

# APPENDIX 4D

EQT Holdings Limited ABN 22 607 797 615

## RESULTS FOR ANNOUNCEMENT TO THE MARKET FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

PERFORMANCE	31 DEC 2024 \$'000		31 DEC 2023 \$'000
Revenue from ordinary activities <sup>1</sup>	89,427	Up 6.5% from	83,951
Profit after tax from ordinary activities attributable to members	12,264	Down 2.9% from	12,628
Net profit for the period attributable to members	12,264	Down 2.9% from	12,628
Earnings per share (from continuing and discontinued operations) attributable to members (cents per share)	45.90	Down 1.64 cents, or 3.4% from	47.54

DIVIDENDS	31 DEC 2024		31 DEC 2023
Interim Dividend (cents per share)	55	Up 4 cents, or 7.8% from	51
Franked percentage	100%		100%

### KEY DATES

Record date for determining entitlements to the interim dividend Thursday, 6 March

Payment date for interim dividend Thursday, 27 March

<sup>1</sup>Revenue from ordinary activities are presented as excluding discontinued operations. This is consistent with how revenues have been presented in the Group's 4D statement at 31 December 2023, and how revenues have been presented for the period ended 31 December 2024.



The Directors have declared a fully franked interim dividend of 55 cents per share. The Directors have determined not to offer the Dividend Reinvestment Plan (DRP) in respect of the FY25 interim dividend (1H24: DRP active with a 1.25% discount).

#### **ASX Additional Information**

Additional information, current as at 31 December 2024, and not shown elsewhere in this report, follows:

#### **NET TANGIBLE ASSETS PER SHARE**

<b>NET TANGIBLE ASSETS PER SHARE<sup>1</sup></b>	<b>31 DEC 2024</b>	<b>31 DEC 2023</b>
Net tangible asset backing per share	\$2.29	\$2.38

<sup>1</sup>Based on shares on issue at 31 December 2024 of 26,759,133 (31 December 2023: 26,626,837). The calculation of NTA backing includes right of use assets recognised under AASB 16 *Leases* relating to the Group's premises leases.

#### **CONTROL GAINED OR LOST OVER ENTITIES DURING THE PERIOD**

##### **HALF-YEAR ENDED 31 DECEMBER 2024**

There were no material entities for which control was gained or lost during the period (1H24: same).

#### **AUDITOR'S REVIEW**

A review of the condensed consolidated half-year financial statements has been completed with an unqualified conclusion expressed by the Auditor. A copy of the review report is attached.

#### **COMMENTARY**

Additional Appendix 4D disclosure requirements can be found in the half-year Report, which contains the Directors' Report and the 31 December 2024 Financial Statements and accompanying notes.

**For a comprehensive overview of the half-year results, please refer to the separate ASX release covering the Announcement of Results and Shareholder Presentation.**

*The EQT Holdings Limited Board has authorised that this document be given to the ASX*

**CONSOLIDATED  
FINANCIAL REPORT  
FOR THE HALF-  
YEAR ENDED  
31 DECEMBER 2024**



Equity Trustees acknowledges Aboriginal and Torres Strait Islander people as the First Australians and respects their long and enduring connection to their land.

We pay our respects to all Elders past and present.



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# **DIRECTORS' REPORT**

**FOR THE HALF-YEAR  
ENDED 31 DECEMBER 2024**

The Directors of EQT Holdings Limited (Equity Trustees, or the Company) present the financial report for EQT Holdings Limited and its subsidiaries (the Group) for the half-year ended 31 December 2024, and the independent auditor's review report.



## BOARD OF DIRECTORS

The Directors of the Company during or since the end of the half-year are:

<b>CAROL SCHWARTZ AO</b>	Independent Director	Appointed Director in March 2020, Chair in October 2020.
<b>KEVIN ELEY</b>	Independent Director	Appointed Director in November 2011, Resigned 17 October 2024.
<b>D GLENN SEDGWICK</b>	Independent Director	Appointed Director in August 2016.
<b>TIMOTHY (TIM) HAMMON</b>	Independent Director	Appointed Director in December 2018.
<b>CATHERINE ROBSON</b>	Independent Director	Appointed Director in February 2020.
<b>THE HON. KELLY O'DWYER</b>	Independent Director	Appointed Director in March 2021.
<b>ROBERT DALTON</b>	Independent Director	Appointed Director in September 2023.
<b>MICHAEL (MICK) O'BRIEN</b>	Managing Director	Appointed Director in July 2014, Executive Director in April 2016, Managing Director in July 2016.

## COMPANY SECRETARY

<b>SAMANTHA EINHART</b>	Company Secretary	Appointed Company Secretary in January 2022.
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# OPERATING AND FINANCIAL REVIEW

## OVERVIEW OF EQUITY TRUSTEES

### INTRODUCTION

Established in 1888, EQT Holdings Limited and its controlled entities (Equity Trustees, the Group), is an Australian independent financial services organisation providing trustee and related services to a variety of corporate and private clients.

### PURPOSE

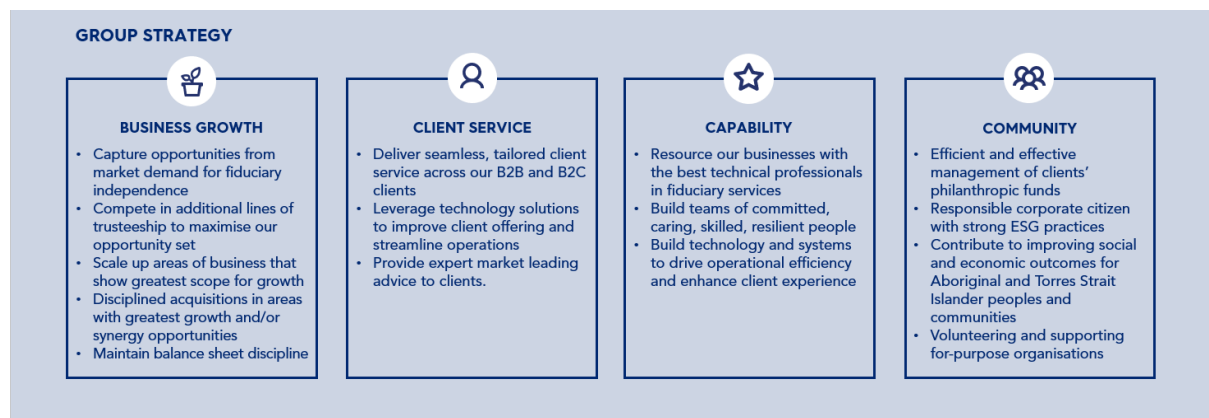
Equity Trustees is a company founded on trust and has acted in a trusted role for individuals, trusts and corporations for over 130 years.

Its purpose is to help people take care of their future through:

- Safeguarding clients' wealth now and for generations to come.
- Acting as a trusted, independent partner to grow and manage clients' wealth.
- Providing trustee services and fiduciary support to help to protect the interests of investors, members and beneficiaries.
- Empowering clients to improve the lives of others and support the community.

### STRATEGY

Equity Trustees aims to be the pre-eminent independent specialist provider of trustee services in Australia. The Group's vision is to become Australia's leading trustee company. This vision is supported by the following key strategies:



Key strategic objectives include:

- Consistent growth in shareholder value and returns.
- Market leadership in our specialist business areas.
- Reputation as a stable, trusted, and enduring corporation.

As an independent, specialist trustee, Equity Trustees aims to be a leading player in all aspects of trusteeship. Equity Trustees deploys its trustee capability through two core businesses complemented by shared technology and support services.



## OPERATING BUSINESSES AND PRINCIPAL ACTIVITIES

The Group is organised into two business units through which it offers services to corporate and private clients:

**Corporate & Superannuation Trustee Services (CSTS) – provides a range of fund governance and trustee services for superannuation funds and managed investment schemes** on behalf of fund promoters, local and international fund managers and sponsors, as well as specialised trustee services for debt, securitisations, custody and real asset arrangements for corporates. CSTS's strategy is to:

- Build on its Australian leadership position in trustee services for fund managers.
- Achieve further scale by securing new superannuation trustee appointments and growing funds.
- Accelerate growth in its corporate trust business.

The Group formerly operated Corporate & Superannuation Trustee Services in the United Kingdom and the Republic of Ireland (collectively known as CTS-EU). On 30 April 2024 the Ireland-based business was sold, and as of the date of this Directors' report, the United Kingdom-based business has ceased trading and is in the process of being wound up.

**Trustee & Wealth Services – Private Clients (TWS) – provides a range of Personal and Native Title Trustee Services** including estate planning and management, charitable, compensation, community and personal trust services, and wealth management and advice. TWS operates within Australia, with a strategy to:

- Achieve a leadership position in all states and more lines of business.
- Build on its strong presence in the not-for-profit market.
- Utilise technology to provide an enhanced client experience.

Group revenues are predominantly earned from fees charged on funds under management, administration or advice, and supervision (FUMAS). Revenues are influenced by net client asset flows and changes in underlying asset values. Client relationships and contracts are mainly long-term in nature, with the operating model typically providing relatively enduring revenue streams with leverage to movement in asset values.



# GROUP FINANCIAL PERFORMANCE

## Summary Financial Results and Value Creation Measures

FOR THE PERIOD ENDED	1H25	2H24	1H24	1H25 v 2H24	1H25 v 2H24	1H25 v 1H24	1H25 v 1H24
FINANCIAL SUMMARY	\$'000	\$'000	\$'000	\$'000	%	\$'000	%
Total revenue	89,427	86,511	83,951	2,916	3.4%	5,476	6.5%
Total expenses	(69,763)	(68,936)	(62,274)	(827)	(1.2%)	(7,489)	(12.0%)
<b>Net Profit Before Tax (NPBT)</b>	<b>19,664</b>	<b>17,575</b>	<b>21,677</b>	<b>2,089</b>	<b>11.9%</b>	<b>(2,013)</b>	<b>(9.3%)</b>
<i>Reconciliation to Underlying NPBT (UNPBT) <sup>1,2</sup></i>							
Technology/transformation initiatives	1,727	1,149	941				
AET integration costs	2,460	6,582	2,824				
Impact of the former CTS-EU segment	451	362	494				
<b>Underlying NPBT<sup>1,2</sup></b>	<b>24,302</b>	<b>25,668</b>	<b>25,936</b>	<b>(1,366)</b>	<b>(5.3%)</b>	<b>(1,634)</b>	<b>(6.3%)</b>
Income tax expense	(6,794)	(5,937)	(7,164)	(857)	(14.4%)	370	5.2%
<b>Net Profit After Tax (NPAT) from continuing operations</b>	<b>12,870</b>	<b>11,638</b>	<b>14,513</b>	<b>1,232</b>	<b>10.6%</b>	<b>(1,643)</b>	<b>(11.3%)</b>
Loss for the period from discontinued operations, net of tax	(822)	(4,254)	(2,831)	3,432	80.7%	2,009	71.0%
<b>Net Profit After Tax (NPAT)</b>	<b>12,048</b>	<b>7,384</b>	<b>11,682</b>	<b>4,664</b>	<b>63.2%</b>	<b>366</b>	<b>3.1%</b>
<b>NPAT attributable to equity holders of the Company</b>	<b>12,264</b>	<b>8,083</b>	<b>12,628</b>	<b>4,181</b>	<b>51.7%</b>	<b>(364)</b>	<b>(2.9%)</b>
<i>Reconciliation to Underlying NPAT (UNPAT) <sup>1,2</sup></i>							
Technology/transformation initiatives	1,374	1,056	827				
AET integration costs	1,737	4,618	1,992				
Impact of the former CTS-EU segment	1,057	3,954	2,291				
<b>Underlying NPAT<sup>1,2</sup></b>	<b>16,432</b>	<b>17,711</b>	<b>17,738</b>	<b>(1,279)</b>	<b>(7.2%)</b>	<b>(1,306)</b>	<b>(7.4%)</b>
<b>VALUE CREATION MEASURES</b>							
Earnings Per Share (EPS) (cents) – Continuing & Discontinued Operations <sup>3</sup>	45.90	30.30	47.54	15.60	51.5%	(1.64)	(3.4%)
Earnings Per Share (EPS) (cents) – Continuing Operations only <sup>3</sup>	48.16	43.65	54.63	4.51	10.3%	(6.47)	(11.8%)
Underlying Earnings Per Share (UEPS) (cents) <sup>3</sup>	61.49	66.45	66.78	(4.96)	(7.5%)	(5.29)	(7.9%)
Dividends per share (cents) (paid and proposed)	55	53	51	2	3.8%	4	7.8%
Return on equity using NPAT	6.1%	3.7%	5.8%	-	63.4%	-	3.9%
FUMAS (\$b) <sup>4</sup>	224.0	199.2	178.1	24.8	12.4%	45.9	25.8%



<sup>1</sup> Underlying net profit before tax (UNPBT) and underlying net profit after tax (UNPAT) exclude significant items. Items excluded from all years presented include revenues and costs (including selling costs) associated with the former CTS-EU segment, costs associated with the AET integration, and costs associated with major technology and transformation projects.

<sup>2</sup> Underlying measures for 2H24 and 1H24 have been restated. Refer to *Notes to the Reader Regarding Information Presented in this Directors' Report* section below.

<sup>3</sup> The weighted average shares for the half-year period were 26,721,547 (annual period ended 30 June 2024: 26,607,674; half-year period ended 31 December 2023: 26,563,947).

<sup>4</sup> FUMAS excludes CTS-EU, previously reported figures have been restated.

## Notes to the Reader Regarding Information Presented in this Directors' Report

The half-year ended 31 December 2024 covers the late stages of a significant period of change across the Equity Trustees Group. These changes have included the disposal of the Group's overseas operations (referred to herein as the former CTS-EU segment), completion of the acquisition and multi-year integration of the AET business and closure of the acquired AET platform business operations, as well as progress on a number of significant Group technology projects.

Some of these changes impact the accounting classifications and disclosures due to the requirements of Australian Accounting Standards. Some of these changes involve material one-off costs that must be explained so that readers of the Half-Year Report can fully understand their impact, as well as the operating performance of the underlying business.

Statutory measures of revenues and expenses presented in this Directors' report include revenues and expenses from continuing operations only. Revenues and expenses associated with the former CTS-EU segment are presented as net losses for the period from discontinued operations.

Underlying measures presented in the Directors' Report, which are non-IFRS measures, seek to normalise the impacts of significant one-off items, so that readers may be provided a clearer view of normalised operating performance.

Some comparative information in this Directors' Report has been restated. For 1H24 and FY24, revenues and expenses relating to the AET platforms business were excluded from underlying measures of Group performance. This was done in past periods so that the performance impact attached to the operations being wound up would not impact readers' view of the ongoing business. In the current period, revenues and expenses relating to the AET platforms business have been included in underlying measures of Group performance, with prior periods restated for consistency. This change has been made, as the expense synergies attached to the closure of this business will begin to flow in 2H25, and their inclusion in the operating result will allow users to observe these synergies falling to the bottom line. Prior period underlying measures have been restated as necessary to ensure a consistent approach has been taken to presenting these measures. A correction has also been made to 2H24 underlying profit measures (which form part of the reported full-year results for FY24), whereby the expenses for CTS-EU added back to arrive at the underlying result should have been net of non-controlling interests (NCI).

A summary of restated measures is as follows:

	UNDERLYING NET PROFIT BEFORE TAX (\$'000)	UNDERLYING NET PROFIT AFTER TAX (\$'000)	UNDERLYING EARNINGS PER SHARE (Cents)
<b>Reported 2H24<sup>1</sup></b>	<b>26,524</b>	<b>19,955</b>	<b>74.89</b>
Platforms reclassification	(856)	(599)	(2.25)
Correction for NCI allocation <sup>2</sup>	-	(1,645)	(6.19)
<b>Restated 2H24</b>	<b>25,668</b>	<b>17,711</b>	<b>66.45</b>
<b>Reported 1H24</b>	<b>26,203</b>	<b>17,925</b>	<b>67.48</b>
Platforms reclassification	(267)	(187)	(0.70)
<b>Restated 1H24</b>	<b>25,936</b>	<b>17,738</b>	<b>66.78</b>

<sup>1</sup> Amounts presented for 2H24 were included in the Group's annual result for FY24 and have not previously been separately disclosed as half year numbers. They are included here, along with their restated amounts to allow readers to understand the period-on-period impact of the platforms business restatement.

<sup>2</sup> Corrects for losses attributable to non-controlling interests that should have been net off when presenting underlying measures.



The Directors of Equity Trustees are pleased to present the results of the Group for the half year ended 31 December 2024, which include:

- Strong revenue growth in both TWS and CSTS, driven by new business flows and assisted by favourable markets.
- Statutory NPAT up significantly on 2H24, given the reduction in expenses relating to the AET integration.
- Underlying NPAT down on 2H24, impacted by a period of cost duplication as the organisation completed the AET integration and the transition to an outsourced custodian model.
- Continued Balance Sheet strength with low gearing and healthy levels of liquidity.
- Australian Executor Trustees Ltd (AET) fully integrated, including separation from Insignia Financial Ltd (IFL) technology systems.
- Completion of the exit of the CTS-EU business, given the sale of the Ireland business in April 2024, the cessation of trading of the UK business and the move into formal wind-up.
- Good progress on other significant major technology and transformation initiatives underway across the business, including Workday Finance and Human Capital Management/Payroll.
- Continuing the Group's long track record of increasing dividends, reflecting positive progress across major initiatives, and a more future ready business.

The *Group Financial Performance* table sets out the key financial performance and financial value creation metrics of the Group for the half year ended 31 December 2024. Of particular focus are net profit before tax (NPBT), net profit after tax (NPAT), earnings per share (EPS), dividends, and funds under management, administration, advice and supervision (FUMAS). Underlying measures of NPBT (UNPBT), NPAT (UNPAT) and EPS (UEPS) are also included in the table to provide a comparative view of operating performance excluding significant one-off costs.

At the time of preparing the 1H25 result, the Group is approximately 2.5 years through a 3-year programme of significant change and technology investment. The progressive integration of the AET business together with the outsourcing of custodial services and the implementation of a modern technology stack have impacted earnings and expenses.

NPBT of \$19.7m is up 11.9% on 2H24, and is down 9.3% on the prior comparative period. NPBT measures reflect the statutory performance for the year and include all of the Group's operating revenues and expenses, finance costs, depreciation and amortisation, and significant items. Improvement in statutory measures in the current period relative to the prior half-year is predominantly driven by reductions in significant items, which were particularly material in 2H24.

Underlying net profit before tax of \$24.3m is down 5.3% on 2H24, and down 6.3% on the prior comparative period. The decline in net profit before tax was driven by the transition impact of carrying employee costs whilst completing the outsourcing of custody services, and the exit of the legacy AET Platform business was completed.

Integration costs of approximately \$2.5m have been incurred in relation to AET during 1H25, bringing the total spend on acquisition and integration activities for AET to \$20.9m pre-tax. This marks the conclusion of the key project streams of the AET integration project, with limited further spend to come. The Group has also incurred approximately \$1.7m of costs associated with major technology and transformation initiatives in the current period.

Losses for the period relating to the former CTS-EU segment, which is classified as a discontinued operation were \$0.8m (1H24: \$2.8m). This included revenues during the period of \$0.3m (1H24: \$1.7m) and expenses of \$1.1m (1H24: \$4.5m).

Net profit after tax for the period was \$12.3m, or \$16.4m on an underlying basis. The result for the half-year is unfavourable to the prior comparative period by \$0.4m, or 2.9%, on a statutory basis, and down by \$1.3m or 7.4% on an underlying basis. This decline in net profit after tax aligns with the before tax movement which was related to the costs to transition to an outsourced custody service model.



## REVENUE

	1H25	2H24	1H24	1H25 v 2H24	1H25 v 2H24	1H25 v 1H24	1H25 v 1H24
	\$'000	\$'000	\$'000	\$'000	%	\$'000	%
<b>Total revenue</b>	<b>89,427</b>	86,511	83,951	2,916	3.4%	5,476	6.5%

Total revenue is up 3.4% on the prior half-year and 6.5% on the prior comparative period (PCP), to \$89.4m. Total revenue includes revenue from continuing operations only (i.e. excludes revenues attributable to the former CTS-EU business).

Growth in revenue is broadly attributable to:

- Solid organic growth in both TWS and CSTS, driven by both new business activity and flows into existing products.
- Delivery of AET revenue synergies, contributing an incremental \$1.6m of revenue compared to the PCP and \$0.6m compared to the prior half (\$6.9m annualised).
- One time levy of \$0.6m for CSTS clients to recover the costs of regulatory project work
- A favourable contribution from investment markets.

Revenue growth has been impacted by a number of one-off revenue items within TWS, predominantly relating to legacy AET business favourably impacting prior periods. These impacts are described in greater detail in the *Business Unit Performance – Trustee & Wealth Services* section of this Directors' Report.

The main driver of Group revenue is the value of funds under management, administration and supervision (FUMAS), as fees are typically charged as a percentage of FUMAS. FUMAS is materially influenced by:

- The level of Australian and global equity markets.
- Net organic funds flow.

For the half year ended 31 December 2024, FUMAS was up 12.4% on 2H24, and 25.8% on the PCP, to \$224.0b. This represents a second consecutive half-year period of significant funds growth by the Group, and a pleasing endorsement of the Group's role as a protector of wealth for future generations.

### Correlation of FUMAS and Revenue Growth

Client contracts' pricing is linked to a combination of FUMAS and fixed fees, which can be subject to minimums and caps. While underlying revenue growth was solid, it has not fully reflected the growth in FUMAS experienced by the Group. This is predominantly due to lower revenue margins on FUMAS being achieved on some of the larger scale trustee appointments in the CSTS unit. This can be seen in the summary below:

AVERAGE BASIS POINTS <sup>1</sup>	1H25	1H24	1H25 vs 1H24
TWS	<b>53.88</b>	58.90	(8.5%)
CSTS – Trustee	<b>4.22</b>	4.49	(6.0%)
CSTS – Directed Trustee	<b>0.99</b>	1.27	(22.0%)
CSTS – Super	<b>4.14</b>	5.55	(25.4%)

<sup>1</sup> CSTS basis points calculation presented excludes Custody and DSS clients.

A range of initiatives concerning service pricing are underway and will form part of the Group's key focus over the period ahead. Key objectives of these initiatives are to ensure that:

- The Group recovers, appropriately, the increasing cost of regulatory change.
- That pricing, particularly for services to newly established funds and schemes, reflects an appropriate margin on the costs to service.
- Lastly, that the Group is compensated appropriately for costs to implement changes to funds and schemes, driven by promoters and managers.

### Revenue Sensitivity to Investment Markets

TWS Private Client revenue is 45%-55% linked to Australian and global equity investment markets (Investment Markets). CSTS fund governance and trustee services revenue is 40%-50% linked to Investment Markets, while CSTS superannuation trustee services revenue has lower leverage to Investment Markets, at 20%-30%, as its business model has a higher proportion of fixed fees.



The Group has benefitted from favourable Investment Markets in the current period. The average of the daily level of the ASX 200 index for 1H25, compared to 2H24 was up 4.9%, and compared to 1H24 was up 12.5%. The average of the daily level of the MSCI All-World index for 1H25, compared to 2H24 was up 9.1%, and compared to 1H24 was up 22.5%.

## EXPENSES

Total expenses for the half were up 1.2% on 2H24, and up 12.0% on the PCP to \$69.8m. Total expenses include all expenses from continuing operations, including finance costs, depreciation and amortisation, and significant items, including AET integration costs, major systems technology and transformation costs. Operating losses associated with the former CTS-EU segment, which is classified as discontinued operations, are excluded from total expenses, however some exit costs of this business (which are classified as continuing for accounting purposes) are included.

	1H25	2H24	1H24	1H25 v 2H24	1H25 v 2H24	1H25 v 1H24	1H25 v 1H24
	\$'000	\$'000	\$'000	\$'000	%	\$'000	%
<b>Total expenses</b>	<b>(69,763)</b>	(68,936)	(62,274)	(827)	(1.2%)	(7,489)	(12.0%)
<i>Significant items</i>							
Disposal costs of the former CTS-EU segment	451	362	494				
Technology/transformation initiatives	1,727	1,149	941				
AET integration costs	2,460	6,582	2,824				
<b>Operating expenses (underlying)</b>	<b>(65,125)</b>	(60,843)	(58,015)	(4,282)	(7.0%)	(7,110)	(12.3%)

Adjusting total expenses for the aforementioned significant items, underlying operating expense growth was up 7.0% on the prior half-year and up 12.3% on PCP. Key drivers of underlying expense growth relative to the prior half-year and PCP were:

- Changes in headcount, including the addition of seven roles over the PCP to support the new business and strengthen the corporate function resources. In November 2024, there were 43 staff impacted by redundancy as part of the completion of the AET integration. Overall full time equivalent employees declined from 477 to 441 over the PCP.
- Increased expenses relating to the shift to a technology Infrastructure as a Service model (IaaS) and the roll out of software licenses for TWS' NavOne system.
- Impact of the annual remuneration review which equated to an average increase of 3.5%, inclusive of the legislated superannuation guarantee uplift (\$2.0m).

Key drivers of expenses associated with significant items described above during the period were:

- \$2.5m in relation to the integration of AET, bringing the total spend on the acquisition and integration of the AET business to \$20.9m since first announced in FY23. Spend during the current period predominantly related to the completion of the TWS technology implementation and the final transition of AET from IFL technology systems, and the exit of the AET platforms business and related staff. No further significant expenditure is anticipated in relation to the AET integration subsequent to 31 December 2024.
- \$1.7m in relation to other Group technology and transformation initiatives. These predominantly relate to the implementation of Workday Finance and HR functionality across the Group, and to the development of technology solutions for CSTS in terms of client data management and workflow. Technology spend of this type will reduce but not cease in 2H25.
- \$0.5m of costs associated with the wind up of the former CTS-EU segment. This includes the costs to transfer the remaining clients to other Authorised Corporate Directors (ACDs), wind up costs associated with ceasing trading and liquidation, and salaries for local staff to oversee these activities. The remainder of the CTS-EU segment was placed into voluntary liquidation on 31 January 2025. No further significant expenditure is anticipated in relation to the former CTS-EU segment.

Expense growth, particularly underlying operating expense growth, has remained elevated over the current period. This growth is predominantly driven by investments in people, which have been necessary to ensure that the Group continues to deliver its products and services with an appropriately high level of governance and oversight. Expense growth continues to be influenced by regulatory demands, which remain high in the current environment. While management believe that the business is now appropriately resourced for the volume of activity, managing the impact of necessary cost growth through well-priced services is becoming increasingly important. Refer to the *Correlation of FUMAS and Revenue Growth* section of this report for discussion of the Group's cost recovery focus areas.



## MARGINS

The Group's EBITDA margin (inclusive of discontinued operations), calculated as earnings before interest, tax, depreciation and amortisation, divided by total revenue, has increased to 28.9% compared with 23.2% for 2H24, and has decreased on the 1H24 EBITDA margin of 29.6%. On an underlying basis when adjusted for AET acquisition/integration costs, major technology transformation costs, and losses associated with CTS-EU, the EBITDA margin is down to 33.5%, from 34.1% for 2H24, and 35.5% for 1H24. NPBT margins have similarly declined from the prior periods shown.

Declines in underlying margins are predominantly a result of the aforementioned expense growth drivers, along with people increases necessary to capture new business growth and respond to new and changing regulatory requirements.

EBITDA AND NPBT MARGINS	1H25	2H24	1H24	1H25 v 2H24	1H25 v 1H24
EBITDA margin	<b>28.9%</b>	23.2%	29.6%	24.8%	(2.2%)
Underlying EBITDA margin	<b>33.5%</b>	34.1%	35.5%	(1.5%)	(5.6%)
NPBT margin	<b>21.2%</b>	15.9%	23.1%	33.9%	(8.1%)
Underlying NPBT margin	<b>25.9%</b>	26.8%	29.1%	(3.2%)	(11.0%)

## SHAREHOLDER RETURNS AND DIVIDENDS

	1H25	2H24	1H24	1H25 v 2H24 %	1H25 v 1H24 %
<b>SHAREHOLDER RETURNS FOR THE PERIOD</b>					
Earnings Per Share on NPAT (cents)	<b>45.90</b>	30.30	47.54	51.5%	(3.4%)
Earnings Per Share (EPS) on Underlying NPAT (cents)	<b>61.49</b>	66.45	66.78	(7.5%)	(7.9%)
Annualised ROE on NPAT (%)	<b>6.1%</b>	3.7%	5.8%	63.4%	3.9%
<b>Dividends for the period</b>					
Fully franked dividends paid/payable (\$'000)	<b>14,713</b>	14,140	13,580	4.1%	8.3%
Fully franked dividends per ordinary share (cents)	<b>55</b>	53	51	3.8%	7.8%
Dividend payout ratio (%)	<b>120.0%</b>	174.9%	107.5%	(31.4%)	11.6%
Underlying dividend payout ratio (%)	<b>89.5%</b>	79.8%	76.6%	12.2%	17.0%

## EARNINGS PER SHARE

The statutory earnings per share for 1H25 was 45.90 cents, a 51.5% increase on the prior half-year and a 3.4% decrease on the prior comparative period. Underlying earnings per share for 1H25 was 61.49 cents per share, compared with 66.78 cents per share for the PCP, and 66.45 cents per share for the prior half-year. Underlying earnings per share excludes the AET acquisition/integration costs, major technology and transformation costs, and the losses associated with the former CTS-EU operations.

The weighted average shares on issue during the period of 26,721,547 (half-year period ended 31 December 2023: 26,563,947), represents an 0.6% increase over the prior comparative period. This increase arises from shares issued in relation to:

- Participation in the Dividend Reinvestment Plan (DRP) in relation to the 2024 interim and final dividends.
- Participation in employee share acquisition plans, share-based remuneration and salary sacrifice share schemes.



## DIVIDENDS

Subsequent to 31 December 2024, the Directors determined to pay a fully franked interim dividend of 55 cents per share.

During the prior corresponding period, a fully franked dividend of 51 cents per share was paid to ordinary shareholders of the Company in respect of the half-year ended 31 December 2023.

The interim dividend represents a dividend payout ratio of 120.0% on a statutory basis, and 89.5% on an underlying basis. The statutory dividend payout ratio in the current period has been influenced by one-off costs associated with the acquisition and integration of AET, as well as other Group transformation initiatives. The Group has foreshadowed a reduction of such one-off costs from 2H25, which will result in a convergence of statutory to underlying earnings in future periods.

Statutory and underlying dividend payout ratios are influenced by the full period effect of the greater number of shares on issue following the equity raising associated with the AET acquisition when compared with the PCP, and to a lesser extent with the prior half-year.

The Directors have determined not to offer the Dividend Reinvestment Plan in respect of the FY25 interim dividend. The interim dividend will be fully franked and payable on 27 March 2025.



# GROUP FINANCIAL POSITION

## SUMMARY CONSOLIDATED BALANCE SHEET

AS AT 31 DECEMBER	1H25 \$'000	FY24 \$'000
<b>Assets</b>		
Cash and cash equivalents – corporate	88,785	103,206
Cash and cash equivalents – ORFR <sup>1</sup> -related	25,850	25,550
Trade receivables and accrued income	50,696	48,096
Goodwill and intangible assets	329,633	330,364
Other assets (including managed fund investments)	32,528	32,646
<b>Total Assets</b>	<b>527,492</b>	<b>539,862</b>
<b>Liabilities</b>		
Trade payables and other current liabilities	23,672	29,241
Borrowings – corporate	42,251	47,246
Borrowings – ORFR <sup>1</sup> -related	26,108	25,803
Other non-current liabilities	37,533	38,972
<b>Total Liabilities</b>	<b>129,564</b>	<b>141,262</b>
<b>Equity</b>		
Issued capital	390,959	389,044
Reserves	2,790	3,081
Retained earnings	8,126	9,966
<b>Total Equity Attributable to Owners of the Company</b>	<b>401,875</b>	<b>402,091</b>
<b>Non-Controlling Interest</b>	<b>(3,947)</b>	<b>(3,491)</b>
<b>Total Equity</b>	<b>397,928</b>	<b>398,600</b>

<sup>1</sup> Operational risk financial requirements (“ORFR”) are an APRA prudential requirement for Superannuation Funds. Refer to the below section for further information.

## BALANCE SHEET ANALYSIS

### Liquidity

The Group manages liquidity risk by:

- Preparing regular cash flow forecasts and reviewing and challenging them with the business leaders.
- Ensuring healthy liquidity buffers are available for regulatory capital and other purposes in each of the operating entities.
- Maintaining a committed credit facility with significant capacity.
- Engaging regularly with debt providers.

In 1H25, cash and cash equivalents – corporate decreased from \$103.2m at 30 June 2024 to \$88.8m. During the same period corporate borrowings decreased from \$47.2m to \$42.5m following a repayment of a portion of the Group's outstanding corporate borrowings.

### Borrowings – Corporate

The Group has \$38m of committed undrawn borrowing capacity across two \$40m facilities with ANZ Bank. One of these facilities relates to general corporate purposes, while the other principally relates to the AET acquisition and integration.

Both facilities are unsecured and subject to the Group meeting certain financial covenants including minimum net tangible assets (NTA), a maximum ratio of gross debt to EBITDA and a minimum interest cover ratio. The Group complied with all financial covenants during the period.



## Borrowings – ORFR facility loans

ORFR RELATED ASSETS AND LIABILITIES	1H25 \$'000	FY24 \$'000
<b>Assets</b>		
Cash and cash equivalents	25,850	25,550
<b>Liabilities</b>		
Borrowings – principal	25,850	25,550
Borrowings – accrued interest	258	253
	<b>26,108</b>	<b>25,803</b>

The Group enters into borrowing arrangements in relation to certain superannuation trustee activities. Some superannuation funds are configured such that some or all of the Operational Risk Financial Requirements (ORFR, a superannuation prudential requirement) are held on the superannuation trustee balance sheets as Tier 1 Common Equity, rather than within the superannuation funds themselves. Where it has been determined that an ORFR will be met (partially or wholly) via capital held on the trustee balance sheet, the Group enters into special purpose, limited recourse borrowing arrangements (referred to herein as ORFR facility loans) to fund these requirements and appropriately capitalise the respective trustee entities.

The ORFR facility loans outstanding have increased slightly during the period, reflecting drawdowns on a small number of ORFR facilities. These drawdowns were necessitated due to increasing assets under management within the underlying superannuation funds relating to these facilities. ORFR facility loans have differing maturities of between three and five years, and the arrangements provide for the replenishment of ORFR amounts in the case of an operational event resulting in a deduction to the reserves. Amounts borrowed are held as segregated cash in the respective trustee entities, the obligations are fully cash-backed, and the net interest cost is effectively neutral to Equity Trustees.

## Net Assets and Net Tangible Assets

Net assets at 31 December 2024 were \$397.9m, down slightly on 30 June 2024 net assets of \$398.6m. Net tangible asset backing per share has increased by 4.1% to \$2.29 from \$2.20 at 30 June 2024.

## Issued Capital

Issued capital increased by \$1.9m during the period. Shares on issue grew as a result of the active Dividend Reinvestment Plan (DRP), Executive Long-Term Incentive Plan, Employee Salary Sacrifice Share Plan and Employee Share Acquisition Plan. During the period the Group acquired \$0.3m of its own shares representing 9,196 shares. These shares are held pending allocation to equity plan participants.

## Capital Management

Equity Trustees' overarching capital management objectives are as follows:

- The Group must have a clear and sustainable capital structure that reflects the size of the organisation and supports the Group's core strategic goals and objectives.
- The Group seeks to maximise returns to shareholders over the medium term.
- The capital structure should provide flexibility to comfortably meet regulatory capital requirements as well as the flexibility to take advantage of future opportunities.
- Capital must be managed prudently in line with the Group's risk appetite and to enable the Group to withstand adverse events.

Equity Trustees maintains a conservative balance sheet with low gearing. The Group's debt to equity ratio (excluding ORFR facility loans and their related cash) at 31 December 2024 is 10.6% (30 June 2024: 11.9%), or 17.1% including the ORFR facility loans (30 June 2024: 18.3%).

The Group continually reviews funding options to ensure it is optimising both the use and mix of its capital to achieve its capital management objectives.



# CASH FLOW

## Cash flow Analysis

Pre-tax net operating cash flows were down 44.6% to \$13.9m, relative to the prior comparative period. Operating cash flow generation is anticipated to strengthen in the period ahead noting that 1H25 included significant outflows associated with the finalisation of the AET integration (including \$3.6m worth of redundancies), progress on major technology and transformation activities progress, and the wind-up of the former CTS-EU segment. Cash outflows associated with these activities in 1H25 were \$2.6m higher than in 1H24.

The Group's total cash and cash equivalents have increased by \$8.4m or 7.9% from 1H24. This increase predominantly reflects a higher opening cash position for the half-year, compared with the PCP. From a comparative perspective, the Group drew \$9.0m of corporate borrowings in the PCP, predominantly used at the time to fund AET integration activities, compared to a repayment to \$5.0m in the current period.

The Group is required to hold a certain amount of cash and liquidity to meet regulatory capital requirements in relation to its licenced activities, a portion of which may be held in schemes managed by the Group. This can enable the Group to achieve a better than cash return on a portion of its cash holdings. The amount held in schemes for which a Group entity acts as responsible entity is unchanged from the PCP at \$10.0m.

Material non-operating cash flows during the period include:

- \$13.2m of dividend payments (net of DRP of \$0.9m) to shareholders.
- \$5m of repayments on corporate borrowings.

	1H25	1H24
FOR PERIOD ENDED 31 DECEMBER	\$'000	\$'000
<b>Cash from operating activities</b>		
Receipts from customers	90,579	86,716
Payment to suppliers and employees <sup>1</sup>	(76,668)	(61,616)
<b>Operating cash flow before income tax</b>	<b>13,911</b>	<b>25,100</b>
Income tax paid	(8,235)	(10,703)
<b>Net cash from operating activities after income tax</b>	<b>5,676</b>	<b>14,397</b>
Dividends paid in cash to members of the Company	(13,211)	(10,854)
Payments for assets	(1,210)	(1,310)
(Repayment of)/proceeds from borrowings – corporate facility	(5,000)	9,000
Proceeds from borrowings – ORFR facilities	300	1,100
Payment of lease liabilities	(1,205)	(1,270)
Interest received	2,937	2,117
Interest paid <sup>1</sup>	(2,485)	(1,677)
Other cash flows	(16)	(18)
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(14,214)</b>	<b>11,485</b>
Cash and cash equivalents at the beginning of the half year	128,756	99,690
Exchange fluctuations on foreign cash balances	93	(287)
Reclassified to assets held for sale	-	(4,649)
<b>Cash and cash equivalents at the end of the half year</b>	<b>114,635</b>	<b>106,239</b>
Additional liquid funds	10,000	10,000
<b>Total liquid funds at the end of the half year<sup>2</sup></b>	<b>124,635</b>	<b>116,239</b>

<sup>1</sup> Interest expense previously classified as operating cash flows have been reclassified to financing cashflows. Comparatives have been restated where applicable.

<sup>2</sup> The Group considers cash and cash equivalents and managed investment schemes redeemable at short notice to be liquid funds for the purposes of the cash flow summary



# REVIEW OF BUSINESSES

## BUSINESS UNIT PERFORMANCE – CORPORATE & SUPERANNUATION TRUSTEE SERVICES (CSTS)

Corporate and Superannuation Trustee Services' key products and services include:

- Trustee services to superannuation funds and members.
- A range of global fiduciary services for managed investment schemes on behalf of local and international fund managers and sponsors, as well as specialised trustee services for debt, securitisations, custody and real estate arrangements for corporates.

Following the decision to exit its CTS-EU segment, and its classification as discontinued operations as described earlier in this Half-Year Report, the results of this segment have been excluded from the CSTS information presented below (i.e., the information below relates only to the ongoing Australian business).

	1H25	2H24	1H24	1H25 v 2H24	1H25 v 2H24	1H25 v 1H24	1H25 v 1H24
FINANCIAL PERFORMANCE	\$'000	\$'000	\$'000	\$'000	%	\$'000	%
Fund governance & trustee services	21,428	20,160	18,766	1,268	6.3%	2,662	14.2%
Superannuation trustee services	14,403	13,903	13,436	500	3.6%	967	7.2%
Other income	2,485	2,928	2,314	(443)	(15.1%)	171	7.4%
<b>Total CSTS revenue</b>	<b>38,316</b>	<b>36,991</b>	<b>34,516</b>	<b>1,325</b>	<b>3.6%</b>	<b>3,800</b>	<b>11.0%</b>
Expenses	(27,876)	(25,513)	(24,255)	(2,363)	(9.3%)	(3,621)	(14.9%)
<b>Business unit net profit before tax</b>	<b>10,440</b>	<b>11,478</b>	<b>10,261</b>	<b>(1,038)</b>	<b>(9.0%)</b>	<b>179</b>	<b>1.7%</b>
Business unit profit margin (%)	27.2%	31.0%	29.7%	-	(12.2%)	-	(8.3%)
<b>GROWTH IN KEY DRIVERS</b>							
<b>Funds under supervision (FUS) (\$b)</b>	<b>203.9</b>	<b>181.5</b>	<b>160.8</b>	<b>22.4</b>	<b>12.3%</b>	<b>43.1</b>	<b>26.8%</b>
Superannuation (\$b)	73.6	66.1	59.8	7.5	11.3%	13.8	23.1%
Fund Services, and Custody & Debt Securitisation Services (\$b)	130.3	115.4	101.0	14.9	12.9%	29.3	29.0%
Clients and Schemes							
No. Clients <sup>1</sup>	146	133	140	13	9.8%	6	4.3%
No. Schemes <sup>1</sup>	348	338	358	10	3.0%	(10)	(2.8%)

<sup>1</sup> Amounts presented exclude CTS-EU. Comparative amounts have been restated.

### Revenue

CSTS revenues increased by 3.6%, or \$1.3m on 2H24, and 11.0%, or \$3.8m on the prior comparative period.

Fund governance and trustee services revenue has increased by 6.3% on the prior half-year, and 14.2% on the PCP. This reflects strong period on period organic growth across these revenue streams. Key contributors to this growth include:

- Net growth in schemes under supervision of 10 on the prior half-year.
- Material growth in FUS, flowing into new and existing schemes.
- Positive investment markets contributing to revenue growth.
- \$0.6m of revenue associated with the implementation of regulatory projects for CSTS funds.

Other income was down on 2H24 predominantly due to the prior period accrued recovery of an APRA penalty relating to a superannuation fund (\$0.8m).



Fund governance and trustee services revenues are 40%-50% linked to prevailing equity market levels, particularly global markets. During the period the average of the daily level of the MSCI All-World index was up 22.5% on the PCP, while the daily level of the ASX 200 was up 12.5% on the PCP. This has provided an approximate \$1m contribution to revenue during the period. It should be noted however that global investment market performance, under the influence of continued significant geopolitical tension, is likely to remain highly volatile in the period ahead.

Funds under supervision (FUS) relating to fund governance and trustee services have significantly increased, up 12.9% on 2H24, and 29.0% on the PCP, reflecting strong organic growth and healthy new business activity.

CSTS has continued to process a strong new business pipeline, with a net 3.0% increase in the total number of schemes operated relative to the PCP. New business activity has been pronounced over the past twelve months and is broadly expected to continue at strong levels in the near term.

Superannuation trustee services revenue increased by 3.6% on the prior half-year, and 7.2% on the PCP to \$14.4m. While this represents lower revenue growth than has been observed in recent periods, superannuation trustee appointments involve long lead times and are generally large, more complex and less frequently occurring. The team continues to work on a small number of significant opportunities which will be announced in the period ahead.

Superannuation trustee services revenue is approximately 20%-30% linked to the performance of investment markets, so the market has had a modest impact on these revenues during the period.

Total superannuation trustee services FUS was up 23.1% to \$73.6b when compared with the prior comparative period, and up 11.3% on 2H24. FUS growth reflects continuing strong underlying net fund inflows, plus a modest contribution from investment markets.

## Expenses

CSTS expenses have increased by 9.3% or \$2.4m on the prior half-year, and 14.9% or \$3.6m on the PCP. Additional costs relating to corporate support functions contributed \$1.4m of this growth, relating to technology costs, interest expense and resourcing.

Resourcing additions to the CSTS business have been concentrated in three areas: fund governance, operations (particularly in support of new business), and transformation. Investments in fund governance are vital to the CSTS business, where upholding a standard of excellence for governance is vital to the businesses' value proposition and is necessary to ensure that the business keeps pace with the increasingly demanding regulatory environment. Investments in operations have largely been in support of new business implementation, and supporting an increasingly complex portfolio of clients, including a number of new Listed Investment Trusts (LITs) launched in recent periods.

Investments made in CSTS during the period continue to set CSTS up for success in the future by:

- Building efficiency and productivity into the business' operating model.
- Reinforcing the business' competitive moat, driven by the complex regulatory regimes it operates within.
- Managing the pipeline of client growth, and ensuring we are discerning regarding the client appointments we take on, in terms of both risk and profitability.

## Outlook

The outlook for CSTS is positive with continued organic growth during the half-year period. Growth in FUS was significant, up \$14.9b to \$130.3b on the prior half. FUS growth was driven by a combination of net new schemes established, and significant flows into existing schemes, across all lines of CSTS business. The pipeline of activity remains robust, and the second half of the year is anticipated to include the announcement of at least one significant new superannuation trustee services client, along with continued growth in schemes supervised in the fund governance and trustee services lines of business.

CSTS continues to enjoy leadership positions in its key lines of business. For fund governance and trustee services, interest in listed funds continues to be strong, with 10 launched in 1H25, and global fund managers continue to have an appetite to launch product in the Australian market. CSTS' superannuation trustee services business is Australia's leading specialist, independent superannuation trustee, and its unconflicted, specialist proposition is seeing increasing interest from a variety of participants across the industry. The pipeline of new opportunities remains healthy, although long lead times are typically required for due diligence and to finalise appointments, and the regulatory load is expected to continue to increase.

CSTS continues to benefit from favourable industry dynamics, influenced by compulsory superannuation savings, and continued innovation in wealth and investment management solutions. CSTS is well positioned to assist market participants in launching products in the Australian environment, and to supervise those products on an ongoing basis to ensure members interests are protected.



At the time of writing, equity markets remain buoyant, but continue to be volatile as a consequence of elevated geopolitical tensions and economic uncertainty. Portfolio diversification across asset classes, particularly in fund Governance and Trustee Services lines of business, can provide some protection for the CSTS business against equity market shocks. While broadly steady, but higher interest rates have seen an increased interest in fixed income, credit and private equity products in recent times. Notwithstanding more volatile markets and a less certain economic outlook, government-mandated superannuation, ongoing fund innovation and a leading CSTS client proposition support an encouraging outlook over the medium to long term.

## BUSINESS UNIT PERFORMANCE – TRUSTEE & WEALTH SERVICES (TWS)

Key products and services include:

- Philanthropy services, including perpetual charitable trusts, living donors and investment management for not-for-profit organisations.
- Wealth and asset management advice and services.
- Estate planning advice and the management of deceased estates.
- Trustee administration and services including personal, compensation and Native Title trusts.

Revenues for TWS are grouped into the following categories of services:

- Private client trustee services.
- Other services.

Within each category, services with similar performance obligations have been grouped; the basis upon which revenues are measured is also similar.

	1H25	2H24	1H24	1H25 v 2H24	1H25 v 2H24	1H25 v 1H24	1H25 v 1H24
FINANCIAL PERFORMANCE	\$'000	\$'000	\$'000	\$'000	%	\$'000	%
Private Client Trustee Services revenue	44,774	42,863	42,498	1,911	4.5%	2,276	5.4%
Other services revenue	5,137	5,799	6,184	(662)	(11.4%)	(1,047)	(16.9%)
Other income	1,004	935	797	69	7.4%	207	26.0%
<b>Total TWS revenue</b>	<b>50,915</b>	<b>49,597</b>	<b>49,479</b>	<b>1,318</b>	<b>2.7%</b>	<b>1,436</b>	<b>2.9%</b>
<b>Total expenses</b>	<b>(37,248)</b>	<b>(35,329)</b>	<b>(33,758)</b>	<b>(1,919)</b>	<b>(5.4%)</b>	<b>(3,490)</b>	<b>(10.3%)</b>
<b>Business unit net profit before tax</b>	<b>13,667</b>	<b>14,268</b>	<b>15,721</b>	<b>(601)</b>	<b>(4.2%)</b>	<b>(2,054)</b>	<b>(13.1%)</b>
Business unit profit margin (%)	26.8%	28.8%	31.8%	-	(6.7%)	-	(15.5%)
<b>GROWTH IN KEY DRIVERS</b>							
<b>Funds under management, advice, administration and supervision (FUMAS) (\$b)</b>	<b>20.1</b>	<b>17.7</b>	<b>17.3</b>	<b>2.4</b>	<b>13.6%</b>	<b>2.8</b>	<b>16.2%</b>
Philanthropy (\$b)	4.4	4.2	4.0	0.2	4.8%	0.4	10.0%
Asset Management (\$b)	6.1	5.3	5.2	0.8	15.1%	0.9	17.3%
Trusts & Estates (\$b)	8.8	7.6	6.5	1.2	15.8%	2.3	35.4%
Wealth Advice (\$b)	0.8	0.6	1.6	0.2	33.3%	(0.8)	(50.0%)

Equity Trustees is a market leader in the provision of Personal and Native Title Trustee services. The TWS business unit contains the Group's foundational services and has been trusted by Australians to provide these services for over 140 years.



## Revenue

TWS revenue (excluding Other income) increased by 2.6% on the prior half-year, and 2.5% on the PCP, to \$49.9m during the current period. TWS revenues have been impacted by a variety of different changes to the business over current and prior periods. These changes have included the closure of the AET platforms business, the completion of a back book of AET legacy estates, as well as a set of significant large trust establishment fees in 1H24. The impact of these changes on TWS revenue is summarised in the following table:

	1H25 \$'000	2H24 \$'000	1H24 \$'000	1H25 v 2H24 \$'000	1H25 v 2H24 %	1H25 v 1H24 \$'000	1H25 v 1H24 %
<b>TWS revenue<sup>1</sup> (excluding other income, reported)</b>	<b>49,911</b>	48,662	48,682	1,249	2.6%	1,229	2.5%
<i>Significant items</i>							
AET legacy estates catch-up	-	1,372	1,003				
TWS large trust establishment fees	-	-	620				
<b>TWS revenue (excl. significant items)</b>	<b>49,911</b>	47,290	47,059	2,621	5.5%	2,852	6.1%

<sup>1</sup> Each of the three half-year periods presented above contains a full six-months' worth of revenues associated with the AET business.

Allowing for these significant items, TWS revenue has grown 5.5% on 2H24, and 6.1% on the PCP. This represents strong organic growth for the TWS segment, particularly so at a time when it has also balanced material integration activities and implemented a major programme of technology change.

Revenue growth in TWS also includes synergies associated with the AET business. Revenue synergies in 1H25 equated to \$3m, which is \$1.3m above the PCP (equating to 2.8% growth), and largely in line with the prior half.

TWS revenues have also been favourably impacted by buoyant investment markets over 1H25. TWS revenues are approximately 45%-55% exposed to investment market levels. The daily level of the MSCI All-World index was up 22.5% on the PCP, while the daily level of the ASX 200 was up 12.5% on the PCP.

TWS FUMAS increased 13.6% on the prior half-year, and 16.2% on the PCP, to \$20.1b, reflecting the aforementioned organic growth, and assisted by favourable equity market impacts relative to the prior half-year and PCP.

## Expenses

In the current period, headline expense growth was 5.4% on the prior half-year, and 10.3% on the PCP. Increases to expenses in the current half are predominantly attributable to:

- Increases in technology operating expenditure associated with the completed implementation of NavOne.
- A full-six months' worth of the cost associated with the outsourcing of private client custody (relative to one month in the prior-half and nil in the PCP).

Additionally, costs associated with TWS staff responsible for the administration of the SAFs were allocated to the CSTS segment from the date of acquisition until 1 June 2024 when SAF administration was outsourced. Since 1 June 2024 this cost has been allocated to TWS. Staff supporting the SAF administration predominantly departed EQT following the closure of the platforms business in November 2024. The Group experienced a period of cost-duplication this half-year as a consequence of these changes, which ceased late in the half-year, and will not impact 2H25 onwards.



## Outlook

The TWS business achieved a number of major milestones during the half-year period to 31 December 2024. These include:

- Completion of the multi-year programme to integrate the AET business.
- Separation of AET technology systems from those of IFL.
- Implementation of Quantios' (formerly TrustQuay) NavOne platform as its new client portfolio system.
- Completion of the outsourcing of the majority of TWS custody arrangements.

Systems now in place have created cost-efficiencies for TWS as a result of straight-through-processing and client self-service functionality previously not available. These have created a strong foundation for TWS' future.

Completing such a significant pipeline of change, all while delivering healthy revenue growth is a commendable achievement for the staff of TWS, and those in the wider Equity Trustees business who have also supported these activities.

With these major initiatives now implemented, TWS plans will be actively focussed on top-line growth. Key among such plans is the development of digitally enabled B2C channels for a number of its major services. Recent investments in technology will enable opportunities not previously available for TWS in this space.

Market dynamics continue to flow in TWS' favour. TWS has a long track record of steady, enduring growth, made stronger by the addition of AET, which has contributed to the building of a market leading position in almost all lines of its business. The pipeline of new business activity remains healthy, with the enhanced client experience from the recent technology implementations expected to further support organic growth momentum over time.

While the geopolitical climate remains uncertain, and the economic outlook and the direction of equity markets remains volatile, on a longer-term basis, the fundamentals underpinning the TWS business remain positive. We expect traditional trustee services will continue to benefit from an ageing demographic and increasing levels of intergenerational wealth transfer in years to come.



# BUSINESS RISKS

The primary risks facing the EQT Group include those that relate to the appropriate execution of our fiduciary responsibilities in the various contexts in which we act. Central to this is acting in a way that puts the interests of our investors, members and beneficiaries before all other interests. Failure to do so may lead to financial loss but much more damaging will be the reputational impact and erosion of trust and confidence that is at the heart of the Trustee role and the success of Equity Trustees' business.

The contexts in which we act can be complex. These typically involve the application of judgement, within the bounds of governing documents, while balancing the needs of investors, members or beneficiaries; both current and future. As a result, there are times when the decisions made may be "unpopular" for some beneficiaries today. This is an inherent part of the role of trustee, but can increase the potential for reputational risk.

The application of trustee judgement in a considered and consistent manner requires strong governance, which are at the heart of Equity Trustees' operating model. A core element of EQT Group's governance is the Risk Management Framework (RMF), comprising the totality of systems, processes, structures, policies and people involved in identifying, assessing, mitigating and monitoring risks. The key elements of the RMF are set out below.



## RISK AND COMPLIANCE CULTURE

Our Risk Culture is the system of values and behaviours that supports good risk and compliance management and determines our collective ability and commitment to identify, understand, openly discuss and act on our current, emerging and future risks and obligations, whilst operating consistently within our Risk Appetite.

The Group strives to foster a Risk Culture aligned to its Values:

- We make risk-informed decisions in line with our risk appetite (Trusted)
- Everyone feels safe to raise issues and incidents and ask for help if they don't know (Trusted and Empowering)
- We are accountable and identify, address and learn from breaches and incidents rather than hiding them (Accountable)
- We are pragmatic in our approach to identifying and managing risk rather than ticking a box (Accountable).



## SUPPORT AND MONITORING OF THE RISK CULTURE

The EQT Group assesses and monitors its Risk Culture through:

- An annual Risk Culture Survey
- Key Risk Indicator monitoring and reporting to Management and Board Committees
- The development of a range of governance, risk and compliance frameworks, policies and procedures that clearly define risk and compliance responsibilities and expectations
- Ongoing mandatory compliance training
- Governance committees that oversee risk and compliance matters and practices.

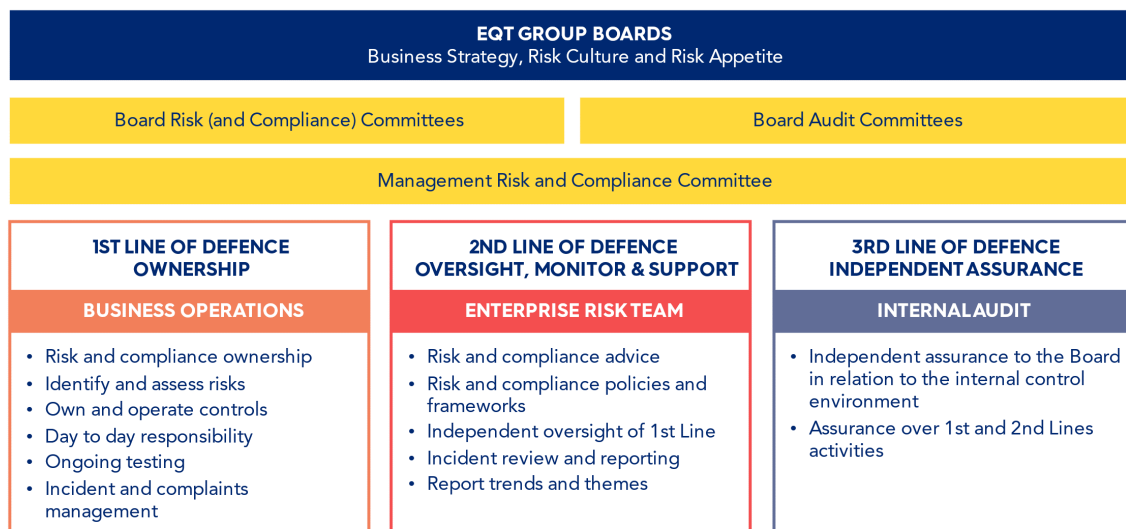
## THREE LINES OF DEFENCE/ACCOUNTABILITY

Equity Trustees operates the three lines of defence governance model to promote clear accountability and responsibility for governance, risk management and compliance across the organisation. The model includes appropriate structures for:

- Meeting compliance obligations
- Executing on our business strategy through taking and managing risk within our Board set risk appetite
- Provision of advice accompanied by challenge and oversight, as part of the risk management process
- Assurance in control design and operating effectiveness.

The three lines of defence also have independent reporting lines for Internal and External Audit to Group Boards and Sub-Committees, with unfettered access to Directors to allow for appropriate checks and balances.

## RISK AND COMPLIANCE: ROLES AND RESPONSIBILITIES





## BUSINESS RISKS

As described above the primary risk for a trustee is the appropriate execution of fiduciary responsibilities. To execute on this responsibility, it is important the organisation continues to attract high quality employees with the skills and experience to exercise judgement. Significant management attention is focussed on managing and/or escalating the complex operational issues within the funds, schemes and trusts for which we are responsible, that may occur from time to time; and that these, are navigated in the best interests of our investors, members and beneficiaries. Beyond this the major risks navigated by the business during the first half of the financial year have included:

1. The operational and cultural integration of the AET business into the Group, post completion of the acquisition on 30 November 2022
2. The execution of the decision to exit the UK and Ireland businesses and managed this effectively and efficiently
3. Managing and responding to increasing regulatory demands and maintaining transparent and productive relationships with our key regulators
4. Evolving our information management and cyber security controls, to continue to keep pace in a rapidly changing environment.

EQT strives to both recognise the risks within the business early and manage these in a structured and systematic manner, within the Board's risk appetite. This includes taking a considered approach to assessing risks, where we believe the opportunity presents for appropriate return. Moreover, we continue to invest in our people, systems and processes to evolve and mature our risk management practice.

## REGULATORY OVERSIGHT AND REFORMS

Given the nature, scale and complexity of EQT's business, the majority of industry thematic review activities undertaken by regulators will include EQT, as a matter of course.

APRA and ASIC's current supervisory priorities are focused on:

- Continued focus on improved member outcomes, reducing unacceptable underperformance and addressing substandard practices
- Examining trustees implementation of the retirement incomes covenant
- Improved cyber and operational resilience
- Poor design, pricing and distribution of financial products
- Misleading conduct in relation to sustainable finance including greenwashing
- Misconduct in the superannuation sector
- Misleading and deceptive conduct relating to the marketing of managed investment schemes

Alongside "business as usual" regulatory oversight activity and the ongoing elevation of supervisory intensity by three regulators, a significant body of regulatory reform is currently in progress, which includes:

- APRA Prudential Standards:
  - CPS511 – Remuneration (and the pending Financial Accountability Regime)
  - CPS230 – Operational Risk Management.CPS190 – Recovery and Exit Planning
  - CPS900 – Resolution Planning
  - CPS190 – Recovery and Exit Planning
- The Financial Accountability Regulatory Regime, co-administered by APRA and ASIC
- Anti-money Laundering and Counter Terrorism Financing reforms (AUSTRAC)
- Privacy Legislation Amendment (Enforcement and Other Measures) 2022 (OAIC)

In addition, there are currently Government reviews focused on the regulatory framework for managed investment schemes by Treasury and the future foundations of giving by the Productivity Commission, which will potentially impact EQT's business.

Equity Trustees is supportive of measures designed to improve governance, and the outcomes for members, investors and beneficiaries, albeit that these reforms represent a complex and substantive body of work. From a commercial perspective, this work represents a significant increase in industry costs, which will ultimately be borne by clients and end-product users.



## KEY RISKS

Key risks faced by the Group are categorised with reference to the Group's risk management framework (RMF), as follows:

RISK CATEGORY	DESCRIPTION	KEY CONTROLS AND MITIGANTS
<b>Strategic</b>	There is a risk that the assumptions underlying the Group's strategic decisions are (or prove to be) incorrect or that the conditions underpinning those decisions may change. Also, one or more of the Group's strategic initiatives may prove to be too difficult or costly to execute. Opportunities that are pursued may change the Group's risk profile and/or capital structure. Of particular note in the current environment are risks arising that compromise the successful integration of AET and / or successful execution of the technology change programme	<ul style="list-style-type: none"> <li>• Articulated Group strategy</li> <li>• Regular reviews of the Group's business model</li> <li>• Executive KPIs aligned to Group strategic objectives</li> <li>• Dedicated business development and referral channels. Review of the risk profile following new or changed strategic initiatives</li> <li>• Detailed programme and project management planning and execution</li> <li>• Clear project success measures</li> </ul>
<b>Operational</b>	Operational risks are a core component of doing business, arising from the day-to-day operational activities of the Group as well as projects and business change activities. A substantial operational risk event may give rise to losses, including financial losses, fines, penalties, personal injuries, reputational damage, loss of market share, theft of property, customer redress and litigation	<ul style="list-style-type: none"> <li>• Detailed policies and procedures</li> <li>• Defined roles and responsibilities for staff</li> <li>• Information security policy and Group privacy framework</li> <li>• Incident and breach management policy.</li> <li>• Business continuity management policy and annual testing program</li> <li>• A Group controls-monitoring program, which includes quarterly attestations from external service providers, and targeted testing</li> </ul>
<b>Financial</b>	<p>Financial risks encompass liquidity, foreign exchange, investment market, interest rate, credit and balance sheet management risks, which, if not managed well, could have a significant adverse impact on the Group.</p> <p>Financial risks also encompass the preparation of financial statements for the Group and the entities for which the Group acts as Responsible Entity or Trustee. Should the estimates and assumptions adopted in preparation of the financial statements be found to be incorrect, there could be an impact on the Group's performance, reputation and position</p>	<ul style="list-style-type: none"> <li>• Forecasting and budgeting process</li> <li>• Oversight by Board Audit Committees</li> <li>• Annual business unit strategy and plan reviews</li> <li>• Regular cost control and improvement initiatives</li> <li>• Group capital management policy</li> <li>• Detailed financial policies and procedures</li> <li>• Independent audits by reputable accounting firms</li> </ul>
<b>People</b>	The success of Equity Trustees relies on its ability to attract, motivate and retain people who have the necessary skills and experience to help achieve the Group's goals. The loss of key personnel could disrupt our operations in the short term. While our incentives program is designed to align key personnel interests with the Group's goals, there is no guarantee of their continued employment	<ul style="list-style-type: none"> <li>• Succession planning for key roles</li> <li>• Employee engagement monitoring and action plans</li> <li>• Wellness program</li> <li>• Remuneration benchmarking</li> <li>• Risk Culture training and annual Risk Culture surveys</li> <li>• Clearly articulated corporate values</li> </ul>



RISK CATEGORY	DESCRIPTION	KEY CONTROLS AND MITIGANTS
<b>Outsourcing</b>	Equity Trustees relies on several third-party service providers for various fund administration, investment management, accounting, custody, market data, market indices, promotion and other distribution and operational needs. The failure of one or more of those service providers to fulfil its obligations could lead to operational and regulatory impacts to the Group. Equity Trustees actively manages its key third-party service providers and vendor relationships	<ul style="list-style-type: none"> <li>• Outsourcing and vendor management framework</li> <li>• Consequence management framework</li> <li>• Monitoring of third-party performance against service level agreements</li> <li>• Use of standardised contracts wherever possible</li> <li>• Partnering with reputable organisations.</li> <li>• Thorough legal and due diligence processes</li> </ul>
<b>Investment</b>	Equity Trustees' and its clients' investment portfolios are subject to normal market risks, such as interest rates and equity market volatility. These risks can affect investment valuations and income volatility. Equity Trustees actively manages its clients' investments and capital in line with our and their risk appetites, and Equity Trustees' investment and capital management policies	<ul style="list-style-type: none"> <li>• Oversight by management and Board sub-committees</li> <li>• Detailed investment governance and selection frameworks</li> <li>• Regular monitoring of mandate limits and investment performance</li> </ul>
<b>Governance and Compliance</b>	Entities controlled by Equity Trustees hold several licences and operate in a highly regulated environment. If the entities that hold those licences fail to comply with the general obligations and conditions, this could impact the ability to operate key parts of the Company's business, which could potentially lead to a material adverse effect on either business or financial performance	<ul style="list-style-type: none"> <li>• Maintenance of a Group obligations register</li> <li>• Governance and compliance frameworks</li> <li>• A Group controls-monitoring program, which includes quarterly attestations from external service providers, and targeted testing</li> <li>• Regular compliance reporting to management and Board sub-committees.</li> <li>• Three lines of defence model</li> </ul>



## OUTLOOK

At the end of 1HY25 the Group successfully completed the integration of the AET business and has realised the targeted revenue synergy benefits previously advised to investors. This together with the migration to a single private client technology platform (NavOne) lays the foundation to move to a posture of continuous improvement in processes and workflows to develop operational leverage. Following the separation for IFL systems, outsourcing of custody arrangements, and completion of restructuring activities in 1H25, AET related expense synergies are expected to begin positively impacting the Group's results in 2H25.

Other technology implementations completed during the period include the Workday Finance (expense management & procurement), and Human Capital Management (phase 1) and payroll. The final phase of implementing the Human Capital Management and Planning modules of Workday are the remaining deliverables for the Workday project which are expected to be largely completed in 2H25. These implementations replace legacy technologies with modern, cloud-based tools that will, over time, support improved productivity across the business.

Whilst the technology modernisation programme for TWS is largely complete, the focus of the organisation will shift to developing technology enhancements that will support the scaling and automation of the CSTS business. These are necessary to ensure that tools and processes continue to be uplifted to keep pace with the rapid growth in the business, as well as client and regulatory expectations.

With a predominance of asset-based fees our revenues are approximately 50-60% correlated with Australian and global equity markets. While equity markets are currently trading near their historic highs, there remains heightened geopolitical and economic uncertainty.

Notwithstanding, the fundamentals of the Group's business are solid. Our balance sheet is strong, our client proposition is attractive, and we continue to see opportunities to grow across the broad spectrum of our trustee services.

The wealth management and superannuation sector in Australia is expected to continue to grow and play a significant role in the country's economy in the coming years. The sector, which manages over \$4 trillion in assets, is an important source of investment for the economy and a key contributor to the financial well-being of Australians. As a specialist trustee, Equity Trustees plays a key role in this sector serving the interests of a variety of beneficiaries, members, clients and investors.

In the period ahead, the Equity Trustees proposition is supported by the long-term structural dynamics of an ageing demographic, combined with government-mandated superannuation and a substantial wave of intergenerational wealth transfer. In addition, there is both a regulatory and industry focus on improved governance. Equity Trustees' independent, unconflicted specialist trustee model is well placed to provide clients with products and services that are highly valued in this environment.

Over the medium to longer term, we believe that Equity Trustees' 140-plus year fiduciary heritage, a well-capitalised balance sheet and favourable industry position, combined with a market-leading, specialist focus on trusteeship and targeted investment in our core trustee capabilities underpins a positive outlook for the year ahead, and beyond.



## ADDITIONAL INFORMATION

### EVENTS SUBSEQUENT TO THE HALF-YEAR

There has not been any matter or circumstance that has arisen since the end of the half-year that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations or the state of affairs of the Group in future financial periods.

### ROUNDING-OFF OF AMOUNTS

The Company is a company of the kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* dated 24 March 2016 and, in accordance with the Corporations Instrument, amounts in the Directors' Report and the Financial Statements are rounded off to the nearest thousand dollars unless otherwise indicated.

### AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration is included on page 30 of the half-year financial report.

Signed in accordance with a resolution of the Directors made pursuant to s.306(3) of the *Corporations Act 2001*.

On behalf of the Directors



**Carol Schwartz AO**  
Chair

Dated 20 February 2025

20 February 2025

The Board of Directors  
EQT Holdings Limited  
Level 1, 575 Bourke Street  
Melbourne VIC 3000

Dear Board Members,

## **Auditor's Independence Declaration to EQT Holdings 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 EQT Holdings Limited.

As lead audit partner for the review of the half year financial report of EQT Holdings Limited for the half year ended 31 December 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 review; and
- Any applicable code of professional conduct in relation to the review.

Yours faithfully,



DELOITTE TOUCHE TOHMATSU



Lani Cockrem  
Partner  
Chartered Accountants



# DIRECTORS' DECLARATION

EQT Holdings Limited  
ABN 22 607 797 615

## DIRECTORS' DECLARATION FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

The Directors declare that, in the directors' opinion:

- a) the attached consolidated financial statements and notes are in accordance with the *Corporations Act 2001*, including:
  - i. giving a true and fair view of the consolidated entity's financial position as at 31 December 2024 and its performance for the half-year ended on that date; and
  - ii. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and
- b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors made pursuant to section 303(5) of the *Corporations Act 2001*.

On behalf of the Directors



**Carol Schwartz AO**  
Chair

Dated 20 February 2025



# **FINANCIAL REPORT**

**FOR THE HALF-YEAR  
ENDED 31 DECEMBER 2024**

# EQT HOLDINGS LIMITED

## ABN 22 607 797 615

### CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE HALF YEAR ENDED 31 DECEMBER 2024

		31 DEC 24	31 DEC 23
	NOTE	\$'000	\$'000
<b>Continuing Operations</b>			
Revenue and other income	2	89,427	83,951
Expenses	3	(62,897)	(56,765)
Finance costs		(3,160)	(1,949)
Depreciation and amortisation		(3,706)	(3,560)
<b>Profit before income tax expense</b>		<b>19,664</b>	<b>21,677</b>
Income tax expense	5	(6,794)	(7,164)
<b>Profit for the period from continuing operations</b>		<b>12,870</b>	<b>14,513</b>
<b>Discontinued operations</b>			
Profit or loss for the period from discontinued operations, net of tax	9	(822)	(2,831)
<b>Profit for the period</b>		<b>12,048</b>	<b>11,682</b>
<b>Other comprehensive income</b>			
<i>Items that may be reclassified subsequently to profit and loss:</i>			
Foreign exchange translation differences for foreign operations		(133)	(75)
<b>Total comprehensive income for the period</b>		<b>11,915</b>	<b>11,607</b>
<b>Profit for the period attributable to:</b>			
Equity holders of the Company		12,264	12,628
Non-controlling interests		(216)	(946)
<b>Profit for the period</b>		<b>12,048</b>	<b>11,682</b>
<b>Total comprehensive income attributable to:</b>			
Equity holders of the Company		12,369	12,419
Non-controlling interests		(454)	(812)
<b>Total comprehensive income for the period</b>		<b>11,915</b>	<b>11,607</b>
<b>Earnings per share</b>			
<b>From continuing operations:</b>			
Basic (cents per share)	6	48.16	54.63
Diluted (cents per share)	6	48.00	54.51
<b>From continuing and discontinued operations:</b>			
Basic (cents per share)	6	45.90	47.54
Diluted (cents per share)	6	45.74	47.43

The above statement should be read in conjunction with the accompanying notes to the financial statements.

# EQT HOLDINGS LIMITED

## ABN 22 607 797 615

### CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

	NOTE	31 DEC 24 \$'000	30 JUN 24 \$'000
<b>Current assets</b>			
Cash and cash equivalents		114,635	128,756
Trade and other receivables		14,846	15,875
Prepayments		4,557	4,884
Accrued income		31,112	27,156
Other financial assets	13	10,000	10,000
Current tax receivable		4,086	-
<b>Total current assets</b>		<b>179,236</b>	<b>186,671</b>
<b>Non-current assets</b>			
Trade and other receivables		181	181
Furniture, equipment and leasehold		5,155	5,932
Deferred tax assets		7,116	9,571
Right-of-use assets		6,171	7,143
Intangible assets		148,322	149,053
Goodwill	7	181,311	181,311
<b>Total non-current assets</b>		<b>348,256</b>	<b>353,191</b>
<b>Total assets</b>		<b>527,492</b>	<b>539,862</b>
<b>Current liabilities</b>			
Trade and other payables		6,069	4,958
Provisions		10,986	19,812
Borrowings	10	509	499
Other current liabilities		6,617	4,341
Current tax payable		-	130
<b>Total current liabilities</b>		<b>24,181</b>	<b>29,740</b>
<b>Non-current liabilities</b>			
Provisions		5,174	5,629
Borrowings	10	67,850	72,550
Other non-current liabilities		5,415	6,714
Deferred tax liabilities		26,944	26,629
<b>Total non-current liabilities</b>		<b>105,383</b>	<b>111,522</b>
<b>Total liabilities</b>		<b>129,564</b>	<b>141,262</b>
<b>Net assets</b>		<b>397,928</b>	<b>398,600</b>
<b>Equity</b>			
Issued capital	11	390,959	389,044
Reserves		2,790	3,081
Retained earnings		8,126	9,966
<b>Equity attributable to owners of the Company</b>		<b>401,875</b>	<b>402,091</b>
Non-controlling interest		(3,947)	(3,491)
<b>Total equity</b>		<b>397,928</b>	<b>398,600</b>

The above statement should be read in conjunction with the accompanying notes to the financial statements.

# EQT HOLDINGS LIMITED

ABN 22 607 797 615

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF YEAR ENDED 31 DECEMBER 2024

	NOTE	FULLY PAID ORDINARY SHARES \$'000	RETAINED EARNINGS \$'000	OTHER RESERVES \$'000	CURRENCY TRANSLATION \$'000	ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY \$'000	NON- CONTROLLING INTEREST \$'000	TOTAL EQUITY \$'000
<b>Balance as at 1 July 2023</b>		384,336	18,532	2,057	461	405,386	(5,856)	399,530
Profit/(loss) for the period		-	12,628	-	-	12,628	(946)	11,682
Foreign exchange translation differences for foreign operations		-	-	-	(209)	(209)	134	(75)
<b>Total comprehensive income for the period</b>		-	12,628	-	(209)	12,419	(812)	11,607
Foreign exchange translation differences for foreign operations		-	(80)	-	(1)	(81)	18	(63)
Shares issued under employee salary sacrifice share plan		33	-	-	-	33	-	33
Shares issued under dividend reinvestment plan		2,414	-	-	-	2,414	-	2,414
Shares issued under employee share acquisition plan		437	-	(437)	-	-	-	-
Shares issued under executive share scheme		382	-	(382)	-	-	-	-
Share issue costs		(18)	-	-	-	(18)	-	(18)
Related income tax		6	-	-	-	6	-	6
Equity remuneration expense		-	-	535	-	535	-	535
Payment of dividend		-	(13,269)	-	-	(13,269)	-	(13,269)
<b>Balance as at 31 December 2023</b>		387,590	17,811	1,773	251	407,425	(6,650)	400,775
<b>Balance as at 1 July 2024</b>		389,044	9,966	2,550	531	402,091	(3,491)	398,600
Profit/(loss) for the period		-	12,264	-	-	12,264	(216)	12,048
Foreign exchange translation differences for foreign operations		-	-	-	105	105	(238)	(133)
<b>Total comprehensive income for the period</b>		-	12,264	-	105	12,369	(454)	11,915
Foreign exchange translation differences for foreign operations		-	36	(1)	(40)	(5)	(2)	(7)
Shares issued under employee salary sacrifice share plan		26	-	-	-	26	-	26
Shares issued under dividend reinvestment plan		927	-	-	-	927	-	927
Shares issued under employee share acquisition plan		396	-	(396)	-	-	-	-
Shares issued under executive share scheme		866	-	(866)	-	-	-	-
Purchase of treasury shares		(289)	-	-	-	(289)	-	(289)
Share issue costs		(16)	-	-	-	(16)	-	(16)
Related income tax		5	-	-	-	5	-	5
Equity remuneration expense		-	-	907	-	907	-	907
Payment of dividend		-	(14,140)	-	-	(14,140)	-	(14,140)
<b>Balance as at 31 December 2024</b>		<b>390,959</b>	<b>8,126</b>	<b>2,194</b>	<b>596</b>	<b>401,875</b>	<b>(3,947)</b>	<b>397,928</b>

The above statement should be read in conjunction with the accompanying notes to the financial statements.

# EQT HOLDINGS LIMITED

## ABN 22 607 797 615

### CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF YEAR ENDED 31 DECEMBER 2024

	NOTE	31 DEC 24 \$'000	31 DEC 23 \$'000
<b>Cash flows from operating activities</b>			
Receipts from customers		90,579	86,716
Payments to suppliers and employees <sup>1</sup>		(76,668)	(61,616)
Income tax paid		(8,235)	(10,703)
<b>Net cash provided by operating activities</b>		<b>5,676</b>	<b>14,397</b>
<b>Cash flows from investing activities</b>			
Interest and managed fund distributions received		2,937	2,117
Payment for furniture, equipment, leasehold and right-of-use assets		(192)	(345)
Payment for intangible assets		(1,018)	(965)
<b>Net cash provided by investing activities</b>		<b>1,727</b>	<b>807</b>
<b>Cash flows from financing activities</b>			
Interest paid <sup>1</sup>		(2,485)	(1,677)
(Repayment of) / proceeds from borrowings - corporate facility		(5,000)	9,000
Proceeds from borrowings - operational risk financial requirement facilities		300	1,100
Repayment of lease liabilities		(1,205)	(1,270)
Payment for share issue costs		(16)	(18)
Dividends paid to members of the parent entity (net of shares issued under the dividend reinvestment plan)		(13,211)	(10,854)
<b>Net cash used in financing activities</b>		<b>(21,617)</b>	<b>(3,719)</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>(14,214)</b>	<b>11,485</b>
<b>Cash and cash equivalents at the beginning of the half-year</b>		<b>128,756</b>	<b>99,690</b>
Exchange rate fluctuations on foreign cash balances		93	(287)
Reclassified to assets held for sale		-	(4,649)
<b>Cash and cash equivalents at the end of the half-year</b>		<b>114,635</b>	<b>106,239</b>

<sup>1</sup>Interest expense previously classified as operating cash flows have been reclassified to financing cash flows. Comparatives have been restated where applicable.

The above statement should be read in conjunction with the accompanying notes to the financial statements.

# **EQT HOLDINGS LIMITED**

## **ABN 22 607 797 615**

# **NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

### **FOR THE HALF YEAR ENDED 31 DECEMBER 2024**

## **GENERAL INFORMATION**

EQT Holdings Limited (the Company) is a public company listed on the Australian Securities Exchange (trading under the symbol: "EQT"), incorporated in Australia, and operating in Australia.

The Company's registered office and its principal place of business is Level 1, 575 Bourke St, Melbourne, Victoria 3000, Australia. EQT Holdings Limited and its subsidiaries are referred to as 'the Group' in the notes to the financial statements. The principal activities of the Group are described in note 4.

### **1 BASIS OF PREPARATION**

#### **STATEMENT OF COMPLIANCE**

This half year financial report is a general purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134 *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*. The half year financial report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the most recent annual financial report.

The financial statements were authorised for issue by the Directors on 20 February 2025.

#### **BASIS OF PREPARATION**

The condensed consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of certain financial instruments that are measured at fair value. Historical cost is generally based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars unless otherwise noted.

The Company is a company of the kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument (Corporations Instrument)*, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in the financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the company's annual financial report for the financial year ended 30 June 2024. These accounting policies comply with Australian Accounting Standards and the International Financial Reporting Standards. Further details on the adoption of new Accounting Standards are contained within note 16.

# EQT HOLDINGS LIMITED

## ABN 22 607 797 615

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2024

## PERFORMANCE

### 2 REVENUE AND OTHER INCOME

	31 DEC 24 \$'000	31 DEC 23 \$'000
<b>Revenue</b>		
Private Client Trustee Services	44,774	42,498
Superannuation Trustee Services	14,403	13,436
Fund Governance and Trustee Services	21,428	18,766
Other Services	5,137	6,184
Revenue from service activities	85,742	80,884
Interest and managed fund distributions	2,814	2,290
	88,556	83,174
<b>Other income</b>		
Recoveries	675	821
Foreign currency gain / (loss)	196	(44)
<b>Total revenue and other income</b>	<b>89,427</b>	<b>83,951</b>

#### ACCOUNTING POLICIES

Revenue is recognised on an accruals basis, as a service is transferred to a customer or a performance obligation is satisfied (if it is highly probable that a significant reversal is unlikely to occur), at the fair value of the consideration specified in the contract.

Revenue recognition for each of the Group's revenue streams is as follows:

REVENUE STREAM	INCLUDES	PERFORMANCE OBLIGATION	TIMING OF RECOGNITION
Private Client Trustee Services	Traditional trustee services for philanthropy, health and personal injury trusts, continuing trusts, community trusts and investment mandates.	Governance and oversight of trusts, portfolios, mandates and their related investments.	Over time as the relevant services are provided. Customers simultaneously receive and consume the benefits of the service as the service is provided.
Superannuation Trustee Services	Trustee services for superannuation funds.	Governance and oversight of funds and their related investments.	Revenues are determined with reference to funds under management, administration and / or supervision.
Fund Governance and Trustee Services	Fund governance and corporate trustee services.	Governance and oversight of registered and unregistered schemes, trusts and other structured vehicles.	Over time as key milestones in the estate administration process have been achieved.
Other services (this category includes all residual services that do not fall into one of the above categories)	Estate administration fees.	Estate administration and distribution.	Revenues are determined with reference to funds under administration during the estate administration process.
			The Group's general expectation is that the administration process will have a duration of less than 12 months for all estates. In some circumstances – and in particular for estates where litigation takes place – the duration may exceed 12 months; however, this is generally not known at the time of inception.

# EQT HOLDINGS LIMITED

## ABN 22 607 797 615

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2024

REVENUE STREAM	INCLUDES	PERFORMANCE OBLIGATION	TIMING OF RECOGNITION
Other services (this category includes all residual services that do not fall into one of the above categories)	Estate planning fees and tax fees.	Preparation of estate plans and tax returns.	At a point in time, on completion of the provision of the relevant service (i.e., the delivery of a completed estate plan or tax return).  Revenues are determined with respect to the complexity of client arrangements.

#### INTEREST AND MANAGED FUND DISTRIBUTIONS

Interest and managed fund distribution revenue is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably. Distribution revenue from investments is recognised when the Group's right to receive payment has been established. Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

#### RECOVERIES

From time to time, the Group may earn income when expenses paid are subsequently recovered, such as for insurance claims, legal settlements or other cost recoveries. Income earned in such cases is recognised when the Group's right to receive payment has been established.

### 3 EXPENSES

	31 DEC 24 \$'000	31 DEC 23 \$'000
Salaries and related employee expenses:		
Wages and salaries	39,806	36,670
Post-employment benefits	3,598	3,285
Equity-settled share-based payments	705	535
Other employment related expenses	1,172	1,609
Administrative and general expenses	5,213	3,550
Information technology expenses	6,982	5,379
Occupancy expenses:		
Minimum lease payments (short term and low value leases)	148	157
Outgoings and other occupancy expenses	697	586
Legal, consulting and regulatory expenses	2,976	2,255
Audit and tax advice expenses	721	1,809
Insurance expenses	879	930
<b>Total expenses</b>	<b>62,897</b>	<b>56,765</b>

# EQT HOLDINGS LIMITED

ABN 22 607 797 615

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2024

### 4 SEGMENT PERFORMANCE

Information reported to the Group's Managing Director (chief operating decision maker) for the purpose of resource allocation and assessment of performance is focused on the categories of services provided to customers. The principal categories of services are Trustee & Wealth Services and Corporate & Superannuation Trustee Services. No operating segments have been aggregated in arriving at the reportable segments of the Group.

The Group's reportable segments, as determined in accordance with AASB 8 *Operating Segments*, are as follows:

#### TRUSTEE & WEALTH SERVICES (TWS)

Provides a range of private client and philanthropic services including estate planning and management, charitable, compensation, community and personal trust services, and wealth management and advice. TWS operates within Australia.

#### CORPORATE & SUPERANNUATION TRUSTEE SERVICES (CSTS)

Provides a range of global fiduciary services for managed investment schemes on behalf of local and international fund managers and sponsors, as well as specialised trustee services for debt, securitisations, custody and real estate arrangements for corporates. Also, provides trustee, custody and investment management services for superannuation funds. CSTS operates within Australia.

The following is an analysis of the Group's revenue and results from continuing operations by reportable segment. These operating segments also constitute the major categories of services offered by the Group.

	31 DEC 24 \$'000	31 DEC 23 \$'000
<b>Segment revenue</b>		
Trustee & Wealth Services		
Private Client Trustee Services	44,774	42,498
Other services	5,137	6,184
Interest and managed fund distributions	938	763
Recoveries	66	34
	<b>50,915</b>	<b>49,479</b>
Corporate & Superannuation Trustee Services		
Fund governance and trustee services	21,428	18,766
Superannuation Trustee Services	14,403	13,436
Interest and managed fund distributions	1,876	1,527
Recoveries	609	787
	<b>38,316</b>	<b>34,516</b>
Unallocated	196	(44)
<b>Total revenue and other income per statement of profit or loss</b>	<b>89,427</b>	<b>83,951</b>

Segment revenue includes expense recoveries that directly relate to the activities of each business unit.

The revenue reported above represents revenue generated from external customers. There were no inter-segment sales (31 December 2023: nil).

No single customer accounts for 10% or more of the Group's revenue.

	31 DEC 24 \$'000	31 DEC 23 \$'000
<b>Segment net profit/(loss) before tax</b>		
Trustee & Wealth Services	13,667	15,721
Corporate & Superannuation Trustee Services	10,440	10,261
	<b>24,107</b>	<b>25,982</b>
Debt : equity (Total borrowings + accrued interest) [ORFR + Corporate]	(4,443)	(4,305)
<b>Total net profit before tax per statement of profit or loss</b>	<b>19,664</b>	<b>21,677</b>

The accounting policies of the reportable segments are the same as the Group's accounting policies. Segment profit represents the contribution earned by each segment without the allocation of certain non-operating expenditure (including projects and acquisition-related expenditure) or income tax. These are the measures used by the chief operating decision maker for the purpose of resource allocation and assessing segment performance.

For monitoring performance, the chief operating decision maker reviews balance sheet items for the Group as a whole. The Group's assets and liabilities are not allocated to the reportable segments for management reporting purposes.

# EQT HOLDINGS LIMITED

ABN 22 607 797 615

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2024

### 5 INCOME TAXES

	31 DEC 24 \$'000	31 DEC 23 \$'000
<b>Income tax expense comprises:</b>		
Current income tax expense	9,158	7,674
Prior year tax adjustments recognised in the current year	111	(60)
Deferred tax adjustments relating to the origination and reversal of temporary differences	(2,475)	(450)
<b>Total income tax expense</b>	<b>6,794</b>	<b>7,164</b>
<b>The income tax expense for the year can be reconciled to accounting profit as follows:</b>		
Profit before tax from continuing operations	19,664	21,677
Income tax expense calculated at 30%	5,899	6,503
Tax payable on revenue from intercompany loans with overseas subsidiaries	188	206
Non-deductible expenses	648	493
Non-assessable income	(52)	22
	<b>6,683</b>	<b>7,224</b>
Prior year tax adjustments	111	(60)
<b>Total income tax expense</b>	<b>6,794</b>	<b>7,164</b>

### 6 EARNINGS PER SHARE

The company has one class of ordinary shares.

#### FROM CONTINUING AND DISCONTINUED OPERATIONS

ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	31 DEC 24 CENTS PER SHARE	31 DEC 23 CENTS PER SHARE
Basic earnings per share	45.90	47.54
Diluted earnings per share	45.74	47.43

ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	31 DEC 24 \$'000	31 DEC 23 \$'000
Net profit after tax attributable to equity holders of the Company	12,264	12,628

	31 DEC 24 NO. '000	31 DEC 23 NO. '000
Weighted average number of ordinary shares for the purposes of basic earnings per share	26,721	26,564
Shares deemed to be issued for no consideration in respect to employee share entitlements	90	62
Weighted average number of ordinary shares for the purposes of diluted earnings per share	26,811	26,626

#### FROM CONTINUING OPERATIONS

ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	31 DEC 24 CENTS PER SHARE	31 DEC 23 CENTS PER SHARE
Basic earnings per share	48.16	54.63
Diluted earnings per share	48.00	54.51

The denominators used are the same as those detailed above for both basic and diluted earnings per share from continuing and discontinuing operations.

# EQT HOLDINGS LIMITED

ABN 22 607 797 615

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2024

### OPERATING ASSETS

#### 7 GOODWILL

	31 DEC 24	30 JUN 24
	\$'000	\$'000
Cost	183,252	183,252
Accumulated impairment losses	(1,941)	(1,941)
	181,311	181,311
Balance at the beginning of the period	181,311	181,311
Amounts recognised during the period	-	-
	181,311	181,311

#### 8 BUSINESS COMBINATIONS

HALF YEAR ENDED 31 DECEMBER 2024

There were no business combinations during the period.

During the half-year ended 31 December 2024, the Group did not incur any costs associated with potential merger and acquisition activities.

#### 9 DISCONTINUED OPERATIONS

On 14 August 2023, following a strategic review, the Group announced its decision to exit its European operations (comprising its United Kingdom (UK) and Ireland operations).

At 31 December 2023 the Group assessed that its European operations collectively constituted a component for the purposes of assessing the accounting requirements of AASB 5 *Non-Current Assets Held for Sale and Discontinued Operations*. Accordingly, the Group's European operations were classified as discontinued operations and their related assets and liabilities were reclassified as assets or liabilities held for sale. Revenues and expenses of the European operations were also classified as discontinued in the Statement of Comprehensive Income.

At 30 June 2024, the Ireland operations had been sold to a third-party, and the UK operations continued to trade, albeit while commencing an orderly wind-down of their operating activities. This triggered a change in accounting requirements for the European operations whereby they were not treated as discontinued for financial reporting purposes at 30 June 2024.

On 19 December 2024, following the departure of its remaining clients and its deregulation by the Financial Conduct Authority (FCA), the UK operations ceased trading. On 31 January 2025 the UK operations were placed into voluntary liquidation, and are now in the process of being formally wound-up.

As a consequence of the change in circumstances set out above, the European operations have been classified as discontinued operations at 31 December 2024.

The results of the discontinued operations, which have been included in the profit for the half year, were as follows:

	31 DEC 24	31 DEC 23
	\$'000	\$'000
Revenue	263	1,675
Expenses	1,085	4,506
Profit before tax	(822)	(2,831)
Attributable tax expense	-	-
Net loss attributable to discontinued operations (attributable to owners of the parent company)	(822)	(2,831)

# EQT HOLDINGS LIMITED

ABN 22 607 797 615

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2024

### CAPITAL STRUCTURE

#### 10 BORROWINGS

	31 DEC 24 \$'000	30 JUN 24 \$'000
<b>Unsecured, at amortised cost</b>		
Corporate facilities	42,509	47,246
Operational risk financial requirement (ORFR) facilities	25,850	25,803
	<b>68,359</b>	<b>73,049</b>

#### CORPORATE FACILITIES

LENDER	FACILITY TERM	FACILITY LIMIT \$'000	AMOUNT USED \$'000
<b>31 December 2024</b>			
Australian & New Zealand Banking Group Limited	3.5 Years	40,000	22,000
Australian & New Zealand Banking Group Limited	3 Years	40,000	20,000
		<b>80,000</b>	<b>42,000</b>
<b>30 June 2024</b>			
Australian & New Zealand Banking Group Limited	3 Years	40,000	22,000
Australian & New Zealand Banking Group Limited	3 Years	40,000	25,000
		<b>80,000</b>	<b>47,000</b>

On 19 December 2024 the Group extended one of its two \$40m debt facilities with ANZ for a further six-month period. The facility now expires on 22 May 2026.

The weighted average effective interest rate on all drawn down loans is 6.1% per annum (30 June 2024: 6.0%).

#### OPERATIONAL RISK FINANCIAL REQUIREMENT (ORFR) FACILITIES

The Group enters into borrowing arrangements in relation to certain superannuation trustee activities. Some superannuation funds are configured such that some or all of the Operational Risk Financial Requirements (ORFR) (a superannuation prudential requirement) are held on the superannuation trustee balance sheets as tier 1 common equity, rather than within the superannuation funds themselves.

Where it has been determined that an ORFR will be met via capital held on the trustee balance sheet, the Group may enter into special purpose, limited recourse borrowing arrangements to fund these requirements and appropriately capitalise the respective trustee entities. At 31 December 2024, of the total cash held of \$114,635k, \$1,607k was held for SAF ORFR and \$25,850k was used for ORFR borrowing facilities (30 June 2024: total cash of \$128,756k, \$2,607k was held for SAF ORFR and \$25,550k was used for ORFR borrowing facilities).

LENDER	FACILITY TERM	FACILITY LIMIT \$'000	AMOUNT USED \$'000
<b>31 December 2024</b>			
Resolution Life Australasia Facility 1 (AMP Life) <sup>1</sup>	5 Years	6,600	5,400
Centric <sup>1</sup>	5 Years	11,500	9,500
Resolution Life Australasia Facility 2 (CMLA) <sup>1</sup>	5 Years	9,000	6,800
Platformplus	3 Years	2,000	900
ClearView	3 Years	3,500	3,250
HUB24	3 Years	15,000	-
		<b>47,600</b>	<b>25,850</b>
<b>30 June 2024</b>			
Resolution Life Australasia Facility 1 (AMP Life) <sup>1</sup>	5 Years	6,600	5,400
Centric <sup>1</sup>	5 Years	11,500	9,500
Resolution Life Australasia Facility 2 (CMLA) <sup>1</sup>	5 Years	9,000	6,800
Platformplus	3 Years	2,000	600
ClearView	3 Years	3,500	3,250
HUB24	3 Years	15,000	-
		<b>47,600</b>	<b>25,550</b>

<sup>1</sup>Amounts repaid in relation to these facilities cannot be reborrowed.

The weighted average effective interest rate on all drawn down loans is 7.40% per annum (30 June 2024: 7.50%).

# EQT HOLDINGS LIMITED

ABN 22 607 797 615

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2024

### 11 ISSUED CAPITAL

	31 DEC 24		30 JUN 24	
	No. '000	\$'000	No. '000	\$'000
<b>Fully paid ordinary shares</b>				
Balance at the beginning of the financial year	26,678	389,044	26,506	384,336
Shares issued under employee salary sacrifice share plan	1	26	3	68
Shares issued under executive share scheme	35	866	17	437
Shares issued under employee share acquisition plan	13	396	14	382
Shares issued under dividend reinvestment plan (DRP)	32	927	138	3,839
Purchase of treasury shares	-	(289)	-	-
Share issue costs net of tax	-	(11)	-	(18)
<b>Closing balance as at the end of the period</b>	<b>26,759</b>	<b>390,959</b>	<b>26,678</b>	<b>389,044</b>

### 12 DIVIDENDS

FULLY PAID ORDINARY SHARES	DATE OF PAYMENT	CENTS PER SHARE	TOTAL \$'000
<b>Recognised amounts</b>			
Final 2024 dividend (fully franked)	25 September 2024	53	14,140
Interim 2024 dividend (fully franked)	3 April 2024	51	13,580
<b>Unrecognised amounts</b>			
Interim 2025 dividend (fully franked)	27 March 2025	55	14,713

## FINANCIAL RISK MANAGEMENT

### 13 FINANCIAL INSTRUMENTS

This note provides information about how the Group determines fair values of various financial assets. The Group has no financial liabilities measured at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

#### FAIR VALUE OF THE GROUP'S FINANCIAL ASSETS THAT ARE MEASURED AT FAIR VALUE ON A RECURRING BASIS

FINANCIAL ASSETS	FAIR VALUE AS AT		FAIR VALUE HIERARCHY	VALUATION TECHNIQUE
	31 DEC 24	30 JUN 24		
	\$'000	\$'000		
EQT Wholesale Mortgage Income Fund	10,000	10,000	Level 2	Daily published prices

There are no significant unobservable inputs in relation to the fair value of EQT Wholesale Mortgage Income Fund in the half-year (30 June 2024: same). There were no transfers between levels in the fair value hierarchy at the end of the reporting period (30 June 2024: nil).

#### FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES THAT ARE NOT MEASURED AT FAIR VALUE ON A RECURRING BASIS

The Directors consider that the carrying amount of financial assets and financial liabilities recorded in the financial statements approximates their fair values.

# **EQT HOLDINGS LIMITED**

## **ABN 22 607 797 615**

# **NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE HALF YEAR ENDED 31 DECEMBER 2024**

## **CONTINGENCIES AND SUBSEQUENT EVENTS**

### **14 CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

There are a small number of past matters that relate to third-party fund service providers. It is possible that the Group may need to make payments in relation to these matters, but it is possible that the Group will recover these costs. The net impact of these is expected to not be material to the financial statements.

Other than as described above, there are no contingent liabilities (30 June 2024: nil).

There are no contingent assets (30 June 2024: nil).

### **15 SUBSEQUENT EVENTS**

On 31 January 2025 the Group's remaining European operations were placed into voluntary liquidation. As part of the finalisation of the exit of the European operations, the accumulated losses attributable to non-controlling interests will transfer to Group retained earnings. The transfer amounts to \$3,947k, and will be treated as a transfer between equity reserves in the FY25 financial statements.

Other than as described above, there has not been any matter or circumstance that has arisen since the end of the half year, that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years (31 December 2023: nil).

## **OTHER DISCLOSURES**

### **16 NEW AND AMENDED ACCOUNTING STANDARDS**

#### **NEW AND AMENDED ACCOUNTING STANDARDS THAT ARE MANDATORILY EFFECTIVE FOR THE CURRENT REPORTING PERIOD**

The Group has adopted all of the new and amended Standards and Interpretations issued by the Australian Accounting Standard Board (the AASB) that are relevant to its operations and effective for the current reporting period.

<b>STANDARD / INTERPRETATION</b>
AASB 2022-6 Amendments to Australian Accounting Standards –Non-current Liabilities with Covenants
AASB 2023-1 Amendments to Australian Accounting Standards –Supplier Finance Arrangements

The application of the new and amended accounting standards did not have a material impact on the Group's condensed consolidated financial statements.

#### **NEW AND AMENDED AUSTRALIAN ACCOUNTING STANDARDS AND INTERPRETATIONS ON ISSUE BUT NOT YET EFFECTIVE**

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

The Directors of the Group do not anticipate that the application of the new and amended accounting standards in the future will have a material impact on the Group's condensed consolidated financial statements.

## Independent Auditor's Review Report to the Members of EQT Holdings Limited

### *Conclusion*

We have reviewed the half-year financial report of EQT Holdings Limited (the "Company") and its subsidiaries (the "Group"), which comprises the condensed consolidated statement of financial position as at 31 December 2024 and the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of cash flows and the condensed consolidated statement of changes in equity for the half-year ended on that date, notes to the financial statements, including material accounting policy information and other explanatory information, and the directors' declaration as set out on page 31.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group 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 Accounting Standard AASB 134 Interim Financial Reporting and the *Corporations Regulations 2001*.

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

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<sup>6</sup> as at the time of this auditor's review report.

### *Directors' Responsibilities 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* and for 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 is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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



DELOITTE TOUCHE TOHMATSU



Lani Cockrem  
Partner  
Chartered Accountants

Melbourne, 20 February 2025

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**CORPORATE GOVERNANCE STATEMENT**

Our Corporate Governance Statement is available on our website:  
[www.eqt.com.au/investor-centre/corporate-governance](http://www.eqt.com.au/investor-centre/corporate-governance)

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