

Annual Report 2024



For the year ended
30 June 2024

Netwealth Group Limited
ABN: 84 620 145 404

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Acknowledgement of Country

We acknowledge the traditional owners of the lands that we work and live on. Our offices are on the lands of the traditional owners of the Wurundjeri people of the Kulin Nation in Melbourne, the Turrbal and Jagera people in Brisbane, the Gadigal people of the Eora Nation in Sydney, the Kurna people of the Adelaide Plains and the Whadjuk Nyoongar people in Perth. We celebrate the stories, culture and traditions of the Aboriginal and Torres Strait Islander people of all nations, and pay our respects to Elders past and present.

This statement is made by Netwealth Group Limited on behalf of its reporting entities for the financial year ending 30 June 2024.

Our purpose is

To enable people to
see wealth differently
and discover a
brighter future

Appendix 4E

Report for the year ended 30 June 2024.

Netwealth Group Limited
ABN: 84 620 145 404

1. Details of the reporting period

Report for the year ended 30 June 2024 (FY2024).

Previous corresponding period year ended 30 June 2023 (FY2023).

2. Results for announcement to the market

	FY2024 \$'000	FY2023 \$'000	Increase/ (Decrease)	Var %
Revenue from ordinary activities	249,526	211,490	38,036	18.0%
Profit from ordinary activities before tax attributable to members	120,449	97,014	23,435	24.2%
Net profit for the period attributable to members	83,370	67,153	16,217	24.1%

Refer to the attached Annual Report (Directors' report – Review of operations section), for further commentary on the full year results.

3. Net tangible assets per ordinary security

	FY2024	FY2023
Net tangible assets per ordinary security	55.3 cents	47.8 cents

Net tangible assets (NTA) used in the calculation of NTA per ordinary security are inclusive of both right of use assets and lease liabilities.

4. Dividends information

	Amount per Share (cents)	Franked Amount per Share (cents)	% Franked	Tax rate for Franking Credit
Final 2023 dividend per share (paid 21 Sep 2023)	13.0	5.57	100%	30%
Interim 2024 dividend per share (paid 28 Mar 2024)	14.0	6.00	100%	30%
Final 2024 dividend per share (to be paid 26 Sep 2024)	14.0	6.00	100%	30%

Final 2024 dividend dates

Ex-dividend date	26 August 2024
Record date	27 August 2024
Payment date	26 September 2024

There is no dividend reinvestment plan.

5. Control gained/loss over entities

Not applicable.

6. Details of associates and joint venture entities

Netwealth owns 25% of the equity of Xeppo Pty Ltd (Xeppo), a specialist fintech data solution provider.

Xeppo specialises in connecting, matching and reconciling data from a wide range of sources and providing technology solutions to support the wealth management, accounting and mortgage industries.

7. Compliance statement

This report is based on the consolidated financial statements for the year ended 30 June 2024 which have been audited by Netwealth Group Limited's auditors, Deloitte Touche Tohmatsu, with the audit report attached.



Matt Heine
CEO & Managing Director
13 August 2024

About Netwealth

Netwealth Group Limited (Netwealth, "NWL" or the Group) is a financial services company listed on the Australian Securities Exchange (ASX: NWL). Netwealth was created with an entrepreneurial spirit to challenge the conventions of Australia's financial services.

We are a technology company, a superannuation fund trustee and a wealth administration business. Above all we exist to enable people to see wealth differently and discover a brighter future.

Founded in 1999, Netwealth is one of the fastest growing wealth management businesses in Australia.

Our financial products are:

- superannuation including accumulation and retirement income products;
- investor directed portfolio services for self-managed superannuation and non-superannuation investments;
- managed accounts;
- managed funds;
- self-managed superannuation funds administration; and
- non-custodial administration and reporting services.

Netwealth's digital platform supports how our financial products are delivered to market. Financial intermediaries and clients can invest and manage a wide array of domestic and international products through the platform.

The platform is built, developed and maintained by our technology team. It is continuously enhanced using feedback from financial intermediaries, clients and other users and receives wide industry recognition as having market-leading functionality.

Supporting our financial products and technology platform is a significant investment in our people and resources to administer support, execute our custodial services and manage risk and governance.

Letter from the Chair and CEO & Managing Director

On behalf of the Board of Directors (the Board) of Netwealth Group Limited (Netwealth), we are pleased to present the Annual Report for the year ended 30 June 2024.

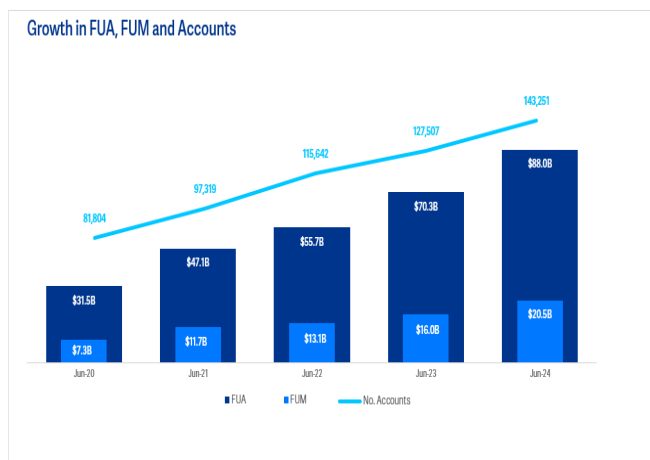
Throughout FY2024, global inflation steadily declined and equity market indexes rebounded from their lows in the first quarter and bond rates moderated. The Australian wealth management platform market benefitted from these trends and is estimated to have increased by 11.5% in 12 months to March 2024, growing from \$982 billion to \$1.095 trillion¹.



Timothy Antonie
Independent
Non-Executive
Chair

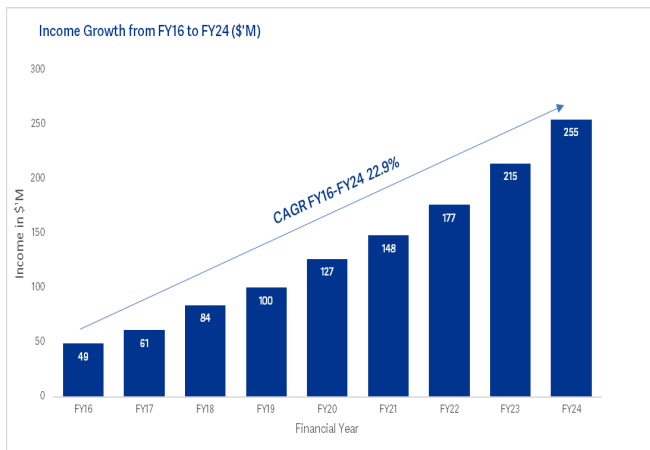


Matthew Heine
CEO & Managing
Director (CEO)



Against this backdrop, Netwealth's Funds Under Administration (FUA) grew by 25.2% or \$17.7 billion to reach an all-time high of \$88.0 billion as at 30 June 2024. We achieved record annual FUA gross inflows of \$22.0 billion and pleasingly, FUA net inflows of \$11.2 billion.

FY2024 was another strong year for Netwealth across many financial and operating metrics including increased market share of 0.9% to 7.7%¹ as at March 2024.



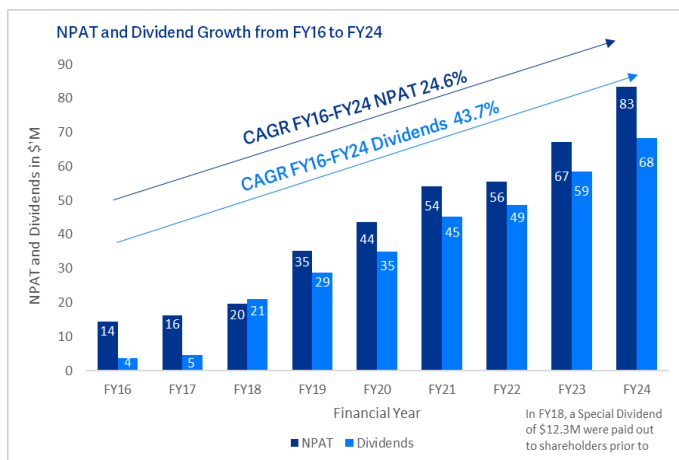
Total income increased by 18.9% for FY2024 to \$255.2 million predominantly driven by the growth in FUA from existing clients and new clients.

Our EBITDA margin increased by 1.9% to 48.8% due to strong income growth and moderate expense growth of 14.5%. This resulted in an impressive 23.8% increase of EBITDA to \$124.7 million. Our continued high cash conversion ratio resulted in a 19.8% increase in Operating net cashflow (before tax) to \$127.3 million.

¹ Source: Plan for Life, Analysis of Wrap, Platform and Master Trust as at March 2024

Netwealth’s record FY2024 net profit after tax of \$83.4 million represented a 24.1% increase from the previous year’s result. Earnings per share increased by 24.4% to 34.2 cents per share. Once again there were no significant or abnormal items impacting our reported earnings.

The Board today declared a final fully franked dividend of 14.0 cents per share resulting in total fully franked dividends of 28.0 cents per share for FY2024, a 16.7% increase from the previous year.



Netwealth won “Advised Product of the Year” at The Chant West Award event for 2024. This award recognises the platform that has a wider range of investment choices, features and functionalities and have invested in dedicated systems to help advisers manage their client base and access their client details. Among a number of 1st place rankings by Investment Trends during the year, Netwealth was the leader in the High-Net-Worth adviser segment for platforms.

Netwealth continued to expand and strengthen many new and important licensee and adviser relationships throughout the year with client accounts increasing by over 12%. Our new business pipeline including conversion rates remains strong across all market segments. We enter FY2025 well positioned to continue to increase market share.

Our consistent delivery of improved annual financial performance is a testament to the exceptional talent and dedication of our team of 600+ here at Netwealth. Our Executive Team, which was substantially bolstered in 2023, continued its proven track record of driving growth and innovation. Their deep industry knowledge, combined with their commitment to excellence and strong leadership positions us well to maintain our growth trajectory.

Importantly, our employee survey reflects strong and improving satisfaction levels, indicating a positive experience for our people. We have set measurable gender diversity targets of 40/40/20 for the Board and executive team by FY2026. Pleasingly we met our Board target in FY2024.

As Netwealth continues to grow, we will continue to strategically invest in our platform and service offerings to maintain our leading offering for the benefit of our stakeholders. This includes our whole of wealth strategy, trading capability, customised reporting, system migration and security, and generative artificial intelligence solutions.

Over the last 12 months, our People and Corporate Sustainability Committee has again made significant progress on key areas important to our stakeholders. We encourage you to read the Corporate Sustainability Report on our website <https://www.netwealth.com.au/web/about-netwealth/corporate-sustainability/> and the summary on pages 22 to 23 of this Annual Report.

Our investment in cybersecurity remains a high priority, and we continue to invest in our people and software capability to mitigate potential risks and raise awareness with our stakeholders. These threats can lead to wide-ranging consequences and we are proud to note that Netwealth has received reasonable assurance from our auditors on Service Organisation Controls (SOC 2).

As a participant in the highly regulated financial services industry, and given the significant trust placed in us by our clients and other stakeholders, sound governance is paramount to our sustained success and growth. We continue to actively manage and enhance our systems, risk management framework and corporate governance practices to meet regulatory changes and exceed the expectations of our stakeholders. For further information please refer to our Corporate Governance Statement on our website <https://www.netwealth.com.au/web/about-netwealth/shareholders/> and a summary on pages 24 to 28 of this Annual Report.

To further strengthen our governance, we are pleased to welcome Sarah Brennan as a new Director. Sarah brings extensive industry experience and complementary skills to the company, having served as a senior executive and non-executive in the financial services industry. Her appointment underscores our commitment to maintaining high standards of governance and leveraging diverse expertise to drive our strategic objectives.

As previously announced, our founder Michael Heine made the transition from Executive Director to a Non-Executive Director at the end of FY2024. On behalf of the Board, the Executive and all our people, we thank Michael for his visionary leadership and unwavering dedication to Netwealth.

Netwealth continues to retain sufficient levels of capital to meet our regulatory requirements. Our strong balance sheet and disciplined risk management strategies position us well to respond to both risks and opportunities.

We extend our gratitude to our fellow Board members for their dedication, insightful advice and exemplary governance.

Finally, on behalf of the Board, we thank our valued clients, our people and our shareholders for your ongoing support. We look forward to working with you in FY2025 and to another successful year.

Yours sincerely



Timothy Antonie
Chair
13 August 2024



Matt Heine
CEO & Managing Director
13 August 2024

Corporate Highlights

Highlights for the year were (comparative period FY2023):



\$255.2M

Total Income
Growth \$40.5M (+18.9%)



\$124.7M¹

EBITDA
Growth \$23.9M (+23.8%)



48.8%¹

EBITDA margin
(FY2023: 46.9%)



34.2 cents

EPS
Growth 6.7 cents (+24.4%)



\$127.3M¹

Operating net cash flow before tax



Dividend 28.0 cps

Interim 14.0 cps + Final 14.0 cps
Growth 4.0 cps (+16.7%)



\$88.0B FUA

Growth \$17.7B (+25.2%)
(Includes \$0.45B non-custodial FUA)



\$11.2B

FUA net inflows
Growth \$1.3M (+13.6%)



143,251 Clients

Growth 15,744 (+12.3%)



\$20.5B FUM

Growth \$4.5B (+28.4%)



7.7%²

FUA Market Share
Growth 0.9% over 12 months



Leading Platform³

Rated by Investment Trends: For Best
Product Offering and Best
Transaction Tools

¹ Directors consider this non-IFRS information to be a key metric in evaluating the operating performance of the Group. Reconciliations to IFRS information are on pages 14-15.

² Plan For Life Media Release, Analysis of Wraps, Platforms and Master Trusts as at 31 March 2024

³ Investment Trends, December 2023 Adviser Technology Needs Report
EPS – Earnings per share; CPS – Cents per share

Operating and Financial Review

Operational performance highlights

Set out in the below table is a summary of key platform statistics for FY2024 and FY2023.

	Consolidated Group for Year Ended			
	30 June 2024	30 June 2023	Variance	Variance %
FUA – Custodial - End of Period (EOP) (\$ million)	87,555	70,146	17,409	24.8%
FUA – Non-custodial (EOP) (\$ million)	448	126	322	255.6%
Total FUA	88,003	70,272	17,731	25.2%
FUA inflows – Custodial (\$ million)	21,648	18,609	3,039	16.3%
FUA outflows – Custodial (\$ million)	(10,710)	(8,844)	(1,866)	(21.1%)
FUA net inflows – Custodial (\$ million)	10,938	9,765	1,173	12.0%
FUA net inflows – Non-custodial (\$ million)	284	117	167	141.9%
FUA Market Movement – Custodial (\$ million)	6,470	4,730	1,740	36.8%
FUA Market Movement – Non-custodial (\$ million)	38	9	29	322.2%
Platform revenue/average FUA (bps) ¹	32.0 bps	33.6 bps	(1.6 bps)	(4.8%)
FUM (EOP*) (\$ million)	20,485	15,960	4,525	28.4%
FUM net inflows (\$ million)	3,125	1,959	1,166	59.5%
Managed Account (EOP) (\$ million)	17,587	13,592	3,995	29.4%
Managed Account net inflows (\$ million)	2,744	1,590	1,154	72.6%
Managed Funds (EOP) (\$ million)	2,898	2,368	530	22.4%
Managed Funds net inflows (\$ million)	382	369	13	3.5%
Cash transaction account as % of Custodial FUA (EOP)	6.0%	6.4%	(0.4%)	-
Accounts (EOP*) (number)	143,251	127,507	15,744	12.3%
Financial intermediaries (EOP) (number)	3,759	3,512	247	7.0%
Average FUA/average number of Accounts (\$ thousands)	583	521	62	11.9%
Platform revenue/average number of accounts (\$) ¹	1,864	1,747	117	6.7%

¹During the year, the Group has revised the classification and disclosure of cost of capital recovery. \$5.9 million cost of capital recovery has been presented as Platform revenue in the current year. Comparative figure of \$4.5 million has been reclassified from Other income to Platform revenue, to be consistent with current period disclosure. Refer to Note 2 Material Accounting Policies.

* EOP=End of Period

Netwealth achieved record Funds Under Administration (FUA) at 30 June 2024 of \$88.0 billion, an increase of \$17.7 billion (25.2% increase) for FY2024. The Group posted record annual FUA gross Inflows of \$22.0 billion for FY2024.

FUA net inflows of \$11.2 billion for FY2024, was an increase of \$1.3 billion in FUA net inflows on FY2023, due to an elevated level of inflows across all client segments.

Non-custodial FUA net inflows of \$448 million, was an increase of \$322 million (255.6% increase) for FY2024.

Funds Under Management (FUM) at 30 June 2024 were \$20.5 billion, an increase of \$4.5 billion (28.4%) from FY2023 including positive market movement of \$1.4 billion.

Managed Account balance at 30 June 2024 was \$17.6 billion, an increase of \$4.0 billion (29.4%) for FY2024. The increase for FY2024 included Managed Account net inflows of \$2.7 billion and positive market movement of \$1.3 billion.

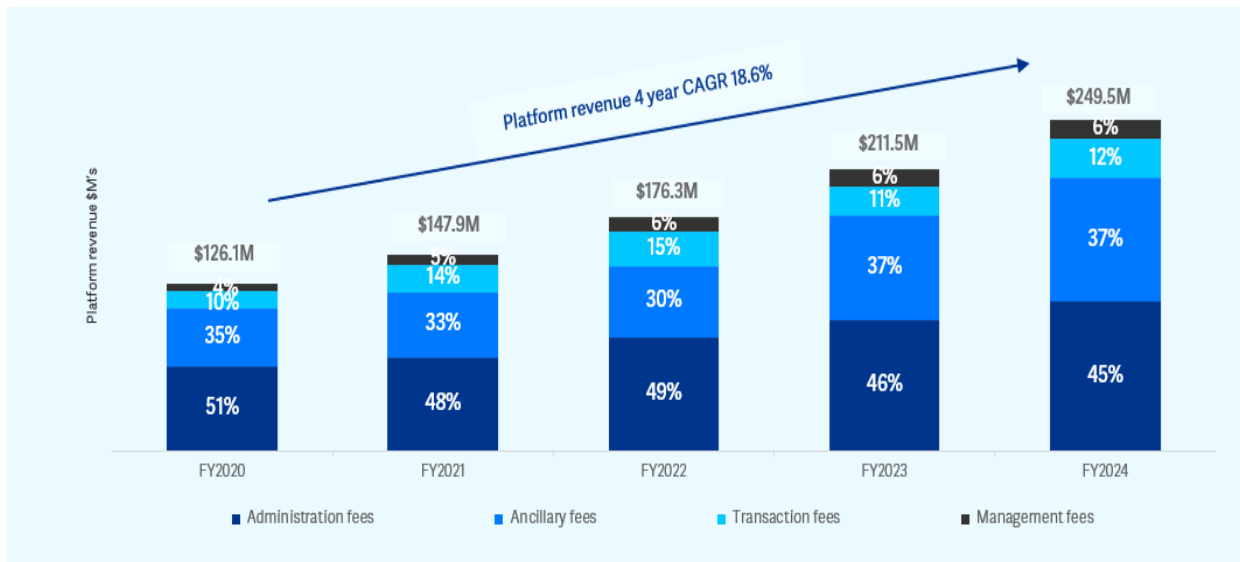
Total client accounts increased by 15,744 or 12.3% to 143,251 at 30 June 2024. Financial Intermediaries using the platform increased by 247 or 7.0% to 3,759 at 30 June 2024.

Platform revenue per account increased by \$117 or 6.7% to \$1,864 in FY2024. Platform revenue/average FUA of 32.0 bps for FY2024, a decrease of 1.6 bps or 4.8%. Whilst the increase in FUA from positive market movements contributes to higher admin fee revenue, the impact is significantly diluted due to the structure of tiered administration fees, fee caps and most ancillaries. The average cash transaction account balance as a percentage of custodial FUA in FY2024 was lower at 6.1% (FY2023: 7.1%).

The platform revenue over average FUA was 31.1 bps for 2HFY24, a decrease from 33.0 bps in 1HFY24.

Average account size increased to \$583,000 for FY2024, up from \$521,000 in FY2023.

Platform revenue split FY2020 to FY2024



Source: Netwealth. Note: Cost of capital recovery on Operational Risk Financial Requirement classification and disclosure has been revised and presented as Platform revenue – Ancillary fees. Prior periods have been reclassified to be consistent with current period disclosure.

Review of FY2024 financial performance

Netwealth achieved total income of \$255.2 million for FY2024, a 18.9% growth from prior year. Platform revenues increased by \$38.0 million (18.0%) to \$249.5 million for FY2024. Strong FUA growth from both new and existing clients combined with higher margins on cash during the year led to the higher revenues.

Total operating expenses were \$130.6 million for FY2024, an increase of \$16.6 million or 14.5% compared to prior year.

Employee benefits expenses, excluding share-based payment expenses, increased by \$12.4 million to \$90.3 million, accounting for 69.1% of total operating expenses. The headcount as at year end was 613, an increase of 60 roles in FY2024.

Technology and communication expenses (non-employees) increased by \$2.1 million or 15.3% to improve the scalability and security of systems, upgrading our technology infrastructure and implementing the transition to cloud-based systems.

Share based payment expense increased by \$0.6 million to \$3.0 million for FY2024.

The Group delivered EBITDA of \$124.7 million for FY2024, an increase of \$23.9 million (23.8%) versus FY2023 with an EBITDA margin of 48.8%.

Record net profit after tax (NPAT) of \$83.4 million was achieved, an increase of \$16.2 million or 24.1% over FY2023 with a NPAT margin of 32.7%.

Earnings per share (EPS) was 34.2 cents in FY2024, an increase of 24.4% over FY2023.

Results of profit or loss for FY2024

Set out in the table below is the consolidated statement of profit or loss and other comprehensive income for FY2024 presented in full to reflect other financial metrics.

	Consolidated Group for Year Ended			
	30 June 2024 \$'000	30 June 2023 \$'000	Variance \$'000	Variance %
Income				
Platform revenue	249,526	211,490	38,036	18.0%
Other income	5,722	3,259	2,463	75.6%
Total income	255,248	214,749	40,499	18.9%
Expenses				
Employee benefits expenses	(90,268)	(77,886)	12,382	15.9%
Share-based payment expense	(3,002)	(2,381)	621	26.1%
Technology and communication	(15,791)	(13,689)	2,102	15.4%
Professional and insurance	(6,542)	(6,186)	356	5.8%
Brokerage, investment & custody	(4,565)	(4,567)	(2)	0.0%
Advertising and marketing	(3,068)	(2,835)	233	8.2%
Other costs and expenses	(7,334)	(6,461)	873	13.5%
Total operating expenses	(130,570)	(114,005)	16,565	14.5%
EBITDA	124,678	100,744	23,934	23.8%
EBITDA margin	48.8%	46.9%	1.9%	-
Interest on leases	(573)	(451)	122	27.1%
Depreciation and amortisation	(3,656)	(3,279)	377	11.5%
NPBT	120,449	97,014	23,435	24.2%
Income tax expense	(37,079)	(29,861)	7,218	24.2%
NPAT	83,370	67,153	16,217	24.1%
NPAT margin	32.7%	31.3%	1.4%	-
EPS (cents per share)	34.2	27.5	6.7	24.4%

Cash flow statement (pre-tax) FY2024

The table below sets out the summary of the consolidated statement of cash flows.

	Consolidated Group for Period Ended			
	30 June 2024	30 June 2023	Variance	Variance
	\$'000	\$'000	\$'000	%
Receipts from customers	258,061	223,412	34,649	15.5%
Payment to suppliers and employees	(136,372)	(120,302)	(16,070)	(13.4%)
Dividends and interest received	5,624	3,152	2,472	78.4%
Operating net cash flows before tax	127,313	106,262	21,051	19.8%
Investing activities	(5,107)	(4,990)	(117)	(2.4%)
Payments and Interest on lease	(2,151)	(1,952)	(199)	(10.2%)
Free cash flows before tax	120,055	99,320	20,735	20.9%

Free cash flows before tax is a non-International Financial Reporting Standard (IFRS) measure and should not be considered in isolation from, or as a substitute for financial information prepared in accordance with IFRS.

Management considers free cash flow to be a performance measure that provides useful information to management and investors about the amount of cash generated by the Group (before tax) available for strategic opportunities, dividends and for strengthening the Group's financial position.

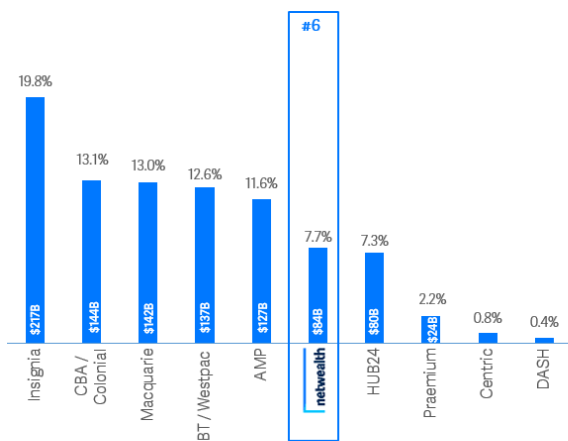
The table above provides the reconciliation to IFRS financial information in this financial report.

A market leading Australian platform

Netwealth continues to be recognised as a market leader in the platform segment for its product offering, service, innovation and growth. During the year, Netwealth was:

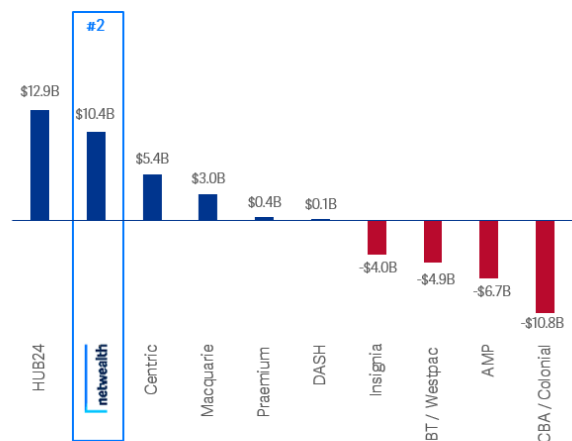
- Rated No.1 for “Best Product offering” and “Best Transaction Tools” in the latest Investment Trends Platform Competitive Analysis and Benchmarking Report December 2023.
- Netwealth won “Advised Product of the Year” at The Chant West Award event for 2024. This award recognises the platform that has a wider range of investment choices, features and functionalities and has invested in dedicated systems to help advisers manage their client base and access their client details.
- Netwealth’s market share increased by 0.9% for the 12 months to 31 March 2024 to 7.7%, according to the latest Plan for Life quarterly platform market update.

Platform providers by FUA market share % market share (March 2024)



Source: Plan For Life, Analysis of Wrap, Platform and Master Trust Managed Funds as at March 2024 Total industry retail FUA of \$1.1T (as at 31 March 2024)

Platform provider net funds flows \$'Billions (12 months to March 2024)



Source: Plan For Life, Analysis of Wrap, Platform and Master Trust Managed Funds as at March 2024. Total net fund flows of +\$6.1B (Not included above: Others circa \$0.4B and circa \$35B for the transition of BT’s Master Trust business to Mercer’s Platform) *Hub24 includes \$1.8B transition from Insignia private label

Enhancements to our whole of wealth platform

Netwealth continues to extend our competitive advantage, building on our leading capabilities and addressing emerging opportunities through a focus on data and technology that integrates with the software that advisers use now and leads the industry into the future. During the year Netwealth delivered the following from its strategic roadmap:

Wealth Solutions:

- Relunched our Accelerator Core product, competitively priced with access to over 60 investments, comprising both managed funds and managed accounts, across a range of asset classes, risk profiles, and investment strategies, increasing Accelerator Core net inflows by 179% for FY2024, compared to FY2023.
- Menu expansion - Expanded our suite of Managed Account models with the addition of 15 retail models and 97 private label models. At 30 June 2024 the Netwealth platform had 108 retail models (25 model suites) and 568 private label models (102 model suites).
- Introduced fixed term annuities and a “small parcel” bond service which improves accessibility to bonds for investors starting from \$50,000 compared to the average size of \$500,000. Expanded the range of available term deposits.
- The non-custodial service continues to be enhanced and has attracted considerable support from the industry with 480+ new non-custodial assets now being administered and reported on.

WealthTech:

- Netwealth launched straight through processing and execution of international equities on 16 exchanges with ability to create buy/sell and limit orders. Netwealth also added an inhouse Trading Desk, enhancing the platform’s trading capability and bringing the execution of ASX trades inhouse for large and complex trades.
- Launched Netwealth’s Investment Manager Portal, a dedicated portal for Fund Managers to manage assets available on the platform and self-serve report.
- Expanded Netwealth’s Developer Portal adding new Public Application Programming Interfaces (APIs) making it easier for developers to build software solutions for advice firms. There are currently over 20 public API end points available.
- Mobile app enhancements during the year include clients receiving notification and approving tasks via mobile and portfolio views to group accounts by financial institution.

Insights & Analytics:

- Recently launched new features that enhance client reporting tools that enable advisers to deliver tailored reports at scale.
- During the year we hosted our inaugural Accelerate Summit in September and published several industry white papers based on our proprietary research, ‘The Advisable Australian’ and “AdviceTech research”. These initiatives provided a wide array of industry insights and facilitated networking events tailored specifically for Australian advisers and investors.

FY2025 Commentary and Outlook

We have expanded and strengthened our new adviser and licensee relationships, plus our new business pipeline including conversion rates, remain very strong across all segments. Several significant new client wins have begun transitioning flows onto the platform in early FY2025 with \$1.2 billion of FUA net inflows successfully transitioned in July. We are confident in our outlook and future growth opportunities which we believe are very significant.

We plan to continue our significant investment in our people, product, security and technology capabilities to ensure we capture the substantial number of existing and emerging opportunities in the market which will drive our ongoing and sustainable profit growth. We expect this investment will result in a small percentage increase in the rate of expense growth in FY2025 compared to FY2024.

We continue to broaden the functionality of the platform and progressively reduce our reliance on 3rd party systems for parts of the core platform functionality.

Our advice enablement strategy multiplies the efforts of our advisers, allowing them to serve more clients as demand continues to outstrip supply. Netwealth will provide greater practice management, business management tools and access to data for advisers and licensees.

Netwealth recognises and innovatively embraces the significant opportunities of emerging technologies including generative Artificial Intelligence (AI) and machine learning to improve efficiency, productivity and reporting, and to support advisers and clients in new ways.

Following on from the success of the Netwealth Hackathon 2024: Humans, Machines and the Rise of AI, we have created a new cross-functional team aimed at automating high-volume business processes and improving platform functionality for our clients and advisers.

Acquisition of Xeppo is a key component of our strategy which places data at the centre of everything we do. Xeppo is at the forefront of data management and analytics. Further integration of Xeppo capabilities to Netwealth accelerates our data strategy, aimed at delivering value to our clients through enhanced data and AI driven capabilities.

Risk Management of Material Business Risks

Netwealth has defined six material risk categories (Level 1) that impact our business: Governance Risk; Strategic Risk; Entity Risk; Culture, Conduct and People Risk; Operational Risk; and Product Risk. For each Level 1 Risk category, the Board establishes a risk appetite and key risk indicators for managing the risk. Below is an explanation of the Netwealth Level 1 risk categories, and examples of how Netwealth manages the risk.

Risk type	Description	Managing the risk
Governance Risk	Risk of an inadequate corporate governance framework impacting the ability to make reasonable and impartial business decisions having regard to the interests of the relevant stakeholder (for example, shareholders, investors, members, employees, suppliers, financial intermediaries)	<ul style="list-style-type: none"> • Board approved Committee Charters, Policies and delegations in place to manage governance risks, including conflicts management. • Open and transparent communication with shareholders, for example through Annual General Meetings, ASX announcements, investor briefings. • Annual reviews of Board Performance, skills and fitness and proprietary to determine that the Board has the appropriate set of skills and experience to discharge its duties.
Strategic Risk	Risk of failing to achieve the stated objectives and goals of its strategic business plan and/or change strategic direction to meet market needs.	<ul style="list-style-type: none"> • Strategic Business Plan developed and approved annually by the Board, with quarterly monitoring and reporting of progress against key initiatives. • Diversification of revenue streams. • The Board discuss strategic direction at each Board meeting to remain abreast of competitive market dynamics. • Strategic planning process considers multiple factors including competitors, external opportunities, regulatory change, technology opportunities, new products and services, profitability, pricing and adviser / client demand.
Entity Risk	Risk of failing to maintain our brand, reputation and standing in the industry and community.	<ul style="list-style-type: none"> • Annual budget is approved by the Board and monitored, with 18 month cash flow projections, via monthly and ad hoc reports. • Regular monitoring and oversight of the Corporate Sustainability Framework, including by the People and Corporate Sustainability Committee (PCSC) and the Board, noting that Netwealth does not have material exposure to environmental and social risks. Please refer to the Corporate Sustainability Report for further information about Netwealth's corporate sustainability framework. • Netwealth holds an allocation of capital as appropriate to enable flexibility to deal with unanticipated business conditions. • A Group Tax Governance Framework is in place to manage entity and product tax obligations. • Regular monitoring of media to understand external perceptions of Netwealth's reputation and brand. • Existence of a Complaints Policy and a Whistleblowing Policy to ensure open and transparent interactions with clients and employees.

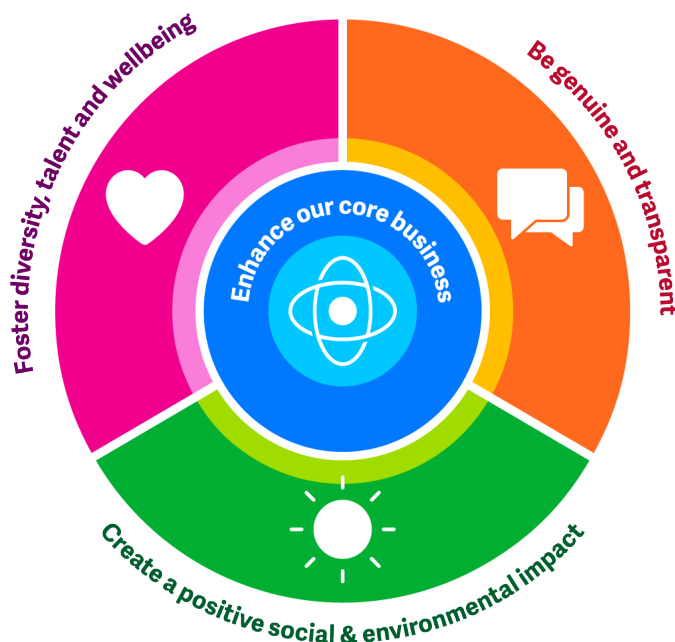
Risk type	Description	Managing the risk
Culture, Conduct and People Risk	Risk of misalignment between Netwealth Values and the behaviours, capabilities and decisions of our people	<ul style="list-style-type: none"> • Board approved Code of Conduct which all Netwealth employees, and directors are expected to abide by. • Oversight by the PCSC of the effectiveness of Netwealth’s policies and initiatives relating to diversity and inclusion, including policies and roadmaps. • Board and Remuneration Committee oversight to ensure remuneration policy aligned to company values. • Monthly employee surveys to measure culture (including risk culture) and sentiment. • Employee background screening, compliance training and consequence management framework. • Dedicated People and Culture team overseeing the succession, talent, performance, training and work conduct.
Operational Risk	Risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events.	<ul style="list-style-type: none"> • Board approved policies governing operational and compliance risks including financial services and superannuation regulatory requirements, business continuity, privacy, data governance, whistleblowing, Anti Money Laundering (AML)/Counter-Terrorism Financing (CTF), records management, issues, incidents and breach handling. • Oversight of compliance and regulatory matters, including regulatory change, by Board Committees, supported by Netwealth’s Risk, Legal and Governance function and the Office of the Trustee for Netwealth’s superannuation business. • Regular monitoring of operational risks and controls, including reconciliations, peer review, and testing performed to understand and mitigate impact of any control failure and identify potential errors (if applicable). • Regular monitoring of Netwealth’s cyber resilience and the systems, processes and policies to manage material cyber risks, including oversight by the Compliance and Risk Management Committee (CRMC) of Business Continuity Planning (BCP) and relevant reporting on the outcomes of the annual BCP testing program. • Whistleblowing Policy encourages employees and eligible whistleblowers to raise concerns to Netwealth • Dedicated infrastructure, security, and data governance functions manage Netwealth’s technology and security requirements. • Independent audits and assurance reviews of information technology, security, business continuity, controls, financial statements and application of process and policy overseen by the Audit Committee. • Training, frameworks, policies, controls and processes in place to reduce likelihood of risk. • Application of a Code of Conduct for suppliers.

Risk type	Description	Managing the risk
Product Risk	Risks relating to Netwealth products and services involving market conditions, custody, investment decisions, liquidity profile of assets or product design and distribution.	<ul style="list-style-type: none"> • Appropriate frameworks, policies, delegations and controls in place to manage product risk, including product governance policy, investment governance frameworks and annual stress testing and liquidity management plan. • Monitoring developments with responsible investment and environmental, social and governance matters including implementation of governance frameworks for relevant investment options available on the Netwealth Platform. • Segregation of custody function both physically and for decision making.

Corporate Sustainability

At Netwealth we maintain that our core business and corporate vision must be central to our corporate sustainability framework. With a strong core that provides scalable leading technology and service, Netwealth continues to act transparent and genuine in our compliance and governance practices; operate ethically to manage regulatory and reputation risk; and apply strong cyber security and data governance practices.

Our people are the life of what we do, it is their skills, enterprise and enthusiasm that make Netwealth, the company that it is. Our products and services directly reflect our employees' positive performance and therefore their diversity, talent, and wellbeing are critical to our ongoing success. With a strong core; a genuine and transparent approach to governance and a talented, diverse, and healthy workforce, Netwealth seeks to create a positive impact in our community by supporting impact and community partners; raising funds and contributing to not-for-profit organisations aligned to our values; and through giving back by volunteering our time and resources.



Reflecting on FY2024, these are some of the highlights in each of the four key areas:

<p>Enhance our core business We protect and enhance our core business</p>	<ul style="list-style-type: none"> • Netwealth achieved 'Advised Product of the Year' at The Chant West Super Fund Awards; • Netwealth rated No. 1 for 'Best Product offering' and 'Best Transaction Tools' by Investment Trends; • A total of 32 environmental, social and governance (ESG) themed Managed Models available on the Netwealth Platform; and • Netwealth's investment menus now offer 76 ESG themed funds, and 200 funds with an 'Above Average' or 'High' Sustainability Rating by Morningstar available: https://www.netwealth.com.au/web/resources-and-tools/esg-investments
<p>Be genuine and transparent We are ethical, genuine and transparent in our dealings</p>	<ul style="list-style-type: none"> • The Netwealth platform received reasonable assurance from its auditors on Service Organisation Controls, SOC 2; • Updated Netwealth's remuneration framework to align with APRA Prudential Standard CPS511 Remuneration and commenced further changes in preparation for the incoming Financial Accountability Regime (FAR); and • Continued to enhance Netwealth's human rights and modern slavery program by providing training to employees and the Board, and updated the Fund Manager risk assessment approach. • Issued our annual tax transparency report with the latest report dated 1 July 2024 available in our Shareholder Centre.

Foster diversity, talent and wellbeing

We implement strategies and actions to achieve an inclusive, diverse and healthy workplace

- Set measurable gender diversity targets of 40/40/20 for the Board and Executive team by FY2026. Netwealth has already met the target for female representation on the Board in FY2024;
- Developed and rolled out our inaugural three-year inclusion and diversity roadmap to define purpose driven objectives that provide a framework to maintain and foster an inclusive and diverse workplace;
- Developed and implemented a new positive performance framework for employees designed to retain and motivate high performers and elevate Netwealth's overall performance; and
- Provided Feeling Safe @ Work in-person training to employees with the aim of providing an understanding of psychosocial hazards, how to eliminate or mitigate risks and promote a sense of psychological safety at work.
- Gender diversity indicators for the year to 31 March 2024 are:

Tracking Netwealth's gender diversity targets FY2024	Gender diversity targets for women	FY2024 women representation	Gender diversity target for men	FY2024 men representation
The Board	40%	43%	40%	57%
Executive team	40%	33%	40%	67%

Gender diversity	Women	Men	Other
Managers ^[1]	44%	56%	0%
All employees	42%	57%	0% ^[2]

Create a positive social and environmental impact

Measure and reduce our climate and environmental footprint and partner with organisations that create a lasting positive social impact

- Netwealth set a medium-term climate target of achieving carbon neutrality for operational scope 1, scope 2 and scope 3 emissions by 2030 and a long-term target of reaching net zero by 2050;
- Inaugural reporting of scope 1 and scope 2 emissions total of 69.26 tCO₂e for FY2024;
- Granted \$116,000 from the Netwealth Impact Fund since its inception in 2021 to Australian not-for-profit organisations; and
- Funded over 125,000 Australian primary school students using Banqer Primary since 2017.

^[1] Excludes the Executive team.

^[2] Employees who identify as neither a woman or a man is under 1%.

To understand our corporate sustainability efforts and achievements in FY2024, please explore the full Netwealth Corporate Sustainability Report on our Corporate Shareholder website at:

<https://www.netwealth.com.au/web/about-netwealth/corporate-sustainability/>

The report offers detailed insights into our initiatives and performance indicators, reflecting our commitment to creating a positive impact.

We value your feedback and look forward to sharing our growth and progress in coming years.

Please share your feedback with us through CSR@netwealth.com.au

Corporate Governance

Netwealth operates in the highly regulated superannuation and investment sectors of the financial services industry. The Board of Netwealth believes that sound governance is fundamental to the ongoing success and growth of Netwealth. Accordingly, the Board has created a framework of governance, culture, and accountability for managing Netwealth, including adopting relevant internal controls, risk management processes and corporate governance policies and practices. These policies and processes are designed to meet the ASX Listing Rules, ASX Corporate Governance Principles and Recommendations as well as Netwealth's trustee, IDPS operator and responsible entity obligations to the users of their financial products and services and to achieve high level of corporate governance for the benefit of Netwealth's shareholders and other stakeholders.

Shareholders can access information about Netwealth's governance framework from Netwealth's public website. Information including the ASX announcements, shareholder meeting details, corporate sustainability, and Netwealth's governance policies can be located at <https://www.netwealth.com.au/web/about-netwealth/shareholders/>. Shareholders can access this information and communicate with Netwealth through the shareholder contact link. Netwealth encourages electronic communication with shareholders, however we will provide hard copy information on request.

Board of Directors

A high performing, effective Board is essential for the proper governance of Netwealth. The Board has the following responsibilities:

- Represent and serve the interests of shareholders by overseeing and appraising Netwealth's strategies, values, policies, and performance.
- Select, appoint, and evaluate the performance of the Chief Executive Officer and Managing Director (CEO), the Executive Team (the Executive), and other key employees.
- Approve the Remuneration Policy, in accordance with Netwealth's purpose, values, strategic objectives and risk appetite.
- Determine the remuneration of the CEO, the Executive and the Board.
- Define Netwealth's purpose, develop and approve Netwealth's corporate strategy, including setting performance objectives and approving operating budgets, and corporate performance and sustainability targets.
- Approve the risk management framework, including Netwealth's appetite for risk and the implementation of appropriate systems to manage those risks.
- Review, ratify, and monitor the systems of risk management, internal control, and compliance.
- Review and approve Netwealth's values, code of conduct and corporate governance policies.
- Approve and oversee major capital expenditure and financial commitments, acquisitions, divestitures and capital management.
- Monitor and review management processes aimed at ensuring the integrity and accuracy of financial and other reporting.
- Approve financial reports, forward looking statements, and other reports required by law or under the ASX Listing Rules, including overseeing NWL's process for timely and balanced disclosure of material information.
- Satisfy itself that appropriate frameworks exist for relevant information to be reported to the Board and where required, challenge the recommendations of the Executive.
- Oversee and monitor frameworks to manage workplace mental health and wellbeing, diversity and inclusion, culture, psychological and psychosocial safety, occupational health and safety.
- Oversee and monitor a corporate sustainability framework that promotes a positive environment and social impact.

- Communicate to shareholders, stakeholders and the market generally on Netwealth’s performance and other material matters, as required.

The responsibilities of the Board are detailed in Netwealth’s Board Charter, including setting out the role and responsibility of the Chair. The Board Charter can be located at <https://www.netwealth.com.au/web/about-netwealth/shareholders/>.

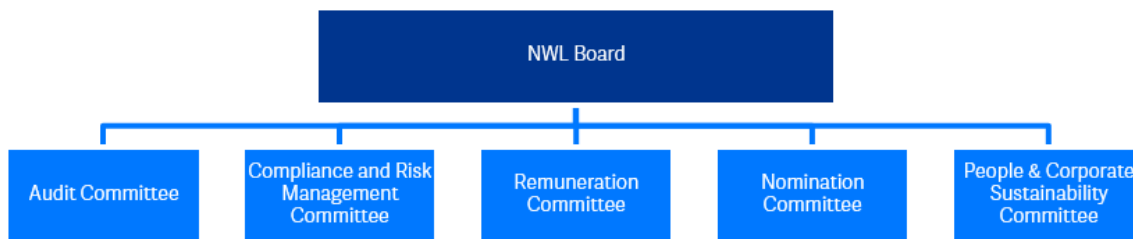
Directors are expected to attend all board meetings where possible, either in person or via teleconference or videoconference. Details of Director attendance at Board meetings up to 30 June 2024 are included on page 37.

Board committees

The Board has established committees to assist the Board in discharging its duties. The Board has five committees: the Audit Committee, the Compliance and Risk Management Committee (CRMC), the Remuneration Committee, the Nomination Committee, and the People and Corporate Sustainability Committee (PCSC).

Day-to-day management of Netwealth is delegated to Netwealth’s CEO and the Executive.

All Directors have access to agendas and papers of all committee meetings through Netwealth’s board portal. All Directors, who are not members of a committee have an open invitation to attend every meeting. The signed minutes of each committee meeting are tabled at a subsequent Board meeting. The Chair of each committee is invited by the Board Chair to report any relevant matters to the Board at each scheduled board meeting. If required, matters can be escalated to the Board at any time, and Board meetings can be called, if required, to consider a matter before the next scheduled Board meeting.



Refer to NWL’s Corporate Governance Statement located on the Netwealth website for detailed information on the responsibilities of each board committee.

Director nomination and appointment

The Board is currently comprised of seven Directors, comprising an Independent Chair, the CEO, and five Non-Executive Directors (four of whom are independent)¹. Netwealth’s Board Renewal and Performance Evaluation Policy requires that the Chair will at all times be an independent Non-Executive Director. The majority of Netwealth’s Board are independent.

¹ Michael Heine transitioned from Executive Director to Non-Executive Director at the end of FY2024.

When considering an appointment to the Board, the Board will consider the candidate's skill, judgement, diversity, and experience. The Board uses a skills matrix to assist with an independent assessment of the current Board and to identify any gaps in the collective skills of the Board.

Each year the Board considers the Board skills matrix (see page 27) to consider if the skills and experience on the Board will provide the judgement, experience and diversity that will enable Netwealth to achieve its strategic objectives.

The Board has delegated to the Nomination Committee the responsibility to assess a candidate's independence having regard to current and any previous employment and personal interests of the candidate. The Nomination Committee must put this assessment to the Board for approval along with comprehensive checks for new Directors on education, employment, character, criminal history and bankruptcy, alongside, an assessment of independence and the ability for the candidate to have sufficient time to meet their responsibilities to Netwealth. New Directors are required to make statements that they are not a disqualified person and that they are fit and proper for the position. All Directors make an annual declaration to this effect.

Non-Executive Directors are generally appointed for a term of three years and will stand for election at the Annual General Meeting (AGM) which occurs three years after their last appointment date. For each Director that is put forward for election, Netwealth will make available information about the Director to shareholders so that they can make an informed decision.

New Directors are provided a letter of appointment and a copy of Netwealth's Board Directors' Handbook. Together, these two documents outline Netwealth's expectations of the Director and the induction process (including how to access all other Netwealth governance policies). The Company Secretary is responsible for ensuring appropriately inducting a new Director.

Board Director performance and training

Directors are required to comprehensively prepare for, attend and participate in Board meetings. Every year each Director is requested to assess the Board's performance. The Chair, Company Secretary or a third party appointed by the Board, collates the results of these assessments. A summary of this performance review is provided to the Board for discussion. In addition to the Board discussion, where appropriate, the Chair meets one-on-one with each Director to specifically address performance and effectiveness of the Board as a whole and of the Director.

The performance of the Chair is reviewed by the Board as part of the annual Board Performance Review. This occurred for calendar year 2023 by way of an anonymous survey issued to all Directors by the Company Secretary in December 2023, which included specific questions about the performance of the Chair. The outcomes of this survey were provided to the Board.

The Board keeps up to date with relevant market and industry developments through a range of training and briefings. In FY2024, each Director was required to complete at least 20 hours of continuous professional development (CPD), and all have met this requirement. The Company Secretary collects Directors' training registers annually and retains this information.

The Company Secretary annually assesses the fit and proper requirements of the Board in reference to key criteria listed in the Netwealth Fit & Proper Policy. This includes reviewing the skills, expertise and knowledge of the Board, as well as CPD requirements and any disclosed conflicts of interest. The Board is required to take all reasonable steps to avoid actual, potential or perceived conflicts of interest, and each Director is required to disclose any conflicts at each Board meeting.

Board skills matrix

Category	Explanation	Timothy Antonie	Michael Heine	Matthew Heine	Davyd Lewis	Sally Freeman	Kate Temby	Sarah Brennan
Strategy	<ul style="list-style-type: none"> Ability to contribute to and challenge the strategic direction of Netwealth, including assessing and debating the strategic business plans, and contributing to achieving Netwealth's strategic objectives. 	●	●	●	●	●	●	●
Product	<ul style="list-style-type: none"> Understanding of Netwealth's products and clients, including product basics of Superannuation, IDPS and other financial products. 	●	●	●	●	●	●	●
Financial acumen	<ul style="list-style-type: none"> Understanding of key administration and accounting controls, financial records, statements and presentations. Strong financial literacy and analytical thinking skills. 	●	●	●	●	●	●	●
People and Culture	<ul style="list-style-type: none"> Understanding of organisational design, succession planning and remuneration policy frameworks. Leadership, effective communication and influencing skills. Experience in building and maintaining a diverse, values led and high performance culture. Understanding of potential risks and opportunities from a physical, psychological and psychosocial perspectives. 	●	●	●	●	●	●	●
Legal, regulatory and governance	<ul style="list-style-type: none"> Knowledge of a Director's legal requirements and understanding of Board responsibilities, composition and the Director appointment and removal process. Understanding of applicable legal requirements and regulation, including basic principles of Corporation and Trust law and governing documentation such as the Constitution. Ability to understand and contribute to debate on law as applicable to Netwealth's products and services. Understanding of the requirements applicable to an ASX listed company. Ability to participate in debate as to the content of Netwealth's Board policies and to the delegation of duties to Netwealth's CEO, the Executive Director and Executive. 	●	●	●	●	●	●	●
Risk management and audit	<ul style="list-style-type: none"> Understanding of Netwealth's Risk Management Framework. Ability to understand and contribute to debate on the Netwealth's risk and control framework. Understanding of investment risk management and monitoring. Understanding of the role of Netwealth's internal and external auditors. Awareness of fraud, corruption issues. 	●	●	●	●	●	●	●
Investments	<ul style="list-style-type: none"> Ability to debate management proposals, issues and policies relating to investments Understanding of and ability to debate investment issues and recommendations 	●	●	●	●	●	●	●
Cyber Security and technology	<ul style="list-style-type: none"> Ability to contribute to debate on the strategic direction of Netwealth's information technology. Understanding of cyber protection, cyber risk management and principles of business continuity. High level knowledge of IT infrastructures, systems, processes and growth requirement. 	●	●	●	●	●	●	●
Corporate Sustainability	<ul style="list-style-type: none"> Understanding of how Netwealth can provide sustainable solutions to its products and services. Understanding of social, environmental and governance implication in decision making. 	●	●	●	●	●	●	●
Other	<ul style="list-style-type: none"> Competent in dealing with media. Commitment to Netwealth's company values. Meets the Netwealth Investments Limited's Fit and Proper Person requirements. 	●	●	●	●	●	●	●

Skills Ratings:

- Expert level of skill and can lead a debate on the subject
- Experienced level of skill and is comfortable in making decisions
- Understands the basics and can appropriately contribute to a debate

Financial reporting & Auditor Independence

The Audit Committee assists the Board in reviewing and monitoring the accuracy and integrity of Netwealth's financial reports and statements. The Audit Committee reviews the financial reports and statements with the Chief Financial Officer (CFO), the CEO and Netwealth's external auditor to ensure their accuracy, compliance with accounting standards and compliance with other policies and laws.

The CFO and the CEO provide declarations to the Board, consistent with the requirements of the *Corporations Act 2001*. These declarations assist the Board in its consideration of the full-year and interim financial statements by showing that, in the opinion of the CFO and CEO, Netwealth's financial records have been properly maintained, that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of Netwealth and that the consolidated entity disclosure statement is true and correct.

Netwealth's external auditor, Deloitte Australia, appointed since April 2017, is invited regularly to Netwealth's Audit Committee meetings and at least annually meets with the Audit Committee without members of the Executive present. Ms Lani Cockrem, the lead audit engagement partner was appointed in the 2022 financial year to comply with the requirements of the *Corporations Act 2001* and to promote independence through auditor rotation. Deloitte Australia will attend Netwealth's AGM in November 2024 to answer queries on the audit and content of the auditor's report.

Netwealth maintains an external audit policy which is appended to Netwealth's Audit Committee Charter and is available on our website. The external auditor provides a declaration during the interim and year-end financial reports, confirming that no prohibited non-audit services have been provided. Additionally, the auditor declares their independence from Netwealth and its subsidiaries in accordance with the auditor independence requirements of the Act and the ethical standards set by the Accounting Professional and Ethical Standards Board (APES 110 Code of Ethics for Professional Accountants) relevant to the audit of the financial report in Australia.

The Audit Committee assesses the external auditor's performance, objectivity and independence at least annually.

Director shareholding requirements

To align with shareholder's interests, it is a condition of appointment that Non-Executive Directors of NWL are expected to directly or indirectly own shares in Netwealth with a total value equal to at least one year's remuneration. It is expected that a Non-Executive Director acquire the shares within 3 years of their appointment. Non-Executive Directors must abide by Netwealth's Trading Policy and disclose any trading in Netwealth shares to the Chair.




Company Secretaries

All Directors have access to the Joint Company Secretaries, Jodie Henson (Chief Risk, Legal and Governance Officer) and Grant Boyle (Chief Financial Officer). The Company Secretaries are appointed by the Board and are accountable to the Board, through the Chair, on all matters to do with the proper functioning of the Board. The Company Secretaries are responsible for advising the Board on governance matters and ensuring compliance with Board charters and procedures. Grant Boyle is appointed as the person responsible for communication with the ASX in relation to listing rule matters in accordance with listing rule 12.6.

The Chair meets from time to time with one or both Company Secretaries on Board activities and the performance of the secretariat in providing services to the Board. The Chair of the Board may provide feedback to the CEO on the individual performance of the Company Secretaries for inclusion in their formal performance review.

Directors' Information and Experience

The Directors bring to the Board a breadth of expertise and skills, including industry and business knowledge, financial management skills and corporate governance experience.

Name and title	Profile
 <p>Timothy Antonie Independent Non-Executive Director Chair</p>	<ul style="list-style-type: none"> • Timothy has been a Director of Netwealth since November 2015 and was appointed as the independent Chair of Netwealth (and its related entities, excluding Netwealth Superannuation Services Pty Ltd (NSS)) on 17 February 2021. • Timothy commenced his career at Price Waterhouse (now PwC) and qualified as a chartered accountant. He subsequently worked at several investment banks, including at UBS Investment Bank as a Managing Director, where he advised major Australian companies in large scale mergers, acquisitions, sales and restructures and equity transactions, as well as day-to-day equity market facing matters. Timothy is a principal of Stratford Advisory Group providing independent financial advice to Australian and international corporations. • Timothy is currently the chair of Breville Group Ltd (ASX:BRG) and the lead independent Director of Premier Investments Ltd (ASX:PMV). • Timothy holds a Bachelor of Economics (majoring in Accounting) from Monash University. • Timothy is Chair of the Nomination Committee and a member of the Remuneration Committee, People and Corporate Sustainability Committee (from August 2023), and the Netwealth Investments Limited (NIL) Investment Committee.
 <p>Matthew Heine CEO & Managing Director (CEO)</p>	<ul style="list-style-type: none"> • Matthew joined Netwealth in July 2001 and was appointed a Director in March 2004. He was appointed Joint Managing Director in January 2015, became Managing Director in Oct 2022 then promoted to CEO & Managing Director from June 2023. • Matthew has been instrumental in the development of the Netwealth platform and products as well as the distribution, branding and marketing of the Group. Matthew's role and experience in the sales, marketing and strategy field brings a firsthand understanding of the industry and client base. • Matthew is also a Director of Heide Museum of Modern Art from January 2024. • Matthew holds a Diploma of Financial Services and an Advanced Diploma of Management. • Matthew is a member of the People and Corporate Sustainability Committee.
 <p>Michael Heine Non-Executive Director</p>	<ul style="list-style-type: none"> • Michael has been a Director of Netwealth since its establishment in 1999. • Michael was instrumental in the establishment of Netwealth in 1999. Michael acted as sole Managing Director from 1999 to 2014 and acted as Joint Managing Director together with his son Matthew from January 2015 until October 2022. • Michael transitioned from Executive Director to Non-Executive Director at the end of FY2024. • Michael has experience in Australian and European financial markets, including commodity trading, international financing, mortgage lending and property development. Michael was instrumental in the establishment of the Heine Brothers funds management business in 1982 and was its Managing Director from 1982 to 1999 when the company was acquired by ING (then Mercantile Mutual). • Michael is a member of NIL Investment Committee, NSS Audit Risk and Compliance Committee and NSS Superannuation Investment Committee.

Name and title

Profile



Davyd Lewis

Independent
Non-Executive Director

- Davyd has been a Director of Netwealth since July 2009.
- Davyd was a partner of Mallesons Stephen Jaques for 20 years until his retirement in 2008. Davyd's role included Partner in Charge of the Melbourne centre, Managing Partner Practice of Mergers & Acquisitions, Property and Construction, Dispute Resolution and Intellectual Property, National Practice Team Leader of the Mergers & Acquisitions Group and was responsible for supervising the relationship with 50 of the firm's biggest clients.
- Davyd holds a Bachelor of Economics, a Bachelor of Laws and a Master of Laws (majoring in securities markets and takeovers).
- Davyd is the Chair of the Compliance and Risk Management Committee and the Remuneration Committee and a member of the Audit Committee and Nomination Committee.



Sally Freeman

Independent
Non-Executive Director

- Sally joined Netwealth as a Director in October 2019.
- Sally was a partner at KPMG for 15 years and her executive career focussed on accounting, governance and risk consultancy culminating in a number of leadership roles with KPMG: Global Executive— Risk Consulting Services, Australia Managing Partner Risk Consulting, Partner in Charge Board Advisory and Managing Partner Internal Audit.
- Sally is currently a Director of Regis Healthcare Limited (ASX:REG), Regional Investment Corporation, Eastern Health, Melbourne Football Club, Suburban Rail Link Authority and Aioi Nissay Dowa Insurance Company Australia.
- Sally holds a Bachelor of Commerce, is a graduate of the Australian Institute of Company Directors, a Fellow of Chartered Accountants Australia and New Zealand and a member of Chief Executive Women.
- Sally is the Chair of the Audit Committee and a member of the Compliance and Risk Management Committee, Remuneration Committee, Nomination Committee, NSS Audit Risk and Compliance Committee and NSS Superannuation Investment Committee.



Kate Temby

Independent
Non-Executive Director

- Kate joined Netwealth as a Director in February 2021.
- Kate is a Managing Director with Metlife Investment Management, a Director of Conscious Investment Management (a diversified impact investment manager) and a member of the Melbourne Grammar School Investment Committee.
- Kate was formerly a Board member of Melbourne Girls Grammar and a Partner at Affirmative Investment Management. Kate has worked in New York and Toronto in her roles as a Managing Director at Goldman Sachs and as a Consultant at Price Waterhouse (now PwC).
- Kate holds a Bachelor of Commerce, is a member of the Australian Institute of Company Directors and the Chartered Accountants Australia and New Zealand.
- Kate is the Chair of the People & Corporate Sustainability Committee and NIL Investment Committee. Kate is also a member of the Audit Committee, Compliance and Risk Management Committee, Remuneration Committee and the Nomination Committee.
- From 1 July 2024, Kate will step down as Chair, but will remain as a member of the NIL Investment Committee.

Name and title

Profile







Sarah Brennan

Independent
Non-Executive Director

- Sarah joined Netwealth as a Director in February 2024.
- Sarah is currently non-executive director at Noble Oak Life Insurance Limited (ASX:NOL) and Argo Global Infrastructure Limited (ASX:ALI).
- Sarah was formerly a non-executive director at AMP Superannuation and ASX-listed Mortgage Choice. Sarah founded and was Managing Partner of Comparator Business Benchmarking, a leading provider of benchmarking to Australian financial services market. Sarah was also the founder of The Private Collection Australia and a past Deputy Chair and Director of the Financial Planning Association of Australia.
- Sarah holds a Bachelor of Arts, a Graduate Management Diploma from the Australian Graduate School of Management, is a graduate of the Australian Institute of Company Directors and a member of Chief Executive Women.
- Sarah was appointed as a member of the Audit Committee, the NIL Investment Committee, NSS Audit Risk and Compliance Committee and NSS Superannuation Investment Committee from February 2024.
- From 1 July 2024, Sarah was appointed Chair of the NIL Investment Committee and the NSS Audit, Risk and Compliance Committee and was appointed as a member of the Compliance and Risk Management Committee.

Executive Leadership Information and Experience

Profiles of Netwealth's senior management team are set out below.

Name and title	Profile
 <p>Matthew Heine CEO & Managing Director</p>	<ul style="list-style-type: none"> Refer to Board of Directors section
 <p>Michael Heine Executive Director</p>	<ul style="list-style-type: none"> Refer to Board of Directors section Michael transitioned from Executive Director to Non-Executive Director at the end of FY2024.
 <p>Grant Boyle Chief Financial Officer and Joint Company Secretary</p>	<ul style="list-style-type: none"> Grant joined Netwealth in May 2017. Grant has more than 30 years' experience in financial services and the accounting profession. Most recently the Chief Financial Officer of EMR Capital, Grant has held several Chief Financial Officer and Chief Operating Officer roles within financial services, including at BlackRock, Powerwrap and Phillip Capital. Prior to entering the funds/Platform space, Grant was a finance manager with ANZ Group Finance and a manager in the Corporate Recovery and Insolvency division of Ernst & Young. Grant holds a Bachelor of Business (Accounting) from Latrobe University and a member of Chartered Accountants Australia & New Zealand. Grant has announced his retirement and will hand over to a new CFO during FY2025.
 <p>Jodie Henson Chief Risk, Legal and Governance Officer and Joint Company Secretary</p>	<ul style="list-style-type: none"> Jodie joined Netwealth in February 2023. Jodie is responsible for managing Netwealth's Legal, Risk and Compliance team. Jodie has over 20 years' experience across the financial services industry in compliance, risk management, corporate governance, legal advice, and regulatory change. Prior to joining Netwealth, Jodie held roles with Westpac, Morningstar, ANZ and Standard & Poor's. Jodie holds a Bachelor of Law/Arts from Deakin University, a Masters of Law from Monash University and is a graduate of the Corporate Governance Institute and the Australian Institute of Company Directors.



Alistair Densley
Executive General
Manager-
Transformation and
Special Projects

- Alistair joined Netwealth in May 2002.
- Having previously held a leadership role within Netwealth's IT Development Team and as General Manager for Operations, Alistair is currently responsible for key strategic projects within Netwealth.
- Alistair has over 20 years' experience in the financial services industry and has played an important role in establishing and achieving scalability for many administrative processes across Netwealth's Platform.
- Alistair holds a Bachelor of Commerce.



Amanda Atkinson
Executive General
Manager -Service,
Administration &
Support

- Amanda joined Netwealth in February 2004.
- Amanda is the General Manager for Service, Administration & Support. Her department is responsible for administering Netwealth's Superannuation and Multi Asset Portfolio Services and is the primary point of contact for financial advisers, members and investors.
- Amanda's role is to lead a customer focussed administration, improvement and service team committed to the provision of a best practice service.
- Amanda has just under 20 years' experience in the financial services industry.
- Amanda holds a diploma of Financial Planning and Management.



Damian Holland
Executive General
Manager - Sales &
Distributions

- Damian joined Netwealth in October 2019 and is responsible for managing Netwealth's National Sales & Distribution Team.
- He brings more than 25 years of financial services experience working with major global and Australian wealth management firms in range of executive leadership roles.
- Damian holds a Bachelor of Finance from the University of Illinois and an MBA from Bond University.



David Sutherland
Executive General
Manager, Investment
Operations and
Managed Accounts

- David joined Netwealth in July 2013.
- During his time at Netwealth, David has managed multiple teams across the Investment Operations division including Corporate Actions & Managed Accounts.
- David holds a Bachelor of Commerce (Finance & Marketing) and a diploma of Financial Planning.



John Hanrahan
Chief Information
Officer

- John joined Netwealth in May 2012.
- John has responsibility for application development, technology infrastructure, business analysis, project management and technology vendor management. John has more than 30 years of experience in financial services technology. Prior to joining Netwealth, John led the Australian technology team for BlackRock.
- John holds a Bachelor of Business (Banking and Finance) from Monash University.



Matt West
Executive General
Manager - Product and
Marketing

- Matt joined Netwealth in August 2020.
- Matt has responsibility for Product Management, Investment Governance & Research, and strategy implementation.
- He has over 20 years' experience in wealth management and financial services industry.
- Matt holds a Bachelor of Commerce and an MBA.



Shanyn Payne
Chief People Officer

- Shanyn joined Netwealth in July 2023.
- Shanyn has more than 20 years' Human Resources experience across several industries, including financial services, technology and retail. Most recently Shanyn was the Chief People Officer of Finder, and she has held several HR Executive roles including at Afterpay and Online Education Services.
- Shanyn holds a Bachelor of Behavioural Science from LaTrobe University, a Graduate Diploma in Human Resources from Deakin University, an MBA from Deakin University and is a certified member of the Australian Human Resources Institute.

Netwealth's values

At Netwealth the Board, Executive and employees pride ourselves on living our shared values, which impact the way we work and communicate.

Netwealth's values were formulated by Netwealth Board, Executive and employees to capture the unique point of difference that we bring to the market. We believe the values strongly represent why Netwealth was successful in the past and we encourage our team to embrace these values as we believe they will ensure Netwealth's continued success.

During induction, new employees are introduced to the values and employees are recognised across the business where they demonstrate exceptional alignment to one or more values as part of Netwealth's value awards presented periodically at Town Hall meetings. The performance review process includes providing employees feedback and assessment of performance against our values. Netwealth's values are:



We are curious and look to challenge assumptions, explore new possibilities, and enthusiastically learn.



We are optimistic and look to be positive, drive for solutions and demonstrate passion and pride.



We are courageous and look to act, overcome barriers, and stand up for the right outcomes.



We are collaborative and look to consider other's priorities, share knowledge, help others, and communicate effectively and respectfully.



We are agile and look to adapt to change, focus on agreed priorities, and execute quickly and efficiently.



We are genuine and look to be open, honest, and transparent, act with integrity, ensure compliance with regulations, and demonstrate professionalism consistently.

Directors' Report

The Directors present their report on Netwealth Group Limited "the Company" and its controlled entities for the year ended 30 June 2024 (FY2024). The consolidated entity, comprising the Company and its controlled entities, is referred to as "the Group or Netwealth". In order to comply with the provisions of the Corporations Act 2001, the directors report is as follows:

Directors

The Directors (unless stated otherwise) in office since the start of the financial year to the date of this report are:

Non-Executive Directors:

Timothy Antonie (Chair)

Davyd Lewis

Sally Freeman

Kate Temby

Sarah Brennan (appointed on 28 February 2024)

Michael Heine (transitioned from Executive Director to Non-Executive Director from 29 June 2024)

Executive Director:

Matthew Heine

Details of the qualifications, experience and special responsibilities of the Directors and qualifications and experience of the Company Secretaries at the date of this report are set out on pages 29 to 34 of this Annual Report.

Principal Activities

The principal activities of the Group are to provide Financial Intermediaries and clients with wealth administration and management services including managed funds, investor directed portfolio services, a superannuation master fund, managed accounts service, self-managed superannuation and non-custodial administration services. There were no significant changes to the principal activities of the Group during the financial year that are not otherwise disclosed in this Annual Report.

State of affairs

There were no other significant changes in the state of affairs during the year that are not otherwise disclosed in this Annual Report.

Dividends

On 16 August 2023, the Company declared a final dividend and paid on 21 September 2023 a fully franked dividend of 13.0 cents per share, representing a total dividend of \$31,705,842.

On 20 February 2024, the Company declared an interim dividend and paid on 28 March 2024 a fully franked dividend of 14.0 cents per share, representing a total dividend of \$34,164,793.

The Company does not have a Dividend Reinvestment Plan.

Operating and Financial Review

Information on the operating and financial performance of the Group, its strategic and sustainability initiatives, risks and outlook are set out on pages 11 to 23 of this Annual Report.

External outlook

Whilst the market is anticipated to face ongoing challenges, Netwealth remains strategically well positioned to manage both opportunities and risks to achieve positive outcomes for our clients, communities and shareholders. Netwealth has extensive knowledge and expertise in the financial services industry, strengthened by continuous investment in our platform and reserve levels and maintains a robust risk management framework and culture. The Board actively monitors Australia and global economic conditions and assesses its impact on the Group's operations. In response to the ongoing threat of cyber-attacks, Netwealth has implemented robust cyber risk governance, including continuous system monitoring, employee upskilling, and preparedness for business continuity events.

Netwealth is highly profitable, with substantial recurring revenues, high cash flow conversion and no external debt.

Subsequent Events to Reporting Date

Netwealth has entered into a new share purchase and sale agreement and acquired the remaining shares of Xeppo on 12 August 2024. A \$2.2 million loan from Netwealth to Xeppo was converted into equity in addition to the \$5.9 million cash paid as total consideration.

In the opinion of the Board, there are no other matters or circumstances which have arisen between 30 June 2024 and the date of this Report that have significantly affected or may significantly affect the operations of the Group, the results of those operations and the state of affairs for the Group in subsequent financial periods.

Directors' meetings

During the financial year, 20 Board of Directors' meetings were held. Attendances by each Director during the year of Board meetings and Committee meeting where the Director is a member were as follows:

	Board of Directors' meetings		Audit Committee		Remuneration Committee		Nomination Committee		Compliance & Risk Committee		People and Corporate Sustainability Committee	
	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)
Directors												
Timothy Antonie	20	20	-	-	10	10	2	2	-	-	4	4
Davyd Lewis	20	20	12	12	10	10	2	2	12	12	-	-
Sally Freeman	20	19	12	12	10	10	2	2	12	12	-	-
Kate Temby	20	19	12	10	10	9	2	2	12	11	5	5
Sarah Brennan*	9	9	4	4	-	-	-	-	-	-	-	-
Michael Heine	20	19	-	-	-	-	-	-	-	-	-	-
Matthew Heine	20	20	-	-	-	-	-	-	-	-	5	4

(A) Number of meetings held during the time the director held office and was eligible to attend as a member

(B) Number of meetings attended as a member

* Appointed as independent non-executive director on 28 February 2024.

Indemnification of Directors, Officers and Auditors

It is the Group's policy that its Directors and employees should be protected from any liability they incur as a result of acting in the course of their employment in their respective capacities, subject to appropriate conditions.

During the financial year, the Company has paid premiums for insurance for the benefit of the Directors and Executive team. In accordance with common commercial practice, the insurance policy prohibits disclosure of the nature of the liability insured against and the amount of the premium.

The company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify the auditor of the company against a liability incurred as such by auditor.

Key Management Personnel (KMPs) and Employee Share and Option Plans

Information about the remuneration of KMPs is set out in the remuneration report section of this Directors' report.

During the year, eligible employees who had served 3 or more years were offered ordinary shares valued at \$1,000 as a gift for no consideration resulting in 14,697 new ordinary shares issued at \$12.45 (FY2023: 13,950 employee gift shares)

A number of employees were granted performance rights as part of the Group's long-term incentive plan during the year. This resulted in the Group issuing 124,188 performance rights at an exercise price of \$nil during the year (FY2023: 72,050 performance rights). There was no new issue of options in FY2024 (FY2023: Nil).

Shares, options and performance rights granted to Directors and KMPs during the year:

Issuing entity	Type	Number	Class of shares
Executive Director			
Matthew Heine	Rights	41,450	Ordinary
Senior Executive			
Grant Boyle	Shares	69	Ordinary
	Rights	11,947	Ordinary

Details of all unvested options or rights as at the date of this report are:

Issuing entity	Type	Number	Class of shares	Exercise price of the equity	Vesting date
Netwealth Group Limited	FY22 Options	25,000	Ordinary	\$15.74	30 Jun 24
Netwealth Group Limited	FY23 Rights	78,552	Ordinary	nil	30 Jun 25
Netwealth Group Limited	FY24 Rights	117,686	Ordinary	nil	30 Jun 26

Details of all vested options but not yet exercised as at the date of this report are:

Issuing entity	Type	Number	Class of shares	Exercise price of the equity	Expiry date of equity
Netwealth Group Limited	FY20 Options	512,139	Ordinary	\$7.5544	30 Jun 37
Netwealth Group Limited	FY22 Options	1,340,000	Ordinary	\$15.74	30 Jun 39
Netwealth Group Limited	FY22 Rights	50,748	Ordinary	nil	N/A

Environmental Regulations

The Group does not believe that its operations are currently subject to any significant environmental regulation under a law of the Commonwealth of Australia or an Australian State or Territory. To the best of the Directors' knowledge, the Group has not incurred any material environmental liability during the year.

Netwealth recognises the increasing importance of sustainability-related disclosures and supports the efforts of regulators and governments to advance disclosure requirements for consistent industry-wide reporting. The International Sustainability Standards Board (ISSB) introduced two key sustainability reporting standards:

IFRS S1 General Requirements of Sustainability-related Financial Information: Establishes the overall requirements for sustainability-related financial disclosures.

IFRS S2 Climate-related Disclosures: Mandates the disclosure of information to help users of financial statements understand the reporting entity's governance, strategy, risk management, and metrics and targets concerning climate-related risks and opportunities.

In Australia, proposed sustainability standards are currently being deliberated following the public comment period that closed on 1 March 2024, and related legislation has been introduced in Parliament under the *Treasury Laws Amendment (Financial Market Infrastructure and Other Measures) Bill 2024 (Cth)*. If enacted, these requirements will likely necessitate the Group to begin reporting under Group 2 in the FY2027 financial year. Netwealth is proactively advancing its project to assess and prepare for these future sustainability and climate-related reporting obligations.

A summary of our corporate sustainability initiatives is set out in pages 22 to 23 of this report. The full annual Corporate Sustainability, quarterly progress report and latest initiatives are available on the Company's website at

<https://www.netwealth.com.au/web/about-netwealth/corporate-sustainability/>

Corporate governance

Netwealth is committed to being ethical, transparent and accountable. We believe this is essential for the long-term performance and sustainability of our Company and supports the interests of our shareholders, clients and other stakeholders.

A summary of the corporate governance statement is set out in pages 24 to 28. For the full corporate governance statement and disclosure policies, please visit our website below.

<https://www.netwealth.com.au/web/about-netwealth/shareholders/>

Proceedings on behalf of the Group

No person has applied for leave of court to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a part for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings. The Group was not a party to any such proceedings during the year.

Non-audit services

During the year, Deloitte Touche Tohmatsu, the Group's auditor has performed internal controls assurance services in addition to its statutory duties. Details of the amounts paid or payable to the auditor for audit and non-audit services provided during the year are set out in Note 28 to the financial statements.

The Directors, in accordance with advice received from the Audit Committee, are satisfied that the provision of those non-audit services during the year did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- All non-audit services have been approved in accordance with the Company's non-audit services policy to ensure that they do not impact the impartiality and objectivity of the auditor; and
- None of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, including reviewing or auditing the auditor's own work, acting in a management or a decision making capacity for the Group, acting as advocate for the Group or jointly sharing economic risk and rewards.

Rounding of amounts

The Group is of a kind referred to in the Australian Securities and Investments Commissions Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191 and therefore the amounts contained in the financial statements have been rounded to the nearest thousand dollars, unless otherwise stated.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under s307C of the Corporations Act 2001 is set out on page 59.

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



Timothy Antonie

Chair

13 August 2024

Remuneration Report (audited)

Letter from the Remuneration Committee Chair

On behalf of the Board, I am pleased to present Netwealth's FY2024 Remuneration Report.

Netwealth's performance in FY2024

Netwealth's strong risk management framework and resilient culture have continued to enable the Group to meet the challenges of an ever-changing risk environment. Netwealth navigated FY2024 without major disruptions and achieved remarkable growth, with record total income increasing by 18.9% to \$255.2 million and record NPAT increasing by 24.1% to \$83.4 million. This exceptional performance was primarily driven by a 25.2% increase in Funds Under Administration (FUA) to \$88.0 billion at the end of the financial year.

Review of the Remuneration framework and policy

The Remuneration Committee recognises the importance of maintaining an appropriate remuneration structure that embeds Netwealth's core values, aligns with our strategic objectives, is attractive to our employees, is compliant with regulatory requirements, is transparent and meets the expectations of our shareholders, employees, clients and the communities in which we operate. Our performance-based remuneration has behavioural, performance and risk gateways to promote the effective management of both financial and non-financial risks. Our values are embedded into our performance remuneration framework, and we hold all employees to account for behaviours that are in the best interests of the group, our people, our community and our shareholders.

During the year, we have reviewed our remuneration framework in preparation for the changed requirements of *APRA Prudential Statement CPS 511*, which will be applicable to Netwealth from FY2025 onwards. As a result of the changes to CPS 511, it will be necessary for some of our senior executives to have a greater proportion of their performance-based remuneration deferred and the deferrals will be for longer periods. Details of these changes as they apply to our KMPs are set out in Section D of the Report.

The *Financial Accountability Regime Act* extends the financial accountability regime (FAR) to the superannuation sector in FY2025 which will apply to a number of Netwealth executives from 15 March 2025. Further changes will be made to our performance-based remuneration structure to comply with FAR during FY2025.

Netwealth incorporates a range of non-financial measures into executive performance-based pay, through our risk management framework gateway that assesses risks applicable to our business, including corporate sustainability. Further, our balanced scorecard assesses values alignment and achievement of strategic initiatives.



Davyd Lewis
Independent
Non-Executive
Chair of
Remuneration
Committee

FY2024 STIs

In assessing the Executive Team's performance, the Board determined that the team had performed strongly overall, as reflected in Netwealth's excellent results for the year.

For CEO Matt Heine, the maximum STI was 75% of fixed remuneration. For other executive team members, including CFO Grant Boyle, the maximum STI was 35% of fixed remuneration. The STIs had a personal behavioural gateway based on Netwealth's values and a corporate performance gateway that required the Group to achieve at least 95% of budget NPAT, both of which were achieved.

In addition to these gateways, there were three performance metrics with different weightings and performance conditions that determined the proportion of STI payable.

The first condition, with a 65% weighting, was based on Netwealth achieving at least 95% of the budgeted NPAT. Under this condition, the full amount (65% of the STI) was achieved and payable as Netwealth exceeded 105% of its budgeted NPAT.

The second condition, with a 25% weighting, was based on the individual's contributions to the effective execution of Board approved annual strategic initiatives. Under this condition, 18.2% of the STI was achieved and payable for both the CEO and the CFO.

The third condition had a 10% weighting based on individual values and performance ratings. Under this condition, the CEO achieved the full 10% while for the CFO 7.5% of the STI was achieved and payable.

The cash payments of the STI cash bonus is to be paid over two years with, 50% paid within 30 days after the release of this annual report and the remaining 50% to be paid within 30 days after the release of the subsequent year's annual report, subject to a malus clawback condition.

FY2024 LTIs

During the year, performance rights were granted to CEO Matt Heine, other members of the Executive Team and a number of key employees. In the case of the CEO, this grant was approved by shareholders at the 2023 Annual General Meeting. The Rights are subject to personal behavioural, performance gateways, and corporate performance conditions based on TSR and EPS growth over a three-year vesting period ending on 30 June 2026. Shareholders will be asked to approve another LTI award for the CEO at this year's annual general meeting.

The Board believes this Remuneration Report will assist our shareholders and other stakeholders to understand our remuneration policy, objectives and practices. We are committed to engaging with you and welcome your feedback.

Yours faithfully



Davyd Lewis

Chair of the Remuneration Committee

13 August 2024

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- B. Remuneration Objectives
- C. Remuneration Governance
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- G. Executive Remuneration
- H. Non-Executive Directors Remuneration
- I. Other Information
- J. Previous Comments or Resolutions in Relation to Remuneration Report

A. Introduction

This FY2024 Remuneration Report for Netwealth is prepared in accordance with the requirements of the Corporations Act 2001 and its regulations. The report outlines the remuneration arrangements in place for the Key Management Personnel (KMP) of Netwealth. KMP are the individuals who have authority and responsibility for planning, directing and controlling the activities of Netwealth, as defined under *AASB 124 Related Party Disclosure*. The following table lists Netwealth's KMP for FY2024:

Name	Position
Non-Executive Directors	
Timothy Antonie	Independent Non-Executive Chair
Davyd Lewis	Independent Non-Executive Director
Sally Freeman	Independent Non-Executive Director
Kate Temby	Independent Non-Executive Director
Sarah Brennan*	Independent Non-Executive Director
Executive Directors	
Matthew Heine	Chief Executive Officer & Managing Director (CEO)
Michael Heine [#]	Executive Director
Senior Executive	
Grant Boyle	Chief Financial Officer (CFO) & Joint Company Secretary

* Sarah Brennan was appointed as Non-Executive Director on 28 February 2024.

[#] Michael Heine transitioned from Executive Director to Non-Executive Director from 29 June 2024. For the purpose of the Remuneration Report, Michael Heine is disclosed as an Executive Director.

Except for Sarah Brennan, all other KMP held office for the full year.

B. Remuneration Objectives

The Board is committed to a remuneration framework that aligns employees' performance and remuneration outcomes to Netwealth's business plan, strategic objectives and risk management. Netwealth's objectives in relation to employees' remuneration include the following:

- frameworks must comply with applicable legal requirements;
- remuneration frameworks are designed to align with the achievement of Netwealth's strategic objective over the short, medium and long-term;
- remuneration is designed to promote and reward individual and company performance whilst also supporting the prevention and mitigation of conduct risk, the effective management of both financial and non-financial risks and the protection of the interests of Netwealth's stakeholders;
- remuneration structure is to be consistent with and promote behaviour aligned to Netwealth's values;
- remuneration is set at a fair, reasonable and consistent level in order to attract and retain top talent and balance market and community expectations; and
- remuneration is not biased towards gender or other inappropriate personal attribute.

Netwealth's objectives for remuneration of Non-Executive Directors include:

- remuneration must be sufficient to attract and retain high quality Non-Executive Directors;
- remuneration for Non-Executive Directors must not create a conflict with their obligation to bring an independent judgement to matters before the Board;
- remuneration for each Non-Executive Director should be appropriate based on their role and responsibilities, including the time commitment involved; and
- remuneration is not biased towards gender or other inappropriate personal attribute.

C. Remuneration Governance

The Board is responsible for establishing Netwealth's remuneration policy (the Remuneration Policy) and determining Non-Executive Director remuneration, Senior Executive remuneration and Netwealth's incentive structures. The Board is assisted by the Remuneration Committee (the Committee). The Committee is comprised of Netwealth's four independent Non-Executive Directors. The Committee's responsibilities include:

- reviewing and making recommendations to the Board on the remuneration framework and Remuneration Policy;
- annually reviewing the performance of the CEO and the CEO's direct reports;
- determining whether the CEO has met the conditions for payment of STIs and LTIs under the terms of his contract and/or under the terms of relevant STI and LTI schemes;
- annually reviewing and recommending remuneration arrangements for the CEO, the CEO's direct reports, other persons determined by APRA to be 'responsible persons' and the Non-Executive Directors;
- approving remuneration packages over a threshold amount;
- approving major changes in remuneration-related policies;
- reviewing and recommending changes and developments in relation to the STI and LTI schemes;
- overseeing the operation of the LTI schemes and recommending whether offers are to be made under the schemes;
- reviewing and recommending bonuses, including bonuses for other employees, bonuses for sales and distribution staff and STIs for senior executives;
- reviewing and making recommendations on remuneration by gender and addressing any pay gap;
- reviewing and recommending changes to board remuneration;
- reviewing and recommending the Remuneration Report;

- consulting with the Chief Risk Officer on risk gateway measures and outcomes;
- ensuring remuneration for Non-Executive Directors does not create a conflict with their obligations; and
- where applicable, approving the appointment of remuneration advisers for the purposes of the Corporations Act.

D. Remuneration Framework

The Board reviews the structure and the effectiveness of Netwealth’s remuneration arrangements annually to ensure the alignment with business performance, values and strategy. The Board monitors changing market conditions as well as any regulatory and corporate governance developments and alters remuneration arrangements if appropriate to respond to changing conditions. The remuneration framework is structured to use fixed remuneration, a cash bonus pool, STIs and LTIs to promote the effective management of both financial and non-financial strategies and risk management.

Purpose of each remuneration component in promoting Netwealth’s performance

Fixed remuneration	STIs and bonus pool (at risk)	LTIs (at risk)
<ul style="list-style-type: none"> • Attract and retain high-quality employees, who will enable Netwealth to achieve its strategic objectives, by providing market competitive base remuneration commensurate with the employee’s individual skills, complexity of role and experience. 	<ul style="list-style-type: none"> • STIs reward senior executives for their role in achieving earnings growth, the effective execution of Netwealth’s business plan and achievement of financial targets, consistent with the promotion of Netwealth’s ethics, values and controls. • STIs reward sales and distribution staff for net sales performance. • A bonus pool, the size of which is based on Netwealth’s financial performance, is allocated to staff at all levels as a reward for superior personal performance that has contributed to Netwealth’s success. 	<ul style="list-style-type: none"> • Motivate and reward senior executives for their role in achieving earnings growth and contributing to the effective execution of Netwealth’s business plan consistent with the Board’s risk appetite, the protection of the interests of all of Netwealth’s stakeholders and the promotion of Netwealth’s ethics, values and controls. • Motivate and reward employees for their role in achieving earnings growth while promoting Netwealth’s ethics, values and controls.

The table below summarises the elements of Netwealth’s remuneration framework in FY2024.

Fixed remuneration

Fixed	Each employee’s fixed remuneration is set having regard to their individual responsibilities, skills and experience and with consideration to the remuneration paid to employees of comparable companies, particularly companies within the financial services industry. To be market competitive remuneration, roles are benchmarked at least annually with reference to peer companies within the industry. Remuneration reviews normally occur annually and apply from 1 July.
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Performance-based remuneration

STIs	Purpose & Execution	FY2024 Outcomes	
STIs for CEO (At risk)	<p>Maximum target amount</p> <ul style="list-style-type: none"> 75% of fixed remuneration <p>Form and time of payment</p> <ul style="list-style-type: none"> Cash bonus – STI earned is paid over 2 years: <ul style="list-style-type: none"> 50% within 30 days after the release of the FY2024 annual report; and 50% within 30 days after the release of the FY2025 annual report, subject to continuously being employed and subject to a malus clawback condition. <p>Gateway conditions</p> <ul style="list-style-type: none"> Achieve rating of ‘Aligned’ or above for personal behaviour and performance measured against our values. Netwealth must achieve at least 95% of budget NPAT. 	<ul style="list-style-type: none"> 93.2% of maximum target amount was achieved. 	
	Performance metrics	Weighting	% Outcomes
	<p>NPAT metric</p> <ul style="list-style-type: none"> Based on Netwealth’s FY2024 NPAT relative to budget NPAT. Between 95% and 105% of budget, a proportionate amount is paid. NPAT is determined net of the bonus expense. 	65%	65%
	<p>Contribution to effective execution of business plan metric</p> <ul style="list-style-type: none"> Based on individual contribution to effective execution of Board approved annual strategic initiatives in FY2024 which are assessed by the Board on a quarterly basis. 	25%	18.2%
	<p>Individual values rating metric</p> <ul style="list-style-type: none"> Based on individual values ratings in FY2024. 	10%	10.0%

STIs for CFO and other members of the Executive Leadership Team who report to the CEO (Executive) (At risk)	<p>Maximum target amount</p> <ul style="list-style-type: none"> 35% of fixed remuneration <p>Form and time of payment</p> <ul style="list-style-type: none"> Cash bonus – STI earned is paid over 2 years: 50% within 30 days after the release of the FY2024 annual report; and <ul style="list-style-type: none"> 50% within 30 days after the release of the FY2025 annual report, subject to continuously being employed and subject to a malus clawback condition. <p>Gateway conditions</p> <ul style="list-style-type: none"> Achieve rating of 'Aligned' or above for personal behaviour and performance measured against our values. Netwealth must achieve at least 95% of budget NPAT. <p>This does not apply to the GM Sales & Distribution who instead receives a sales target based STI – see below.</p>	<ul style="list-style-type: none"> For the CFO, 90.7% of maximum target amount was achieved. Michael Heine waived his STI payments for FY2024. 	
	Performance metrics	Weighting	% Outcomes
	<p>NPAT metric</p> <ul style="list-style-type: none"> Based on Netwealth's FY2024 NPAT relative to budget NPAT. Between 95% and 105% of budget, a proportionate amount is paid. NPAT is determined net of the bonus expense. <p>For the Chief Risk, Legal, and Governance Officer (CRLGO), the NPAT metric does not apply and is replaced by a metric based on the Board's assessment of the CRLGO's contribution to the effective management of Netwealth's legal, risk and compliance functions in FY2024 which are assessed by the Board on a quarterly basis.</p>	65%	For the CFO, 65% was achieved
	<p>Contribution to effective execution of business plan metric</p> <ul style="list-style-type: none"> Based on individual contribution to effective execution of board approved annual strategic initiatives in FY2024 which are assessed by the Board on a quarterly basis. 	25%	For the CFO, 18.2% was achieved.
	<p>Individual values rating metric</p> <ul style="list-style-type: none"> Based on individual values ratings in FY2024. 	10%	For the CFO, 7.5% was achieved
STIs for Sales and Distribution staff (At risk)	For sales and distribution staff, STIs are cash bonuses based on pre-agreed performance targets. Part of each individual's STI is payable based on the first 6 months' performance and the balance is payable after the end of the financial year. The performance targets are based mainly on fee-earning FUA and FUM.		
Cash pool bonus for other employees	<ul style="list-style-type: none"> Netwealth has a bonus pool arrangement. The size of the pool was based on Netwealth's financial performance in FY2024. From the bonus pool, individual bonuses were determined based on the employee's performance rating. The employee must be currently employed (or on approved leave) at the time of the payment. 		

LTIs	Purpose & Execution	FY2024 position	
Options (At risk)	<p>Offers of options</p> <ul style="list-style-type: none"> The Netwealth Employee Incentive Plan (NEIP), under which all LTIs are offered, provides that incentive securities may be in the form of options. To date there have been two offers of options under NEIP, referred to here as the 'FY2020 Options' and the 'FY2022 Options'. <p>Vesting Period</p> <ul style="list-style-type: none"> The vesting conditions are tested over a 3 financial year vesting period. Upon exercise, the options convert to ordinary shares on a one for one basis. <p>Gateway conditions</p> <ul style="list-style-type: none"> The holder must be either continuously employed or hold office with Netwealth until the vesting date. The options are subject to a 'gateway' condition based on personal behaviour and performance measured against our values. If the employee does not meet the personal and behavioural gateway condition, all their options lapse, unless the Board determines otherwise. <p>Conditions</p> <ul style="list-style-type: none"> Options must be exercised within 15 years of date of grant. Options do not confer the right to attend and vote at meetings, and do not confer the right to participate in dividends. Should a liquidity event or change of control event occur, the Board has a discretion to automatically exercise all vested and unvested options. Options held by senior executives and the CEO have corporate performance metrics – see below. Options held by others are not subject to the corporate performance metrics. 	<p>FY2020 Options</p> <ul style="list-style-type: none"> An offer of options was made to selected senior and key employees in FY2020. The exercise price of the FY2020 Options is \$7.5544. The FY2020 Options vested on 30 June 2022. For KMPs, 117,632 FY2020 Options vested and are outstanding at 30 June 2024. <p>FY2022 Options</p> <ul style="list-style-type: none"> An offer of options was made to selected senior and key employees in FY2022. The exercise price of the FY2022 Options is \$15.74. The FY2022 Options vested on 30 June 2024. For KMP's 150,000 FY2022 Options vested and are outstanding as at 30 June 2024. <p>Current Year</p> <ul style="list-style-type: none"> There were no new options issued during FY2024. 	
	Corporate performance metrics	Weighting	% Outcome on FY2022 Option
	<p>TSR Metric</p> <ul style="list-style-type: none"> Subject to Netwealth's TSR Ranking in the S&P/ASX 300 Diversified Financials over the Vesting Period calculated on a proportionate basis, where: <ul style="list-style-type: none"> 0% of the options will vest if TSR ranking is below the 50th percentile The full 50% of the TSR vesting condition will vest if TSR ranking is at or above 75th percentile. 	50%	50% Netwealth ranked 7 th out of 27 companies and ranked above the 75 th percentile
	<p>EPS Metric</p> <ul style="list-style-type: none"> Subject to simple average EPS annual growth over the Vesting Period calculated on a proportionate basis, where: <ul style="list-style-type: none"> 0% of options vest if simple average EPS growth rate is 12.5% or less The full 50% of options vest if simple average EPS growth rate is 15.0% or more. 	50%	50% Netwealth achieved average EPS growth of 16.6%

Rights for previous periods (At risk)	<p>Offers of rights</p> <ul style="list-style-type: none"> The NEIP also provides that incentive securities may be in the form of rights (zero exercise price options). To date there have been two offers of rights under the NEIP, referred to here as the 'FY2022 Rights' and the 'FY2023 Rights' <p>Maximum target amount</p> <ul style="list-style-type: none"> CEO - 50% of fixed remuneration. Senior executives – 25% of fixed remuneration. Target amount is based on value of shares at the time of issue. <p>Vesting Period</p> <ul style="list-style-type: none"> The vesting conditions are tested over 3 financial years. Upon exercise, the rights convert to ordinary shares on a one for one basis. <p>Gateway conditions</p> <ul style="list-style-type: none"> The holder must be either continuously employed or hold office with Netwealth until vesting date. The Rights are subject to a 'gateway' condition based on personal behaviour and performance measured against our values. If the employee does not meet the personal and behavioural gateway condition, all their rights lapse, unless the Board determines otherwise. 	<p>FY2022 Rights</p> <ul style="list-style-type: none"> Performance rights issued to the CEO and members of the Executive in FY2022 vested on 30 June 2024. KMP's 27,899 FY2022 Rights vested and are outstanding as at 30 June 2024. <p>FY2023 Rights</p> <ul style="list-style-type: none"> Performance rights issued to the CEO and members of the Executive in FY2023 that will potentially vest on 30 June 2025. 	
	Performance metrics	Weighting	% Outcome on FY2022 Rights
	<p>EPS metric</p> <ul style="list-style-type: none"> Subject to Netwealth's simple average EPS annual growth over the vesting period calculated on a proportionate basis. For FY2022 Rights; <ul style="list-style-type: none"> 0% of options vest if simple average EPS growth rate is 12.5% or less The full 50% of options vest if simple average EPS growth rate is 15.0% or more. 	50%	CEO: 50% CFO: 50% Netwealth achieved average EPS growth of 16.6%
	<p>Individual value rating metric</p> <ul style="list-style-type: none"> Based on individual ratings over the vesting period. 	25%	CEO: 25% CEO achieved average 100% for all 3 financial years. CFO: 22.9% CFO achieved average 91.7% for all 3 financial years.
	<p>Contribution to effective execution of business plan metric</p> <ul style="list-style-type: none"> Based on individual contribution to effective execution of the Board approved business plans over the vesting period. 	25%	CEO: 17.9% CFO: 17.9% Achieved average 71.6% for all 3 financial years.

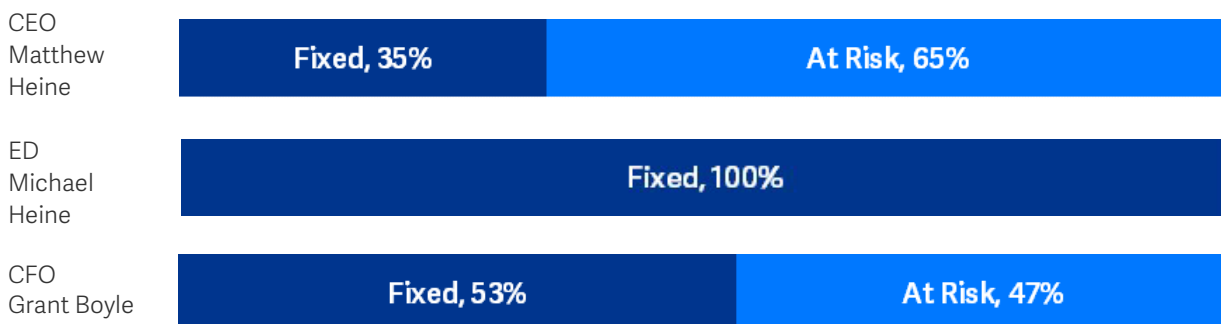
Rights for FY2024 (At risk)	<p>Offers of rights</p> <ul style="list-style-type: none"> There was one offer of rights under the revised NEIP in FY2024, referred to here as the 'FY2024 Rights' <p>Maximum target amount</p> <ul style="list-style-type: none"> CEO - 75% of fixed remuneration. Senior executives – 35% of fixed remuneration. Target amount is based on value of shares at the time of issue. <p>Vesting Period</p> <ul style="list-style-type: none"> The vesting conditions are tested over 3 financial years. Upon exercise, the rights convert to ordinary shares on a one for one basis. <p>Gateway conditions</p> <ul style="list-style-type: none"> The holder must be either continuously employed or hold office with Netwealth until vesting date. The Rights are subject to a 'gateway' condition based on personal behaviour and performance measured against our values. If the employee does not meet the personal and behavioural gateway condition, all their rights lapse, unless the Board determines otherwise. 	<p>FY2024 Rights</p> <ul style="list-style-type: none"> Performance rights issued to CEO and members of the Executive in FY2024 Rights that will potentially vest on 30 June 2026.
	Performance metrics	Weighting
	<p>EPS metric</p> <ul style="list-style-type: none"> Based on Netwealth's EPS compound annual growth rate (CAGR) over the vesting period. 	35%
	<p>TSR metric</p> <ul style="list-style-type: none"> Based on Netwealth's TSR Rank in the relevant comparator group (S&P/ASX 300 Diversified Financials Index) over the Vesting Period. Between 50th percentile and 75th percentile, a proportionate amount of rights vest. TSR must be positive for rights to vest under this metric. 	35%
	<p>Contribution to effective execution of business plan metric</p> <ul style="list-style-type: none"> Based on individual contribution to effective execution of the Board approved business plan over the vesting period which is assessed by the Board quarterly. 	30%
Reduction of benefits	<ul style="list-style-type: none"> Under the NEIP, the Board may reduce benefits in a range of circumstances such as where an employee participant has acted fraudulently or dishonestly or engaged in gross misconduct, has brought Netwealth into disrepute, has breached their duties or obligations to Netwealth or is convicted of an offence in connection with the affairs of Netwealth. The reduction of benefits may be implemented through various means, including the forfeiture of unvested or vested rights, options, or shares. Additionally, participants may be required to repay or treat as a debt any dividends received on, or proceeds from the sale of, performance securities granted under the NEIP. 	

Effective from 1 July 2024 the Board has revised part of the STI and LTI framework. The changes relevant to KMPs are:

Performance-based remuneration	
STIs	Purpose & Execution
STIs for FY2025 (At risk)	<p>Maximum target amount</p> <ul style="list-style-type: none"> CEO: 80% of fixed remuneration (previously 75%); CFO: no change (35% of fixed remuneration); <p>Form and time of payment</p> <p>Cash bonus – STI earned is paid over 2 years (subject to continuously being employed and subject to a malus clawback condition):</p> <ul style="list-style-type: none"> 50% within 30 days after the release of the FY2025 annual report; and 50% within 30 days after the release of the FY2026 annual report.
LTI	Purpose & Execution
Rights for FY2025 (At risk)	<p>Maximum target amount</p> <ul style="list-style-type: none"> CEO: 120% of fixed remuneration (previously 75%); CFO: no change (35% of fixed remuneration) <p>Form of payment</p> <ul style="list-style-type: none"> Performance rights (zero exercise price options) valued based on the market value of shares at the time of offer. <p>Vesting Period</p> <ul style="list-style-type: none"> The vesting conditions are tested over 3 financial years, FY2025, FY2026 and FY2027; <p>Gateway conditions</p> <ul style="list-style-type: none"> The holder must be either continuously employed or hold office with Netwealth until vesting date. The Rights are subject to a 'gateway' condition based on personal behaviour and performance measured against our values. If the holder does not meet the personal and behavioural gateway condition, all their rights lapse, unless the Board determines otherwise. <p>Performance Metrics</p> <ul style="list-style-type: none"> For reasons of commercial confidentiality, the specific EPS targets will be disclosed in arrears in the FY27 Remuneration Report <p>Deferral of vesting</p> <ul style="list-style-type: none"> A proportion of the holder's Rights (the Deferred Rights) are subject to deferral of vesting based on the Board's assessment of the proportion of holder's duties and responsibilities that is related to Netwealth Superannuation Services Pty Ltd as an APRA-related registerable superannuation entity. The deferral is required because of the deferral of performance-based remuneration requirements of CPS 511 and, in future, FAR. <p>For the CEO:</p> <ul style="list-style-type: none"> One third of the Deferred Rights will vest after FY2028; One third of the Deferred Rights will vest after FY2029; One third of the Deferred Rights will vest after FY2030. <p>For the CFO:</p> <ul style="list-style-type: none"> One half of the Deferred Rights will vest after FY2028; One half of the Deferred Rights will vest after FY2029.

E. Remuneration Mix of KMPs

Remuneration mix refers to the proportion of total KMP remuneration that is made up of each remuneration component. The 'Fixed' component is base salary plus superannuation. The 'At Risk' component is the amount of the maximum STI payable to the KMP and the value of the LTIs options and rights issued to the KMP expensed for the year.



The remuneration mix for Michael Heine is 100% fixed as he has elected not to participate in the STI or LTI, due to his substantial shareholding in Netwealth.

F. Overview of the Group Performance

The following table sets out Netwealth's NPAT, dividend payments, EPS and share price over five years:

Financial period ended 30 June	2024	2023	2022	2021	2020
NPAT (\$ million)	83,370	67,153	55,552	54,103	43,661
Ordinary dividends (cents per share)	28.0	24.0	20.0	18.6	14.7
EPS (cents)	34.2	27.5	22.8	22.6	18.4
Netwealth share price*	\$22.17	\$13.84	\$12.16	\$17.15	\$8.97

*Closing price for the last trading day in the financial year. Dividends (cents per share) and EPS (cents) rounded to 1 decimal place.

Netwealth delivered strong FY2024 NPAT and EPS growth of 24.2% and 24.4% respectively compared to the prior year. Netwealth increased its full year dividend by 16.7% to 28.0 cents per share. The compound annual growth rate on EPS since FY2020 was 16.8% reflecting the continued success in executing Netwealth's long-term strategy in delivering sustainable increasing returns to its shareholders.

G. Executive Remuneration

The table below sets out details of the remuneration of the CEO, ED and the CFO (the three KMP who are employee executives) for FY2024 and FY2023.

	CEO & Managing Director		Executive Director		CFO		Total	
	Matthew Heine		Michael Heine ⁷		Grant Boyle		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
	\$	\$	\$	\$	\$	\$	\$	\$
Short term benefits:								
Cash salary ¹	820,759	772,500	46,741	44,207	497,500	422,500	1,365,000	1,239,207
STI ²	594,150	344,900	-	-	166,662	97,003	760,812	441,903
Employee share gift ³	-	-	-	-	996	992	996	992
Other	-	-	-	-	-	-	-	-
Long term benefits:								
Leave ⁴	(46,516)	29,377	4,737	770	(13,611)	11,342	(55,390)	41,489
Post-employment benefits:								
Superannuation ⁵	27,500	27,500	5,142	4,642	27,500	27,500	60,142	59,642
Share-based payments:								
FY2022 Options ⁶	105,369	112,925	-	-	64,995	69,463	170,364	182,388
FY2022 Rights ⁶	129,934	129,579	-	-	29,183	29,103	159,117	158,682
FY2023 Rights ⁶	118,847	118,521	-	-	31,661	28,340	150,508	146,861
FY2024 Rights	158,186	-	-	-	-	-	158,186	-
Termination benefits:								
Termination payments	-	-	-	-	-	-	-	-
Total	1,908,229	1,535,302	56,620	49,619	804,886	686,243	2,769,735	2,271,164
% Performance related	58%	46%	0%	0%	36%	33%	51%	41%

- Following the Remuneration Committee's review, the Board approved increases in Matthew Heine's and Grant Boyle's cash salaries to better align with comparable companies.
- Matthew Heine's maximum STI and LTI entitlements were each 75% of his fixed remuneration for FY24 (refer section D). Michael Heine waived his STI payments for FY2023 and FY2024. Grant Boyle's maximum STI and LTI entitlements were each 35% of his fixed remuneration for FY24 (refer section D).
- Under its Employee Gift Plan, Netwealth made an offer to grant \$1,000 worth of ordinary shares to all eligible employees including Grant Boyle.
- Long term benefits related to annual leave and long service leave entitlements accrued for the year, net of leave taken.
- Superannuation payments are made in accordance with the relevant statutory requirements.
- Options or Rights on ordinary shares issued during FY2022, FY2023 and FY2024 are subject to vesting conditions (refer section D).
- Michael Heine transitioned from Executive Director to Non-Executive Director at the end of the FY24 financial year

Service agreements

The remuneration and other terms of employment for the executive KMPs are formalised in employment contracts, which are reviewed annually. The CEO, ED and CFO are entitled to receive pay in lieu of notice of resignation, in addition to any leave entitlements upon cessation of employment. All services agreements are for unlimited duration but may be terminated immediately in the event of serious misconduct, in which case the executive is not entitled to any payment in lieu of notice. The following table outlines the key contractual arrangement for the CEO, ED and CFO.

Position	Contractual term	Employer Notice period	Employee Notice period	Post-employment restraints
CEO	Ongoing	Six months	Six months	Twelve-month non-competition period
ED	Ongoing	Six months	Six months	Twelve-month non-competition period
CFO	Ongoing	Six months	Six months	Twelve-month non-competition period
How unvested equity is treated on leaving Netwealth	<p>Executive KMPs who resign or are terminated will forfeit all their unvested equity, unless the Board determines otherwise.</p> <p>If the executive KMP is terminated due to redundancy or they are classified as a 'good leaver', unvested equity will not be forfeited unless the Board determines otherwise.</p> <p>On an executive KMP's death or total and permanent disability, their unvested equity will vest unless the Board determines otherwise.</p>			

H. Non-Executive Directors Remuneration

The table below sets out details of the annual fees and the remuneration of the Non-Executive Directors for FY2024.

Board Fees

Board - Chair	\$350,000
- Members	\$155,000
Netwealth Superannuation Services (NSS) Board ¹ – Members	\$20,000 ¹
Audit Committee - Chair	\$20,000
Remuneration Committee - Chair	\$15,000
Compliance and Risk Management Committee - Chair	\$20,000
People and Corporate Sustainability Committee – Chair	\$10,000
Nomination Committee - Chair	-
NIL Investment Committee - Chair	\$15,000
NSS Audit Risk & Compliance Committee – Chair	\$15,000

Superannuation	The fees set out above include superannuation payment in accordance with the relevant statutory requirements. Superannuation is paid up to the relevant concessional contributions cap, with the remainder paid in cash.
Other benefits	Non-Executive Directors are entitled to reimbursement for business-related expenses, including travel expenses and all receive the benefit of coverage under a Director and Officers insurance policy. Netwealth has paid premiums to insure each Director and officer under a Directors and Officers Insurance policy. Further disclosure of information relating to this policy is not permitted under the contract of insurance.

¹ NSS, a subsidiary of NWL is the trustee of Netwealth Superannuation Master Fund. Directors of NWL who also serve on the NSS board receive an annual fee of \$20,000.

The table below sets out the total Non-Executive Director benefits paid for FY2024 and FY2023.

		Fees and allowances	Post-employment benefits	Total
		Board and Committee fees	Superannuation	
		\$	\$	
Timothy Antonie	2024	321,096	28,904	350,000
	2023	226,244	23,756	250,000
Davyd Lewis¹	2024	217,703	23,947	241,650
	2023	191,538	20,112	211,650
Sally Freeman²	2024	175,676	19,324	195,000
	2023	149,321	15,679	165,000
Kate Temby	2024	162,162	17,838	180,000
	2023	135,747	14,253	150,000
Sarah Brennan³	2024	53,765	5,914	59,680
	2023	-	-	-

¹Davyd Lewis received an additional \$16,650 for his temporary appointment to the NIL Due Diligence Committee in FY2023 and FY2024. Davyd resigned as a director of NSS on 30 June 2024.

²Sally Freeman is a current director of NSS.

³Sarah Brennan was appointed as a director of NWL and NSS on 28 February 2024 and received fees on pro-rata basis.

The Non-Executive Directors are not eligible to participate in the NEIP.

The total remuneration for all Non-Executive Directors must not exceed the maximum aggregate amount approved by shareholders. The limit is currently \$1.3 million, approved at the FY2023 AGM.

I. Other information

KMP share movements

The table below sets out the holdings and changes of holdings of ordinary shares for each KMP in FY2024.

FY2024	Ordinary shares				
	Balance at beginning of financial period	Purchase of shares	Sale of shares	Other changes during the year	Balance at end of financial period
	Number	Number	Number	Number	Number
Non-Executive Directors					
Timothy Antonie	105,000	-	(45,000)	-	60,000
Davyd Lewis	159,161	-	(25,453)	-	133,708
Sally Freeman	9,500	-	-	-	9,500
Kate Temby	3,000	3,000	-	-	6,000
Sarah Brennan ²	-	-	-	-	-
Executive Directors					
Michael Heine ³	106,944,990	-	(4,800,000)	-	102,144,989
Matthew Heine	3,736,405	-	-	-	3,736,405
Senior executive					
Grant Boyle ¹	65,164	-	(65,000)	69	233

¹ During the financial year, the Group, under its Employee Gift Plan made an offer to all eligible employees including Grant Boyle to grant \$1,000 worth of ordinary shares.

² Sarah Brennan was appointed as Non-Executive Director on 28 February 2024.

³ Michael Heine transitioned from Executive Director to Non-Executive Director at the end of FY2024.

KMP option and rights holdings

The table below sets out the holdings of options and rights issued under the NEIP to each KMP.

	Type of equity	Balance at 1 July 2023	Equity granted during the year	Lapsed/ Forfeited	Exercised/ Sold	Balance at 30 June 2024	Vested during the year	Vested as at 30 June 2024	Vested and exercisable	Vested but non-exercisable
FY2024		Number	Number	Number	Number	Number	Number	Number	Number	Number
Executive Directors										
Michael Heine	Options/ Rights	-	-	-	-	-	-	-	-	-
Matthew Heine	FY2020 Options	78,232	-	-	-	78,232	-	78,232	78,232	-
	FY2022 Options	75,000	-	-	-	75,000	75,000	75,000	75,000	-
	FY2022 Rights	23,825	-	(1,693)	-	22,132	22,132	22,132	22,132	-
	FY2023 Rights	30,257	-	-	-	30,257	-	-	-	-
	FY2024 Rights	-	41,450*	-	-	41,450	-	-	-	-
Senior executive										
Grant Boyle	FY2020 Options	39,400	-	-	-	39,400	-	39,400	39,400	-
	FY2022 Options	75,000	-	-	-	75,000	75,000	75,000	75,000	-
	FY2022 Rights	6,353	-	(586)	-	5,767	5,767	5,767	5,767	-
	FY2023 Rights	8,510	-	-	-	8,510	-	-	-	-
	FY2024 Rights	-	11,947#	-	-	11,947	-	-	-	-

* Equity fair value at grant date of 22/11/2023 was \$13.47.

Equity fair value at grant date of 15/09/2023 was \$14.31.

Non-Executive Directors are not entitled to options and rights under the NEIP.

Employee Share Gift Plan

Under the Group's Employee Gift Plan, all eligible permanent and part time employees of the Group may be offered the opportunity to receive, for no consideration, up to \$1,000 in shares at market value. Employees who receive employee gift shares are restricted from dealing in those shares until the earlier of three years from grant date or the date the employees ceases employment. The operation of this plan is assessed annually by the Board.

During FY2024, the Group made offers under its Employee Gift Plan to grant \$1,000 worth of shares to all eligible permanent and part time employees that have been employed by the Group for a continuous period of 3 years as at 1 July 2023, resulting in 14,697 new ordinary shares being issued at \$14.49 on 26 October 2023 (FY2023: 13,950 ordinary shares).

Overview of unvested equity awards

All awards are subjected to the employee's continued employment, individual values ratings and malus and clawback provisions.

Equity plan	Grant Date	Vesting Period		Vesting Conditions
		Start Date	End Date	
FY2023 Rights	11 Oct 2022	01 Jul 2022	30 Jun 2025	<ul style="list-style-type: none"> Personal and behavioural performance gateway which must be met. Proportions vesting: <ul style="list-style-type: none"> – 50% based on Netwealth's EPS growth over the vesting period. – 25% based on individual values ratings. – 25% based on individual contribution to delivery of their strategic initiatives.
FY2023 Rights - CEO	23 Nov 2022	01 Jul 2022	30 Jun 2025	Same as above FY2023 Rights
FY2024 Rights	28 Sep 2023	01 Jul 2023	30 Jun 2026	<ul style="list-style-type: none"> Personal and behavioural performance gateway which must be met. Proportions vesting: <ul style="list-style-type: none"> – 35% based on Netwealth's EPS growth over the vesting period. – 35% based on Netwealth's TSR Rank in the relevant comparator group during the vesting period; and – 30% based on effective execution of business plan.
FY2024 Rights - CEO	22 Nov 2023	01 Jul 2023	30 Jun 2026	Same as above FY2024 Rights

J. Remuneration consultant

During the year, the Board engaged an external adviser, KPMG, to review and make recommendations in relation to the remuneration framework for senior executives so as to comply with upcoming regulatory requirements, specifically FAR and CPS511. KPMG provided recommendations on the design elements which included participation, reward mix, deferral periods and performance measures necessary to meet these regulatory requirements. The Board considered the recommendations and made changes to the remuneration framework for senior executives, with implementation from FY2025 onwards.

The Board is satisfied that the remuneration framework recommendations were made free from undue influence by the KMP to whom the recommendations relate, as they had minimal involvement in the remuneration framework review.

KPMG were paid \$34,000 for their remuneration framework review. During the year, KPMG provided other consulting services in relation to taxation, totalling \$35,000.

K. Previous comments or resolutions in relation to Remuneration Report

At the 22 November 2023 annual general meeting, no comments were made or questions asked in relation to the FY2023 Remuneration Report and the Remuneration Report was adopted by a vote of 98% in favour.

Auditor's Independence Declaration

Deloitte.

Deloitte Touche Tohmatsu
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Melbourne VIC 3000
Australia
Tel: +61 3 9671 7000
www.deloitte.com.au

13 August 2024

The Board
Netwealth Group Limited
Level 6, 180 Flinders Street
Melbourne VIC, 3000

Dear Directors,

Auditor's Independence Declaration to Netwealth Group Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Netwealth Group Limited.

As lead audit partner for the audit of the financial report of Netwealth Group Limited for the year ended 30 June 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- The auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- Any applicable code of professional conduct in relation to the audit.

Yours faithfully,

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Lani Cockrem

Lani Cockrem
Partner
Chartered Accountants

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Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2024.

		Consolidated Group for Year Ended	
	Note	30 June 2024 \$'000	30 June 2023 \$'000
Income			
Revenue ¹	4	249,526	211,490
Other income ¹	4	5,722	3,259
Total income		255,248	214,749
Expenses			
Employee benefits expenses	5	(90,268)	(77,886)
Share-based payment expense		(3,002)	(2,381)
Brokerage, investment & custody		(4,565)	(4,567)
Technology and communication expenses		(15,791)	(13,689)
Client transactions & communication		(1,612)	(1,419)
Professional fees		(3,256)	(3,158)
Insurance		(3,286)	(3,028)
Advertising & Marketing		(3,068)	(2,835)
Depreciation		(2,732)	(2,637)
Amortisation		(924)	(642)
Interest expense	13	(572)	(451)
Other operating expenses	5	(5,454)	(4,665)
Share of joint venture NPAT		(269)	(377)
Total expenses		(134,799)	(117,735)
Profit before income tax		120,449	97,014
Income tax expense	6	(37,079)	(29,861)
Profit for the period		83,370	67,153
Total comprehensive income for the period		83,370	67,153
Total comprehensive income attributable to:			
Members of the parent entity		83,370	67,153
Earnings per share			
Basic (cents per share)	9	34.2	27.5
Diluted (cents per share)	9	34.1	27.5

¹During the year, the Group revised the classification and disclosure of cost of capital recovery. \$5.9 million cost of capital recovery has been presented as Revenue in the current year. Comparative figure of \$4.5 million have been reclassified from Other income to Revenue, to be consistent with current period disclosure. Refer to Note 2 Significant Accounting Policies.

[The accompanying notes form part of these financial statements](#)

Consolidated Statement of Financial Position

As at 30 June 2024.

	Note	Consolidated Group as at	
		30 June 2024 \$'000	30 June 2023 \$'000
Assets			
Current assets			
Cash and cash equivalents		126,676	109,482
Trade and other receivables	10	22,316	17,837
Other current assets	11	8,307	8,569
Financial assets at FVTPL*	12	682	491
Total current assets		157,981	136,379
Non-current assets			
Financial Assets at FVTPL*	12	2,200	917
Property, plant and equipment	15	1,545	1,445
Intangible assets	16	9,644	6,506
Lease assets	13	13,741	12,830
Investment in joint venture	14	1,345	1,614
Deferred tax assets	6	3,030	2,194
Total non-current assets		31,505	25,506
Total assets		189,486	161,885
Current liabilities			
Trade and other payables	17	14,223	11,804
Provisions	18	8,664	7,439
Current tax liabilities		6,132	4,978
Lease liability	13	1,773	1,437
Other current liabilities		36	83
Total current liabilities		30,828	25,741
Non-current liabilities			
Lease liability	13	13,142	12,149
Provisions	18	996	946
Total non-current liabilities		14,138	13,095
Total liabilities		44,966	38,836
Net assets		144,520	123,049
Equity			
Issued capital	19	28,381	27,228
Reserves	20	9,591	6,772
Retained earnings		106,548	89,049
Total equity		144,520	123,049

*Fair value through Profit & Loss

The accompanying notes form part of these financial statements

Consolidated Statement of Changes in Equity

For the year ended 30 June 2024.

Consolidated Group	Note	Issued capital \$'000	Reserves \$'000	Retained earnings \$'000	Total \$'000
Balance at 1 July 2022		26,563	4,576	73,104	104,243
Shares issued and fully paid during the period		665	-	-	665
Total comprehensive income for the period		-	-	67,153	67,153
Equity-settled share-based payments		-	2,196	-	2,196
Dividends paid	8	-	-	(51,208)	(51,208)
Balance at 30 June 2023		27,228	6,772	89,049	123,049
Balance at 1 July 2023		27,228	6,772	89,049	123,049
Shares issued and fully paid during the period		1,153	-	-	1,153
Total comprehensive income for the period		-	-	83,370	83,370
Equity-settled share-based payments		-	2,819	-	2,819
Dividends paid	8	-	-	(65,871)	(65,871)
Balance at 30 June 2024		28,381	9,591	106,548	144,520

The accompanying notes form part of these financial statements.

Consolidated Statement of Cash Flows

For the year ended 30 June 2024.

	Note	Consolidated Group for Year Ended	
		30 June 2024 \$'000	30 June 2023 \$'000
Cash flows from operating activities			
Receipts from customers		258,061	223,412
Payments to suppliers and employees		(136,372)	(120,302)
Dividends received		18	29
Interest received		5,606	3,123
Interest paid on leases		(573)	(451)
Income tax paid		(36,761)	(26,585)
Net cash generated by operating activities	25	89,979	79,226
Cash flows from investing activities			
Purchase of property, plant and equipment		(846)	(709)
Proceeds from sale of investments		589	1,177
Purchase of investments		(789)	(526)
Purchase of intangibles	16	(4,062)	(4,932)
Net cash used in investing activities		(5,106)	(4,990)
Cash flows from financing activities			
Proceeds from issue of shares	19	970	479
Payment of lease liabilities	13	(1,578)	(1,501)
Drawdown of loan to joint venture		(1,200)	(900)
Dividends paid	8	(65,871)	(51,208)
Net cash used in financing activities		(67,679)	(53,130)
Net increase in cash held		17,194	21,106
Cash and cash equivalents at beginning of year		109,482	88,376
Cash and cash equivalents at end of year		126,676	109,482

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

1. General Information

The Financial Report of Netwealth Group Limited which covers 'the Company' as an individual entity (disclosed in Note 26) and its controlled entities (together referred to as 'the Group') for the year ended 30 June 2024 as required by the Corporations Act 2001 was authorised for issue in accordance with a resolution of the Directors on 13 August 2024. The Company is limited by shares and incorporated and domiciled in Australia.

Registered office of the company and principal place of business:

Netwealth Group Limited

Level 6, 180 Flinders Street

MELBOURNE VIC 3000

The principal activities of the Group are to provide Financial Intermediaries and clients with financial services including managed funds, investor directed portfolio services, a superannuation master fund, separately managed accounts, self-managed superannuation administration services and non-custodial administration service.

2. Material Accounting Policies

Basis of preparation

The financial statements for the year ended 30 June 2024:

- is for the consolidated entity consisting of Netwealth Group Limited and its controlled entities (trading on the ASX under the symbol 'NWL');
- is presented in Australian dollars, with all values rounded to the nearest thousand dollars, or in certain cases, the nearest dollar, in accordance with the Australian Securities and Investment Commission Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191;
- has been prepared on a going concern basis using historical costs except for financial instruments required to be measured at fair value through profit or loss (FVTPL), in accordance with Australian Accounting Standards (AASBs) and Interpretations issued by the Australian Accounting Standards Board, and the Corporations Act 2001;
- complies with International Financial Reporting Standards as issued by the International Accounting Standards Board; and
- has accounting policies and methods of computation which are consistent for all periods presented, unless stated otherwise.

Principles of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary.

The financial statements of all the entities are prepared for the same reporting period as the parent entity with consistent accounting policies.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Adoption of new and revised Standards and Interpretations

The Group has adopted new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for an accounting period that begins on or after 1 July 2023. Set out below are the relevant new and revised Standards and Interpretations effective for the current year for the Group:

AASB 2021 – 2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates (applicable to annual reporting periods beginning on or after 1 January 2023)

From 1 July 2023, AASB 2021-2 has amended:

- *AASB 7 – Financial Instruments: Disclosures*
- *AASB 101 – Presentation of Financial Statements*
- *AASB 108 – Accounting Policies, Changes in Accounting Estimates and Errors; and*
- *AASB 134 – Interim Financial Reporting*

Application of the amended standard resulted in changes made to the disclosure of material accounting policy information, clarifying how entities should distinguish between changes in accounting policies and changes in accounting estimates.

These changes did not have a material impact on the Group's consolidated financial statements.

New and revised Australian Accounting Standards and Interpretation on issue but not yet adopted

New and revised Standards and Interpretations issued by the AASB which are not mandatory for the 30 June 2024 reporting period have not yet been applied in these financial standards. The Group's assessment of the relevant new Standards and Interpretations are as below:

AASB 2020-1 & AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current (applicable to annual reporting periods beginning on or after 1 January 2024)

From 1 July 2024, the Group is required to adopt the amendments outlined in AASB 2020-1 & AASB 2020-6 *Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current*. As per the amendment, a liability is classified as a non-current liability if at the end of the reporting period the entity has the right to defer settlement of the liability for at least twelve months after the end of the reporting period.

The standard above is not expected to have a material impact on Netwealth's financial results or financial position following its adoption.

Critical accounting estimates and key sources of estimation uncertainty

In the application of the Group's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are evaluated on an ongoing basis and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The notes to the financial statements highlight areas that involve a higher degree of judgement or complexity, as well as areas where assumptions are significant to the consolidated financial statements including:

- The choice of inputs, estimates and assumptions used in measuring expected credit loss, including the expected loss rates (Note 10).
- Inputs to measure the fair value of the loan, call and put options in relation to the investment in Xeppo (Note 14).
- The determination of joint control in joint arrangements involves assessing whether certain rights are protective or substantive in nature and whether the level of involvement in an investee's relevant activities significantly affects the returns generated (Note 14).
- The assessment of whether the investment in the joint venture is impaired includes evaluating its going concern status and future profitability (Note 14).
- The expected life of intangible assets, such as software was assessed using historical usage data of similar software (Note 16).
- Determining whether customisation and configuration costs undertaken in implementing Software as a Service (SaaS) arrangements may result in the development of new software code that meets the definition of and recognition criteria as an intangible asset (Note 16).
- Measuring the fair value and estimating the number of equity instruments granted under the Employee Incentive Plan that are likely to vest at the end of the vesting period by assessing their vesting conditions over the vesting period (Note 23).

Change in Disclosures

During the year, the classification and disclosure of cost of capital recovery on Operational Risk Financial Requirements (ORFR) has been revised and presented as Revenue from Other Income (refer Note 4 Revenue). This change was made to provide a more accurate representation of the economic substance and terms of the contractual arrangements.

To ensure consistency and comparability, comparative figures have been reclassified to align with the current period disclosure.

	FY2023 Financial Report	Reallocation	Post-Reallocation
	30 June 2023		30 June 2023
	\$'000		\$'000
Income			
Revenue	207,008	4,482	211,490
Other Income	7,741	(4,482)	3,259
Total income	214,749	-	214,749

Investment in Joint Ventures

The accounting treatment for investments in joint ventures adheres to the equity method as outlined in AASB 128 *Investments in Associates and Joint Ventures* for the group's financial statements. Investments in joint ventures are initially recognised at cost in the Consolidated Statement of Financial Position. The carrying amount of the investment is subsequently measured to reflect the Group's share of the profit or loss after the date of acquisition. The Group's share of the profit or loss is recognised in the statement of profit or loss.

Foreign currency translation

The functional currency in the Group is determined as the currency of the primary economic environment in which Netwealth operates in. The Group's financial statement are presented in Australian dollars (the presentation currency), which is also the Group's functional currency.

At initial recognition, a foreign currency transaction is translated into the Group's functional currency using the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Where a foreign currency transaction is over a period of time, an average exchange rate can be used unless the exchange rate fluctuates significantly during the period.

At the end of each reporting period, the foreign currency monetary assets and liabilities are translated using the closing spot exchange rate.

Foreign exchange gains and losses arising from the settlement or translation is measured at fair value and recognised as part of income or loss.

All subsidiaries and joint ventures use the same functional currency as the Group.

3. Segment Information

The operating segment has been determined based on the separate internal financial reports that are reviewed and used regularly by the Board of Directors and the Executive Management Team, identified as the Chief Operating Decision Makers (CODM), to assess performance and in determining the allocation of resources to the operating segment. The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The Group assessed its operating segments and determined that the 'Data and Advice Tech Solutions segment,' does not yet meet the definition of an operating segment prescribed by the Accounting Standard AASB 8 *Operating Segments*. Therefore, the Group continues to operate and disclose one reportable segment, 'Platform Operations segment.'

The Group's operations are solely based in Australia.

4. Revenue

Revenue and other income

	Consolidated Group	
	30 June 2024 \$'000	30 June 2023 \$'000
Platform Revenue		
Administration fees	112,282	97,942
Ancillary fees	86,794	74,330
Transaction fees	29,896	22,559
Management fees	14,688	12,177
Cost of capital recovery	5,866	4,482
Total Revenue from Contracts with Customers	249,526	211,490
Other income		
Net gain/(loss) on disposal of investments	13	(109)
Unrealised investment (loss)/gain	(15)	193
Dividend and distributions received	24	34
Interest received	5,606	3,123
Other Income	94	18
Total other income	5,722	3,259
Total income	255,248	214,749

Netwealth does not have an individual customer who makes up more than 10% of Netwealth's Platform revenue.

Material Accounting Policies

Revenue is measured by reviewing each revenue contract and its respective services to clients to determine the performance obligations. The transaction price is then allocated to each performance obligation, either over time or at a specific point in time. Revenue contracts such as the Product Disclosure Statement (PDS) were assessed. The performance obligations identified are:

Platform revenue – which comprises the following fees:

- Administration fee is recognised over time as clients receive and benefit from accessing the platform. The amount is calculated based on the contractual percentage applied daily value of client account balances and received monthly in arrears directly from customer accounts on the platform.
- Ancillary fee is recognised over time or once the service has been provided to and received by the platform clients. This includes interest retained on pooled cash accounts.
- Transaction fees are recognised once the transaction has been completed and the client receives confirmation of the transaction. The amount is based on an agreed contractual rate and collected monthly in arrears.
- Management fees are recognised over time as clients receive and benefit from having their funds managed, based on a contractual percentage of the value of the client account balance being managed.
- Cost of capital recovery is recognised over time as the superannuation clients on the platform receive and benefit from having an Operational Risk Financial Requirement (ORFR) reserve.

Other income – which comprises the following income:

- Gain/loss from disposal of investments is recognised when the asset has been disposed of.
- Unrealised gains from investments is recognised when the fair value of the underlying asset increases or decreases but not been disposed of.
- Dividend revenue is recognised when the right to receive a dividend has been established.
- Interest revenue is accrued over time, by reference to the principal outstanding and the effective interest rate applicable, which discounts the estimated future cash receipts thorough the expected life of the financial asset to that asset's gross carrying amount on initial recognition.

5. Expenses

5.1 Employee benefits expenses

	Consolidated Group	
	30 June 2024 \$'000	30 June 2023 \$'000
Salaries and wages (including payroll tax)	78,191	66,552
Contributed superannuation	7,067	5,865
Other employee benefits expenses	5,010	5,469
Total employee benefits expenses	90,268	77,886

5.2 Other operating expenses

	Consolidated Group	
	30 June 2024	30 June 2023
	\$'000	\$'000
Admin and other overhead expenses	2,758	2,593
Travel and entertainment expenses	1,175	1,126
Product expenses	1,521	946
Total other operating expenses	5,454	4,665

Material Accounting Policies

Other employee benefits expense

Long service leave is measured at the present value of the probability weighted expected future payments to be made to employees and are discounted at rates determined by reference to Group of 100 (G100) discount rate.

Contributed superannuation

All employees of the Group receive defined contribution superannuation entitlements, for which the Group pays the fixed superannuation guarantee contribution to the employee's superannuation fund of choice in accordance with relevant statutory requirements.

Other operating expenses

Admin and other overhead expenses are incidental operational costs such as cleaning, postage & courier. These are recorded at the amounts at which the obligation will be settled.

6. Income Taxes

	Consolidated Group	
	30 June 2024 \$'000	30 June 2023 \$'000
a) The components of tax expense/(income) comprise:		
Current tax	37,914	29,258
Deferred tax	(836)	612
Over provision from prior years	1	(9)
	37,079	29,861
b) The prima facie tax on profit before income tax is reconciled to income tax as follows:		
Prima facie tax before income tax at 30%	36,135	29,102
Other non-allowable items	944	759
Income tax expense attributable to entity	37,079	29,861

	Consolidated Group	
	30 June 2024 \$'000	30 June 2023 \$'000
c) The components of deferred tax assets comprise:		
Expenditure deductible over 5 years	61	90
Lease liability	4,475	4,076
Provisions	2,861	2,492
Other temporary differences	554	541
	7,951	7,199
d) The components of deferred tax liabilities comprise:		
Property, equipment and intangible assets	669	1,016
Right-of-use assets	4,122	3,849
Other temporary differences	129	140
	4,920	5,005

Effective tax rate

	30 June 2024	30 June 2023
Consolidated Group	30.8%	30.8%

	Opening Balance 30 Jun 2022	Charged to Income	Closing Balance 30 Jun 2023
	\$'000	\$'000	\$'000
Deferred tax assets/liabilities			
Expenditure deductible over 5 years	157	(67)	90
Provisions	2,122	370	2,492
Property, plant & equipment and intangible assets	(1,017)	1	(1,016)
Leases	133	94	227
Other temporary difference	187	214	401
	1,582	612	2,194

	Opening Balance 30 Jun 2023	Charged to Income	Closing Balance 30 Jun 2024
	\$'000	\$'000	\$'000
Deferred tax assets/liabilities			
Expenditure deductible over 5 years	90	(30)	60
Provisions	2,492	370	2,862
Property, plant & equipment and intangible assets	(1,016)	347	(669)
Leases	227	126	353
Other temporary differences	401	23	424
	2,194	836	3,030

Material Accounting Policies

Current tax

The Group's current tax liabilities are calculated using the Australian company tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Offsetting within tax consolidated group

Netwealth and its wholly owned subsidiaries have applied the tax consolidation legislation which result in these entities being taxed as a single entity. The deferred tax assets and deferred tax liabilities of these entities have been offset in the consolidated financial statements.

Material Accounting Policies

Netwealth Group Limited (NWL) and its wholly-owned Australian subsidiaries formed an income tax consolidated group under the tax consolidation legislation with NWL as the head entity of the Group.

The tax consolidated group has entered a tax funding arrangement which sets out the funding obligations of members of the tax-consolidated group in respect of tax amounts. The amounts payable or receivable under the tax-funding arrangement between NWL and the entities in the tax consolidated group are determined using the 'standalone taxpayer method' approach for allocation of the tax contributions payable or receivable by each member of the tax-consolidated group. This approach results in the tax effect of transactions being recognised in the legal entity where the transaction occurred and does not affect transactions that do not have tax consequences to the group.

Each entity in the Group recognises its own current and deferred tax assets and liabilities. Current tax liabilities/(assets) and deferred tax assets arising from unused tax losses and tax credits in the subsidiaries are immediately transferred to NWL as under Australian taxation law, NWL has the legal obligation (or right) to these amounts.

7. Key Management Personnel Compensation

	Consolidated Group	
	30 June 2024	30 June 2023
	\$	\$
Short term employee benefits	3,056,214	2,384,952
Post-employment benefits	100,679	174,931
Share based payments	639,171	487,930
Key management personnel compensation	3,796,064	3,047,813

The remuneration paid to KMP of the Group during the year, was paid by Netwealth Group Services Pty Ltd, a subsidiary of the Company. The remuneration disclosures are provided in the 'Remuneration Report' on pages 41 to 58 of the Annual Report.

8. Dividends

Dividends paid by the Company in the year ended 30 June 2024 were:

	Cents Per Share	Total Amount \$'000	% Franked	Date of Payment
Final 2023 ordinary	13.0	31,706	100%	21 Sep 2023
Interim 2024 ordinary	14.0	34,165	100%	28 Mar 2024
Total dividends paid	27.0	65,871		

Dividends paid by the Company in the year ended 30 June 2023 were:

	Cents Per Share	Total Amount \$'000	% Franked	Date of Payment
Final 2022 ordinary	10.0	24,381	100%	29 Sep 2022
Interim 2023 ordinary	11.0	26,827	100%	24 Mar 2023
Total dividends paid	21.0	51,208		

There is no dividend reinvestment plan.

Franking credits

Franking credits available as at 30 June 2024 to shareholders of the Company amount to \$47,453,225 (2023: \$38,922,005) at the 30 percent corporate tax rate.

Subsequent events

Since the end of the financial year, the Company declared the following fully franked dividend on 13 August 2024. The dividend has not been provided for as at 30 June 2024.

	Cents Per Share	Total Amount \$'000	% Franked	Date of Payment
Final 2024 ordinary	14.0	34,165	100%	26 Sep 2024
Total dividend	14.0	34,165		

9. Earnings Per Share

Basic earnings per share (EPS) is calculated by dividing the profit/(loss) attributable to owners of the Company by the weighted average number of ordinary shares on issue during the year.

Diluted EPS is determined by adjusting the profit/(loss) attributable to owners of the Company and the weighted average number of ordinary shares on issue for the effects of all dilutive ordinary shares. The basic and diluted EPS are summarised below. The basic and diluted earnings per share are similar as total dilutive options were less than 1.0% of total ordinary shares on issue as at 30 June 2024.

	Consolidated Group	
	30 June 2024 Cents per Share	30 June 2023 Cents per Share
Basic earnings per share	34.2	27.5
Diluted earnings per share	34.1	27.5

The earnings and weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share are as follows:

	Consolidated Group	
	30 June 2024 \$'000	30 June 2023 \$'000
Profit for the year attributable to owners of the Company	83,370	67,153
Profit for the year attributable to owners of the Company	83,370	67,153

	30 June 2024	30 June 2023
	Number	Number
Weighted average number of issued ordinary shares	244,055,799	243,867,831
Add: Weighted average number of dilutive ordinary shares:		
FY2020 Options Vested deemed to be issued at no consideration	223,977	221,206
FY2022 Options Vested deemed to be issued at no consideration	322	-
FY2022 Rights Vested deemed to be issued at no consideration	139	-
Weighted average number of ordinary shares and potential ordinary shares used in calculation of diluted earnings per share	244,280,237	244,089,037

10. Trade and Other Receivables

	Consolidated Group	
	30 June 2024 \$'000	30 June 2023 \$'000
Products account receivables	21,854#	17,704
Trade and sundry receivables	462	133
Total current receivables	22,316	17,837
Total trade and other receivables	22,316	17,837
Trade and other receivables classified as financial assets*	22,316	17,837

Net of expected credit loss. Refer to table below.

* Refer to Note 22 for further information about Financial Assets

The table below presents the provision matrix by referencing to past provision rates and considerations for future outlooks.

	Not past due \$'000	1-30 days \$'000	31-60 days \$'000	61-90 days \$'000	Over 90 days \$'000	Total \$'000
2024						
Gross products account receivable	21,498	140	123	33	77	21,871
Expected Credit Loss (ECL) Probability	0.05%	0.50%	0.75%	1.00%	3.00%	
ECL Allowance	12	1	1	1	2	17
2023						
Gross products account receivable	17,367	19	20	277	21	17,704
Expected Credit Loss (ECL) Probability	0.10%	0.50%	0.75%	1.00%	3.00%	
ECL Allowance	17	-	-	3	-	20

The table below presents the gross exposure and related expected credit losses allowance for assets, subject to impairment requirements of AASB 9.

	2024		2023	
	Gross Exposure \$'000	ECL Allowance \$'000	Gross Exposure \$'000	ECL Allowance \$'000
Trade receivables	21,871	17	17,704	20
Total	21,871	17	17,704	20

Material Accounting Policies

Measurement of Trade and Other Receivables

Products account receivable and trade and sundry receivable are measured at amortised cost. The receivables arises when the Group has provided services to clients where the consideration for the service remains unpaid at the end of the financial year.

Expected credit losses (ECL)

Trade receivables are continuously reviewed using an expected credit loss (ECL) model with a provision matrix based on historical loss rates. Additionally, receivables unlikely to be collected are provided for separately. The ECL is assessed collectively, applying a simplified model that considers probability of default and forward-looking information.

Management has determined the Expected Loss Probability for each of the following ageing categories as:

Debtors Aging Category	ECL Probability
Not past due	0.05%
1-30 days	0.50%
31-60 days	0.75%
61-90 days	1.00%
Over 90 days	3.00%

11. Other Current Assets

	Consolidated Group	
	30 June 2024	30 June 2023
	\$'000	\$'000
Accrued income	4,906	4,604
Prepayments	3,322	3,878
Other receivables	79	87
Total other current assets	8,307	8,569

12. Financial Assets

	Consolidated Group	
	30 June 2024 \$'000	30 June 2023 \$'000
FVTPL* financial assets	2,882	1,408
Total financial assets	2,882	1,408

	Consolidated Group	
	30 June 2024 \$'000	30 June 2023 \$'000
FVTPL* financial assets comprise:		
Netwealth wrap accounts	682	491
Convertible Loan and Call Option held at FVTPL	2,200	917
Total FVTPL financial assets	2,882	1,408

* Fair Value through Profit or Loss (FVTPL)

Refer to Note 22 for further information about Financial Assets.

13. Leases

	Property	Office	Total
	\$'000	Equipment \$'000	\$'000
Right-of-use assets			
Balance as at 30 June 2022	14,584	59	14,643
Depreciation	(1,798)	(15)	(1,813)
Balance as at 30 June 2023	12,786	44	12,830
Additions	2,890	-	2,890
Depreciation	(1,985)	(12)	(1,997)
Remeasurement	-	18	18
Total right-of-use assets as at 30 June 2024	13,691	50	13,741

	Property \$'000	Office Equipment \$'000	Total \$'000
Lease liability			
Balance as at 30 June 2022	15,028	59	15,087
Payment of lease liabilities	(1,937)	(15)	(1,952)
Interest on leases	450	1	451
Balance as at 30 June 2023	13,541	45	13,586
Additions	2,890	-	2,890
Payment of lease liabilities	(2,136)	(15)	(2,151)
Interest on leases	569	3	572
Remeasurement	-	18	18
Total lease liability as at 30 June 2024	14,864	51	14,915
Current	1,763	10	1,773
Non-current	13,101	41	13,142
Total lease liability as at 30 June 2024	14,864	51	14,915

Amounts recognised in Statement of Comprehensive Income

	30 June 2024 \$'000	30 June 2023 \$'000
Depreciation charge on right-of-use assets	1,997	1,813
Interest expense on lease liabilities	572	451

Amounts recognised in Statement of Cash Flows

	30 June 2024 \$'000	30 June 2023 \$'000
Total cash outflows for leases	(1,578)	(1,501)

	Property \$'000	Office Equipment \$' 000	Total \$' 000
Undiscounted lease payments to be paid			
Year 1	2,334	14	2,348
Year 2	2,405	14	2,419
Year 3	2,479	14	2,493
Year 4	2,559	14	2,573
Year 5	2,493	5	2,498
> 5 years	4,800	-	4,800
Total	17,070	61	17,131

Impact of new lease

On 1 November 2023, Netwealth expanded its Melbourne office by entering into an 8-year lease for Level 6 at 189 Flinders Lane. Annual increases will begin at 2.50% per annum for the first 5 years, then increase to 3.00% per annum from the 5th year of the lease.

NWL has entered into a new 5-year lease for a new office in Sydney from 1 November 2023, replacing the previous lease which ended at the end of October. Annual increases will start at 3.75% per annum.

Short-term leases

Payments associated with short-term leases are directly expensed within 'Other operating expenses' in the consolidated income statement. Short-term leases are leases with a contractual term of 12 months or less. For the year ended 30 June 2024, \$0.2 million of short-term lease payments has been recognised in the income statement.

Material Accounting Policies

At the lease commencement date, NWL recognises the "Right of Use assets" (ROU) with the equivalent lease liability measured at cost less incentives received. The ROU depreciates in a straight line over the lease term. The lease liability is measured at the present value of the lease's future lease payments from commencement date, discounted using the Group's incremental borrowing rate (IBR).

NWL uses the lease specific IBR rate during the period. Any rental abatement taken was recognised across the life of the lease.

Lease liability is subsequently remeasured when there is a change in future lease payments arising from a change in lease term, an index or rate, change in amount payable under a residual value guarantee, lease term or termination penalties. When it is remeasured, a corresponding adjustment is made to the carrying value of the ROU asset.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option. Such option is only included in the lease term if the lease is reasonably certain to be extended. The assessment is reviewed if an event of significant change in circumstances occurs which affects this assessment that is

14. Investment in Joint Venture

(i) Share in Joint Venture

	Consolidated Group	
	30 June 2024 \$'000	30 June 2023 \$'000
Opening Balance	1,614	1,991
Share of Joint Venture NPAT	(269)	(377)
Total Investment in Joint Venture	1,345	1,614

The Group's joint venture at the balance date is:

Joint Venture	Ownership Interest 30 June 2024	Ownership Interest 30 June 2023	Nature of activities	Financial Reporting Date	Carrying Value 30 June 2024 \$'000	Carrying Value 30 June 2023 \$'000
Xeppo Pty Limited	25%	25%	Fintech Data Solutions Provider	30 June	1,345	1,614

Xeppo Pty Ltd (Xeppo)

The Group has a 25% interest in an unlisted entity, Xeppo, an Australian specialist Fintech data solutions provider based in Adelaide.

In August 2022, the Group and other Xeppo shareholders revised their shareholder agreement. As part of this agreement, the Group provided Xeppo with a \$2.5 million convertible loan facility at an annual interest rate of 5%, maturing on 30 June 2026. This loan, measured separately at FVTPL, supports Xeppo's strategic initiatives and is not included in the investment in Joint Venture.

Under the agreement, the loan will convert into Xeppo's ordinary shares at \$3 per share either at maturity in September 2026 or when the Group exercises its "First call option". The Group also received a "First call option" to acquire up to 50% of Xeppo's ordinary shares on a fully diluted basis at any time until the loan's maturity at 30 June 2026. Additionally, a "Final put-call option" was introduced, exercisable after 30 June 2026. The Group's call option allows it to acquire any remaining shares from non-Netwealth shareholders after 30 June 2026, while non-Netwealth shareholders have a put option to sell their shares at the higher of \$3 per share or three times Xeppo's net profit after tax.

During the financial year, the Group classified its investment in Xeppo as a joint venture, recognising that joint control exists with Xeppo shareholders. In accordance with the terms of the shareholder agreement, significant decisions require unanimous consent from Netwealth and other Xeppo shareholders. Consequently, Netwealth does not unilaterally exercise control over Xeppo.

As at 30 June 2024, Xeppo has drawn \$2.1 million under the loan facility plus \$0.1M accrued interest. No options have been exercised.

(ii) Financial Assets at Fair Value through Profit and Loss

Netwealth has recognised the convertible loan and first call option to Xeppo, on an aggregated basis as a Financial Asset held at FVTPL in accordance with AASB 9.

	Consolidated Group	
	30 June 2024 \$'000	30 June 2023 \$'000
Loan and call option held at FVTPL	2,200	917
Total Financial Assets at Fair Value through P&L	2,200	917

Subsequent event – Acquisition of Xeppo from 12 August 2024 (business combination achieved in stages)

On 12 August 2024 (acquisition date), Netwealth and Xeppo signed a new share sale and purchase agreement. This agreement replaces the 'Final put-call option' from the previous shareholder agreement with an offer of \$2.27 per share for the remaining shares in Xeppo.

Netwealth exercised its 'First call option' to convert the \$2.2 million loan provided by Netwealth to Xeppo into equity, increasing Netwealth's ownership in Xeppo to 46%. On the same day, Netwealth acquired the remaining 54% of issued share capital in Xeppo for a net cash consideration of \$5.9 million. The terms of the acquisition did not include any contingent consideration.

The acquisition aligns Xeppo's strategic initiatives with the Group and enables Netwealth to accelerate its integration with Xeppo and enhancing our capabilities on data and artificial intelligence (AI). The acquisition related costs are estimated to be \$50,000 and will be incurred in FY2025.

The provisional fair values of the identifiable assets and liabilities acquired as of the date of acquisition were:

	12 August 2024 \$'000
Cash and cash equivalents	329
Trade and other receivables	72
Other current assets	147
Property, plant and equipment	8
Intangible assets	39
Goodwill	5
Deferred tax assets	38
Trade and other payables	(101)
Provisions	(249)
Total identifiable assets acquire, and liabilities assumed	288

Fair value of consideration given for controlling interest	5,858
Fair value of previously held interest in Xeppo	2,562
Loan to Xeppo converted into equity	2,200
Less: fair value of net assets acquired, and liabilities assumed	(288)
Provisional goodwill	10,332

The fair values disclosed are provisional. The goodwill represents the provisional amount, which could not be reliably allocated due to the timing of the acquisition. The valuation process remains ongoing and will be completed within 12 months of the acquisition.

The contribution to revenue and profit of the Group for the year ended 30 June 2024, had the acquisition occurred on 1 July 2023 would not have been material.

Material Accounting Policies

Investments in joint venture – Equity Method

Investments in joint ventures are recognised initially in the consolidated statement of financial position at cost and if the cost of investment is greater than the net assets of the investee, goodwill is included as part of the cost of the investment in joint venture.

Recognition of Share of Profit or Loss from investment in joint venture

After the initial recognition, the Group's share of the investee's profit or loss is to be recognised in its profit or loss, which will either increase or decrease the carrying amount of the investment in joint venture. After the initial recognition, the Group's share of the investee's profit or loss is to be recognised in its profit or loss, which will increase or decrease the carrying amount of the investment in joint venture. When the Group's share of losses of an joint venture exceeds the Group's interest in that joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture.

The requirements of AASB 136 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with AAASB 136 as a single asset, by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any reversal of that impairment loss is recognised in accordance with AASB 136 to the extent that the recoverable amount of the investment subsequently increases.

Valuation Methodology

The fair value of the convertible loan, first call option and final put-call option were determined using a discounted cash flow (DCF) model, relying on management's forecast of the loan schedule. The model then incorporated an implied risk premium above the risk-free rate that results in a net present value (NPV) across the instruments.

15. Property and Equipment

	Consolidated Group		
	30 June 2024	30 June 2023	
Carrying amount of:	\$'000	\$'000	
Leasehold improvements	405	315	
Equipment	1,140	1,130	
Total property and equipment	1,545	1,445	
	Leasehold Improvements	Equipment	Total
	\$'000	\$'000	\$'000
Cost			
Balance at 30 June 2022	861	3,648	4,509
Additions	-	709	709
Disposals	-	(186)	(186)
Balance at 30 June 2023	861	4,171	5,032
Additions	148	698	846
Disposals	(114)	(211)	(325)
Balance at 30 June 2024	895	4,658	5,553
Accumulated depreciation			
Balance at 30 June 2022	(487)	(2,462)	(2,949)
Depreciation expense	(59)	(765)	(824)
Disposals	-	186	186
Balance at 30 June 2023	(546)	(3,041)	(3,587)
Depreciation expense	(50)	(685)	(735)
Disposals	106	208	314
Balance at 30 June 2024	(490)	(3,518)	(4,008)
	Leasehold Improvements	Equipment	Total
	\$'000	\$'000	\$'000
Net carrying amount			
At 30 June 2023	315	1,130	1,445
At 30 June 2024	405	1,140	1,545

16. Intangible Assets

	Consolidated Group			
	30 June 2024		30 June 2023	
Carrying amount of:	\$'000		\$'000	
Software and website developments costs	5,616		2,070	
Software – Work in Progress (WIP)	4,028		4,436	
Total intangibles	9,644		6,506	
	Customer relationship \$'000	Software and website \$'000	Software - Work in Progress \$'000	Total \$'000
Cost				
Balance at 30 June 2022	300	2,624	-	2,924
Additions	-	497	4,436	4,933
Balance at 30 June 2023	300	3,121	4,436	7,857
Additions	-	-	4,062	4,062
Transfer	-	4,470	(4,470)	-
Balance at 30 June 2024	300	7,591	4,028	11,919
	Customer relationship \$'000	Software and website \$'000	Software - Work in progress \$'000	Total \$'000
Accumulated amortisation and impairment				
Balance at 30 June 2022	(240)	(469)	-	(709)
Amortisation	(60)	(582)	-	(642)
Balance at 30 June 2023	(300)	(1,051)	-	(1,351)
Amortisation	-	(924)	-	(924)
Balance at 30 June 2024	(300)	(1,975)	-	(2,275)

Material Accounting Policies

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Customisation and Configuration costs in Software as a Service (SaaS) arrangements

Customisation and configuration costs in SaaS arrangements are capitalised when the software upgrade results in new code written that are separately identifiable, have measurable costs, and meets the condition for Netwealth having obtained control of the intellectual property from the upgrade. The development on the existing SaaS code enhances and creates new additional capabilities and it is probable that future economic benefits will be obtained. Judgement is continuously applied in determining whether the additional code meets the definition of and recognition criteria as an intangible asset under AASB 138 *Intangible Assets*.

Internally generated intangibles - Work In Progress (WIP)

Intangibles – WIP is recognised when it can be demonstrated that there is an intention to complete the work in progress and it is feasible that the intangible assets will be ready for use or sale and the amount can be reliably measured.

Impairment of intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss.

Intangible assets with either indefinite useful lives or not yet available for use are tested for impairment at least annually or where there is an indicator of impairment. Intangible assets with indefinite useful lives or not yet available for use are tested for impairment at least annually or where there is an indicator of impairment. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Amortisation

The intangibles is amortised on a straight-line basis over its estimated useful life from the time the asset is ready for use. Amortisation is recognised in profit or loss.

The amortisation rates used for each class of amortisable assets are:

Class of Intangibles	Amortisation rate (currently in use)
Customer relationships	20%
Existing software and website	20%

17. Trade and Other Payables

	Consolidated Group	
	30 June 2024 \$'000	30 June 2023 \$'000
Measured at amortised cost:		
Trade payables	13,064	10,685
GST payables	1,159	1,119
Total trade and other payables measured at amortised cost	14,223	11,804
Financial liabilities at amortised costs classified as trade and other payables		
Total trade and other payables at amortised cost	14,223	11,804
Less:		
GST payable	1,159	1,119
Total financial liabilities as trade and other payables	13,064	10,685

Material Accounting Policies

Measurement of Trade and Other Payables

Trade creditors and other payables are initially measured at amortised cost. The above liabilities are recognised when the goods and services are received but are unpaid at the end of the financial year and the Group has a present obligation to make payments to the supplier.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivables or payable. The net amount of GST recoverable from, or payable to, the ATO is included as part of trade and other payables in the statement of financial position.

18. Provisions

	Consolidated Group	
	30 June 2024 \$'000	30 June 2023 \$'000
Employee benefits	9,536	8,294
Make good provisions	124	91
Total provisions	9,660	8,385
Current	8,664	7,439
Non-current	996	946
Total provisions	9,660	8,385

	Employee Benefits \$'000	Make good provisions \$'000	Total Provisions \$'000
Analysis of provisions consolidated Group			
Balance at 30 June 2023	8,294	91	8,385
Additional amounts raised during the year	6,407	50	6,457
Amount used or reversed during the year	(5,165)	(17)	(5,182)
Balance at 30 June 2024	9,536	124	9,660

18.1 Employee benefits liability

	Consolidated Group	
	30 June 2024 \$'000	30 June 2023 \$'000
Current		
Annual leave	5,032	4,491
Long service leave	3,508	2,857
Total current employee benefits liability	8,540	7,348
Non-current		
Long service leave	996	946
Total non-current employee benefits liability	996	946
Total employee benefits liability	9,536	8,294

Material Accounting Policies

Employee benefits liability

Employee benefits liability is recognised when the employee has provided service to the Group in exchange for employee benefits to be paid in the future. Where the employee benefit liabilities are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the obligation arises, the liability is discounted to present value based on management's best estimate of the timing of settlement and the expenditure required to settle the liability at the reporting date.

The discount rates used to determine the present value of employee-related provisions are determined by reference to the Group of 100 discount rates at the end of the reporting period with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows of the related liability.

19. Issued Capital

	Consolidated Group	
	30 June 2024 \$'000	30 June 2023 \$'000
Balance at beginning of the reporting period	883,286	882,621
Cash received on vested options converted	970	479
Employee gift shares issued	183	167
Total share capital	884,439	883,267
Reorganisation reserve	(856,058)	(856,039)
Issued capital at the end of the reporting period	28,381	27,228

The Company recognised in FY2018 a Reorganisation Reserve of \$856 million to reflect the market value of \$3.70 per Fully Paid Ordinary share from the restructure of equity at listing.

	Consolidated group	
	30 June 2024 Number	30 June 2023 Number
Fully Paid Ordinary shares		
At the beginning of the reporting period	243,891,092	243,813,690
Vested options converted	128,448	63,452
Employee gift shares issued	14,697	13,950
At the end of the reporting period	244,034,237	243,891,092

On 26 October 2023, 14,697 (\$182,978) Fully Paid Ordinary shares were issued at no cost to eligible employees as part of the Employee Gift Offer.

On 25 August 2023, 120,568 (\$910,819) Options which vested on 30 June 2022 were exercised and converted to Fully Paid Ordinary shares.

On 29 February 2024, 7,880 (\$59,529) Options which vested on 30 June 2022 were exercised and converted to Fully Paid Ordinary shares.

During the financial year, Netwealth received \$970,348 for the exercise of vested Options and their conversion to Fully Paid Ordinary shares and gifted \$182,978 shares to employees.

The Company has issued share capital amounting to 244,034,237 Fully Paid Ordinary shares (2023: 243,891,092 shares).

At shareholders' meetings each Ordinary share is entitled to one vote when a poll is called, otherwise each Ordinary shareholder has one vote on a show of hands.

20. Reserves

	Consolidated Group	
	30 June 2024	30 June 2023
Share-based payments reserve	\$'000	\$'000
Balance at beginning of the reporting period	6,772	4,576
Share based payment expense	2,819	2,196
Share-based payments reserve	9,591	6,772

The Share-based payments reserve records the fair value of shares granted via Share-based payment transactions.

Material Accounting Policies

The grants under the Employee Share Plan result in the recognition of employment expenses with a corresponding increase in share reserve.

21. Controlled Entities

	Note	Country of Incorporation	Percentage Owned	
			30 June 2024 %	30 June 2023 %
Subsidiaries of Netwealth Group Limited				
Netwealth Holdings Limited	(a)	Australia	100	100
Wealthtech Pty Ltd		Australia	100	100
Subsidiaries of Netwealth Holdings Limited				
Netwealth Investment Limited		Australia	100	100
Netwealth Group Services Pty Ltd	(a)	Australia	100	100
Netwealth Fiduciary Services Pty Ltd	(a)	Australia	100	100
Netwealth Superannuation Services Pty Ltd		Australia	100	100

(a) Parties to a Deed of Cross Guarantee with Netwealth Group Limited as detailed in Note 27. Wealthtech Pty Ltd is not operational as of 30 June 2024.

22. Financial Instruments

The carrying amount for each category of financial instruments, measured in accordance with *AASB 9 Financial Instruments*, as detailed in the accounting policies to these financial statements, are as follows:

	Consolidated Group	
	30 June 2024 \$'000	30 June 2023 \$'000
Financial assets		
Cash and cash equivalents	126,676	109,482
Trade and other receivables	22,316	17,837
Financial assets at FVTPL	682	491
Loan and call option held at FVPTL	2,200	917
Total financial assets	151,874	128,727
Financial liabilities		
Trade and other payables	13,064	10,685
Lease liabilities	14,915	13,586
Total financial liabilities	27,979	24,271

Material Accounting Policies

Initial recognition and measurement

Financial instruments are initially measured at fair value. If the market for the financial instrument is unlisted or no market quotes are available, fair values is obtained using discounted cash flow analysis or other valuation techniques, using inputs based on market condition prevailing at the measurement date.

Transaction costs that are directly attributable to the acquisition or issue of financial instruments (other than those classified at fair value) are adjusted against the fair value on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss (FVTPL) are recognised immediately in profit and loss.

Classification of Financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows;
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets except for cash are measured subsequently at FVTPL.

Material Accounting Policies cont...

A financial asset is held for trading if:

- It has been acquired principally for the purpose of selling it in the near term;
- It is a derivative.

Cash & cash equivalent

Cash and cash equivalents with no fixed maturity are short-term instruments in nature or are payable on demand whose carrying value is equivalent to fair value.

FVTPL financial assets

FVTPL financial assets includes trading assets which includes financial investments classified as FVTPL. The quoted prices of the financial assets are quoted on the active market.

Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

Financial liabilities and equity instruments

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

The Group's financial instruments consist of deposits with banks, local money markets investments, short term investments, loan to joint venture, accounts receivable and payable and lease liabilities. For the year ended 30 June 2024, the Group did not utilise derivatives, does not have any external borrowings and has not traded in financial instruments including derivatives other than listed and unlisted securities. The financial instruments the Group has exposes it to the following risks:

- Capital management
- Credit risk
- Liquidity risk
- Market risk
- Interest rate risk

In relation to the exposure of the above risks, the objectives, policies, process, measurement and the management of capital are outlined in the disclosures below.

22.1 Capital management & Regulatory requirements

The Board manages the Group's capital to ensure it can satisfy its regulatory requirements, fund its operations and continue as a going concern. The Group's capital includes share capital, retained earnings, and financial liabilities, supported by financial assets. The Group's financial liabilities consist of Trade and Other Payables. The Board continuously assesses the Group's financial risks and commitments to effectively manage its capital.

Under the Registrable Superannuation Entity (RSE) licence granted by APRA, the licensed entity is required to maintain sufficient level of capital known as Operational Risk Financial Requirements (ORFR) to cover operational risk. At 30 June 2024, NSS as the licensed entity and trustee for Netwealth Superannuation Master Fund held cash of \$74.0 million to meet this requirement.

Under ASIC's RG166 capital requirements for Australian Financial Services Licensees, NIL as the licensed entity was also required to maintain an additional \$20.3 million in net tangible assets as at 30 June 2024 (2023: 17.1 million).

Both licensed entities satisfied these requirements at all times during the year.

There were no changes in the strategy adopted by the Group to manage its capital during the financial year.

22.2 Credit risk

The Group's objective in managing credit risk is to minimise the credit losses incurred, mainly on trade and other receivables. There is no significant credit risk exposure on fair value through profit and loss (FVTPL) financial assets.

Credit risk is managed through maintaining procedures ensuring, to the extent possible, that customers and counterparties to transactions are of sound credit worthiness and the monitoring of the financial stability of significant customers and counterparties. Such monitoring is used in assessing receivables for impairment. Credit terms are generally 30 days from the date of invoice.

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying value of those financial assets as presented in the statement of financial position.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The Group has no significant concentration of credit risk with respect to any single counterparty or group of counterparties and the exposure to credit risks are as below:

	Expected credit loss approach	Note	Gross Carrying Value \$'000	Expected Credit Loss \$'000	Carrying Value \$'000
2024					
Cash and cash equivalents	Lifetime ECL	(i)	126,676	-	126,676
Trade and other receivables	Lifetime ECL	(ii)	22,333	(17)	22,316
Loan and call option held at FVPTL	N/A	(iii)	2,200	-	2,200
2023					
Cash and cash equivalents	Lifetime ECL	(i)	109,482	-	109,482
Trade and other receivables	Lifetime ECL	(ii)	17,837	-	17,837
Loan and call option held at FVPTL	N/A	(iii)	917	-	917

- (i) Cash and cash equivalents, directly or indirectly through the Netwealth Wrap Service are held with large reputable financial institutions within Australia where the credit risk is considered low.
- (ii) The Group determines the expected credit losses on these items based on historical credit loss using probability of default, and forward-looking expectations.
- (iii) Loan and call option held at FVTPL relates to the convertible loan and first option with Xeppo.

The Group has not experienced material credit losses on these financial assets.

22.3 Liquidity risk management

The Group manages this risk through the following mechanisms:

- preparing forward-looking cash flow analysis in relation to its operational, investing and financing activities;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed.

	Year 1	Year 2	Year 3	Year 4	Year 5	More than 5 Years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2024							
Trade & other payables	13,064	-	-	-	-	-	13,064
Lease liabilities	1,774	1,921	2,079	2,252	2,276	4,613	14,915
Total expected outflows	14,838	1,921	2,079	2,252	2,276	4,613	27,979
Cash and cash equivalents	126,676	-	-	-	-	-	126,676
Trade and other receivables	22,316	-	-	-	-	-	22,316
Financial assets at FVTPL	682	-	-	-	-	-	682
Loan and call option held at FVPTL	2,200	-	-	-	-	-	2,200
Total anticipated inflows	151,874	-	-	-	-	-	151,874
Net inflow/(outflow) of financial instruments	137,036	(1,921)	(2,079)	(2,252)	(2,276)	(4,613)	123,895

	Year 1	Year 2	Year 3	Year 4	Year 5	More than 5 Years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2023							
Trade & other payables	10,685	-	-	-	-	-	10,685
Lease liabilities	1,437	1,432	1,527	1,611	1,719	5,860	13,586
Total expected outflows	12,122	1,432	1,527	1,611	1,719	5,860	24,271
Cash and cash equivalents	109,482	-	-	-	-	-	109,482
Trade and other receivables	17,837	-	-	-	-	-	17,837
Financial assets at FVTPL	491	-	-	-	-	-	491
Loan and call option held at FVPTL	-	-	917	-	-	-	917
Total anticipated inflows	127,810	-	917	-	-	-	128,727
Net inflow of financial instruments	115,688	(1,432)	(610)	(1,611)	(1,719)	(5,860)	104,456

22.4 Market risk

The Group's exposure to securities price risk arises mainly from FVTPL financial assets.

The Group balance sheet is not materially exposed to movements in market prices. The fair value of financial assets and liabilities approximates their carrying value and the methods calculating fair value is consistent with how financial instruments are measured at fair value.

22.5 Interest rate risk

The Group also manages interest rate risk by ensuring that, whenever possible, payables are paid within pre-agreed credit terms.

Sensitivity analysis

The following table illustrates sensitivities to the Group's exposures to changes in interest rates. The table indicates the impact on how profit and equity values reported at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible.

These sensitivities assume that the movement in a variable is independent of other variables.

	Consolidated Group	
	Profit (Before Tax) \$'000	Profit (After Tax) \$'000
Year ended 30 June 2024		
+/- 0.5% cash rate	+527/-527	+369/-369
Year ended 30 June 2023		
+/- 0.5% cash rate	+486/-486	+341/-341

The Group earns interest on cash and cash equivalents held at approximately 1.35% p.a on the balances from the client's cash transaction account. Further increases in the RBA cash rate have limited impact on the margins earned in the cash transaction account as majority of the benefit from any increases in interest earned is passed on to clients. With the RBA interest rate at 4.35% as at 30 June 2024, there is significant downside protection to 0.65% before rate decreases have an impact on the Group's revenues.

Foreign currency risk

The Group holds foreign currency in United States Dollars (USD) which is exposed to foreign exchange risk. As the Group does not hold substantial amounts of cash in USD (\$253,000 USD), the impact on profit from foreign exchange risk is not material.

Material Accounting Policies

Initial recognition and measurement on foreign currency

At initial recognition, a foreign currency transaction is translated into the Group's function currency using the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Where a foreign currency transaction is over a period of time, an average exchange rate can be used unless the exchange rate fluctuate significantly during the period.

Subsequent measurement on foreign currency

At the end of each reporting period, the foreign currency monetary assets and liabilities are translated using the closing spot exchange rate.

Foreign exchange gains and losses arising from the settlement or translation is measured at fair value and recognised as part of income or loss.

Foreign exchange risk

As the Group is holding cash in a foreign currency, it is exposed to foreign currency translation movements which is captured as part of income or loss.

22.6 Fair value of financial instruments

The fair values of financial assets and financial liabilities that are measured at amortised cost are presented in the following table:

	Net Carrying Value	
	30 Jun 2024	30 Jun 2023
	\$'000	\$'000
Financial assets		
Cash & cash equivalent	126,676	109,482
Trade & other receivables	22,316	17,837
Total financial assets	148,992	127,319
Financial liabilities		
Trade & other payables	13,064	10,685
Total financial liabilities	13,064	10,685

For all in the above table, the carrying value approximates their fair value

Financial instruments measured at fair value

The financial instruments recognised at fair value in the statement of financial position have been analysed and classified using a fair value hierarchy reflecting the significance of the inputs used in making the measurements. The fair value hierarchy consists of the following levels:

- Unadjusted quoted prices in active markets for identical assets or liabilities (Level 1). The listed and unlisted investments are valued by reference to the quoted prices in active markets and are deemed to be Level 1 instruments in accordance with AASB 13 fair value hierarchy of measurement. In this regard, there is no subjectivity in relation to their value.
- In valuing investments that maybe included in Level 2 of the hierarchy, valuation techniques, such as comparison to similar investments for which market observable prices are available, are adopted to determine the fair value of these investments.
- Fair value for investments that maybe included in Level 3 are determined using valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
2024				
Financial assets				
FVTPL financial assets:				
Listed investments	38	-	-	38
Loan and Call Option at FVTPL	-	-	2,200	2,200
Other	-	644	-	644
Total FVTPL financial assets	38	644	2,200	2,882
2023				
Financial assets				
FVTPL financial assets:				
Listed investments	5	-	-	5
Loan and Call Option at FVTPL	-	-	917	917
Other	-	486	-	486
Total FVTPL financial assets	5	486	917	1,408

Listed investments are valued by reference to the quoted prices in active markets for identical securities and are deemed to be Level 1 securities in accordance with AASB 13 fair value hierarchy of measurement. In this regard, prices are directly observable in an active market as listed investments.

In valuing investments that are classified as Level 2 of the hierarchy, valuation techniques, such as comparison to similar investments for which market observable prices are available, are adopted to determine the fair value of these investments.

The valuation of investments classified as Level 3 inputs are based on unobservable inputs and involve valuation techniques such as discounted cashflow. The reconciliation is shown in the table below:

Reconciliation of Level 3 fair value measurements

	Loan to Joint Venture
	\$'000
30 June 2024	
Opening balance	917
Loan advanced at FVTPL	1,200
Interest on Loan at FVTPL	83
Closing balance	2,200

In August 2022, the Group and other Xeppo shareholders revised their shareholder agreement (refer to Notes 2 and 14). As part of this agreement, the Group provided Xeppo with a \$2.5 million convertible loan facility at an annual interest rate of 5%, maturing on 30 June 2026.

Under the agreement, the loan will convert into Xeppo’s ordinary shares at \$3 per share either at maturity in September 2026 or when the Group exercises its “First call option”. The Group also received a “First call option” to acquire up to 50% of Xeppo’s ordinary shares on a fully diluted basis at any time until its maturity at 30 June 2026. Additionally, a “Final put-call option” was introduced, exercisable after 30 June 2026. The Group’s call option allows it to acquire any remaining shares from non-Netwealth shareholders after 30 June 2026, while non-Netwealth shareholders have a put option to sell their shares at the higher of \$3 per share or three times Xeppo’s net profit after tax.

The fair value of the loan and call option, recognised as financial instruments, was determined using a discounted cash flow (DCF) approach applied to the forecasted loan schedule, in conjunction with a Black Scholes model applied to the call option. This valuation is categorised as Level 3 due to the unlisted nature of the loan and call option, which lacks observable arm’s length transactions.

As at 30 June 2024, the fair value of the loan and call option was \$2.2 million.

23. Share Based Payments

Netwealth Equity Incentive Plan (NEIP)

The Group operates an equity-settled share-based compensation plan for which the Board, under the NEIP may make offers of 'incentive securities' in the form of rights, options, restricted shares or a combination of these to selected employees in exchange for their services. The value of the employee services rendered for the grant of these incentive securities is recognised as an expense over the vesting period, with the amount determined by the fair value of these incentive securities granted. The NEIP does not apply to Non-Executive Directors.

As at 30 June 2024, the Group had the following share-based payment arrangements:

Options Granted

During the year, the Company did not issue any ordinary share options to employees under the NEIP (2023: Nil).

The following unvested options remain outstanding at the end of the reporting period:

Series	Grant date	Number	Plan	Vesting Date	Exercise Price	Fair Value at Grant Date
Series 22	24 June 2022	25,000	Options - LTI	30 June 2025	\$15.74	\$4.52

The following vesting conditions apply to all the LTI Scheme Options:

- The holder must be either continuously employed by or hold office continually until the end of the vesting period;
- In each of the three financial years ending from the year the options are issued, the holder must achieve performance ratings of 'achieving' and achieve all minimum KPIs as detailed in the performance plan applicable for the relevant year.

Rights Granted

During the year, the Company granted and issued 124,188 performance rights under the NEIP (2023: 72,050).

The following performance rights remains outstanding at the end of the reporting period:

Series	Grant date	Number	Plan	Vesting Date	Weighted Average Fair Value at Grant Date
Series 23	12 September 2022	34,512	FY23 Rights - LTI	30 June 2025	\$12.37
Series 24	11 October 2022	5,059	FY23 Rights - LTI	30 June 2025	\$11.15
Series 25	23 November 2022	30,257	FY23 Rights - LTI	30 June 2025	\$13.09
Series 26	27 June 2023	2,222	FY23 Rights – LTI (Sign-on)	30 June 2025	\$12.37
Series 27	28 September 2023	76,236	FY24 Rights - LTI	30 June 2026	\$14.31
Series 28	28 September 2023	3,251	FY24 Rights – LTI (Sign-on)	30 June 2025	\$14.54
Series 29	22 November 2023	41,450	FY24 Rights - LTI	30 June 2026	\$13.47
Series 30	23 February 2024	3,251	FY24 Rights – LTI (Sign-on)	30 June 2025	\$18.80

The inputs into the calculation of the Rights using the Black Scholes Model are as follows:

	30 June 2024	30 June 2023
Weighted average share price	\$14.80	\$13.48
Expected Volatility	40%	40%
Expected life	3 years	3 years
Risk-free rate	4.09%	3.29%
Expected dividend yields	1.62%	1.90%

The following vesting conditions apply to the FY2023 LTI Scheme Rights:

- The holder must be either continuously employed by or hold office continually until 30 June 2025;
- In each of the three financial years ending with the FY2025, the holder must achieve performance ratings of 'achieving' and achieve all minimum KPIs as detailed in the performance plan applicable for the relevant year;
- 25% of the Rights are based on the company values ratings over the vesting period;
- 25% of the Rights are based on the individual contribution to delivery of strategic initiatives over the vesting period; and
- 50% of Rights are subject to the Group achieving the target EPS growth rate over the vesting period.

From FY2024 onwards, the following vesting condition apply to the FY2024 LTI Scheme Rights:

- The holder must be either continuously employed by or hold office continually until 30 June 2026;
- In each of the three financial years ending with the FY2026, the holder must achieve performance ratings of 'achieving' and achieve all minimum KPIs as detailed in the performance plan applicable for the relevant year;
- 30% of the Rights are based on the individual effective execution of Business Plan over the vesting period;
- 35% of Rights are subject to achieving a Total Shareholder Return relative to the Group's ranking in the Comparator Group (being the ASX 300 Diversified Financial Index); and
- 35% of Rights are subject to the Group achieving the target EPS growth rate over the vesting period.

The following vesting conditions apply to the FY2024 LTI Scheme Rights (Sign-On):

- The holder must be either continuously employed by or hold office continually until 30 June 2025; and
- In both financial years, FY2024 and FY2025, the holder must achieve performance ratings of 'achieving' and achieve all minimum KPIs as detailed in the performance plan applicable for the relevant year.

Vested options

On 25 August 2023, 120,568 (\$910,819) Options which vested on 30 June 2022 were exercised and converted to Fully Paid Ordinary shares.

On 29 February 2024, 7,880 (\$59,529) Options which vested on 30 June 2022 were exercised and converted to Fully Paid Ordinary shares.

In total 128,448 Options were exercised and converted to Fully Paid Ordinary shares during the year (2023: 63,452 Options).

The following vested options remain outstanding at the end of the reporting period:

Series	Grant date	Number	Plan	Expiry Date	Exercise Price	Fair Value at Grant Date
Series 14	17 October 2019	305,459	FY20 Options - LTI	30 June 2034	\$7.5544	\$2.73
Series 15	12 November 2019	78,232	FY20 Options - LTI	30 June 2034	\$7.5544	\$3.00
Series 16	23 September 2021	1,340,000	FY22 Options - LTI	30 June 2036	\$15.74	\$3.14
Series 17	23 September 2021	375,000	FY22 Options - LTI	30 June 2036	\$15.74	\$2.78
Series 18	27 October 2021	75,000	FY22 Options - LTI	30 June 2036	\$15.74	\$4.52

The following vested rights remain outstanding at the end of the reporting period:

Series	Grant date	Number	Plan	Expiry Date	Fair Value at Grant Date
Series 19	23 September 2021	22,237	FY22 Rights - LTI	N/A	\$14.66
Series 20	27 October 2021	23,825	FY22 Rights - LTI	N/A	\$17.40
Series 21	19 November 2021	4,686	FY22 Rights - LTI	N/A	\$16.27

Material Accounting Policies

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will vest, with a corresponding movement in equity. At the end of each reporting period, the Group reviews the company performance, strategic initiatives likely to be achieved and service conditions to revise its estimate of the number of equity instruments expected to vest at the end of the vesting period. The impact of the revision to the original estimate is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

24. Related Party Transactions

The Group's main related parties are as follows:

24.1 Entities exercising control over the Group

The parent entity, which exercises control over the Group is Netwealth Group Limited.

24.2 Key management personnel

For details of disclosures relating to key management personnel, refer to the Remuneration Report on pages 41 to 58 and Note 7.

24.3 Other related parties

Other related parties include immediate family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel, individually or collectively with their close family members.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note.

Related parties

Netwealth Investments Limited serves as the Responsible Entity for a number of managed investment schemes (Netwealth Global Specialist Series) and earns management and ancillary fee revenues.

	Consolidated Group	
	30 June 2024	30 June 2023
	\$	\$
Management and ancillary fees:		
Management and ancillary fee revenues	17,483,077	14,033,055

Netwealth Investments Limited holds investments in Netwealth products as follows:

	Consolidated Group	
	30 June 2024	30 June 2023
	\$	\$
Financial assets at FVTPL		
Netwealth Wrap and Super	964,257	760,356

Related parties with Joint Venture

Netwealth Investments Limited has a distribution agreement with Xeppo where it pays for the usage of Xeppo API and licenses. The Group has provided a convertible loan facility to Xeppo on an annual interest rate of 5%.

	Consolidated Group	
	30 June 2024	30 June 2023
	\$	\$
Loan held at FVTPL*		
Interest earned on Loan	83,590	16,707
Active License Fees:		
Technology and communication expenses	100,826	111,000

*Refer to Note 14 about the loan facility provided to Xeppo

25. Cash Flow Note

Reconciliation of cash flow from operations with profit after income tax

	Consolidated Group	
	30 June 2024 \$'000	30 June 2023 \$'000
Profit for the year	83,370	67,153
Income tax expense recognised in profit or loss	37,079	29,861
Depreciation & amortisation	3,656	3,279
Share based payment expense	3,002	2,381
Unrealised (gain)/loss on investments	21	(165)
Adjustments on make good provision	(17)	3
Provision on trade receivables	17	-
Interest on Loan	(84)	(17)
Loss on disposal of assets	10	-
(Loss)/gain on disposal of investments	(13)	109
Share of Joint Venture NPAT	269	377
	127,310	102,981
Movements in working capital		
Increase in trade & other receivables	(4,537)	(3,170)
Decrease in other assets	262	1,455
Increase in trade & other payables	2,430	3,312
Increase in provisions	1,275	1,233
Cash generated from operations	126,740	105,811
Income tax paid	(36,761)	(26,585)
Net cash generated by operating activities	89,979	79,226

Reconciliation of liabilities arising from financing activities

FY2024	30 June 2023 \$'000	Cash Flows	Non-Cash Changes		30 June 2024 \$'000
			Acquisitions	New Leases	
Lease liabilities	13,586	(1,615)	-	2,945	14,916
Total liabilities from financing activities	13,586	(1,615)	-	2,945	14,916

FY2023	30 June 2022 \$'000	Cash Flows	Non-Cash Changes		30 June 2023 \$'000
			Acquisitions	New Leases	
Lease liabilities	15,087	(1,501)	-	-	13,586
Total liabilities from financing activities	15,087	(1,501)	-	-	13,586

26. Parent Entity Disclosures

The accounting policies of the parent entity, which have been applied in determining the financial information shown below, are the same as those applied in the consolidated financial statements. Refer to Note 2 for a summary of the material accounting policies relating to the Group.

Statement of Financial Position	Parent Entity	
	30 June 2024 \$'000	30 June 2023 \$'000
Assets		
Cash and cash equivalents	683	367
Current assets	7,280	5,397
Investment in subsidiaries	55,259	52,257
Total assets	63,222	58,021
Liabilities		
Current liabilities	15,272	14,119
Total liabilities	15,272	14,119
Net assets	47,950	43,902
Equity		
Issued capital	884,439	883,267
Reserves	(826,779)	(829,580)
Retained earnings	(9,710)	(9,785)
Total equity	47,950	43,902
Statement of profit or loss and comprehensive income		
Total Profit for the year	65,945	51,270
Total Comprehensive Profit for the year	65,945	51,270

Contractual commitments: At 30 June 2024, the parent entity had not entered into any contractual commitments for the acquisition of property and equipment or any operating leases (2023: nil).

Contingent liabilities: At 30 June 2024, the parent entity does not have contingent liabilities (2023: nil).

At 30 June 2024, the Statement of financial position for the parent entity reflected a deficit of current assets over current liabilities by \$7.3 million. The Group manages its cash levels by retaining surplus funds in entities outside the parent entity but within the consolidated group, ensuring necessary funding is available for liabilities as they arise.

27. Deeds of Cross Guarantee (DOCG)

The wholly owned Australian subsidiaries identified in Note 21 have a deed of cross guarantee with NGL in accordance with ASIC Corporations (Wholly-Owned Companies) Instrument 2016/785 and are relieved from the Corporations Act 2001 requirement to prepare and lodge an audited financial report and directors' report. The nature of the deed of cross guarantee is such that each company which is party to the deed guarantees to each creditor payment in full of any debt in accordance with the deed of cross guarantee. The following wholly-owned subsidiaries became a party to the Deed of Cross Guarantee since April 2019 and remained during the year ended 30 June 2024:

- Netwealth Holdings Limited;
- Netwealth Group Services Pty Ltd; and
- Netwealth Fiduciary Services Pty Ltd, together referred to as the "Closed Group".

Set out below is the statement of profit or loss and other comprehensive income, statement of financial position and summary of movement in retained earnings of the Closed Group.

Statement of profit or loss and other comprehensive income

	Consolidated Group	
	30 June 2024	30 June 2023
	\$'000	\$'000
Platform revenue	139,838	120,476
Other income ¹	71,716	53,703
Expense	(131,280)	(113,927)
Profit before income tax	80,274	60,252
Income tax expense	(3,742)	(2,917)
Profit for the period	76,532	57,335
Total comprehensive income for the period	76,532	57,335

¹Dividends of \$70.9m from NIL to the Closed Group, included in Other Income on the Statement of Profit or Loss and Other Comprehensive Income, are treated as non-assessable income for tax expense purposes.

Statement of financial position

	Consolidated Group as at	
	30 June 2024	30 June 2023
	\$'000	\$'000
Assets		
Current assets		
Cash and cash equivalents	12,200	13,341
Trade and other receivables	2,439	3,459
Other current assets	4,955	3,924
Financial assets at FVTPL	331	117
Total current assets	19,925	20,841
Non-current assets		
Property, plant and equipment	1,545	1,445
Intangible assets	9,644	6,506
Lease assets	13,741	12,830
Investment in subsidiaries	91,679	76,179
Financial Assets at FVTPL	2,200	917
Investment in joint venture	1,345	1,614
Deferred tax assets	3,036	2,188
Total non-current assets	123,190	101,679
Total assets	143,115	122,520
Current liabilities		
Trade and other payables	11,570	9,320
Provisions	8,664	7,439
Current tax liabilities	6,132	4,978
Lease liability	1,773	1,437
Other current liabilities	37	83
Total current liabilities	28,176	23,257
Non-current liabilities		
Lease liability	13,142	12,149
Provisions	996	946
Total non-current liabilities	14,138	13,095
Total liabilities	42,314	36,352
Net assets	100,801	86,168
Equity		
Issued capital	28,381	27,228
Reserves	9,363	6,545
Retained earnings	63,057	52,395
Total equity	100,801	86,168

At 30 June 2024, the Statement of financial position for the Closed Group reflected a deficit of current assets over current liabilities by \$8.3 million. The Group manages its cash levels by retaining surplus funds in entities outside the Closed Group but within the consolidated group, ensuring necessary funding is available for liabilities as they arise.

Summary of movements in retained earnings

	Consolidated Group	
	30 June 2024	30 June 2023
	\$'000	\$'000
Retained Earnings at beginning of financial year	52,395	46,269
Profit for the year	76,532	57,335
Dividends paid	(65,870)	(51,209)
Retained earnings at end of financial year	63,057	52,395

28. Auditor's Remuneration

	Consolidated Group	
	30 June 2024	30 June 2023
	\$	\$
Fees payable for audit and review of financial reports		
<i>Auditor of the Group - Deloitte</i>		
Consolidated Group	165,527	143,359
Subsidiaries	94,377	89,883
Total audit and review of financial reports	259,904	233,242
Assurance services		
<i>Auditor of the Group - Deloitte</i>		
Statutory assurance services	34,222	32,592
Other services		
<i>Auditor of the Group - Deloitte</i>		
Audit and review of the Funds	286,427	271,730
Audit on Internal Controls (including GS007 and SOC 2)	475,968	152,465
Audit of IDPS and Investor Statements	33,287	31,702
Total fees paid to group auditor	1,089,808	721,731

29. Events Occurring after Reporting Date

Netwealth has entered into a share purchase agreement to acquire the remaining shares in Xeppo on 12 August 2024. The arrangement comprised \$5.9 million in cash consideration and a \$2.2 million loan from Netwealth to Xeppo converted into equity. Further information about the acquisition can be found in Note 14.

In the opinion of the Board, there are no other matters or circumstances which have arisen between 30 June 2024 and the date of this report that have significantly affected or may significantly affect the operations of the Group, the results of those operations and the state of affairs for the Group in subsequent financial periods.

Consolidated entity disclosure statement

As at 30 June 2024

Entity Name	Entity Type	Body Corporate		Tax Residency	
		Place formed or incorporated	% of share capital held	Australian or foreign	Foreign Jurisdiction
Netwealth Holdings Limited	Body Corporate	Australia	100	Australian	N/A
Wealthtech Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Netwealth Investment Limited	Body Corporate	Australia	100	Australian	N/A
Netwealth Group Services Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Netwealth Fiduciary Services Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Netwealth Superannuation Services Pty Ltd	Body Corporate	Australia	100	Australian	N/A

Directors' Declaration

The Directors declare that:

- a. the attached financial statements and notes in accordance with the Corporations Act 2001, comply with Accounting Standards, Corporation Regulations 2001 and other mandatory professional reporting requirements;
- b. the attached financial statements are in compliance with International Financial Reporting Standards, as stated in Note 1 to the financial statements;
- c. the attached financial statements and notes thereto give a true and fair view of the financial position and performance of the consolidated entity;
- d. in the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;
- e. the directors have been given the declarations required by s.295A of the Corporations Act 2011; and
- f. in the Director's opinion, the attached consolidated entity disclosure statement is true and correct.

At the date of this declaration, the company is within the class of companies affected by ASIC Corporations (Wholly owned Companies) Instrument 2016/785. The nature of the deed of cross guarantee is such that each company which is party to the deed guarantees to each creditor payment in full of any debt in accordance with the deed of cross guarantee.

In the directors' opinion, there are reasonable grounds to believe that the company and the companies to which ASIC Corporations (Wholly owned Companies) Instrument 2016/785 applies, as detailed in Note 27 to the financial statements will, as a group, be able to meet any liabilities to which they are, or may become, subject because of the deed of cross guarantee.

Signed in accordance with a resolution of the Directors made pursuant to s.295(5) of the Corporations Act 2001.

On behalf of the Directors



Timothy Antonie

Chair

13 August 2024

Independent Auditor's Report



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Independent Auditor's Report to the Members of Netwealth Group Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Netwealth Group Limited (the "Company") and its subsidiaries (the "Group") which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, the directors' declaration and the consolidated entity disclosure statement.

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

- Giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Key Audit Matter	How the scope of our audit responded to the Key Audit Matter
<p>As at 30 June 2024, \$250 million of Platform revenue has been recognised as disclosed in Note 4 of the financial statements.</p> <p>Netwealth’s platform business utilises a number of interdependent Information Technology (IT) systems to process and record a high volume of Platform revenue transactions. Platform revenue is then recorded in the accounting system via manual journal entries.</p> <p>Platform revenue is calculated on a number of factors such as daily portfolio balance, fee rate based on the Product Disclosure Statement (PDS) and the number of days in a period.</p> <p>Platform revenue is a key audit matter due to the significant size of this account balance and its dependency on the accuracy of a large volume of data and a number of controls in a highly automated environment.</p>	<p>Our procedures included, but were not limited to:</p> <ul style="list-style-type: none"> • Updating our understanding of the systems, procedures and controls in place for the accurate and complete recording of Platform revenue; • Testing the design and implementation, and the operating effectiveness of the relevant controls that support data feeds for the Platform revenue; and • Performing general IT controls testing over the systems that support data feeds for the Platform revenue. <p>We have also assessed the appropriateness of the disclosures in Note 4 to the financial statements.</p>

Other Information

- The directors are responsible for the other information. The other information comprises the information included in the Group’s annual report for the year ended 30 June 2024, but does not include the financial report and our auditor’s report thereon.
- Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible:

- For the preparation of the financial report in accordance with the Corporations Act 2001, including giving a true and fair view of the financial position and performance of the Group in accordance with Australian Accounting Standards; and
- For such internal control as the directors determine is necessary to enable the preparation of the financial report in accordance with the Corporations Act 2001, including giving a true and fair view of the financial position and performance of the Group, and is free from material misstatement, whether due to fraud or error.

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

Auditor’s Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance

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with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group's audit. We remain solely responsible for our audit opinion.

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

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

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



Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 41 to 58 of the Directors' Report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of Netwealth Group Limited, for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Lani Cockrem

Lani Cockrem
Partner

Chartered Accountants

Melbourne, 13 August 2024

Five Years Financial Information Summary

We prepare our Consolidated Financial Report in accordance with Australian Accounting Standards Board (AASB) and in AU dollars. The information in this section has been presented on underlying basis to exclude non-recurring expenses. The Directors consider it appropriate to include these non-International Financial Reporting Standard (IFRS) financial information as they assist users of this financial report to understand key financial metrics relevant to the operations of the Group.

	2024	2023	2022	2021	2020
	\$'000	\$'000	\$'000	\$'000	\$'000
Income Statement					
Total income	255,248	214,749	176,631	148,298	126,750
Total expenses	(134,799)	(117,735)	(95,521)	(71,067)	(64,005)
Income tax expense	(37,079)	(29,861)	(25,558)	(23,128)	(19,084)
NPAT	83,370	67,153	55,552	54,103	43,661
Statement of Financial Position					
Total assets	189,486	161,885	136,204	131,117	111,892
Net assets	144,520	123,049	104,243	93,181	76,029
Cash Flow Information					
Underlying Operating Net Cash Flows Before Tax	127,314	106,262	83,712	78,100	64,462
Capital Expenditure	(4,908)	(5,642)	(2,992)	(1,088)	(919)
Shareholder Value					
Market Capitalisation ¹	5,410,239	3,375,131	2,964,735	4,155,211	2,132,084
Dividend (cents) – fully franked	28.0	24.0	20.0	18.6	14.7
Dividend payout ratio	82%	87%	88%	84%	80%
Net tangible assets per ordinary share	55.3	47.8	41.8	37.9	31.9
Basic earnings per share	34.2	27.5	22.8	22.6	18.4
Other Information					
No. of Employees (full time equivalent)	539	485	455	364	317
Underlying EBITDA	124,678	100,744	85,092	79,349	66,153
Underlying NPAT	83,370	67,153	55,903	54,103	43,661
Underlying EBITDA Margin %	48.8%	46.9%	48.2%	53.5%	52.2%
Underlying NPAT Margin %	32.7%	31.3%	31.6%	36.5%	34.4%

¹ Information presented as at end of period.

Shareholder Information

Ordinary Shares (ASX Listed)

The shareholder information set out below was applicable at 26 July 2024.

Distribution of shareholdings

Range	Ordinary Shares	Number of shareholders
1-1,000	1,627,863	4,377
1,001-5,000	4,514,351	2,054
5,001-10,000	1,723,276	247
10,001-100,000	3,399,873	146
100,001 and over	232,768,875	37

There were no holder of less than a marketable parcel of ordinary shares.

Top 20 Holders

Rank	Name	Ordinary shares	% of Issued Capital
1	Heine Brothers Pty Ltd	102,104,990	41.84%
2	HSBC Custody Nominees (Australia) Limited	37,107,597	15.21%
3	J P Morgan Nominees Australia Pty Limited	23,902,863	9.79%
4	Citicorp Nominees Pty Limited	21,586,749	8.85%
5	Leslie Max Heine Pty Ltd <ATF The LMH Trust>	14,508,265	5.95%
6	Netwealth Investments Limited <Wrap Services A/C>	11,176,320	4.58%
7	Australian Foundation Investment Company Limited	3,489,034	1.43%
8	National Nominees Limited	3,236,721	1.33%
9	BNP Paribas Noms Pty Ltd <DRP>	3,076,585	1.26%
10	BNP Paribas Nominees Pty Ltd <Agency Lending DRP A/C>	2,386,799	0.98%
11	Netwealth Investments Limited <Super Services A/C>	1,457,621	0.60%
12	HSBC Custody Nominees (Australia) Limited <NT-COMNWLTH SUPER CORP A/C>	1,364,924	0.56%
13	BNP Paribas Nominees Pty Ltd <Hub24 Custodial Serv Ltd <DRP A/C>	854,152	0.35%
14	Palm Beach Nominees Pty Ltd	645,613	0.26%
15	Citicorp Nominees Pty Limited <Colonial First State Inv A/C>	593,705	0.24%
16	Mirrabooka Investments Ltd	550,162	0.23%
17	UBS Nominees Pty Ltd	448,400	0.18%
18	AMCIL Limited	437,200	0.18%
19	Asset Plus Pty Ltd <The Headline Investments A/C>	424,573	0.17%
20	Neweconomy Com AU Nominees Pty Ltd <900 Account>	421,850	0.17%
	Total	229,774,123	94.16%
	Balance of register	14,260,115	5.84%
	Grand total	244,034,238	100.00%

Substantial holders (as at 26 July 2024)

Substantial Holder	Number of Ordinary shares in which the holder together with their associates have a relevant interest
Matthew Heine	120,389,660
Nicholas Heine	116,700,005
Michael Heine	116,653,255
Heine Brothers Pty Ltd	116,653,255
Leslie Max Heine Pty Ltd <ATF The LMH Trust>	14,508,265

Ordinary shares voting rights

At a general meeting of the Company, every shareholder present in person or by proxy has one vote on a show of hands. Upon a poll, each share has one vote.

On-market buy-back

Currently the Company does not have an on-market buy back scheme in operation.

Company Information

Netwealth Group Limited

ABN 84 620 145 404

Registered Office

Level 6, 180 Flinders Street

Melbourne, Victoria, 3000

Phone: 1800 888 223

Email: contact@netwealth.com.au

Shareholder Enquiries

Email: shareholder@netwealth.com.au

Website: <https://www.netwealth.com.au/web/about-netwealth/shareholders/>

Auditor

Deloitte Touche Tohmatsu

477 Collins Street

Melbourne, Victoria, 3000

Phone: +61 3 9671 7000

Fax: +61 3 9671 7001

Stock Exchange

Netwealth's shares are listed on the ASX with the code 'NWL'

Share Registry

Netwealth's register of shares is maintained by Link Market.

Link Market Services Limited

Level 13, Tower 4

727 Collins Street

Docklands VIC 3008

Locked BagA14

Sydney South NSW 1235

+61 1300 554 474

registrars@linkmarketservices.com.au

www.linkmarketservices.com.au

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