

ASX RELEASE

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SOLID FY25 RESULT DELIVERED IN LINE WITH GUIDANCE

Abacus Group (ASX:ABG) ('ABG') today announced its results for the year ended 30 June 2025, delivering a statutory net profit of \$26.9 million, up \$267.9 million on FY24.

FY25 Overview

- Funds from Operations (FFO) of \$82.7 million, up 1.7% on FY24¹
- Distribution of 8.5 cents per security², in line with FY25 guidance
- NTA of \$1.72 per security, down 2.3% on FY24
- Weighted average capitalisation rate (WACR) of 6.77%, up 27 basis points on FY24
- Gearing of 34.5%, within target range of up to 40%

Office Summary

- Operating earnings³ of \$92.6 million, up 9.8% on FY24, driven by rent reviews of 3.7%, leasing spreads of 5.8% and surrender fees of \$8.3 million
- 89 leasing deals completed during the period with over 44,000 sqm of space leased⁴

Retail Summary

- LFL operating earnings³ of \$23.8 million, up 8.8% on FY24, supported by rent reviews of 3.9%

Self Storage Summary

- \$16.8 million equity return from our 19.8% interest in ASK, up 4.3% on FY24
- Established RevPAM of \$340psm, up 4.5% on FY24m driven by rental rates (+4.1%) and a 40 basis points increase in average occupancy to 91.2%

Investment management summary

- \$18.1 million of investment management fees from ASK and \$1.5 million in Commercial management fees, representing 12% of operating earnings

FY26 distribution guidance

- 8.5 cents per security, targeting a full year payout of 85%-95% of FFO, assuming no material decline in current business conditions, including the management and 19.8% ownership of ASK

¹ FFO from continuing operations.

² 50% of the distribution is fully franked.

³ Operating earnings (rental income less property expenses).

⁴ Based on 100% ownership.

Office Portfolio remained resilient in FY25

The Office portfolio showed resilience in FY25 with operating earnings growth of 9.8% on FY24. Earnings were driven by like for like rent growth of 4.3%⁵, combined with strong leasing spreads of 5.8% and rent reviews of 3.7%. In addition, surrender fees of \$8.3 million were received at 99 Walker St, North Sydney NSW and 324 Queen St, Brisbane QLD. These agreements reflect tenant driven exits and present an opportunity for our proactive leasing strategies to bring forward potential incomes. The Group leased 44,458 sqm⁴ of space across 89⁴ deals with an average leasing spread of 7.9% on new deals.

We are encouraged by both recent capital transactions and improved leasing demand, particularly in Sydney and Brisbane A-grade office markets. Face rents in our portfolio are rising, and while incentives remain elevated, we expect a gradual decline in the near to medium term, supporting effective rental growth. The Group's portfolio remains well positioned to attract customers seeking well located, quality office space with contemporary amenities, at competitive rents.

Retail sentiment is strengthening

The Retail portfolio performed strongly with operating earnings growth of 8.8%⁶ on FY24, supported by rent reviews of 3.9%. Retail occupancy remained stable at 95.5% and the retail portfolio's WACR tightened by 12 basis points in the period to 6.46% (FY24: 6.58%).

Self Storage continues to perform strongly

Abacus Group's 19.8% strategic stake in Abacus Storage King (ASX:ASK) ('ASK') delivered investment earnings of \$16.8 million, up 4.3% on FY24 driven by ASK's strong FY25 result, with established portfolio RevPAM growth of 4.5%. Average rents of \$373psm were up 4.1% on FY24 and strong occupancy of 91.2% (FY24: 90.8%).

Divesting non-core assets to support capital partnering remains a strategic priority

No acquisitions were completed during the period, with the Group focusing on balance sheet strength and portfolio optimisation. Management continues to explore opportunities to divest non-core assets and re-deploy capital to improve asset quality through value-accretive leasing, repositioning and divestment activity. Abacus' assets are well located, tightly managed, and benefit from diversified tenancy profiles skewed to SME customers (59%)⁷.

Abacus remains focused on its capital partnering strategy, with a focus on long term value creation and enhanced ROI.

Capital management and credit rating

Abacus maintained a solid capital position during FY25, supported by active treasury management and ongoing cost discipline. As at 30 June 2025 gearing of 34.5% is within the Group's target range of up to 40%. ABG's interest coverage ratio of 2.5x remains flat compared to FY24 and the debt term to maturity declined slightly to 3.3 years (FY24: 3.4 years).

⁵ Excludes development affected asset (Virginia Park, Bentleigh East VIC).

⁶ LFL Retail operating earnings.

⁷ By number.



In June 2025, the Japan Credit Rating Agency (JCR) assigned Abacus Group an A+ long-term issuer credit rating, with a Stable outlook. This external rating provides additional flexibility in accessing capital markets and reflects the Group's stable earnings base.

The Group's Chief Financial Officer Evan Goodridge commented, "Abacus Group's diversified portfolio continues to deliver across the Office, Retail and Storage segments, delivering a full year distribution in line with guidance. We remain focused on sustaining a resilient income profile and balance sheet position, despite the uncertainty around the management and 19.8% ownership of Abacus Storage King and any resultant impacts to the Group."

Outlook and guidance

Abacus Group enters FY26 with solid occupancy, strong tenant retention and gearing inside our target range. While transactional activity was limited in FY25, the Group remains active in assessing opportunities and remains confident in its ability to deliver through the cycle performance.

The Group's Managing Director Steven Sewell commented "Abacus Group remains committed to our strategic vision of delivering long-term value through selective investment, proactive asset management and disciplined capital allocation. As market dynamics evolve, we are increasingly focused on opportunities to scale our investment management activities, including capital partnering and joint ventures."

The Group is providing FY26 distribution guidance of 8.5 cents per security⁸, targeting a full year payout ratio of 85%-95% of FFO, predicated on no material decline in current business conditions, including the management and 19.8% ownership of Abacus Storage King.

Market Briefing

Abacus Group will host a market briefing on Monday, 25 August 2025 at 10:00am AEST. Access will be via webcast at: <https://abacusgroup.com.au/investor-centre/key-dates-events/>

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Authorised for release by Lucy Spenceley, Company Secretary ASX:ABG

⁸ 50% of the distribution is expected to be fully franked.

