the Directors for the Half-year Financial Report

The Directors of the Company are responsible for:

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

Auditor's responsibility for the Review of the Half-year Financial Report

Our responsibility is to express a conclusion on the Half-year Financial Report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the Half-year Financial Report does not comply with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2020 and its performance for the Half-Year ended on that date, and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

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

KPMG



KPMG

Penny Stragalinos

Partner

Melbourne

16 February 2021