

1. Company details

Name of entity:	HMC Capital Limited
ACN:	138 990 593
Reporting period:	For the half-year ended 31 December 2024
Previous period:	For the half-year ended 31 December 2023

2. Results for announcement to the market

This Appendix 4D should be read in conjunction with the attached directors' report which includes details of the results for the period.

	31 Dec 2024 \$m	31 Dec 2023 \$m	Change \$m	Change %
Revenue from ordinary activities	127.3	40.2	87.1	217%
Profit from ordinary activities after tax for owners of HMC Capital Limited	166.9	17.8	149.1	838%
Profit for the half-year for owners of HMC Capital Limited	166.9	17.8	149.1	838%
Profit for the half-year including non-controlling interest	274.5	35.2	239.3	680%

Dividends

	Amount per share Cents	Franked amount per share Cents
Final dividend for the year ended 30 June 2024 paid on 2 October 2024 to shareholders registered on 28 August 2024.	6.00	4.20
Interim dividend for the year ending 30 June 2025 will be paid on 1 April 2025 to shareholders registered on 26 February 2025.	6.00	6.00

Refer to the attached directors' report for detailed commentary on the review of operations and financial performance.

3. Net tangible assets

	31 Dec 2024 \$	30 Jun 2024 \$
Net tangible assets per share	4.22	3.54

The net tangible assets calculations above include deferred tax assets and liabilities, right-of-use assets and lease liabilities.

4. Control gained over entities

On 1 July 2024, the group acquired 100% interest in Payton Capital Limited ('Payton') and the entities it controlled at that date. On 4 September 2024, the group acquired 100% interest in Stratcap LLC ('Stratcap') and the entities it controlled on that date. Refer to note 24 of the consolidated financial statements for further details.

On 5 July 2024, the group acquired control of StorEnergy classified as Held for Sale as at 31 December 2024. Refer to note 11 of the consolidated financial statements for further details.

5. Details of associates and joint venture entities

Name of associate / joint venture	Reporting entity's percentage holding		Contribution to profit/(loss)	
	31 Dec 2024 %	30 Jun 2024 %	31 Dec 2024 \$m	31 Dec 2023 \$m
HomeCo Daily Needs REIT	10.5%	12.1%	13.1	(1.5)
HealthCo Healthcare and Wellness REIT	22.7%	22.3%	(3.5)	(1.0)
DigiCo Infrastructure REIT	19.4%	-	(1.4)	-
General Medical Precinct Trust	27.5%	27.4%	-	-
Life Sciences Medical Precinct Trust	32.0%	31.9%	-	-
			8.2	(2.5)

Refer to note 12 of the notes to the consolidated financial statements for further information.

6. Information about audit or review


The consolidated financial statements were subject to review by the auditors, KPMG. A copy of KPMG's unqualified review report is included as part of the half-year financial report.

7. Attachments

The Half Year Report of HMC Capital Limited for the half-year ended 31 December 2024 is attached.

8. Signed

As authorised by the Board of Directors

Signed  _____

Date: 17 February 2025

Chris Saxon
Chair

HMCapital

HMC Capital Limited
ACN 138 990 593

2025

Half-year Report

For the six months ending
31 December 2024

The directors of HMC Capital Limited (ACN 138 990 593) (referred to hereafter as the Company or HMC Capital) present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the group) consisting of HMC Capital and the entities it controlled at the end of, or during, the half-year ended 31 December 2024 (referred to hereafter as the half-year).

Directors

The following persons were directors of HMC Capital during the whole of the half-year and up to the date of this report, unless otherwise stated:

Chris Saxon	Independent Non-Executive Chair
David Di Pilla	Managing Director and Chief Executive Officer
Greg Hayes	Non-Executive Director
Kelly O'Dwyer	Independent Non-Executive Director
Susan Roberts	Independent Non-Executive Director
Christopher Roberts	Independent Non-Executive Director (appointed on 27 November 2024)
Fiona Pak-Poy	Independent Non-Executive Director (appointed on 27 November 2024)
Brendon Gale	Independent Non-Executive Director (retired on 27 November 2024)
Zac Fried	Non-Executive Director (retired on 27 November 2024)

Significant changes in the state of affairs

Business acquisitions

On 1 July 2024, the group acquired 100% interest in Payton Capital Limited ('Payton') and the entities it controlled at that date for an initial consideration of \$128.2 million. HMC Capital has also agreed to pay an additional \$15.0 million of contingent consideration in cash (payable in financial year 2026), subject to business performance thresholds and other considerations. The acquisition of Payton, which provides commercial real estate loans, forms the foundation of a broader diversified Private Credit asset management platform over the medium-term spanning real estate, corporate, mezzanine and infrastructure loans.

On 4 September 2024, the group acquired 100% interest in Stratcap LLC ('Stratcap') and the entities it controlled on that date for a total consideration of \$26.9 million. Stratcap is an established digital infrastructure funds management business in North America and a highly strategic acquisition which provides HMC Capital Limited with specialist development and asset management capability in a rapidly growing and globally scalable sector.

Refer to note 24 of the consolidated financial statements for further details of the acquisition.

Digital Infrastructure

In October 2024, HMC Capital completed a fully underwritten \$300.0 million institutional placement of approximately 34 million new fully paid ordinary shares to institutional investors at an issue price of \$8.75 per share. The proceeds from this placement were used in conjunction with other funding sources to underwrite the acquisition of Global Switch Australia, a Sydney data centre and isseek, a leading Australian co-location data centre platform as seed assets for the Global DigiCo Platform.

Subsequently, the group established a listed Digital Infrastructure REIT (DigiCo REIT) on the Australian Securities Exchange on 13 December 2024. DigiCo REIT is a diversified owner, operator and developer of data centres in Australia and the United States with a \$4.0 billion portfolio with a significant development pipeline.

The listing of DigiCo REIT will increase HMC Capital's recurring funds management revenue base and transaction revenue. As of 31 December 2024, the group owns 19.4% interest in DigiCo REIT and the investment is equity accounted.

Energy Transition

On 5 July 2024, the group made an investment in StorEnergy Pty Limited ('StorEnergy'), a specialist developer, owner and operator of utility-scale battery energy storage systems. This represents the first investment by HMC's Energy Transition Platform which is seeking to assemble an asset portfolio across the energy value chain. The group will continue to make further investments over a three year period resulting in a total expected investment of ~\$50 million to secure a majority ownership interest.

On 5 December 2024, HMC Capital committed to buying assets from Neoen in July 2025. It has entered into agreements to acquire Neoen's Victorian portfolio (Acquisition), a leading Australian renewable generation and storage portfolio, with 4 operational assets totalling 652 MW and six development assets with total capacity of >2,800 MW, for purchase consideration of \$950.0 million. The Acquisition will further seed HMC's inaugural Energy Transition Platform for which fundraising is targeted first close in the first half of the 2025 calendar year ahead of financial close of the Acquisition. HMC Capital has secured senior

debt asset-level financing of approximately \$550.0 million and deferred settlement terms, with \$750.0 million of the purchase consideration due on financial close in July 2025 and the remaining \$200.0 million payable in December 2025.

There were no other significant changes in the state of affairs of the group during the financial half-year.

Review of operations and financial performance

A summary of the financial performance of the group for the half-year ended 31 December 2024 is outlined below.

	Consolidated 31 Dec 2024 \$m	Consolidated 31 Dec 2023 \$m
Total revenue and other income excluding changes in fair value	151.8	46.5
Net profit for the period	274.5	35.2
Operating earnings before tax	202.2	59.4
Operating earnings after tax*	140.5	57.8
Weighted average shares on issue (million)	389.3	348.0
Operating earnings before tax per share (cents)	51.9	17.1
Operating earnings after tax per share (cents)	36.1	16.6

*HMC has historically reported income tax expenses in its operating earnings on a cash payable basis. HMC is now reporting operating income tax expense on an accrual basis including future tax impact of unrealised investments gains.

The group recorded total revenue and other income (excluding changes in fair value) of \$151.8 million (31 December 2023: \$46.5 million) and a statutory profit after tax for the current half-year of \$274.5 million (31 December 2023: \$35.2 million). The statutory profit is primarily attributable to revenue from management fees, dividend income, share of profit/loss from investments in associates and joint ventures and net fair value gain \$255.3 million (31 December 2023: \$45.3 million).

Operating earnings before tax was \$202.2 million for the current half-year compared to operating earnings of \$59.4 million for the half-year ended 31 December 2023. Operating earnings is a non-IFRS financial measure which is not prescribed by Australian Accounting Standards and represents the group's underlying earnings from its operations and is determined by adjusting the statutory net profit after tax for items. A reconciliation is provided below and the guidance provided in Australian Securities and Investments Commission (ASIC) Regulatory Guide 230 'Disclosing non-IFRS financial information' has been followed when presenting the Operating earnings. Non-IFRS financial information has not been audited by the external auditor but has been sourced from the financial reports. The directors consider Operating earnings to represent the core earnings of the group.

Operating earnings

The table below provides a reconciliation between the net profit after tax for the period and Operating earnings:

	Consolidated 31 Dec 2024 \$m	Consolidated 31 Dec 2023 \$m
Statutory profit after tax	274.5	35.2
Non-controlling interest adjustments	(133.9)	(17.4)
HMC Capital Partners performance fee	24.4	4.2
HMC Capital Partners management fee	1.9	0.9
Income tax expense	17.1	4.9
Amortisation of borrowing costs	1.1	0.5
Acquisition and transaction costs*	9.1	7.5
Donation expense	-	3.1
Depreciation expenses	0.7	0.6
Share of associate profit to Funds from Operations (FFO)	7.3	19.9
Operating earnings before tax	<u>202.2</u>	<u>59.4</u>
Operating income tax expense	<u>(61.7)</u>	<u>(1.6)</u>
Operating earnings after tax	<u><u>140.5</u></u>	<u><u>57.8</u></u>

*Excludes transaction costs relates to HMC Capital Partners 1 and sale of units in associate.

Summary of financial position

A summary of the group's financial position as at 31 December 2024 is outlined below:

	Consolidated 31 Dec 2024 \$m	Consolidated 30 Jun 2024 \$m
Assets		
Total assets	2,485.8	1,787.8
Net assets	2,092.2	1,506.8
Net tangible assets ¹	1,741.9	1,320.0
Adjusted net tangible assets ²	1,381.9	1,072.6
Number of ordinary securities on issue (million)	412.4	373.1
Net tangible assets (\$ per share) ¹	4.22	3.54
Adjusted net tangible assets (\$ per share) ²	3.35	2.87
Capital management ³		
Debt facility limit	675.0	355.0
Drawn debt	120.0	-
Cash and undrawn debt ³	572.5	506.3
Gearing ratio (%) ⁴	6.6%	-
Hedged debt (%)	-	-
Weighted average cost of debt (% per annum) ⁵	7.0%	-

¹ Net tangible assets include deferred tax assets and liabilities, right-of-use assets and lease liabilities.

² Adjusted net tangible assets exclude the following: right-of-use assets, lease liabilities, provisions, deferred tax assets and liabilities and non-controlling interests.

³ 31 December 2024 balance excludes a \$130.0 million non-recourse debt facility in HMC Capital Partners Fund I utilised for acquiring investments in Australian listed equities (30 June 2024: \$200.0 million) and cash balance of \$60.5 million (30 June 2024: \$35.3 million).

⁴ Gearing is defined as borrowings (excluding unamortised establishment costs) less cash and cash equivalents divided by total assets excluding cash and cash equivalents and deferred tax assets and excludes HMC Capital Partners Fund I.

⁵ Excludes commitment fee on undrawn debt.

Dividends

Dividends declared during the half-year were as follows:

	Consolidated	
	31 Dec 2024	31 Dec 2023
	\$m	\$m
Final dividend to shareholders registered on 28 August 2024 of 6.0 cents (2023: 6.0 cents) per ordinary share	22.7	20.9

On 17 February 2025, the directors determined to pay a fully franked interim dividend of 6.0 cents per ordinary share. The dividends will be paid on 1 April 2025 to eligible shareholders on the register on 26 February 2025.

Matters subsequent to the end of the financial half-year

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

Rounding of amounts

The Company is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that instrument to the nearest hundred thousand dollars, or in certain cases, the nearest dollar.

Related party confirmation

The directors confirm that since listing the Company has complied with, and continues to comply with, its related party transaction policy which is publicly available.

Auditor's independence declaration

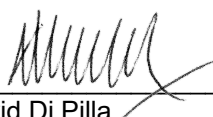
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors



Chris Saxon
Chair



David Di Pilla
Director

17 February 2025



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

To the Directors of HMC Capital Limited

I declare that, to the best of my knowledge and belief, in relation to the review of HMC Capital Limited for the half-year ended 31 December 2024 there have been:

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

A handwritten signature in black ink that reads 'KPMG.' with a period at the end.

KPMG

A handwritten signature in black ink that appears to be 'BT.' with a period at the end.

Brendan Twining

Partner

Sydney

17 February 2025

HMC Capital Limited
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For the half-year ended 31 December 2024



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HMC Capital Limited
Consolidated statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2024



	Note	Consolidated 31 Dec 2024 \$m	31 Dec 2023 \$m
Revenue	4	127.3	40.2
Other income			
Share of profits/(losses) of associates and joint ventures accounted for using the equity method	12	8.2	(2.5)
Interest income		2.9	1.8
Dividend income		13.4	7.0
Change in assets/liabilities at fair value through profit or loss	5	255.3	45.3
Expenses			
Employee benefits expenses		(42.0)	(17.6)
Corporate expenses		(22.4)	(14.0)
Acquisition and transaction costs	6	(15.2)	(7.5)
Finance costs	6	(11.7)	(8.3)
Performance fees		(24.2)	(4.3)
Profit before income tax expense		291.6	40.1
Income tax expense		(17.1)	(4.9)
Profit after income tax expense for the half-year		274.5	35.2
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		1.0	-
Other comprehensive income for the half-year, net of tax		1.0	-
Total comprehensive income for the half-year		<u>275.5</u>	<u>35.2</u>
Profit for the half-year is attributable to:			
Non-controlling interest	19	107.6	17.4
Owners of HMC Capital Limited		166.9	17.8
		<u>274.5</u>	<u>35.2</u>
Total comprehensive income for the half-year is attributable to:			
Non-controlling interest	19	107.6	17.4
Owners of HMC Capital Limited		167.9	17.8
		<u>275.5</u>	<u>35.2</u>
Non-controlling interest (NCI) for the half-year ended 31 December 2024 and 31 December 2023 relates to HMC Capital Partners Fund I.			
		Cents	Cents
Basic earnings per share	25	42.88	5.11
Diluted earnings per share	25	42.59	5.08

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

	Note	Consolidated 31 Dec 2024 \$m	30 Jun 2024 \$m
Assets			
Current assets			
Cash and cash equivalents	7	78.0	186.6
Trade and other receivables	8	60.5	29.2
Financial assets at fair value through profit or loss	9	904.2	60.7
Other assets	10	5.9	9.2
		1,048.6	285.7
Assets classified as held for sale	11	23.4	-
Total current assets		1,072.0	285.7
Non-current assets			
Financial assets at fair value through profit or loss	9	-	733.1
Investments accounted for using the equity method	12	1,051.9	575.5
Property, plant and equipment		1.4	1.0
Intangible assets	13	350.3	186.7
Right-of-use assets		5.5	2.9
Convertible notes		3.5	2.9
Other financial assets		1.2	-
Total non-current assets		1,413.8	1,502.1
Total assets		2,485.8	1,787.8
Liabilities			
Current liabilities			
Trade and other payables	14	79.5	28.3
Borrowings	15	129.1	199.1
Employee benefit obligations		3.0	1.3
Lease liabilities		1.3	0.9
Income tax		21.1	12.1
Total current liabilities		234.0	241.7
Non-current liabilities			
Borrowings	15	120.0	-
Lease liabilities		4.5	2.0
Employee benefit obligations		0.7	0.5
Provisions		0.5	0.5
Deferred tax liability		33.9	36.3
Total non-current liabilities		159.6	39.3
Total liabilities		393.6	281.0
Net assets		2,092.2	1,506.8
Equity			
Contributed equity	16	5,696.9	5,366.1
Reserves	17	(1,225.6)	(1,225.2)
Accumulated losses		(2,773.8)	(2,918.0)
Equity attributable to the owners of HMC Capital Limited		1,697.5	1,222.9
Non-controlling interest	19	394.7	283.9
Total equity		2,092.2	1,506.8

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

HMC Capital Limited
Consolidated statement of changes in equity
For the half-year ended 31 December 2024



Consolidated	Contri- buted equity \$m	Reserves \$m	Accumu- lated losses \$m	Non- controlling interest* \$m	Total equity \$m
Balance at 1 July 2023	5,204.4	(1,228.5)	(2,942.2)	166.7	1,200.4
Profit after income tax expense for the half-year	-	-	17.8	17.4	35.2
Other comprehensive income for the half-year, net of tax	-	-	-	-	-
Total comprehensive income for the half-year	-	-	17.8	17.4	35.2
<i>Transactions with owners in their capacity as owners:</i>					
Contributions of equity, net of transaction costs	5.0	-	-	-	5.0
Acquisition of treasury shares	(5.0)	-	-	-	(5.0)
Share-based payments	-	2.6	-	-	2.6
Vesting of employee awards	4.4	(4.4)	-	-	-
Contributions by NCI	-	-	-	13.8	13.8
Dividends declared (note 18)	-	-	(20.9)	-	(20.9)
Balance at 31 December 2023	<u>5,208.8</u>	<u>(1,230.3)</u>	<u>(2,945.3)</u>	<u>197.9</u>	<u>1,231.1</u>
Consolidated	Contri- buted equity \$m	Reserves \$m	Accumu- lated losses \$m	Non- controlling interest* \$m	Total equity \$m
Balance at 1 July 2024	5,366.1	(1,225.2)	(2,918.0)	283.9	1,506.8
Profit after income tax expense for the half-year	-	-	166.9	107.6	274.5
Other comprehensive income for the half-year, net of tax	-	1.0	-	-	1.0
Total comprehensive income for the half-year	-	1.0	166.9	107.6	275.5
<i>Transactions with owners in their capacity as owners:</i>					
Contributions of equity, net of transaction costs (note 16)	330.9	-	-	-	330.9
Acquisition of treasury shares (note 16)	(6.1)	-	-	-	(6.1)
Share-based payments	-	4.6	-	-	4.6
Vesting of employee awards	6.0	(6.0)	-	-	-
Contributions by NCI	-	-	-	3.2	3.2
Dividends declared (note 18)	-	-	(22.7)	-	(22.7)
Balance at 31 December 2024	<u>5,696.9</u>	<u>(1,225.6)</u>	<u>(2,773.8)</u>	<u>394.7</u>	<u>2,092.2</u>

* Non-controlling interest represents equity attributable to external investors of HMC Capital Partners Fund I.

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

HMC Capital Limited
Consolidated statement of cash flows
For the half-year ended 31 December 2024



	Note	Consolidated 31 Dec 2024 \$m	31 Dec 2023 \$m
Cash flows from operating activities			
Receipts from customers and tenants (inclusive of GST)		116.2	54.0
Payments to suppliers and employees (inclusive of GST)		(79.1)	(31.0)
Interest received		2.8	1.3
Interest paid		(10.7)	(7.5)
Income taxes paid		(10.1)	-
		<u>19.1</u>	<u>16.8</u>
Net cash from operating activities			
Cash flows from investing activities			
Payment for purchase of business, net of cash acquired		(115.4)	-
Payment for financial instruments		(199.9)	(175.4)
Payments for convertible notes		(0.7)	-
Payment for investment		(23.5)	-
Payment for equity accounted investments		(529.2)	(0.2)
Proceeds from sale of equity accounted investments		40.0	-
Proceeds from disposal of investments		-	88.9
Proceeds from disposal of financial instruments		344.8	-
Distributions received		29.2	20.0
		<u>(454.7)</u>	<u>(66.7)</u>
Net cash used in investing activities			
Cash flows from financing activities			
Proceeds from issue of shares	16	301.3	-
Share issue transaction costs	16	(3.8)	-
Proceeds from unissued shares by non-controlling interests		-	49.3
Proceeds from borrowings		444.0	214.5
Repayment of borrowings		(394.0)	(164.0)
Loan to associate		(148.1)	-
Repayment of loan from associate		148.3	-
Other financing activities		(1.2)	(1.3)
Cash contributed by non-controlling entity		3.2	13.8
Dividends paid	18	(22.7)	(20.9)
		<u>327.0</u>	<u>91.4</u>
Net cash from financing activities			
Net (decrease)/increase in cash and cash equivalents		(108.6)	41.5
Cash and cash equivalents at the beginning of the financial half-year		<u>186.6</u>	<u>48.8</u>
Cash and cash equivalents at the end of the financial half-year		<u><u>78.0</u></u>	<u><u>90.3</u></u>

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

Note 1. General information

The consolidated financial statements cover HMC Capital Limited (ACN 138 990 593) (the Company or HMC Capital) and the entities it controlled at the end of, or during, the half-year (collectively referred as the group). The consolidated financial statements are presented in Australian dollars, which is the group's functional and presentation currency.

HMC Capital is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 7, Gateway
1 Macquarie Place
Sydney NSW 2000

The consolidated financial statements were authorised for issue, in accordance with a resolution of directors, on 17 February 2025. The directors have the power to amend and reissue the consolidated financial statements.

Note 2. Material accounting policy information

These general purpose financial statements for the interim half-year reporting period ended 31 December 2024 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2024 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the group during the financial half-year ended 31 December 2024 and are not expected to have any significant impact for the full financial year ending 30 June 2025.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Note 3. Operating segments

Identification of reportable operating segments

From 1 July 2024, the group amended its operating segments to include two additional segments, Private Credit and Digital Infrastructure. The additional operating segments are the result of new HMC Capital managed funds and have had no effect on the three operating segments reported in 30 June 2024. The addition of Private Credit and Digital segments will provide additional transparency on shareholder returns across the various funds management strategies.

The following summary describes the operations in each of HMC Capital's reportable segments:

- Real Estate – the group's Real Estate strategies include HMC Capital managed HomeCo Daily Needs REIT, HealthCo Healthcare and Wellness REIT, HMC Wholesale Healthcare Fund and the Last Mile Logistics Fund;
- Private Equity – currently comprises the HMC Capital Partners Fund I, a high conviction strategic stakes fund;
- Private Credit - comprises of commercial real estate and corporate credit fund management strategies;
- Digital Infrastructure - comprises the group's digital infrastructure strategies including HMC Capital managed DigiCo Infrastructure REIT and StratCap; and
- Corporate – the corporate segment comprises unallocated costs and Capital Solutions activities which includes short term investments undertaken relating to non-HMC managed funds.

Note 3. Operating segments (continued)

The operating segments are based on the internal reports that are reviewed by the Chief Operating Decision Maker ('CODM') in assessing performance and in determining the allocation of resources. The CODM monitor the performance of the business on the basis of Operating Earnings for each segment. Operating Earnings represent the group's underlying and recurring earnings from its operations and is determined by adjusting the statutory net profit after tax for items which are non-cash, unrealised or capital in nature. The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in these financial statements.

The information reported to the CODM is on a monthly basis. The group operates predominantly in Australia and North America.

Operating segment information

Consolidated - 31 Dec 2024	Real Estate \$m	Private Equity \$m	Private Credit \$m	Digital \$m	Corporate \$m	Total \$m
Revenue						
Management fee income	40.0	-	22.4	5.8	-	68.2
Capital charge fees	-	-	-	59.1	-	59.1
Other income	-	-	-	-	-	-
Total revenue	<u>40.0</u>	<u>-</u>	<u>22.4</u>	<u>64.9</u>	<u>-</u>	<u>127.3</u>
Operating earnings before tax						
Depreciation expenses	-	-	-	-	(0.7)	(0.7)
Acquisition and transaction costs*	-	(0.6)	(2.5)	(6.1)	-	(9.1)
HMC Capital Partners management fee	-	(1.9)	-	-	-	(1.9)
HMC Capital Partners performance fee	-	(24.4)	-	-	-	(24.4)
Donation expenses	-	-	-	-	-	-
Amortisation of borrowing costs	-	-	-	-	(1.1)	(1.1)
Non-controlling interest	-	133.9	-	-	-	133.9
Share of associate profit (adjusted)**	(5.8)	-	-	(1.5)	-	(7.3)
Profit before income tax expense	<u>30.4</u>	<u>220.4</u>	<u>4.6</u>	<u>45.2</u>	<u>(9.0)</u>	<u>291.6</u>
Income tax expense	-	-	-	-	-	(17.1)
Profit after income tax expense	-	-	-	-	-	<u>274.5</u>
Assets						
Segment assets	753.8	922.8	159.1	566.9	83.2	2,485.8
Total assets	-	-	-	-	-	<u>2,485.8</u>
<i>Total assets includes:</i>						
Investments in associates and joint venture	524.3	-	-	527.6	-	1,051.9
Liabilities						
Segment liabilities	-	156.3	9.5	5.3	222.5	393.6
Total liabilities	-	-	-	-	-	<u>393.6</u>

* Excludes transaction costs relates to HMC Capital Partners 1 and sale of units in associate

** Included in operating earnings is the group's share of the associates operating earnings rather statutory share of equity accounted investment.

Note 3. Operating segments (continued)

	Real Estate \$m	Private Equity \$m	Private Credit \$m	Digital \$m	Corporate \$m	Total \$m
Consolidated - 31 Dec 2023						
Revenue						
Management fee income	40.0	-	-	-	-	40.0
Other income	-	-	-	-	0.2	0.2
Total revenue	40.0	-	-	-	0.2	40.2
Operating earnings before tax						
Depreciation expenses	-	-	-	-	(0.5)	(0.5)
Acquisition and transaction costs	(6.9)	(0.5)	-	-	(0.1)	(7.5)
HMC Capital Partners management fee	-	(0.9)	-	-	-	(0.9)
HMC Capital Partners performance fee	-	(4.3)	-	-	-	(4.3)
Donation expenses	-	-	-	-	(3.1)	(3.1)
Amortisation of borrowing costs	-	-	-	-	(0.5)	(0.5)
Non-controlling interest	-	17.4	-	-	-	17.4
Share of associate profit (adjusted)*	(19.9)	-	-	-	-	(19.9)
Profit before income tax expense	23.6	33.7	-	-	(17.2)	40.1
Income tax expense	-	-	-	-	-	(4.9)
Profit after income tax expense						35.2
Consolidated - 30 Jun 2024						
Assets						
Segment assets	800.3	768.6	-	-	218.9	1,787.8
Total assets						1,787.8
<i>Total assets includes:</i>						
Investments in associates and joint venture	575.5	-	-	-	-	575.5
Liabilities						
Segment liabilities	-	209.4	-	-	71.6	281.0
Total liabilities						281.0

* Included in operating earnings is the group's share of the associates operating earnings rather statutory share of equity accounted investment.

Note 4. Revenue

	Consolidated	
	31 Dec 2024 \$m	31 Dec 2023 \$m
Management fee income	68.2	40.0
Capital charge fee	59.1	-
Other income	-	0.2
	127.3	40.2

Note 5. Change in assets/liabilities at fair value through profit or loss

	Consolidated	
	31 Dec 2024	31 Dec 2023
	\$m	\$m
Net fair value gain on remeasurement of financial instruments	93.2	44.2
Realised gain on disposal of investments	162.1	1.1
	<u>255.3</u>	<u>45.3</u>

Note 6. Expenses

	Consolidated	
	31 Dec 2024	31 Dec 2023
	\$m	\$m
Profit before income tax includes the following specific expenses:		
<i>Acquisition and transaction costs</i>		
Transaction and group reorganisation costs	9.6	1.5
Loss on sale of investments in associates	5.6	6.0
Total acquisition and transaction costs	<u>15.2</u>	<u>7.5</u>
<i>Finance costs</i>		
Interest and finance charges on borrowings	10.5	7.7
Interest and finance charges on lease liabilities	0.1	0.1
Amortisation of borrowing costs	1.1	0.5
Finance costs expensed	<u>11.7</u>	<u>8.3</u>

Note 7. Cash and cash equivalents

	Consolidated	
	31 Dec 2024	30 Jun 2024
	\$m	\$m
<i>Current assets</i>		
Cash at bank	<u>78.0</u>	<u>186.6</u>

Note 8. Trade and other receivables

	Consolidated	
	31 Dec 2024	30 Jun 2024
	\$m	\$m
<i>Current assets</i>		
Trade receivables	34.5	9.4
Allowance for expected credit losses	(0.4)	-
	<u>34.1</u>	<u>9.4</u>
Distributions receivables	7.3	7.8
Accrued income	11.2	8.9
Other receivables	7.9	3.1
	<u>26.4</u>	<u>19.8</u>
	<u>60.5</u>	<u>29.2</u>

Note 8. Trade and other receivables (continued)

Allowance for expected credit losses

The group has recognised a loss of \$0.4 million in profit or loss in respect of the expected credit losses for the half-year ended 31 December 2024. This current period loss is due to Payton Capital Limited business acquired during the half-year and relates to post-acquisition loss on receivables from external parties.

Note 9. Financial assets at fair value through profit or loss

	Consolidated	
	31 Dec 2024	30 Jun 2024
	\$m	\$m
<i>Current assets</i>		
Australian listed equity securities	904.2	60.7
	<u>904.2</u>	<u>60.7</u>
<i>Non-current assets</i>		
Australian listed equity securities	-	733.1
	<u>-</u>	<u>733.1</u>

Refer to note 20 for further information on fair value measurement.

Note 10. Other assets

	Consolidated	
	31 Dec 2024	30 Jun 2024
	\$m	\$m
<i>Current assets</i>		
Prepayments	4.3	0.2
Deposits	1.6	9.0
	<u>5.9</u>	<u>9.2</u>

Note 11. Assets classified as held for sale

	Consolidated	
	31 Dec 2024	30 Jun 2024
	\$m	\$m
Other investments	23.4	-
	<u>23.4</u>	<u>-</u>

Assets held for sale represents energy transition assets to seed HMC's inaugural Energy Transition Platform, a new fund to be managed by HMC Capital.

HMC is well advanced with multiple institutional cornerstone investors with first close of the inaugural Energy Transition Platform in 2025.

The Held for sale asset has been included in the Corporate segment in note 3.

Note 12. Investments accounted for using the equity method

	Consolidated	
	31 Dec 2024	30 Jun 2024
	\$m	\$m
<i>Non-current assets</i>		
Associate - HomeCo Daily Needs REIT	318.2	360.7
Associate - HealthCo Healthcare and Wellness REIT	192.6	201.4
Joint venture - General Medical Precinct Trust	2.5	2.5
Joint venture - Life Sciences Medical Precinct Trust	11.0	10.9
Associate - DigiCo Infrastructure REIT	527.6	-
	1,051.9	575.5
	1,051.9	575.5

The reconciliation of the carrying amounts at the beginning and end of the current financial half-year is set out below:

	Consolidated	Consolidated
	31 Dec 2024	30 Jun 2024
	\$m	\$m
Opening carrying amount	575.5	612.5
Additional investments	529.2	51.5
Share of profit after income tax	8.2	12.4
Share of distributions declared by associates	(15.4)	(32.5)
Loss recognised on disposal	(5.6)	(9.5)
Disposals	(40.0)	(58.9)
	1,051.9	575.5
Closing carrying amount	1,051.9	575.5

Interests in associates and joint ventures

Interests in associates and joint ventures are accounted for using the equity method of accounting. Information relating to associates that are material to the group are set out below:

Name	Principal place of business / Country of incorporation	Ownership interest	
		31 Dec 2024	30 Jun 2024
		%	%
HomeCo Daily Needs REIT	Australia	10.5%	12.1%
HealthCo Healthcare and Wellness REIT	Australia	22.7%	22.3%
General Medical Precinct Trust	Australia	27.5%	27.4%
Life Sciences Medical Precinct Trust	Australia	32.0%	31.9%
DigiCo Infrastructure REIT	Australia	19.4%	-

Note 13. Intangible assets

	Consolidated	
	31 Dec 2024	30 Jun 2024
	\$m	\$m
<i>Non-current assets</i>		
Goodwill	212.9	49.3
Management rights	137.4	137.4
	<u>350.3</u>	<u>186.7</u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

Consolidated	Goodwill	Management	Total
	\$m	rights	\$m
	\$m	\$m	\$m
Balance at 1 July 2024	49.3	137.4	186.7
Additions through business combinations (note 24)	163.6	-	163.6
Balance at 31 December 2024	<u>212.9</u>	<u>137.4</u>	<u>350.3</u>

Goodwill and management rights acquired through business combinations have been allocated to the following cash-generating units (CGU):

	Consolidated	
	31 Dec 2024	30 Jun 2024
	\$m	\$m
Real estate	186.7	186.7
Private credit	135.7	-
Digital infrastructure	27.9	-
	<u>350.3</u>	<u>186.7</u>

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Goodwill on recently acquired business combinations have been determined at fair value as detailed in note 24. The annual impairment test for the Real Estate CGU was completed at 30 June 2024 based on a value-in-use calculation. As at 31 December 2024, management concluded that there were no indicators of impairment that would require further testing.

Note 14. Trade and other payables

	Consolidated	
	31 Dec 2024	30 Jun 2024
	\$m	\$m
<i>Current liabilities</i>		
Trade payables	2.0	2.3
Rent received in advance	0.2	0.2
Unearned income	1.2	-
Contingent consideration on business combinations (note 24) (note 20)	15.0	-
Accrued expenses	30.4	24.3
Other payables	30.7	1.5
	<u>79.5</u>	<u>28.3</u>

Note 15. Borrowings

	Consolidated	
	31 Dec 2024	30 Jun 2024
	\$m	\$m
<i>Current liabilities</i>		
Secured margin loan (HMC Capital Partners Fund 1, non-recourse borrowings)	130.0	200.0
Capitalised borrowing costs	(0.9)	(0.9)
	<u>129.1</u>	<u>199.1</u>
<i>Non-current liabilities</i>		
Senior secured bank debt (HMC Capital)	<u>120.0</u>	<u>-</u>

HMC Capital Partners Fund I margin loan comprises a \$130.0 million non-recourse debt facility which has been utilised for acquiring investments in Australian listed equities. These facilities are secured by HMC Capital Partners Fund I investments in Australian listed equities. The \$130.0 million margin loan facility matures on 25 February 2025. Subsequent to 31 December 2024, the facility has been extended to 5 August 2025.

HMC Capital's bank debt comprises a \$675.0 million secured syndicated debt facility of which \$120.0 million is drawn at 31 December 2024. The maturity date of the facility is 30 September 2026. The bank debt is secured by group assets. Interest is payable on the facility used at a base rate plus a variable margin.

Financing arrangements

Unrestricted access was available at the reporting date to the following lines of credit:

	Consolidated	
	31 Dec 2024	30 Jun 2024
	\$m	\$m
<i>Total facilities</i>		
Secured margin loan	130.0	200.0
Secured bank debt	675.0	355.0
	<u>805.0</u>	<u>555.0</u>
<i>Used at the reporting date</i>		
Secured margin loan	130.0	200.0
Secured bank debt	120.0	-
	<u>250.0</u>	<u>200.0</u>
<i>Unused at the reporting date</i>		
Secured margin loan	-	-
Secured bank debt	555.0	355.0
	<u>555.0</u>	<u>355.0</u>

Compliance with loan covenants

The group has complied with the financial covenants of its debt facilities during the financial half-year ended 31 December 2024.

Note 16. Contributed equity

	Consolidated			
	31 Dec 2024 Shares	30 Jun 2024 Shares	31 Dec 2024 \$m	30 Jun 2024 \$m
Ordinary shares - fully paid	412,358,905	373,051,656	5,698.5	5,367.6
Less: Treasury shares	(171,427)	(213,729)	(1.6)	(1.5)
	<u>412,187,478</u>	<u>372,837,927</u>	<u>5,696.9</u>	<u>5,366.1</u>

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$m
Balance	1 July 2024	373,051,656		5,367.6
Issue of shares on business acquisition (note 24)	1 July 2024	3,962,774	\$7.00	27.7
Issue of shares on business acquisition (note 24)	19 July 2024	108,670	\$7.00	0.8
Issue of shares on vesting of options	23 July 2024	1,000	\$7.00	-
Issue of shares on vesting of options	14 August 2024	5,000	\$7.00	-
Issue of shares to the Trust	22 August 2024	767,090	\$7.95	6.1
Issue of shares on vesting of options	21 August 2024	1,000	\$7.00	-
Issue of shares on vesting of options	28 August 2024	9,000	\$7.00	0.1
Issue of shares on vesting of options	11 September 2024	11,000	\$7.00	0.1
Issue of shares on vesting of options	2 October 2024	1,000	\$7.00	-
Issue of shares on vesting of options	11 October 2024	2,000	\$7.00	-
Issue of shares on vesting of options	16 October 2024	66,000	\$7.00	0.5
Issue of shares under institutional placement	30 October 2024	34,285,715	\$8.75	300.0
Issue of shares on vesting of options	13 November 2024	10,000	\$7.00	0.1
Issue of shares on vesting of options	20 November 2024	57,000	\$7.00	0.4
Issue of shares on vesting of options	27 November 2024	13,000	\$7.00	0.1
Issue of shares on vesting of options	4 December 2024	7,000	\$7.00	-
Share issue transaction costs, net of tax				(5.0)
Balance	31 December 2024	<u>412,358,905</u>		<u>5,698.5</u>

Movements in treasury shares

Details	Date	Shares	Issue price	\$m
Balance	1 July 2024	(213,729)		(1.5)
Issue of shares	22 August 2024	(767,090)	\$7.95	(6.1)
Issue of shares	17 September 2024	(3,750)	\$8.09	-
Vesting of employee awards		<u>813,142</u>		<u>6.0</u>
Balance	31 December 2024	<u>(171,427)</u>		<u>(1.6)</u>

Treasury shares

Treasury shares are shares in HMC Capital Limited held by the HMC Capital Limited Employee Share Plan Trust for the purposes of issuing shares under the group's employee share scheme and executive incentive plans. Shares issued to employees, upon satisfaction of relevant vesting conditions, are recognised on a first in first out basis.

Note 17. Reserves

	Consolidated	
	31 Dec 2024	30 Jun 2024
	\$m	\$m
Foreign currency reserve	1.0	-
Share-based payments reserve	5.9	7.3
Non-controlling interest ('NCI') reserve	(1,232.5)	(1,232.5)
	<u>(1,225.6)</u>	<u>(1,225.2)</u>

Foreign currency reserve

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars.

Movements in reserves

Movements in each class of reserve during the current financial half-year are set out below:

Consolidated	Foreign currency reserve \$m	Share-based payments reserve \$m	NCI reserve \$m	Total \$m
Balance at 1 July 2024	-	7.3	(1,232.5)	(1,225.2)
Foreign currency translation	1.0	-	-	1.0
Share-based payments	-	4.6	-	4.6
Transfer to contributed equity on vesting of rights	-	(6.0)	-	(6.0)
Balance at 31 December 2024	<u>1.0</u>	<u>5.9</u>	<u>(1,232.5)</u>	<u>(1,225.6)</u>

Note 18. Dividends

Dividends declared during the half-year were as follows:

	Consolidated	
	31 Dec 2024	31 Dec 2023
	\$m	\$m
Final dividend to shareholders registered on 28 August 2024 of 6.0 cents (2023: 6.0 cents) per ordinary share	22.7	20.9

On 17 February 2025, the directors determined to pay a fully franked interim dividend of 6.0 cents per ordinary share. The dividends will be paid on 1 April 2025 to eligible shareholders on the register on 26 February 2025.

Note 19. Non-controlling interests

Summarised financial information

Summarised financial information of the subsidiary with non-controlling interests that are material to the group are set out below. The summarised financial information represents amounts before intragroup eliminations.

	HMC Capital Partners Fund I	
	31 Dec 2024*	30 Jun 2024*
	\$m	\$m
<i>Summarised statement of financial position</i>		
Current assets	922.8	35.4
Non-current assets	-	733.1
Total assets	922.8	768.5
Current liabilities	156.3	225.0
Non-current liabilities	-	-
Total liabilities	156.3	225.0
Net assets	766.5	543.5
<i>Summarised statement of profit or loss and other comprehensive income</i>		
Revenue and other income	254.6	43.7
Expenses	(34.9)	(9.3)
Profit before income tax expense	219.7	34.4
Income tax expense	-	-
Profit after income tax expense	219.7	34.4
Other comprehensive income	-	-
Total comprehensive income	219.7	34.4
<i>Statement of cash flows</i>		
Net cash used in operating activities	(24.1)	(3.8)
Net cash (used in)/from investing activities	123.8	(85.1)
Net cash from/(used in) financing activities	(74.5)	133.1
Net increase in cash and cash equivalents	25.2	44.2
<i>Other financial information</i>		
Profit attributable to non-controlling interests	107.6	17.4
Accumulated non-controlling interests at the end of reporting period	394.7	283.9

* Summarised statement of profit or loss and other comprehensive income and statement of cash flows is for half-year period 1 July 2024 to 31 December 2024 (30 June 2024: Comparative half-year period from 1 July 2023 to 31 December 2023)

HMC Capital Partners Fund 1 margin loan comprises a \$130.0 million non-recourse debt facility (30 June 2024: \$200.0 million) which has been utilised for acquiring investments in Australian listed equities. These facilities are secured by HMC Capital Partners Fund 1 investments in Australian listed equities.

Note 20. Fair value measurement

Fair value hierarchy

The following tables detail the group's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

Consolidated - 31 Dec 2024	Level 1 \$m	Level 2 \$m	Level 3 \$m	Total \$m
<i>Assets</i>				
Australian listed equity securities	904.2	-	-	904.2
Total assets	904.2	-	-	904.2

Liabilities

Contingent consideration on business combinations	-	-	15.0	15.0
Total liabilities	-	-	15.0	15.0

Consolidated - 30 Jun 2024	Level 1 \$m	Level 2 \$m	Level 3 \$m	Total \$m
<i>Assets</i>				
Australian listed equity securities	793.8	-	-	793.8
Total assets	793.8	-	-	793.8

There were no transfers between levels during the financial half-year.

The carrying amounts of trade and other receivables and trade and other payables approximate their fair values due to their short-term nature. The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial liabilities.

Valuation techniques for fair value measurements categorised within level 2 and level 3

Contingent consideration

Contingent consideration is valued at each reporting date based on the likely settlement amount. The likely settlement amount is determined based on the future closing assets under management (AUM) and revenue of the acquired entity.

Level 3 assets and liabilities

Movements in level 3 assets and liabilities during the current financial half-year are set out below:

Consolidated	Contingent consideration \$m
Balance at 1 July 2024	-
Additions through business combinations (note 24)	15.0
Balance at 31 December 2024	15.0

Contingent consideration sensitivity: A 10% increase or decrease in AUM or revenue of Payton would have no change to the fair value of contingent consideration.

Note 21. Contingent liabilities

The group had no contingent liabilities as at 31 December 2024 and 30 June 2024.

Note 22. Commitments

Consolidated	
31 Dec 2024	30 Jun 2024
\$m	\$m

Capital commitments

Committed at the reporting date but not recognised as liabilities:

Acquisitions	950.0	146.9
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As at 31 December 2024, HMC Capital has committed to buying assets from Neoen in July 2025. It has entered into agreements to acquire Neoen's Victorian portfolio (Acquisition), a leading Australian renewable generation and storage portfolio, with 4 operational assets totalling 652 MW and six development assets with total capacity of >2,800 MW, for purchase consideration of \$950.0 million. The Acquisition will further seed HMC Capital's inaugural Energy Transition Platform for which fundraising is targeted first close in the first half of the 2025 calendar year ahead of financial close of the Acquisition. HMC Capital has secured senior debt asset-level financing of approximately \$550.0 million and deferred settlement terms, with \$750.0 million of the purchase consideration due on financial close in July 2025 and the remaining \$200.0 million payable in December 2025.

Note 23. Related party transactions

HealthCo Daily Needs REIT (HDN)

In October 2024, HMC Capital sold 32 million HDN units for \$40 million.

DigiCo Infrastructure REIT Stapled Unit

In November 2024, HMC Capital issued a disclosure statement outlining the offer of stapled securities in DigiCo Infrastructure REIT. In December 2024, DigiCo Infrastructure REIT was listed on the Australian Securities Exchange. HMC Capital was issued 100 million shares on initial public offering. In December 2024, HMC Capital purchased a further 6,415,813 DigiCo securities on-market. Upon listing DigiCo Infrastructure REIT reimbursed HMC Capital \$148.3 million for costs related to the listing.

Note 24. Business combinations

Payton Capital Limited ('Payton')

On 1 July 2024, the group acquired a 100% interest in Payton Capital Limited ('Payton'), for an initial consideration of \$128.2 million, which included \$28.5m of HMC shares, granting the group control of Payton. HMC Capital has also agreed to pay additional \$15.0 million of contingent consideration in cash (payable in FY26), subject to business performance thresholds and other considerations. Payton is a commercial real estate private credit fund manager. It was acquired to establish a diversified private credit asset management platform over the medium term. The goodwill of \$135.7 million represents the future potential profits of the acquired business, and the synergistic opportunities it offers the group from the acquisition. The acquired business contributed revenues of \$22.4 million and profit after tax of \$6.6 million to the group for the period from the acquisition date to 31 December 2024. The fair values of Payton's assets and liabilities identified in relation to the acquisition of Payton have been measured provisionally, pending completion of an independent valuation.

StratCap acquisition ('Stratcap')

On 4 September 2024, the group acquired 100% interest in Stratcap LLC ('Stratcap') for the total consideration transferred of \$26.9 million, granting the group control of Stratcap. Stratcap is a digital infrastructure funds management business based in the United States. It was acquired to establish the group's digital infrastructure operations. The goodwill of \$27.9 million represents the future potential profits of the acquired business, and the synergistic opportunities it offers the group from the acquisition. The acquired business contributed revenues of \$3.9 million and loss after tax of \$8.9 million to the group for the period from the acquisition date to 31 December 2024, which includes transaction and restructuring costs. The fair values of StratCap's assets and liabilities identified in relation to the acquisition of Stratcap have been measured provisionally, pending completion of an independent valuation.

Note 24. Business combinations (continued)

Details of the acquisition are as follows:

	Payton Fair value \$m	Stratcap Fair value \$m	Total \$m
<i>Identifiable assets acquired and identifiable liabilities assumed:</i>			
Cash and cash equivalents	1.9	1.3	3.2
Trade and other receivables	8.5	1.6	10.1
Other assets	0.8	1.5	2.3
Property, plant and equipment	0.9	0.2	1.1
Right-of-use assets	3.5	-	3.5
Deferred tax asset	1.6	-	1.6
Trade and other payables	(4.2)	(5.6)	(9.8)
Employee benefits	(1.8)	-	(1.8)
Lease liability	(3.7)	-	(3.7)
	<hr/>	<hr/>	<hr/>
Net assets/(liabilities) acquired	7.5	(1.0)	6.5
Goodwill	135.7	27.9	163.6
	<hr/>	<hr/>	<hr/>
Acquisition-date fair value of the total consideration transferred	<u>143.2</u>	<u>26.9</u>	<u>170.1</u>
Representing:			
Cash paid or payable to vendor	99.7	26.9	126.6
HMC Capital Limited shares issued to vendor	28.5	-	28.5
Contingent consideration *	15.0	-	15.0
	<hr/>	<hr/>	<hr/>
	<u>143.2</u>	<u>26.9</u>	<u>170.1</u>
	<hr/>	<hr/>	<hr/>
Acquisition costs expensed to profit or loss	<u>2.0</u>	<u>5.0</u>	<u>7.0</u>
<i>Cash used to acquire business, net of cash acquired:</i>			
Acquisition-date fair value of the total consideration transferred	143.2	26.9	170.1
Less: contingent consideration *	(15.0)	-	(15.0)
Less: cash and cash equivalents acquired	(1.9)	(1.3)	(3.2)
Less: shares issued by Company as part of consideration	(28.5)	-	(28.5)
	<hr/>	<hr/>	<hr/>
Net cash used/(received)	<u>97.8</u>	<u>25.6</u>	<u>123.4</u>

* Refer to note 20 for further information regarding fair value of contingent consideration.

Note 25. Earnings per share

	Consolidated	
	31 Dec 2024	31 Dec 2023
	\$m	\$m
Profit after income tax	274.5	35.2
Non-controlling interest	(107.6)	(17.4)
Profit after income tax	<u>166.9</u>	<u>17.8</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	389,256,862	348,018,911
Adjustments for calculation of diluted earnings per share:		
Options/rights over ordinary shares	<u>2,618,102</u>	<u>2,311,445</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>391,874,964</u>	<u>350,330,356</u>
	Cents	Cents
Basic earnings per share	42.88	5.11
Diluted earnings per share	42.59	5.08

Note 26. Events after the reporting period

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

HMC Capital Limited
Directors' declaration
For the half-year ended 31 December 2024



In the directors' opinion:

- the attached consolidated financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached consolidated financial statements and notes give a true and fair view of the group's financial position as at 31 December 2024 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in black ink, appearing to read 'Chris Saxon', written over a horizontal line.

Chris Saxon
Chair

A handwritten signature in black ink, appearing to read 'David Di Pilla', written over a horizontal line.

David Di Pilla
Director

17 February 2025



Independent Auditor's Review Report

To the shareholders of HMC Capital Limited

Conclusion

We have reviewed the accompanying **Half-year Financial Report** of HMC Capital Limited (the Company).

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

- giving a true and fair view of the **Group's** financial position as at 31 December 2024 and of its performance for the Half-year ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

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

- Consolidated statement of financial position as at 31 December 2024.
- Consolidated statement of profit or loss and other comprehensive income, Consolidated statement of changes in equity and Consolidated statement of cash flows for the Half-year ended on that date.
- Notes 1 to 26 comprising material accounting policy information including selected explanatory notes.
- The Directors' Declaration.

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

Basis for Conclusion

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

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



Responsibilities of the Directors for the Half-year Financial Report

The Directors of the Company are responsible for:

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

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

Our responsibility is to express a conclusion on the Half-year Financial Report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the Half-year Financial Report does not comply with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the Half-year ended on that date, and complying with *Australian Accounting Standard AASB 134 Financial Reporting* and the *Corporations Regulations 2001*.

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

KPMG

Brendan Twining

Partner

Sydney

17 February 2025

HMCapital

