

Appendix 4D

Abacus Group

(comprising Abacus Group Holdings Limited and its controlled entities, Abacus Trust and its controlled entities, Abacus Income Trust and its controlled entities and Abacus Group Projects Limited and its controlled entities)

The Appendix 4D should be read in conjunction with the interim financial report and the most recent annual financial report.

ABN: 31 080 604 619

Interim Financial Report

For the half year ended 31 December 2024

Results for announcement to the market

(corresponding period half year ended 31 December 2023)

Total revenues and other income	down	1.4%	to	\$83.8m
Net profit after income tax expense attributable to members of the Group	up	96.0%	to	(\$5.7m)
Funds from operations ("FFO") ⁽¹⁾	up	0.2%	to	\$40.2m
FFO from continuing operations	up	3.2%	to	\$40.2m

- (1) FFO has been determined with reference to the Property Council of Australia’s voluntary disclosure guidelines to help investors and analysts compare Australian real estate organisations. FFO is calculated by adding back tenant incentive amortisation, depreciation on owner occupied property, plant & equipment (PP&E), change in fair value of investment properties derecognised, capital costs, unrealised fair value gains / losses on investment properties, adjustments arising from the effect of revaluing assets / liabilities carried at fair value (such as derivatives, financial instruments and investments), other non-recurring adjustments deemed significant on account of their nature and non-FFO tax benefit/expense.

	31 Dec 2024	31 Dec 2023
Basic earnings per security (cents)	(0.64)	(16.06)
Basic FFO per security (cents)	4.50	4.49
Basic FFO from continuing operations per security (cents)	4.50	4.36
Distribution per security (cents)	4.25	4.25
Weighted average securities on issue (million)	893.7	893.7

Distribution	Per stapled security
December 2024 half year	4.25 cents
This distribution was declared on 17 December 2024 and will be paid on or about 28 February 2025.	
Record date for determining entitlement to the distributions	31 December 2024
Refer to the attached announcement for a detailed discussion of the Abacus Group’s results and the above figures for the half year ended 31 December 2024.	

Details of individual and total distribution payments to securityholders	Per stapled security	Total
Final June 2024 distribution paid 30 August 2024	4.25 cents	\$38.0m
The distributions were paid in full by Abacus Trust, Abacus Income Trust and Abacus Group Holdings Limited.		

	31 December 2024	30 June 2024
Net tangible assets per security	\$ 1.72	\$1.76

The Group has neither gained or lost control of any entities during the period.

Distribution Reinvestment Plan (DRP)

The Group’s Distribution Reinvestment Plan (DRP) will not apply to the interim distribution. Information on the terms of the DRP is available from our website www.abacusgroup.com.au.



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INTERIM FINANCIAL REPORT
31 DECEMBER 2024

ABACUS

HALF-YEAR FINANCIAL REPORT

31 DECEMBER 2024

Directory

Abacus Group Holdings Limited

ABN: 31 080 604 619

Abacus Group Projects Limited

ABN: 11 104 066 104

Abacus Funds Management Limited

ABN: 66 007 415 590

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SYDNEY NSW 2000
Tel: (02) 9253 8600
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Website: www.abacusgroup.com.au

Company Secretary

Lucy Rowe

Auditor (Financial and Compliance Plan):

Ernst & Young
200 George St
SYDNEY NSW 2000

Custodian:

Perpetual Trustee Company Limited
Level 12 Angel Place
123 Pitt Street
SYDNEY NSW 2000

Share Registry:

Boardroom Pty Ltd
Level 8, 210 George St
SYDNEY NSW 2000
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It is recommended that this Half-Year Financial Report should be read in conjunction with the Half-Year Financial Reports of Abacus Trust, Abacus Group Projects Limited and Abacus Income Trust as at 31 December 2024 and Abacus Group's 30 June 2024 Annual Financial Report. It is also recommended that the report be considered together with any public announcements made by the Abacus Group in accordance with its continuous disclosure obligations arising under the Corporations Act 2001.

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DIRECTORS' REPORT

31 DECEMBER 2024

The Directors present their report for the period ended 31 December 2024.

DIRECTORS

The Directors of Abacus Group Holdings Limited ("AGHL"), Abacus Funds Management Limited ("AFML") – the Responsible Entity of Abacus Trust ("AT") and Abacus Income Trust ("AIT"), and Abacus Group Projects Limited ("AGPL") in office during the half-year and until the date of this report are as follows:

Myra Salkinder	Chair (Non-executive)
Steven Sewell	Managing Director
Trent Alston	Non-executive Director
Mark Haberlin	Non-executive Director (Lead Independent)
Sally Herman	Non-executive Director (retired 30 September 2024)
Jingmin Qian	Non-executive Director

Directors were in office for this entire period unless otherwise stated.

STRUCTURE AND PRINCIPAL ACTIVITIES

Listed Structure / Entities

The listed Abacus Group is a diversified property group that operates predominantly in Australia. It comprises AGHL, AT, AIT and AGPL (collectively "Abacus" or "the Group") and its securities trade on the Australian Securities Exchange ("ASX") as ABG. Abacus was listed on the ASX in November 2002 and its market capitalisation was over \$980 million at 31 December 2024. Abacus is included in the S&P/ASX 300 A-REIT index (ASX:XPK), a sub-index of the S&P/ASX 300 index that contains the listed vehicles classified as A-REITs. Abacus is also included in the FTSE EPRA NAREIT Global Real Estate Index Series.

In August 2023, Abacus Group's Self Storage business was de-stapled from the Commercial business to create two separately listed stapled groups of Abacus Storage King (ASX:ASK) and Abacus Group, respectively.

Shares in AGHL and AGPL, and units in AT and AIT, have been stapled together so that none can be dealt without the others and are traded together on the ASX as Abacus securities. An Abacus security consists of one share in AGHL, one unit in AT, one share in AGPL and one unit in AIT. A transfer, issue or reorganisation of a share or unit in any of the component parts requires, while they continue to be stapled, a corresponding transfer, issue or reorganisation of a share or unit in each of the other component parts.

AGHL and AGPL are companies that are incorporated and domiciled in Australia. AT and AIT are Australian registered managed investment schemes. AFML is the Responsible Entity of AT and AIT. AFML is incorporated and domiciled in Australia and is a wholly owned subsidiary of AGHL.

Abacus Group Consolidation

AGHL has been identified as the parent entity of the Group. The financial report of the Group for the half-year ended 31 December 2024 comprises the consolidated financial reports of AGHL and its controlled entities, AT and its controlled entities, AIT and its controlled entities, and AGPL and its controlled entities.

The principal activities of Abacus that contributed to its earnings during the course of the half-year ended 31 December 2024 were investment in commercial assets (office and other), and the management of and investment in Abacus Storage King.

DIRECTORS' REPORT

31 DECEMBER 2024

GROUP RESULTS SUMMARY

The Group incurred a statutory net loss after tax of \$5.7 million for the half-year ended 31 December 2024 (December 2023: loss of \$143.6 million). This loss has been calculated in accordance with Australian Accounting Standards. It includes certain significant items that are adjusted to enable securityholders to obtain an understanding of Abacus' funds from operations ("FFO") of \$40.2 million (December 2023: \$40.1 million).

FFO is derived from the statutory profit and presents the results of the ongoing business activities in a way that reflects our underlying performance. FFO is the basis on which distributions are determined.

FFO has been determined with reference to the Property Council of Australia's voluntary disclosure guidelines to help investors and analysts compare Australian real estate organisations. FFO is calculated by adding back tenant incentive amortisation, depreciation on owner occupied property, plant & equipment (PP&E), change in fair value of investment properties derecognised, capital costs, unrealised fair value gains / losses on investment properties, adjustments arising from the effect of revaluing assets / liabilities carried at fair value (such as derivatives, financial instruments and investments), other non-recurring adjustments deemed significant on account of their nature and non-FFO tax benefit/expense.

The reconciliation between the Group's statutory profit and FFO is as follows. FFO is a non-IFRS measure and this reconciliation has not been reviewed the Group's auditor.

	31 Dec 2024 \$'000	31 Dec 2023 ¹ \$'000
Consolidated statutory net (loss)/profit after tax attributable to members of the Group	(5,715)	(143,560)
Net (loss)/profit from discontinued operations	-	(951)
Adjust for:		
Net change in fair value of investment properties and property, plant and equipment derecognised	(70)	5
Net change in fair value of investment properties held at balance date	35,246	139,254
Net change in fair value of investments and financial instruments held at balance date	(74)	1,829
Net change in fair value of equity accounted investments	(12,503)	11,002
Net change in fair value from deconsolidation	-	5,614
Depreciation and amortisation	1,945	2,034
Net change in fair value of derivatives	5,856	13,152
Amortisation of rent abatement incentives	8,298	6,859
Finance costs and other	454	785
Straightline of rental income	565	(1,240)
Net tax expense on non-FFO items	6,194	4,159
Abacus funds from operations ("FFO") from continuing operations	40,196	38,942
Abacus funds from operations ("FFO") from discontinued operations	-	1,191
Total Abacus FFO	40,196	40,133

	31 Dec 2024	31 Dec 2023
Basic earnings per security (cents)	(0.64)	(16.06)
FFO per security (cents)	4.50	4.49
FFO from continuing operations per security (cents)	4.50	4.36
Distribution per security (cents)	4.25	4.25
Weighted average securities on issue (million)	893.7	893.7

- During the period when ASPT and ASOL were stapled with ABG, the management fee charged and the interest on inter-company loan were eliminated.

DIRECTORS' REPORT

31 DECEMBER 2024

GROUP RESULTS SUMMARY (continued)

During the period, Abacus remained focused on diversifying its income streams:

- As external manager of Abacus Storage King ("ASK"), Abacus receives management and development management fees;
- Through its ownership of ASK, Abacus receives a proportionate share of ASK's profits; and
- The Group continued to earn rental income from its Office and Retail portfolio.

Abacus remained disciplined in its capital allocation strategy of retaining assets within the portfolio that, in Abacus' view, provided the best risk adjusted returns over the investment period. In HY25, Abacus sold its interest in Market Central Lutwyche, Lutwyche QLD, for a consideration of approximately \$58.5m.

Valuations – Commercial Office and Retail assets

The Abacus investment property portfolio was revalued at period end which resulted in a loss of \$35.2 million or 1.9% in the six months to 31 December 2024. The investment property portfolio's overall weighted average capitalisation rate softened 16 basis points from 6.50% to 6.66%. The investment portfolio (excluding equity accounted properties) is now valued at over \$1.8 billion across 15 assets.

As part of the portfolio valuation process for the period ended 31 December 2024, four of the 15 investment properties (excluding equity accounted properties) or 27% by number were independently valued. The remaining properties were subject to internal valuation and, where appropriate, their values were adjusted.

The current economic environment is being impacted by elevated interest rates. This may provide the Group opportunities to acquire core assets with medium to long term growth prospects.

Abacus believes that its current Office portfolio remains robust despite current conditions, given that the majority of the Group's investments:

- are well located in CBD or suburban locations with low and often below market average rent levels;
- have limited exposure to full floor or multi-floor tenants; and
- are leased by Small to Medium Enterprise ("SME") tenants.

As a result of these features, the Group's building tenants are typically strongly connected to the property's location, and so have a positive predisposition to remain.

As a result of current market conditions and a shift in future expectations in the Office sector, Abacus has targeted assets that deliver long-term, sustainable outcomes through active investment, asset and development management with a strong focus on our customer requirements. This capital allocation strategy supports the Group's drive to improve FFO.

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DIRECTORS' REPORT

31 DECEMBER 2024

CHANGES IN THE STATE OF AFFAIRS

There have been no significant changes in the state of affairs for the period ended 31 December 2024.

DISTRIBUTIONS

An interim distribution of 4.25 cents per Abacus stapled security was declared on 17 December 2024 which will be paid on or about 28 February 2025. Distributions are paid on a semi-annual basis.

SIGNIFICANT EVENTS AFTER BALANCE DATE

Other than as disclosed already in this report and to the knowledge of directors, there has been no matter or circumstance that has arisen since the end of the half-year that has significantly affected, or may affect, the Group's operations in future financial periods, the results of those operations or the Group's state of affairs in future financial periods.

ROUNDING

The amounts contained in this report and in the half-year financial report have been rounded to the nearest \$1,000 (where rounding is applicable) under the option available to the Group under ASIC Corporations Instrument 2016/191. The Group is an entity to which the instrument applies.

AUDITOR'S INDEPENDENCE DECLARATION

We have obtained an independence declaration from our auditor, Ernst & Young, and such declaration is set out on page 6.

Signed in accordance with a resolution of the directors.
Abacus Group Holdings Limited (ABN 31 080 604 619)



Myra Salkinder
Chair
Sydney, 24 February 2025



Steven Sewell
Managing Director



**Shape the future
with confidence**

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Auditor's Independence Declaration to the Directors of Abacus Group Holdings Limited

As lead auditor for the review of the half-year financial report of Abacus Group Holdings Limited for the half-year ended 31 December 2024, I declare to the best of my knowledge and belief, there have been:

- a) No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review;
- b) No contraventions of any applicable code of professional conduct in relation to the review; and
- c) No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

This declaration is in respect of Abacus Group Holdings Limited and the entities it controlled during the financial period.

Ernst & Young

Jodie Inglis
Partner
24 February 2025

CONSOLIDATED INCOME STATEMENT

HALF-YEAR ENDED 31 DECEMBER 2024

	Notes	31 Dec 2024 \$'000	31 Dec 2023 \$'000
REVENUE			
Rental income		72,278	71,730
Finance income		2,033	4,965
Fee income		9,527	8,305
Total Revenue and Other Income		83,838	85,000
Share of (loss)/profit from equity accounted investments	4(a)	24,095	(444)
Net change in fair value of investment and financial instruments derecognised		(155)	(198)
Net change in fair value of investment properties derecognised		70	(5)
Net change in fair value of derivatives		(5,856)	(13,152)
Net change in fair value of investment properties held at balance date		(35,246)	(139,254)
Net change in fair value of investments held at balance date		74	(1,829)
Net change in fair value from deconsolidation		-	(5,614)
Property expenses and outgoings		(21,674)	(22,752)
Depreciation and amortisation expense		(1,945)	(2,034)
Finance costs		(24,350)	(20,071)
Administrative and other expenses		(17,677)	(19,852)
(LOSS)/PROFIT BEFORE TAX FROM CONTINUING OPERATIONS		1,174	(140,205)
Income tax expense		(6,889)	(4,306)
NET (LOSS)/PROFIT AFTER TAX FROM CONTINUING OPERATIONS		(5,715)	(144,511)
Discontinued Operations			
Net profit after tax from discontinued operations	10	-	951
NET (LOSS)/PROFIT AFTER TAX		(5,715)	(143,560)
PROFIT ATTRIBUTABLE TO:			
Equity holders of the parent entity (AGHL)		(523)	(21,393)
<i>Equity holders of other stapled entities</i>			
AT members		(1,674)	(104,917)
AGPL members		264	(208)
AIT members		(3,782)	(17,993)
ASPT members		-	(7,913)
ASOL members		-	8,864
NET PROFIT/(LOSS)		(5,715)	(143,560)
Basic and diluted earnings per stapled security (cents)	1	(0.64)	(16.06)

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME **HALF-YEAR ENDED 31 DECEMBER 2024**

	31 Dec 2024 \$'000	31 Dec 2023 \$'000
NET PROFIT/(LOSS) AFTER TAX	(5,715)	(143,560)
OTHER COMPREHENSIVE INCOME		
<i>Items that may be reclassified subsequently to the income statement</i>		
Foreign exchange translation adjustments, net of tax associated with discontinued operations	-	1,145
Share of other comprehensive income/(loss) of an associate	(327)	35
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD	(6,042)	(142,380)
Total comprehensive income/(loss) attributable to:		
Members of the Group	(6,042)	(142,380)
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD	(6,042)	(142,380)
Total comprehensive income / (loss) attributable to members of the Group analysed by amounts attributable to:		
AGHL members	(523)	(21,393)
AT members	(1,952)	(104,887)
AGPL members	215	(203)
AIT members	(3,782)	(17,993)
ASPT members	-	(6,852)
ASOL members	-	8,948
TOTAL COMPREHENSIVE INCOME/(LOSS) AFTER TAX ATTRIBUTABLE TO MEMBERS OF THE GROUP	(6,042)	(142,380)

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

	Notes	31 Dec 2024 \$'000	30 Jun 2024 \$'000
CURRENT ASSETS			
Investment properties held for sale	2	-	123,000
Cash and cash equivalents		40,950	23,556
Trade and other receivables		36,024	28,502
Derivatives at fair value		3,858	3,971
Other		5,492	6,595
TOTAL CURRENT ASSETS		86,324	185,624
NON-CURRENT ASSETS			
Investment properties	2	1,817,650	1,762,000
Property loans	3(a)	55,902	55,870
Equity accounted investments	4(b)	579,130	565,324
Deferred tax assets		1,962	8,180
Property, plant and equipment		230	288
Other financial assets	3(b)	5,728	4,938
Intangible assets and goodwill		32,414	32,426
Derivatives at fair value		3,261	7,186
Other		4,500	4,500
TOTAL NON-CURRENT ASSETS		2,500,777	2,440,712
TOTAL ASSETS		2,587,101	2,626,336
CURRENT LIABILITIES			
Trade and other payables		62,996	61,919
Derivatives at fair value		1,480	-
Other		3,262	6,226
TOTAL CURRENT LIABILITIES		67,738	68,145
NON-CURRENT LIABILITIES			
Interest-bearing loans and borrowings	5(a)	943,072	939,327
Derivatives at fair value		1,195	858
Deferred tax liabilities		9,737	9,399
Other		1,617	1,475
TOTAL NON-CURRENT LIABILITIES		955,621	951,059
TOTAL LIABILITIES		1,023,359	1,019,204
NET ASSETS		1,563,742	1,607,132
TOTAL EQUITY		1,563,742	1,607,132

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

AS AT 31 DECEMBER 2024

	Notes	31 Dec 2024 \$'000	30 Jun 2024 \$'000
Equity attributable to members of AGHL:			
Contributed equity		568,862	568,862
Treasury shares		(4,767)	(4,358)
Reserves		7,087	6,045
Retained earnings		92,801	93,324
Total equity attributable to members of AGHL:		663,983	663,873
Equity attributable to unitholders of AT:			
Contributed equity		1,373,217	1,373,217
Reserves		(696)	(418)
Accumulated losses		(595,121)	(555,467)
Total equity attributable to unitholders of AT:		777,400	817,332
Equity attributable to members of AGPL:			
Contributed equity		47,064	47,064
Reserves		(123)	(73)
Retained earnings		65,545	65,281
Total equity attributable to members of AGPL:		112,486	112,272
Equity attributable to unitholders of AIT:			
Contributed equity		188,471	188,471
Accumulated losses		(178,598)	(174,816)
Total equity attributable to unitholders of AIT:		9,873	13,655
TOTAL EQUITY			
		1,563,742	1,607,132
Contributed equity			
	7	2,177,614	2,177,614
Treasury shares			
		(4,767)	(4,358)
Reserves			
		6,268	5,554
Retained earnings			
		(615,373)	(571,678)
TOTAL EQUITY		1,563,742	1,607,132

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CONSOLIDATED STATEMENT OF CASH FLOW **HALF-YEAR ENDED 31 DECEMBER 2024**

	31 Dec 2024	31 Dec 2023
	\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Income receipts	84,418	107,870
Interest received	499	999
Distributions received	42	-
Income tax paid	(300)	(3,106)
Finance costs paid	(23,102)	(15,524)
Operating payments	(37,076)	(57,512)
NET CASH FLOWS FROM OPERATING ACTIVITIES	24,481	32,727
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for investments and funds advanced	(807)	(99)
Proceeds from sale and settlement of investments and funds repaid	522	124,796
Purchase of property, plant and equipment	(6)	(20)
Disposal of investment properties	58,550	-
Payments for investment properties and capital expenditure	(30,096)	(62,990)
NET CASH FLOWS FROM INVESTING ACTIVITIES	28,163	61,687
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of issue / finance costs	(270)	(1,049)
Repayment of borrowings	(15,638)	(247,696)
Repayment of principal portion of lease liabilities	-	(33)
Proceeds from borrowings	18,638	116,425
Distributions paid	(37,980)	(32,169)
NET CASH FLOWS USED IN FINANCING ACTIVITIES	(35,250)	(164,522)
Net decrease/increase in cash and cash equivalents from continuing operations	17,394	(38,269)
Net decrease/increase in cash and cash equivalents from discontinuing operations	-	(31,839)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	17,394	(70,108)
Net foreign exchange differences	-	42
Cash and cash equivalents at beginning of period from continuing operations	23,556	71,900
Cash and cash equivalents at beginning of period from discontinuing operations	-	63,588
Less cash balance attributable to discontinued operations	-	(31,745)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	40,950	33,677

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

HALF-YEAR ENDED 31 DECEMBER 2024

	Attributable to the stapled security holders					
	Issued capital	Share of reserves*	Employee equity benefits	Treasury shares	Retained earnings/ (Accumulated losses)	Total equity
CONSOLIDATED	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 July 2024	2,177,614	(491)	6,045	(4,358)	(571,678)	1,607,132
Other comprehensive income/(loss)	-	(327)	-	-	-	(327)
Net loss for the period	-	-	-	-	(5,715)	(5,715)
Total comprehensive income/(loss) for the period	-	(327)	-	-	(5,715)	(6,042)
Performance rights	-	-	1,041	-	-	1,041
Treasury shares	-	-	-	(409)	-	(409)
Distribution to security holders	-	-	-	-	(37,980)	(37,980)
De-stapling of discontinued operations	-	-	-	-	-	-
At 31 December 2024	2,177,614	(818)	7,086	(4,767)	(615,373)	1,563,742

	Attributable to the stapled security holders					
	Issued capital	Share of reserves*	Employee equity benefits	Treasury shares	Retained earnings/ (Accumulated losses)	Total equity
CONSOLIDATED	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 July 2023	2,596,649	228	4,144	-	760,668	3,361,689
Other comprehensive income/(loss)	-	1,180	-	-	-	1,180
Net loss for the period	-	-	-	-	(143,560)	(143,560)
Total comprehensive income/(loss) for the period	-	1,180	-	-	(143,560)	(142,380)
Performance rights	-	-	169	-	-	169
Treasury shares	-	-	-	-	-	-
Distribution to security holders	-	-	-	-	(38,045)	(38,045)
De-stapling of discontinued operations	(419,035)	(1,372)	-	-	(1,015,284)	(1,435,691)
At 31 December 2023	2,177,614	36	4,313	-	(436,221)	1,745,742

* The share of reserves are from equity accounted investments

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31 DECEMBER 2024

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	3. Property loans and other financial assets	6. Financial instruments	10. Discontinued operations
	4. Investments accounted for using the equity method	7. Contributed equity	11. Summary of material accounting policies
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NOTES TO THE FINANCIAL STATEMENTS – About this Report

31 DECEMBER 2024

Abacus Group (“ABG” or the “Group”) is comprised of Abacus Group Holdings Limited (“AGHL”) (the nominated parent entity), Abacus Trust (“AT”), Abacus Income Trust (“AIT”) and Abacus Group Projects Limited (“AGPL”). Shares in AGHL and AGPL, and units in AT and AIT have been stapled together so that neither can be dealt with without the other. The securities trade as one security on the Australian Securities Exchange (the “ASX”) under the code ABG.

The financial report of the Group for the half-year ended 31 December 2024 was authorised for issue in accordance with a resolution of the directors on 24 February 2025.

The nature of the operations and principal activities of the Group are described in the Directors’ Report.

Segment Information

The Group predominantly operates in Australia. The Group’s operating segments are regularly reviewed by the Chief Operating Decision Maker (“CODM”) to make decisions about resource allocation and to assess performance.

The Group operates wholly within one business segment being the operation and management of Commercial assets in Australia. The operating results presented in the consolidated statement of profit or loss represent the same segment information as reported in internal management information.

The Group has no individual customer which represents greater than 10% of total revenue.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

1. EARNINGS PER STAPLED SECURITY

	31 Dec 2024	31 Dec 2023
Basic and diluted earnings per stapled security (cents)	(0.64)	(16.06)
Basic and diluted earnings per stapled security for continuing operations (cents)	(0.64)	(16.17)
Reconciliation of earnings used in calculating earnings per stapled security		
<i>Basic and diluted earnings per stapled security</i>		
Continuing operations	(5,715)	(144,511)
Discontinued operations	-	951
Net profit/(loss) (\$'000)	(5,715)	(143,560)
Weighted average number of securities:		
Weighted average number of stapled securities for basic earning per security ('000)	893,658	893,658

2. INVESTMENT PROPERTIES

	31 Dec 2024 \$'000	30 Jun 2024 \$'000
Leasehold investment properties	-	-
Freehold investment properties	1,817,650	1,885,000
Total investment properties	1,817,650	1,885,000

	31 Dec 2024 \$'000	30 Jun 2024 \$'000
Investment properties held for sale		
Commercial ^	-	123,000
Total investment properties held for sale	-	123,000

Investment properties		
Commercial	1,817,650	1,762,000
Total investment properties	1,817,650	1,762,000
Total investment properties including held for sale	1,817,650	1,885,000

^ The investment properties held for sale as at 30 June 2024 were 81 James Ruse Drive, Camellia and Market Central, Lutwyche. Market Central, Lutwyche was sold during the period ended 31 December 2024 and 81 James Ruse Drive, Camellia was not held for sale as at 31 December 2024.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

2. INVESTMENT PROPERTIES (continued)

Reconciliation

A reconciliation of the carrying amount of investment properties at the beginning and end of the period is as follows. All investment properties are classified as Level 3 in accordance with the fair value hierarchy outlined in Note 6:

	Non-current	
	31 Dec 2024	30 Jun 2024
	\$'000	\$'000
Leasehold investment properties		
Carrying amount at beginning of the financial period	-	-
Capital expenditure	-	-
Net change in fair value as at balance date	-	-
Carrying amount at end of the period	-	-

	Held for sale		Non-current	
	31 Dec 2024	30 Jun 2024	31 Dec 2024	30 Jun 2024
	\$'000	\$'000	\$'000	\$'000
Freehold investment properties				
Carrying amount at beginning of the financial period	123,000	-	1,762,000	2,099,876
Additions	-	-	-	88,097
Capital expenditure	-	-	25,810	90,099
Net change in fair value as at balance date	-	-	(35,246)	(275,407)
Net change in fair value derecognised	70	-	-	(8,244)
Disposals	(58,549)	-	-	(110,410)
Properties transferred to / (from) held for sale	(64,521)	123,000	64,521	(123,000)
Straightlining ¹	-	-	565	989
Carrying amount at end of the period	-	123,000	1,817,650	1,762,000

1. Rental income from investment properties is accounted for on a straight-line basis over the lease term.

Investment properties are carried at the Directors' determination of fair value. The determination of fair value includes reference to the original acquisition cost together with capital expenditure since acquisition and either the latest independent valuation, or directors' valuation. Total acquisition costs include incidental costs of acquisition such as property taxes on acquisition, legal and professional fees and other acquisition related costs.

Sensitivity Information

Significant input	Fair value measurement sensitivity to significant increase in input	Fair value measurement sensitivity to significant decrease in input
Net operating income	Increase	Decrease
Adopted capitalisation rate	Decrease	Increase
Rate per square metre	Increase	Decrease
Optimal occupancy	Increase	Decrease
Adopted discount rate	Decrease	Increase

The adopted capitalisation rate forms part of the income capitalisation approach.

When calculating the income capitalisation approach, the net market rent has a strong interrelationship with the adopted capitalisation rate given the methodology involves assessing the total net market income receivable from the property and capitalising this in perpetuity to derive a capital value. In theory, an increase in the net market rent and an increase (softening) in the adopted capitalisation rate could potentially offset the impact to the fair value. The same can be said for a decrease in the net market rent and a decrease (tightening) in the adopted capitalisation rate. A directionally opposite change in the net market rent and the adopted capitalisation rate will magnify the impact to the fair value, all else being equal.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

2. INVESTMENT PROPERTIES (continued)

The adopted discount rate of a discounted cash flow has a strong interrelationship in deriving a fair value given the discount rate will determine the rate in which the terminal value is discounted to the present value.

External valuations are conducted by qualified independent valuers who are appointed by the Chief Investment Officer who is also responsible for the Group's internal valuation process. He is assisted by in-house certified professional valuers who are experienced in valuing the types of properties in the applicable locations.

Investment properties are independently valued on a staggered basis every two years unless the underlying financing requires a different valuation cycle.

The majority of the investment properties are used as security for secured bank debt outlined in Note 5.

The weighted average capitalisation rate for Abacus is 6.66% (30 June 2024: 6.50%).

The current occupancy rate for the principal portfolio excluding development assets is 91.6% (30 June 2024: 94.2%).

The property valuations have been prepared based on the information that is available at 31 December 2024.

In the event that there are any unanticipated material circumstances, this may impact the fair value of the Group's investment property portfolio, and the future price achieved if a property is divested. The potential effect of a decrease / increase in weighted average capitalisation rate of 25 bps on property valuation would have the effect of increasing the fair value by up to \$70.8 million (30 June 2024: \$72.1 million) or decreasing the fair value by \$65.7 million (30 June 2024: \$66.8 million), respectively.

During the half-year ended 31 December 2024, 27% (31 December 2023: 33%) of the number of investment properties in the portfolio were subject to external valuations, the remaining 73% (31 December 2023: 67%) were subject to internal valuation.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

3. PROPERTY LOANS AND OTHER FINANCIAL ASSETS

	31 Dec 2024 \$'000	30 Jun 2024 \$'000
(a) Non-current property loans		
Secured loans - amortised cost	55,935	55,894
Provision for secured loans - amortised cost	(33)	(24)
	55,902	55,870
(b) Non-current other financial assets		
Investment in unlisted securities - fair value	5,728	4,938
	5,728	4,938

4. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

(a) Extract from joint ventures and associates' profit and loss statements

	Abacus Storage King*		Fordtrans Pty Ltd		Other Joint Ventures		Total	
	31 Dec 2024 \$'000	31 Dec 2023 \$'000	31 Dec 2024 \$'000	31 Dec 2023 \$'000	31 Dec 2024 \$'000	31 Dec 2023 \$'000	31 Dec 2024 \$'000	31 Dec 2023 \$'000
Revenue	160,356	113,162	4,976	5,099	43,913	8,923	209,245	127,184
Expenses	(92,548)	(112,766)	(14,554)	(3,924)	(11,568)	(10,207)	(118,670)	(126,897)
Net profit / (loss) after tax	67,808	396	(9,578)	1,175	32,345	(1,284)	90,575	287
Share of net profit / (loss)^	12,769	(360)	(4,800)	583	16,126	(667)	24,095	(444)

^ Abacus Group's share of profit/(loss) from ASK includes the elimination of related party transactions.

(b) Extract from joint ventures and associates' balance sheets

	Abacus Storage King*		Fordtrans Pty Ltd		Other Joint Ventures		Total	
	31 Dec 2024 \$'000	30 Jun 2024 \$'000	31 Dec 2024 \$'000	30 Jun 2024 \$'000	31 Dec 2024 \$'000	30 Jun 2024 \$'000	31 Dec 2024 \$'000	30 Jun 2024 \$'000
Current assets	113,176	220,296	38,452	2,417	7,267	5,144	158,895	227,857
Non-current assets	3,155,966	3,008,566	201,174	247,535	197,084	168,086	3,554,224	3,424,187
	3,269,142	3,228,862	239,626	249,952	204,351	173,230	3,713,119	3,652,044
Current liabilities	82,852	84,920	7,835	67,119	7,158	5,369	97,845	157,408
Non-current liabilities	1,043,873	1,029,590	73,807	15,107	42,316	42,499	1,159,996	1,087,196
Net assets	2,142,417	2,114,352	157,984	167,726	154,877	125,362	2,455,278	2,407,440
Share of net assets	422,685	418,723	78,992	83,863	77,453	62,738	579,130	565,324

There were no impairment losses or contingent liabilities relating to the investment in the joint ventures and associates.

* Upon de-stapling, ASK issued 260.8 million securities to Abacus Group for \$415.1 million by settling a portion of an outstanding loans with Abacus Group and acquiring units in Abacus Repository Trust. The Group has received or is going to receive \$8.7 million of management fees from Abacus Storage King for the management services provided during the period.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

5. INTEREST BEARING LOANS AND BORROWINGS

	31 Dec 2024 \$'000	30 Jun 2024 \$'000
(a) Non-current		
Bank loans - A\$	907,269	904,272
Loan from related party - A\$	36,137	35,293
Less: Unamortised borrowing costs	(334)	(238)
Total non-current	943,072	939,327

	31 Dec 2024 \$'000	30 Jun 2024 \$'000
(b) Maturity profile of non-current interest bearing loans		
Due between one and five years	943,072	939,327
Due after five years	-	-
	943,072	939,327

	31 Dec 2024 \$'000	30 Jun 2024 \$'000
Total facilities - bank loans	1,182,750	1,182,750
Facilities used at reporting date - bank loans	(907,250)	(904,250)
Total available facilities	275,500	278,500

Abacus maintains a range of interest bearing loans and borrowings. The sources of funding are spread over a number of counterparties and the terms of the instruments are negotiated to achieve a balance between capital availability and cost of debt.

Bank loans are A\$ denominated and are provided by several banks at interest rates which are set periodically on a fixed or floating basis. The loan facilities' term to maturity varies from August 2025 to June 2029. The facility with an expiry in August 2025 contains an option to extend maturity by 12 months at the discretion of Abacus and if certain conditions are met. The conditions are forecast to be met, therefore the loan is classified as a non-current liability as at 31 December 2024 as there is a right to defer settlement for greater than 12 months. The bank loans are secured by charges over the investment properties and certain property, plant and equipment.

Approximately 90.0% (30 June 2024: 76.0%) of bank debt drawn was subject to fixed rate hedges and the drawn bank debt had a weighted average term to maturity of 2.9 years (30 June 2024: 3.4 years). Hedge cover as a percentage of available facilities at 31 December 2024 is 69.1% (30 June 2024: 58.1%).

Abacus' weighted average interest rate as at 31 December 2024 was 5.11% (30 June 2024: 4.41%). The weighted average interest rate included line fees on undrawn facilities.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

5. INTEREST BEARING LOANS AND BORROWINGS (continued)

(c) Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current interest bearing liabilities are:

	31 Dec 2024 \$'000	30 Jun 2024 \$'000
Non-current		
<i>First mortgage</i>		
Investment properties	1,532,150	1,522,400
Total non-current assets pledged as security	1,532,150	1,522,400
Total assets pledged as security	1,532,150	1,522,400

(d) Defaults and breaches

During the current and prior years, there were no defaults or breaches of any of the Group's loans.

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NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

6. FINANCIAL INSTRUMENTS

Fair values

The fair value of the Group's financial assets and liabilities are approximately equal to that of their carrying values.

Details of the Group's fair value measurement, valuation technique and inputs are detailed below.

Class of assets / liabilities	Fair value hierarchy	Valuation technique	Inputs used to measure fair value
Investment properties	Level 3	Discounted Cash Flow ("DCF") Direct comparison Income capitalisation method	Net operating income Adopted capitalisation rate Rate per square metre Optimal occupancy Adopted discount rate
Securities and options – unlisted	Level 3	Pricing models	Security price Underlying net asset Property valuations
Derivative – financial instruments	Level 2	DCF (adjusted for counterparty credit worthiness)	Interest rates Consumer price index ("CPI") Volatility

Level 1 Quoted prices (unadjusted) in active market for identical assets or liabilities;

Level 2 Inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 Inputs for the asset or liability that are not based on observable market data.

There were no transfers between Levels 1, 2 and 3 during the period.

Income capitalisation method	This method involves assessing the total net market income receivable from the property and capitalising this in perpetuity to derive a capital value, with allowances for capital expenditure reversions.
Direct comparison	This method directly compares and analyses sales evidence on a rate per square metre.
Discounted cash flow method	Under the DCF method, the fair value is estimated using explicit assumptions regarding the benefits and liabilities of ownership over the assets' or liabilities' life including an exit or terminal value. The DCF method involves the projection of a series of cash flows from the assets or liabilities. To this projected cash flow series, an appropriate, market-derived discount rate is applied to establish the present value of the cash flow stream associated with the assets or liabilities.
Pricing models – unlisted securities	The fair value is determined by reference to the net assets which approximates fair value of the underlying entities.
Pricing models – options	The fair value is determined using generally accepted pricing models adjusted for specific features of the options including underlying net assets and property valuations.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

6. FINANCIAL INSTRUMENTS (continued)

Fair values (continued)

The following table is a reconciliation of the movements in unlisted securities classified as Level 3 for the period ended 31 December 2024.

	2024	2023
	\$'000	\$'000
Opening balance as at 30 June	4,938	3,987
Fair value movement through the income statement	76	(229)
Additions	714	-
Closing balance as at 31 December	5,728	3,758

Sensitivity of Level 3 - unlisted securities and options

The potential effect of using reasonable possible alternative assumptions based on a decrease / increase in the property valuations by 5% would have the effect of reducing the fair value by up to \$0.1 million (30 June 2024: \$0.1 million) or increase the fair value by \$0.1 million (30 June 2024: \$0.1 million) respectively.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

7. CONTRIBUTED EQUITY

	31 Dec 2024	30 Jun 2024
	\$'000	\$'000
(a) Issued stapled securities		
Stapled securities	2,220,407	2,220,407
Issue costs	(42,793)	(42,793)
Total contributed equity	2,177,614	2,177,614

	Stapled securities	
	Number	Number
	31 Dec 2024	30 Jun 2024
	'000	'000
(b) Stapled securities on issue		
Securities on issue at end of financial period	893,658	893,658

8. DISTRIBUTIONS PAID AND PROPOSED

	31 Dec 2024	31 Dec 2023
	\$'000	\$'000
(a) Distributions paid during the period		
June 2024 half: 4.25 cents per stapled security (2023: 9.40 cents)	37,980	84,004
(b) Distributions declared and recognised as a liability[^]		
December 2024 half: 4.25 cents per stapled security (2023: 4.25 cents)	37,980	37,980

The distributions were paid in full being 50% by Abacus Trust, Abacus Income Trust (which did not pay tax provided they distribute all their taxable income) and 50% Abacus Group Holdings Limited, which was fully franked.

[^] The interim distribution of 4.25 cents per stapled security of approximately \$38.0 million will be paid on or about 28 February 2025.

9. COMMITMENTS AND CONTINGENCIES

At 31 December 2024 the Group had a \$12.5 million bank guarantee facility which expires in July 2026 (30 June 2024: \$12.5 million) and \$10.0 million of bank guarantees had been issued from the facility (30 June 2024: \$10.0 million).

Bank guarantees issued at reporting date but not recognised as liabilities are as follows:

	31 Dec 2024	30 Jun 2024
	\$'000	\$'000
Bank guarantees		
- Australian Financial Service Licences	10,000	10,000
- redevelopment of investment properties	1,005	1,005
	11,005	11,005

There are no contingent assets or liabilities at 31 December 2024 other than as disclosed in this report.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

10. DISCONTINUED OPERATIONS

In August 2023, the Self Storage assets and business were de-stapled from the Group. Upon deconsolidation, ASK settled a portion of an outstanding loan to Abacus Group for \$415.1 million, in exchange for 19.9% of the equity in ASK by Abacus Group. The investment in ASK is classified as an equity accounted investment by Abacus Group (note 4). The difference between the fair value of the equity accounted investment in ASK upon deconsolidation and consideration provided is recognised as a loss of \$5.6m.

At the date when control of the Self Storage assets and business was lost, the balance sheet attributable to ASPT and ASOL was as follows, ultimately leading to the loss recognised on loss of control by Abacus Group as summarised below:

	3 August 2023 \$'000
Assets	
Cash and cash equivalents	31,745
Investment Property	2,550,626
Property, Plant and equipment	25,803
Trade and receivables	24,808
Equity accounted Investments	16,046
Derivative financial instruments	28,863
Other financial assets	221,284
Other	6,183
Intangibles	72,451
Total assets	2,977,809
Liabilities	
Trade and other payables	95,310
Provisions	5,909
Derivative financial instruments	1,775
Deferred tax liabilities	47,480
Other liabilities	2,269
Interest-bearing liabilities	1,389,375
Total liabilities	1,542,118
Total net assets and reserves attributable to members of ASPT and ASOL derecognised	1,435,691
Valuation of loans attributable to Abacus Group	415,136
Investment equity accounted at fair value by Abacus Group	409,522
Loss recognised on loss of control	(5,614)

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

10. DISCONTINUED OPERATIONS (continued)

The financial performance of the discontinued operations for the period ended 31 December 2024 was as follows:

	31 Dec 2024 \$'000	31 Dec 2023 \$'000
Storage Income	-	16,427
Fee Income	-	1,289
Finance income	-	50
Total Revenue	-	17,766
OTHER INCOME		
Share of profit/(loss) from equity accounted investments	-	45
Total Revenue and Other Income	-	17,811
Net change in fair value of investment properties derecognised	-	(1)
Net change in fair value of investment held at balance date	-	(2,861)
Net change in fair value of derivatives	-	(2,799)
Storage expenses	-	(4,016)
Depreciation and amortisation expenses	-	(314)
Finance costs	-	(2,950)
Administrative and other expenses	-	(3,919)
PROFIT BEFORE TAX FROM DISCONTINUED OPERATIONS	-	951
Income tax expense	-	-
NET PROFIT AFTER TAX FROM DISCONTINUED OPERATIONS	-	951

The net cash flow for the discontinued operations for the half-year ended 31 December 2024 were as follows:

	31 Dec 2024 \$'000	31 Dec 2023 \$'000
Operating	-	9,788
Investing	-	(29,494)
Financing	-	(12,133)
Net cash (outflow) / inflow	-	(31,839)

Basic and diluted earnings per stapled security from discontinued operations (cents) - 0.11

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

11. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The half-year financial report does not include all notes of the type normally included within the Annual Financial Report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the Annual Financial Report.

The half-year financial report should be read in conjunction with the Annual Financial Report of Abacus Group for the year ended 30 June 2024. It is also recommended that the half-year financial report be considered together with any public announcements made by the Abacus Group during the half-year ended 31 December 2024 in accordance with the continuous disclosure obligations arising under the *Corporations Act 2001*.

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 30 June 2024 except for the adoption of new standards and interpretations effective as of 1 July 2024. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

The half-year financial report has been prepared using a going concern basis of preparation.

New accounting standards and interpretations

(i) Changes in accounting policy and disclosures

The accounting policies adopted are consistent with those of the previous financial year except for the adoption of new standards and interpretations effective as of 1 July 2024.

There are several amendments and interpretations apply for the first time on 1 July 2024 as follows, but they do not have an impact on the consolidated financial statements of the Group.

- AASB 2020-1, AASB 2020-6 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current (effective for annual reporting periods from 1 January 2024)
The amendments to paragraphs 69 to 76 of AASB 101 specify the requirements for classifying liabilities as current or non-current. The amendments clarify:
 - What is meant by a right to defer settlement
 - That a right to defer must exist at the end of the reporting period
 - That classification is unaffected by the likelihood that an entity will exercise its deferral right
 - That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

(ii) Accounting Standards and Interpretation issued but not yet effective

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Group for the half-year reporting period ended 31 December 2024. The significant new standards or amendments are outlined below:

- AASB 2014-10 Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (effective for annual reporting periods beginning on or after 1 January 2025)

The amendments to AASB 10 Consolidated Financial Statements and AASB 128 Investments in Associates and Joint Ventures clarify that a full gain or loss is recognised when a transfer to an associate or joint venture involves a business as defined in AASB 3 Business Combinations. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognised only to the extent of unrelated investors' interests in the associate or joint venture.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

11. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

New accounting standards and interpretations (continued)

(ii) Accounting Standards and Interpretation issued but not yet effective (continued)

- AASB 18 Presentation and Disclosure in Financial Statements (effective for annual reporting periods beginning on or after 1 January 2027)

AASB 18 has been issued to improve how entities communicate in their financial statements, with a particular focus on information about financial performance in the statement of profit or loss. The key presentation and disclosure requirements established by AASB 18 are:

- The presentation of newly defined subtotals in the statement of profit or loss
- The disclosure of management-defined performance measures (MPM)
- Enhanced requirements for grouping information (i.e. aggregation and disaggregation)

AASB 18 is accompanied with limited consequential amendments to the requirements in other accounting standards, including AASB 107 Statement of Cash Flows.

AASB 18 introduces three new categories for classification of all income and expenses in the statement of profit or loss: operating, investing and financing. Additionally, entities will be required to present subtotals for 'operating profit or loss', 'profit or loss before financing and income taxes' and 'profit or loss'. For the purposes of classifying income and expenses into one of the three new categories, entities will need to assess their main business activity, which will require judgement. There may be more than one main business activity.

AASB 18 also requires several disclosures in relation to MPMS, such as how the measure is calculated, how it provides useful information and a reconciliation to the most comparable subtotal specified by AASB 18 or another standard.

AASB 18 will replace AASB 101 Presentation of Financial Statements.

The amendments are applied prospectively and are not expected to have a material impact on the Group with the exception of AASB 18 for which management is currently assessing the impact.

12. EVENTS AFTER BALANCE SHEET DATE

Other than as disclosed in this report, there has been no other matter or circumstance that has arisen since the end of the financial period that has significantly affected, or may affect, the Group's operations in future financial periods, the results of those operations or the Group's state of affairs in future financial periods.

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Abacus Group Holdings Limited, we state that:

In the opinion of the directors:

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

On behalf of the Board



Myra Salkinder
Chair
Sydney, 24 February 2025



Steven Sewell
Managing Director

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**Shape the future
with confidence**

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Independent auditor's review report to the members of Abacus Group Holdings Limited

Conclusion

We have reviewed the accompanying half-year financial report of Abacus Group Holdings Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flow for the half-year ended on that date, notes comprising a summary of material accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group does not comply with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the consolidated financial position of the Group as at 31 December 2024 and of its consolidated financial performance for the half-year ended on that date; and
- b. 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* (ASRE 2410). 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.

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*.



**Shape the future
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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.

Ernst & Young

Ernst & Young

J Inglis

Jodie Inglis
Partner
Sydney
24 February 2025