

ASX Announcement

26 February 2025

Australian Unity delivers positive results while progressing its transformation and integration program

In the six months to 31 December 2024, the Australian Unity Group reported a profit for the half-year (after income tax) of \$11.7 million (31 December 2023: \$1.4 million¹) and Adjusted EBITDA² from continuing operations of \$58.0 million (31 December 2023: \$44.6 million¹). The Group continued to make gains on its multi-faceted transformation and integration program and further strengthened its position as one of Australia's leading Health, Wealth and Care businesses.

During the period, the Group's operations were conducted through four operational platforms—Home Health, Residential Aged Care, Retail, and Wealth & Capital Markets (W&CM).

The Group continued its multi-year program of portfolio reshaping, with the current reporting period seeing progress with the integration of staff, customers and systems for the two businesses acquired in the previous financial year in the Home Health and W&CM platforms. Investment continued into operating systems for both these platforms, along with restructuring and investment into aspects of the Group's technology systems and functions.

Included in the profit for the half-year (after income tax) was a loss from discontinued operations of \$1.2 million (31 December 2023: \$0.3 million profit). The Group's profit for the half-year (after income tax) from continuing operations was \$12.9 million (31 December 2023: \$1.1 million¹).

The favourable aggregate results in the reporting period can be attributed to the Group's portfolio transformation, and associated operationalisation, along with acquisition and integration activities. The results also reflect the inherent financial impacts of the complexities within the Group's chosen sectors including persisting external challenges such as high interest rates, ongoing cost of living pressures, the escalating health imperative with an ageing population and increasing burden of chronic disease, and the ongoing tightness of the labour market.

¹ Comparative information has been reclassified to reflect the impact of a discontinued operation. Full details are set out in Note 21 of the consolidated financial statements

² In assessing the performance of its operating business segments, the Group uses a measure of adjusted earnings before interest, tax, depreciation and amortisation (Adjusted EBITDA). As the name indicates, this measure excludes the effects of tax, depreciation and amortisation, interest on external borrowings and investment income. It also excludes Group overheads and other material non-recurring expenditure. A reconciliation between Adjusted EBITDA and profit/(loss) before income tax from continuing operations is set out in Note 2 (c) to the consolidated financial statements. For the purposes of the financial performance in the Operating and Financial Review, the Group Adjusted EBITDA is the sum of the platform Adjusted EBITDA plus the Corporate Functions

ASX code:

AYU

Issuer:

Australian Unity Limited
ACN 087 648 888

Securities on Issue:

AYUPA – 5,070,950
AYUHD – 2,070,000
AYUHE – 2,558,050

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The listing of Australian Unity Securities on the ASX does not affect Australian Unity Limited's status as a mutual entity

As part of the Group's continued strategic portfolio adjustments, in the half year Australian Unity Bank Limited signalled the sale of its banking business to Bank Australia Limited. Transition preparations have commenced for all banking customers and the transfer is expected to be complete in late 2025.

Additional activities of note during the period under review included W&CM's divestment of the management rights in Altius Asset Management, and the motion to wind up the Australian Unity Office Fund, for which an Australian Unity Group entity is the Responsible Entity.

In December 2024, the Group opened the Wyvern Private Hospital in New South Wales, a key asset in its Australian Unity Healthcare Property Trust (AUHPT).

Group Managing Director, Rohan Mead said:

"In the half year under review, the Group saw underlying positive gains begin to manifest from the multi-year transformation program that commenced in FY2023. We have invested an additional \$33.4 million in the half-year to date in this program.

These deliberate portfolio adjustments were driven by our motivations to have sustainable, social impacts, and this result is confirmation that our aspirations are aligned with the ongoing needs of our members, customers, staff, and communities they serve."

"During the remainder of FY2025 we will seek to realise further positive value from our strategic shifts across the business portfolio."

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This announcement has been authorised for release by: The board of Australian Unity Limited.

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