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Appendix 4E

Abacus Group

(comprising Abacus Group Holdings Limited and its controlled entities, Abacus Trust and its controlled entities, Abacus Group Projects Limited and its controlled entities, Abacus Income Trust and its controlled entities)
In August 2023, Abacus Group's Self Storage business has been de-stapled from the Commercial business to create two separately listed stapled groups of Abacus Storage King (ASX:ASK) and Abacus Group, respectively. Abacus Group has also changed its ASX code from ABP to ABG.

ABN: 31 080 604 619

Annual Financial Report

For the year ended 30 June 2025

Results for announcement to the market

(corresponding period: year ended 30 June 2024)

Total revenues and other income	up	35.6%	to	$252.1m
Net profit after income tax expense attributable to stapled security holders	up	111.2%	to	$26.9m
Funds from operations ("FFO") (1)	up	0.2%	to	$82.7m
FFO from continuing operations	up	1.7%	to	$82.7m

(1) FFO has been determined with reference to the updated Property Council of Australia's voluntary disclosure guidelines to help investors and analysts compare many different AREITs. FFO is calculated by adding back tenant incentive amortisation, depreciation on owner occupied property, plant & equipment (PP&E), change in fair value of investments derecognised, 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.

	30 June 2025	30 June 2024
Basic earnings per security (cents)	2.95	(26.97)
Basic funds from operations per security (cents)	9.26	9.24
Basic funds from continuing operations per security (cents)	9.26	9.10
Distribution per security (cents - including proposed distribution)	8.50	8.50
Weighted average securities on issue (million)	893.7	893.7

Distribution	per stapled security
June 2025 half year	4.25 cents
This distribution was declared on 23 June 2025 and will be paid on 29 August 2025	
Record date for determining entitlement to the distribution	1 July 2025

Refer to the attached announcement for a detailed discussion of the Abacus Group's results and the above figures for the year ended 30 June 2025.

Details of individual and total distribution payments		per stapled security	Total
Half December 2024 distribution	paid 28 February 2025	4.25	$38.0m
The distribution was paid in full by Abacus Trust and Abacus Group Holdings Limited with $8.1m of franking credits attached.			

	30 June 2025	30 June 2024
Net tangible assets per security (2)	$1.72	$1.76

(2) Net tangible assets per security excludes external non-controlling interest. The Group lost control of Abacus Storage Operations Limited and its controlled entities, and Abacus Storage Property Trust and its controlled entities during the prior period.

Distribution Reinvestment Plan (DRP)

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

ABACUS GROUP

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ANNUAL FINANCIAL REPORT

30 JUNE 2025

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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

REGISTERED OFFICE:
Level 13, 77 Castlereagh Street, SYDNEY NSW 2000
Tel: (02) 9253 8600
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Website: www.abacusgroup.com.au

CUSTODIAN:
Perpetual Trustee Company Limited
Level 14 Angel Place
123 Pitt Street, SYDNEY NSW 2000

DIRECTORS OF ABACUS GROUP HOLDINGS LIMITED:
Myra Salkinder, Chair
Steven Sewell, Managing Director
Trent Alston
Mark Haberlin
Jingmin Qian

COMPANY SECRETARY:
Lucy Spenceley (effective 1 July 2025)
Lucy Rowe (resigned 1 July 2025)

AUDITOR (FINANCIAL AND COMPLIANCE PLAN):
Ernst & Young
200 George Street, SYDNEY NSW 2000

SHARE REGISTRY:
Boardroom Pty Ltd
Level 8, 210 George St, SYDNEY NSW 2000
Tel: 1300 737 760
Fax: 1300 653 459

DISCLAIMER: It is recommended that this Annual Financial Report should be read in conjunction with the Annual Financial Report of Abacus Trust, Abacus Group Projects Limited and Abacus Income Trust as at 30 June 2025. It is also recommended that the report be considered together with any public announcements made by Abacus Group in accordance with its continuous disclosure obligations arising under the *Corporations Act 2001*

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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") present their report for the year ended 30 June 2025.

PRINCIPAL ACTIVITIES AND STRUCTURE

The principal activities of Abacus Group during the year were investment in Commercial properties (office and other). Abacus Group is a strong asset backed, annuity style business where capital is directed towards assets that provide potential for enhanced income growth to generate increased total returns and create value.

The operating and financial review is intended to convey the Directors' perspective of Abacus Group and its operational and financial performance. It sets out information to assist securityholders to understand and interpret the financial statements included in this report prepared in accordance with Australian Accounting Standards and International Financial Reporting Standards ("IFRS"), as issued by the Australian Accounting Standards Board ("AASB") and the International Accounting Standards Board ("IASB") respectively. It should be read in conjunction with the financial statements and accompanying notes.

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 $1.0 billion at 30 June 2025. Abacus Group 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.

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. Abacus Group also changed its ASX code from ABP to ABG.

Shares in AGHL, AGPL and units in AT, AIT have been stapled together so that none can be dealt with without the others and are traded together on the ASX as Abacus Group securities. An Abacus Group 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 (the company) has been identified as the parent entity of the Group. The financial report of the Group for the year ended 30 June 2025 comprises the consolidated financial reports of AGHL and its controlled entities, AT and its controlled entities, AIT and its controlled entities, AGPL and its controlled entities, and also includes Abacus Storage Property Trust ("ASPT") and its controlled entities and Abacus Storage Operations Limited ("ASOL") until 3 August 2023, as ASPT and ASOL were de-stapled from the Group on this date.

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OPERATING AND FINANCIAL REVIEW

GROUP OVERVIEW

Abacus Group completed a transformational de-staple in FY24, taking effect on 3 August 2023 to create a standalone Self Storage REIT, Abacus Storage King (ASX:ASK) ('ASK'). Post de-staple, Abacus Group is the manager of ASK and following the transaction also remains invested with a strategic stake of 19.8% of ASK. This strategic stake is the largest asset on Abacus' balance sheet and its largest source of income, both through distributions received and from the fees it earns providing management services to ASK.

As a standalone entity, Abacus has a more focused portfolio of Commercial assets and is well positioned to drive income growth over the short to medium term. Abacus has limited capital expenditure forecast in the near term, with major capital projects completed in recent periods, positioning the portfolio for growth. Looking forward, we expect these investments to contribute positively to FFO as leasing up is achieved.

The Group looks for investments in the Commercial sector that can provide strong and stable cash-backed distributions, with potential for capital and income growth. We remain confident that the Group is positioned to leverage our key enablers, being:

- Our people and culture, repositioning capability and market insight.
- Strategic investment in assets in major markets with a clear path to sustainable income growth.
- Driving value through active management of the asset portfolio.

Abacus Group has a track record of acquiring property-based assets and actively managing those assets to enhance income and thereby drive capital growth. This track record has facilitated strategic partnering and joint ventures with a number of sophisticated third-party owners and major groups with capital partnering a key focus.

The Board monitors a range of financial information and operating performance indicators to measure performance over time. Funds from operations ("FFO") is the key measure that Abacus Group uses to monitor the financial success of its overall strategy.

Abacus Group is positioned to provide stable FFO growth over the medium to long term by using its active asset management capabilities, strong relationships with customers and our ability to capitalise on value-accretive investment opportunities.

The current economic environment has been impacted by low growth levels and high interest rates. This may provide Abacus Group opportunities to acquire core assets with medium to long term growth prospects. Despite the challenging economic conditions, we believe our Commercial Office portfolio remains robust, 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 multi-floor tenants; and
- Focus on the responsible and sustainable evolution of core business practices.

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GROUP RESULT SUMMARY

The changing macroeconomic environment increased capitalisation rates throughout the Commercial property sector. Abacus Group's diversified Commercial portfolio of high quality assets has enabled us to maintain occupancy rates over the period with our principal Commercial portfolio recording 92.1% (2024: 94.2%). In a more challenged economic environment, we remain focused and disciplined on directing capital towards assets that provide potential for enhanced income growth to generate increased total returns and create medium to long term value.

	2025	2024
Revenue ($ million)*	176.3	168.5
Total income ($ million)*	252.1	194.1
Statutory net profit/(loss) ($ million)	26.9	(241.0)
Funds from continuing operations ($ million)	82.7	81.3
Funds from continuing operations per security (cents)	9.26	9.10
Funds from operations ($ million)	82.7	82.5
Funds from operations per security (cents)	9.26	9.24
Underlying EBIT ($ million)	134.7	122.7
Underlying EBIT per security (cents)	15.07	13.73
Distributions per security (cents)	8.50	8.50
Interest cover ratio	2.5x	2.5x
Weighted average securities on issue (million)	893.7	893.7

*Excludes income from discontinued operations.

The Group earned a statutory net profit/(loss) after tax of $26.9 million for the year ended 30 June 2025 (2024: $241.0 million loss). This profit has been calculated in accordance with Australian Accounting Standards. The increase in the Group's statutory net profit compared to the prior period was principally due to:

- an increase in the share of profit from equity accounted investments from $25.0 million in 2024 to $74.6 million in 2025, primarily driven by underlying property revaluation growth from the ASK investment;
- a decrease in the fair value loss of the Commercial investment property portfolio from $275.4 million in 2024 to $72.2 million in 2025, with capitalisation rates expanding 27bps to 6.77%; as well as
- an increase in rental income to $152.6m (2024: $144.4m) following strong leasing activity across the portfolio.

Abacus Group's portfolio remained resilient despite challenging conditions for Office assets, recording FFO growth from continuing operations of 1.7% and a full year distribution per security, in line with guidance, of 8.50cps (2024: 8.50cps).

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 the following to statutory net profit after tax:

- Tenant incentive amortisation
- Depreciation on owner occupied property, plant & equipment (PP&E)
- Change in fair value of investment properties derecognised
- Restructuring costs

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GROUP RESULT SUMMARY (CONTINUED)

- 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:

	2025 $'000	2024 $'000
Consolidated statutory net profit / (loss) after tax attributable to continuing operations	**26,910**	**(241,989)**
Adjust for:		
Net change in fair value of investment properties derecognised	(40)	8,244
Net change in fair value of investment properties held at balance date	72,173	275,407
Net change in fair value of investments and financial instruments held at balance date	330	1,798
Net change in fair value of investment properties included in equity accounted investments	(54,481)	(2,266)
Net change in fair value from deconsolidation	-	5,614
Depreciation and amortisation	150	236
Net change in fair value of derivatives	13,895	13,992
Amortisation of rent abatement incentives	16,817	14,495
Amortisation of other tenant incentives	3,980	3,348
Cost associated with de-stapling	-	3,552
Straightline of rental income	1,254	(989)
Finance costs and other	(3,994)	(2,747)
Net tax expense on non-FFO Items	5,735	2,648
Abacus funds from operations ("FFO") from continuing operations	**82,729**	**81,343**
Abacus funds from operations ("FFO") from discontinued operations	**-**	**1,191**
Total Abacus FFO	**82,729**	**82,534**

	2025	2024
Basic earnings per security (cents)	3.01	(27.08)
FFO per security (cents)	9.26	9.24
FFO from continuing operations per security (cents)	9.26	9.10
Distribution per security (cents - including proposed distribution)	8.50	8.50
Weighted average securities on issue (million)	893.7	893.7

FFO is a non-IFRS measure and this reconciliation has not been reviewed by the Group's auditor.

Capital Management and Allocation

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).

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.

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KEY SEGMENT RESULTS SUMMARY

Commercial

The Commercial portfolio consists of 18 assets (FY24: 19 assets) and had a total value of $2.1 billion at year end (FY24: $2.2 billion). The Commercial portfolio comprises 14 Office assets (FY24: 14 assets), 2 Retail assets (2 FY24: 3 assets) and 2 greenfield assets (FY24: 2 assets).

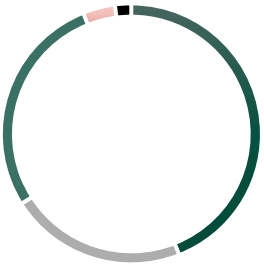
The Commercial portfolio has a stable income growth profile, supported by high occupancy of 92.1% and a diversified lease profile of 4.0 years.

Key Commercial Metrics

	FY25	FY24
Portfolio Value ($ million)	$2,128.8	$2,207.6
Number of assets	18	19
Occupancy[1] (% by area)	92.1%	94.2%[2]
WALE[1]	4.0 years	4.3 years
WACR[3]	6.74%	6.46%

1. Excludes development affected assets
2. Like-for-like FY24 occupancy is 91.8%. This excludes Market Central, Lutwyche which was sold in FY25 and includes 201 Elizabeth St, Sydney that was development affected in FY24.
3. WACR: Weighted Average Capitalisation Rate

Portfolio geographic diversification



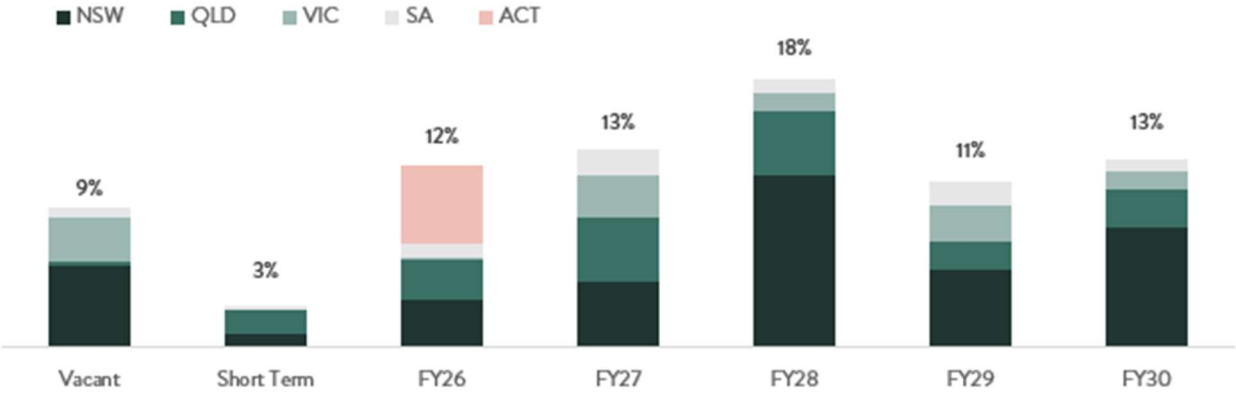
NSW 44% QLD 22% VIC 28% SA 4% ACT 2%

Office

Abacus Group delivered solid Office income in FY25, underpinned by a high-quality Commercial Portfolio and disciplined asset management. Portfolio occupancy remained solid at 91.1%, supported by 89 leasing transactions and over 44,000sqm of space leased.

Leasing activity remained competitive, with average incentives at 33%, skewed slightly higher for new deals of 34% compared to renewals of 31%. Average net face rent increased 8.0% on FY24 to $810psm for Sydney and Melbourne assets, with CBD assets achieving a premium of $1,006psm, reflecting the strength of Abacus Group's positioning in core markets.

Office Lease Expiry



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KEY SEGMENT RESULTS SUMMARY (CONTINUED)

Retail

The Group's retail portfolio continued to perform well in FY25, with occupancy holding firm at 95.5% and average rent reviews delivering growth of 3.9%. The portfolio's weighted average capitalisation rate (WACR) tightened by 12 basis points over the period to 6.46%, reflecting the quality of the assets and sustained tenant demand.

An active sales campaign is currently underway for Oasis, a mixed-use asset located in Broadbeach, Queensland. The asset has attracted significant interest, and the Group remains focused on maintaining discipline in evaluating potential transaction outcomes.

Commercial Valuations

The investment property portfolio's overall weighted average capitalisation rate expanded 27 basis points from 6.50% in FY24 to 6.77% in FY25. The Commercial portfolio (excluding equity accounted properties) was valued at $1.8 billion at 2025 year-end (FY24: $1.9 billion) across 15 assets (FY24: 16 assets).

As a result of current market conditions and a shift in future expectations in the Office sector, Abacus Group has targeted assets that offer more stabilised income streams with longer dated value enhancing strategies. This capital allocation strategy supports the Group's drive to improve recurring earnings.

Storage

Abacus Group's 19.8% equity interest in Abacus Storage King (ASK) continues to deliver value, with ASK reporting FY25 FFO of $85.0 million, up 4.7% on FY24, and a distribution of 6.20 cents per security, in line with guidance. ASK's scalable platform and strong national footprint supported average occupancy of 91.2% and rental growth of 4.1%, reflecting resilient demand and effective operational execution.

ASK's RevPAM rose 4.5% to $340psm, driven by both rate growth and a 40 basis point increase in occupancy. With robust operating conditions and a strong development pipeline, ASK remains well-positioned to deliver further growth through a combination of organic performance and strategic initiatives.

SUSTAINABILITY PERFORMANCE

Over the past 12 months, we have maintained a strong focus on delivering measurable outcomes through the execution of our sustainability strategy. Our initiatives have continued to advance environmental and social priorities while supporting the organisation's long-term business objectives.

Key achievements include:

- A 61% reduction in emissions intensity compared to our FY19 baseline, reflecting our ongoing commitment to net zero 2030 (scope 1 & 2).
- 90% of office buildings have transitioned to renewable electricity sources from 1 January 2025.
- Achieved a Net Promoter Score (NPS) from our customers of +27, highlighting strong customer engagement and satisfaction.
- Achieved an employee engagement score of 83%, reflecting our commitment to fostering a supportive, inclusive, and high-performing workplace culture.

A major focus for the Group moving forward is enhancing the customer experience which we believe will foster greater employee engagement and drive improved business performance. We have recalibrated our environmental sustainability targets to align with our 2030 net zero commitment and are actively preparing to meet disclosure requirements under the Australian Sustainability Reporting Standards (ASRS) as a Group 3 entity.

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FUTURE PROSPECTS

Abacus Group's focus on a capital partnering strategy will continue to target the acquisition of well-located Commercial properties with future income growth potential, that will be held for the long term, as a high conviction owner and manager of assets. Increasing exposure to this asset class is expected to enhance Abacus Groups' ability to grow recurring revenue over the longer term through both rental income and management fees, while continuing to divest remaining non-core assets in the portfolio.

Abacus Group's forecast level of gearing and liquidity since de-stapling will enable it to pursue its strategy and to take advantage of any short-term volatility in the market, which is anticipated in this fluctuating macro-economic environment. There is limited capital expenditure forecast in the medium term and the Group also expects to benefit by way of management and equity earnings from its strategic stake in Abacus Storage King. We also note that Abacus Group's liquidity can potentially be further leveraged, to invest in a larger number of projects through joint venture arrangements.

RISK MANAGEMENT

Abacus has a Business Risk Management Policy which provides a framework to identify, assess, monitor, and manage material risks to its operations, which was most recently reviewed in March 2025. The Business Risk Management Policy is based on ISO 31000:2018 Risk Management Guidelines, an internationally recognised set of principles for managing risks in organisations.

Risk Category	Description of Risk	Potential Impact	Mitigation Strategies
Strategic	Macroeconomic Environment	Pressure on asset valuations, operating costs, customer demand and consumption levels	- Disciplined approach to capital management - Diversification of property locations across Australia - Robust annual budgeting process
	Consumer and Working Behaviour and Competition	Potential lower demand for office space, reduce effective rental levels through higher tenant incentives and higher costs of office fit outs.	- Continuous engagement with customers and tenants to understand their needs - Monitoring performance and requirements for building and tenancy enhancements
Operational	Health, Safety and Wellbeing of our Employees, Suppliers, Customers and Tenants	Harm to people, reputational damage, criminal penalties and costs and efforts to remediate	- Culture of promoting the importance of health, safety and wellbeing - Engagement of professional consultants - Health and safety matters are monitored by the Audit and Risk Committee, and WHS and Sustainability Committee

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RISK MANAGEMENT (CONTINUED)

Risk Category	Description of Risk	Potential Impact	Mitigation Strategies
	Asset quality and maintenance	Poor functioning of assets, financial penalties for non-compliance	- Professional asset, property and facility managers - Ongoing programme of capital expenditure upgrades
	Natural disasters (floods, bushfires, earthquakes) and climate change	Property damage, service disruption, repair costs, higher operating costs	- Geographic diversification - Insurance coverage - Property upgrades and resilience planning
	Cybersecurity and data privacy threats	Data breach, operational disruption, reputational damage	- Investment in cybersecurity infrastructure - Staff training - Incident response protocols - Insurance cover
Reputational	Management of Abacus Storage King and non-adherence to contractual obligations	Loss of management fees, reputational damage	- Defined policies and procedures to deliver services in accordance with contracts - Board oversight of service delivery
Financial	Rising interest rates	Increased borrowing costs, lower valuations	- Interest rate hedging - Balance sheet discipline
	Restricted access to capital markets	Inability to fund growth or refinance debt	- Maintain strong credit rating - Diversify funding sources - Conservative gearing
Regulatory & Legal	Non-compliance with regulations	Fines, litigation, reputational harm	- Regular compliance reviews - Legal counsel oversight - Staff compliance training
	Litigation exposure	Financial liability, reputational risk	- Insurance coverage - Dispute resolution frameworks - Legal risk monitoring

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DIRECTORS AND SECRETARY

The qualifications, experience and special responsibilities of the Directors and Company Secretary are as follows:

Myra Salkinder MBA, BA Chair (non-executive)

Myra is a Non Independent, Non-Executive Director and is a senior executive of the Kirsh Group. She has been integrally involved over many years with the continued expansion of Kirsh Group's property and other investments, both in South Africa, Australia and internationally. Myra is a director of various companies associated with Kirsh Group worldwide.

Myra is a member of the ABG Sustainability and WHS Committee.

Tenure: 14 years 3 months

Steven Sewell BSc Managing Director

Steven joined Abacus Group in October 2017, bringing over 20 years' experience in real estate funds management, asset management, equity and debt capital markets and M&A transactions. Steven's prior career experience is in listed and unlisted real estate funds management businesses, across various real estate sectors, providing Commercial experience and insight in relation to institutional investors, the whole Abacus Group's business and sector specialised investment strategies, capital allocation and developing third party capital relationships. Steven was appointed Abacus Group's Managing Director in April 2018, and is a member of Property Champions of Change and a member and past Chairman of the Shopping Centre Council of Australia.

Tenure: 7 years 2 months

Trent Alston B. Build. (Hons), GMQ - AGSM, AMP – Insead, GAICD

Trent is a Non-Executive Director and has over 30 years of experience in the real estate and funds management industry, with the last 13 years as Head of Real Estate for Challenger Limited. His experience includes direct and wholesale property roles at Colonial First State Property and Lendlease. Trent is also a Non-Executive Director of Landcom. Trent is Chair of the Abacus Group People Performance and Nomination Committee and a member of the Abacus Group Audit and Risk, and Sustainability & WHS Committees.

Tenure: 5 year 9 months

Mark Haberlin BSc (Eng) Hons

Mark is a Non-Executive Director and is the Lead Independent Director. He has significant expertise in fields that cover accounting and audit, capital transactions, mergers and acquisitions and risk management in the real estate and financial services sectors. Mark was a partner at PwC for 24 years where he developed key accounting and audit experience. Mark was a member of the PwC Governance Board and completed his last two years as Chair. Mark is also a Non-Executive Director of LayBuy Holdings Limited and Australian Clinical Labs.

Mark is Chair of the Abacus Group Audit and Risk Committee and a member of the Abacus Group People Performance and Nomination Committee.

Tenure: 6 years 7 months

Jingmin Qian CFA, BEc, MBA, FAICD

Jingmin is a Non-Executive Director and has significant expertise in the property, infrastructure and investment sectors as well as rich experience in Asia. Jingmin previously worked at L.E.K. Consulting, Boral Limited and Leighton Holdings, with a broad range of commercial responsibilities covering strategy, planning, investment review, mergers and acquisitions, operational improvement and Asia expansion.

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DIRECTORS AND SECRETARY (CONTINUED)

Jingmin has served as a member of the business liaison program of the Reserve Bank of Australia. Jingmin is a non-executive director of listed entity IPH Limited since April 2019, a trustee of HMC Capital Partner Fund, a member of Macquarie University Council, a director of the CFA Society Australia, Jing Meridian and the National Vice President of the Australia China Business Council. Jingmin is a member of Chief Executive Women.

Jingmin is Chair of the Abacus Group Sustainability and WHS Committee and a member of the Abacus Group Audit and Risk and People Performance and Nomination Committees.

Tenure: 8 years

Sally Herman BA, GAICD (Resigned effective 27 September 2024)

Sally was a Non-Executive Director and joined the Abacus Group Board on 16 December 2022. Sally resigned effective from the role of Non-executive director on 27 September 2024.

Sally was a member of the Abacus Group People Performance and Nomination, Sustainability & WHS Committees.

Lucy Spenceley BA Company Secretary (effective 1 July 2025)

Lucy has worked in the finance industry for over 20 years, with 13 years in governance roles. Lucy has a Bachelor of Arts and is a member of the Governance Institute of Australia.

Lucy Rowe BA Company Secretary (resigned 1 July)

Lucy is an experienced compliance and corporate governance professional, with over 20 years' experience in the financial services, oil and gas, and IT industries. Lucy has held the position of Company Secretary of a number of listed and unlisted public companies in both the Australian and overseas' markets over the last 16 years and has also previously held the position of President of a Not-For-Profit Organisation for 4 years. Lucy holds a Bachelor of Arts and a Graduate Diploma in Legal Studies majoring in financial services law and is an affiliate member of the Governance Institute of Australia

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DIRECTORS AND SECRETARY (CONTINUED)

Directors' Meetings

The number of meetings of directors (including meetings of committees of directors) of AGHL, AFML (the Responsible Entity of AT and AIT), and AGPL, held during the year and the number of meetings attended by each director were as follows:

	Board		Audit & Risk Committee		People, Performance & Nomination Committee		Sustainability & WHS Committee		Independent Board Committee	
	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended
M Salkinder	8	8	-	-	-	-	4	3	-	-
T Alston	8	8	4	4	3	3	3	3	3	3
M Haberlin	8	8	4	4	3	3	-	-	3	3
J Qian	8	8	4	4	2	2	4	4	3	3
S Sewell	8	8	-	-	-	-	-	-	-	-
S Herman	2	2	-	-	1	1	1	1	-	-

Note: Sally Herman resigned as director effective 27 September 2024

Indemnification and Insurance of Directors and Officers

The Group has paid an insurance premium in respect of a contract insuring all directors, full time executive officers and the secretary. The terms of this policy prohibit disclosure of the nature of the risks insured or the premium paid.

Indemnification of Auditors

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount) – except for any loss in respect of any matters which are finally determined to have resulted from Ernst & Young's negligent, wrongful or wilful acts or omissions. No payment has been made to indemnify Ernst & Young during or since the financial year.

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REMUNERATION REPORT

Letter from the Chair of the People, Performance and Nomination Committee

On behalf of the People, Performance and Nomination Committee and the Board, I am pleased to present the Remuneration Report for FY25.

The report summarises Abacus' performance and remuneration outcomes for FY25, the executive remuneration framework, and changes to FY25 executive and non-executive remuneration.

FY25 Performance

Abacus has an asset backed, annuity style business model where capital is directed towards property assets that provide potential for enhanced income growth to create value. Our people, market insight and positioning capability together with strategic partnering are key enablers of our strategy.

The Funds from Operations profit result in FY25 was $82.7m, an increase of 1.7% on the prior year's performance from continuing operations. Pleasingly, our operating earnings increased across all areas of the business with:

- Office operating earnings up 9.8%,
- Retail like-for-like operating earnings up 8.8%,
- Returns from our 19.8% ownership in Abacus Storage King up 4.3%, and
- Investment management fees up 2.2%.

FY25 Remuneration

During FY25 the committee approved fixed remuneration increases for both the Chief Financial Officer and the Group General Manager, Self Storage and Fund Manager, Abacus Storage King (ASK). Both roles are uniquely positioned with their relationship to ASK and the adjustment was based on independent benchmarking against peers in ASX listed organisations. Further information can be found under FY25 Performance Outcomes and Executive KMP Remuneration.

The Board considered financial and non-financial performance both in the context of the 2025 financial year and over a multi-year period when determining incentive outcomes.

STI awards for Executive KMP correlated with annual performance outcomes against expectations, with payments averaging 68.9% of maximum STI. 25% of Executive KMP STI is deferred for a further 12 months. Further details on the STI Plan can be found on page 27.

At the 2024 Annual General Meeting held on 20 November 2024, securityholders voted FOR the Board resolutions to grant new and modify existing performance rights to management and extend the VWAP period from 30 to 90 days from 1 August 2023 to 31 October 2023 for Replacement and Corrective Right tranches. Further details are provided of Replacement and Corrective Tranches within the Rewards, Governance and Framework section of the Remuneration Report.

The FY22 LTI grant will vest at 82% of maximum in August 2025 based on combined EBIT CAGR and Relative TSR for Abacus Group and Abacus Storage King.

The FY23 LTI grant will vest at 75% of maximum in August 2025 based on combined EBIT CAGR and Relative TSR for Abacus Group and Abacus Storage King.

FY25 KMP Changes

In September 2024, Sally Herman resigned from the Abacus Group Board after joining us just over 1 year ago through the de-stapling and was appointed as a Non-Executive Director on the ASK Board. I, along with my

REMUNERATION REPORT

fellow Directors, would like to sincerely thank Sally for her valuable contribution and leadership during her time on the Abacus Board.

Effective 1 October 2024, Kevin George has been appointed Group General Manager, Commercial and Fund Manager of ABG. This appointment underscores the Group's increasing strategic focus on its portfolio of predominantly CBD and near-CBD office assets. It also aligns with ABG's long-term asset initiatives and key performance priorities.

Looking Ahead

We believe we have set the correct incentive arrangements for our employees and, outside the current non-binding indicative offer on Abacus Storage King and the resultant impacts to the Group, we do not see any need to amend the existing incentive program.

It has been a significant year for Abacus Group and the Board acknowledges the dedication of the team, particularly through the current uncertain environment.

Trent Alston
Chair – People, Performance and Nomination Committee (PPNC)

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REMUNERATION REPORT

The Board presents the FY25 Remuneration Report for Abacus in accordance with the *Corporations Act 2001* and its regulations, which has been audited by EY. This report outlines the key remuneration policies and practices for the year ended 30 June 2025.

It highlights the link between remuneration and corporate performance and provides detailed information on the remuneration for Key Management Personnel (KMP).

This remuneration report is set out under the following headings:

SECTION	CONTENTS	PAGE
1.	Who is covered in this report - KMP	16
2.	FY25 Performance Outcomes	17
3.	FY25: How did we perform?	19
4.	Executive KMP remuneration	21
5.	Remuneration governance and framework	25
6.	Non-Executive Director remuneration	43
7.	Additional required disclosures	45

1. WHO IS COVERED IN THIS REPORT – KMP

For the purposes of this report, the KMP are those persons who for the purposes of the accounting standards are considered to have authority and responsibility for planning, directing, and controlling the major activities of the Group.

NAME	ROLE	TERM AS KMP
Non-Executive Directors (NED)		
Myra Salkinder	Chair of the Board	Full Year
Trent Alston	Non-Executive Director	Full year
Mark Haberlin	Non-Executive Director	Full Year
Sally Herman	Non-Executive Director	Resigned - 30 September 2024
Jingmin Qian	Non-Executive Director	Full Year
Executive KMP		
Steven Sewell	Managing Director (MD)	Full Year
Kevin George	Group General Manager (GGM), Commercial & Fund Manager ABG	Appointed – 1 October 2024
Evan Goodridge	Chief Financial Officer (CFO)	Full Year
Nikki Lawson	Group General Manager (GGM), Self Storage & Fund Manager ASK	Full Year
Gavin Lechem	Chief Investment Officer (CIO) and General Counsel	Full Year

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REMUNERATION REPORT

2. FY25 PERFORMANCE OUTCOMES

The Abacus Performance and Reward framework aims to reward, engage, and develop our people focusing on, value creation for our customers and community.

Our Remuneration Principles and Abacus Values

Our people are key to our success, providing a wealth of market insight, industry experience and strategic partnering that enables our growth and evolution. The more we nurture and invest in our people, the more we achieve.

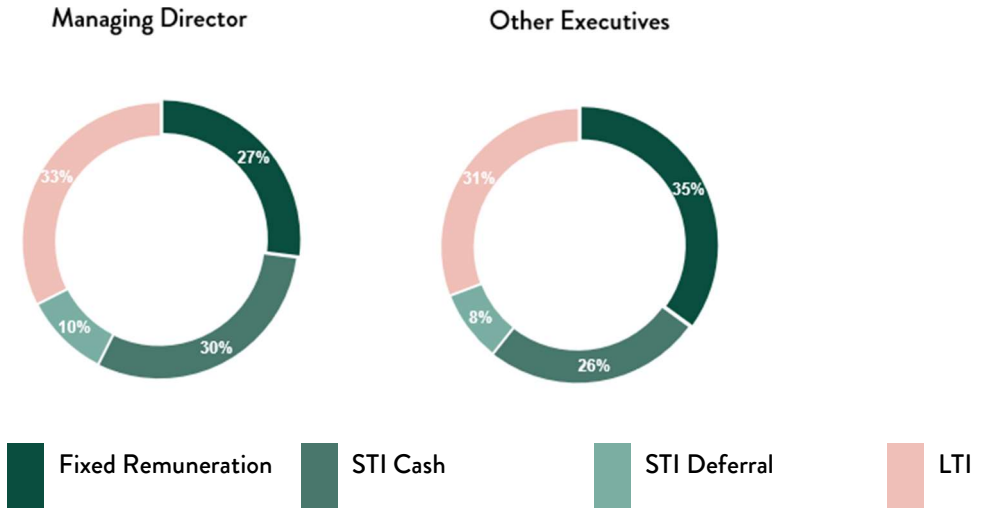
The Abacus Performance and Reward strategy is guided by the following principles:

Reward	Reward and promote the results and behaviours consistent with the Abacus purpose, objectives, and values.		
Balance	Balanced between financial performance, strategic priorities, and continued focus on increasing engagement of our people.		
Alignment	Alignment of interests to stakeholders to focus on long term sustainable value creation.		
Abacus Values	Entrepreneurial	Responsible	Accountable

Maximum Remuneration Mix

Abacus strives to structure the balance between fixed and variable (at risk) remuneration so that a substantial portion of the variable reward is performance-based and at risk. This approach aligns with the Board's strategic vision for Abacus within the A-REIT industry.

The graph below illustrates the relative proportions of each component in the executive remuneration framework for the Managing Director and other Executive Key Management Personnel (KMP) at Abacus for FY25, expressed as a percentage of the total maximum opportunity.



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REMUNERATION REPORT

FY25 Components of Remuneration – Purpose, link to performance and outcomes

PURPOSE	LINK TO PERFORMANCE	FY25 OUTCOMES
Fixed Remuneration (FR)		
To attract, engage and retain individuals with capability, diversity of thought and experience to continue delivering on our strategy.	Appropriately compensating our employees so that we remain competitive. Changes to FR are linked to a combination of the responsibilities and complexities of the role, incumbent skills and experience, and market rates informed by benchmarking. To align the interests of the Board with securityholders, the MD is required to maintain a minimum holding of securities equivalent to 100% of his fixed remuneration. Executive KMP are required to maintain a minimum holding of securities that is equivalent to 50% of their fixed remuneration.	The CFO's fixed remuneration was increased by 13.6% in FY25. This role is uniquely positioned, overseeing two ASX-listed businesses. The adjustment was based on independent benchmarking against peers in the A-REIT sector and other ASX listed organisations. The Group General Manager, Self Storage and Fund Manager ASK received a fixed remuneration increase of 6.1% reflecting her roles and accountabilities. This is the first increase granted since commencing in the role. There are no remuneration changes for Executive KMP in FY26.
Short Term Incentive (STI)		
To focus performance on key annual financial and non-financial KPIs, including FFO profit. A deferred STI was introduced to aid retention, align with securityholders' interests, and provide for a "consequence management" governance mechanism for misconduct, fraud, malfeasance, or financial misstatement.	The following factors are among those considered by the Board in making its assessment on the achievement of the annual STI opportunity: - Financial performance. - Strategic objectives. - Environment, Social and Governance objectives. The value of STI awards offered in FY25 was up to a maximum of 150% of FR for the MD, and 100% for the remaining Executive KMP. STI for Executive KMP is delivered through 75% in cash and 25% deferred in the form of rights to securities, which have a deferral period of 12 months.	The STI outcome in FY25 was 60.8% of maximum for the MD. The average STI outcome for other Executive KMP in FY25 was 70.9% of maximum.

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PURPOSE	LINK TO PERFORMANCE	FY25 OUTCOMES
Long Term Incentive (LTI)		
The LTI Plan is aimed at attracting, rewarding, and retaining high performing Executives and other nominated participants for delivering sustained long term growth and aligning them with securityholder interests.	LTI granted are in the form of performance rights. Performance rights are subject to three independent performance conditions: - EBIT per security CAGR Abacus Group - Relative TSR Abacus Group (ABG) - Relative TSR Abacus Storage King (ASK) 50% of the performance rights are tested on the third anniversary of the grant date and 50% on the fourth anniversary of the grant date. The maximum LTI opportunity in FY25 was 120% of FR for the MD, 100% of FR for the CFO and the CIO, and 75% of FR for the Group General Managers.	The granting of Corrective and Replacement rights, measured by relative TSR was approved by securityholders in the November 2024 AGM. For LTI grants that were tested based on performance requirements to 30 June 2025, the vesting outcomes in August 2025 will be as follows: - FY22 Replacement Grant: 64% of maximum. - FY22 modified[1] LTI Grant: 82% of maximum. - FY23 modified LTI Grant was 75%. (see Section 5 for more information).

3. FY25: HOW DID WE PERFORM

One of the key principles of the Group's remuneration framework is the alignment of interests to securityholders to focus on long term sustainable value creation. This section provides a summary of both FY25 performance and the Company's five year financial performance outcomes.

Abacus' FY25 FFO result slightly exceeded target. During the period, the Group continued to make significant progress delivering on its business priorities. Of note, the Group:

- maintained high levels across its Commercial portfolio occupancy at 92.1% despite the office leasing environment remaining challenging, with a focus on customer centricity, achieving an NPS score of +27;
- divested non-core assets at Market Central, Lutwyche and part of Virginia Park, Bentleigh East as well as receiving significant interest in respect to the sale of The Oasis, Broadbeach;
- remained a significant investor in and external manager of ASK, growing both its underlying assets and earnings;
- continued to progress the Group's net zero emissions target for Scope 1 and 2 by 2030;
- successfully obtained an A+ long-term issuer credit rating, with a Stable outlook from the Japanese Credit Rating Agency (JCR)
- renegotiated its syndicated and bank guarantee banking facilities extending tenure by a further 1.7 years and 2.0 years, respectively;

[1] "Modified" refers to the combination of the original grant made plus the Corrective grant for FY22 or FY23.

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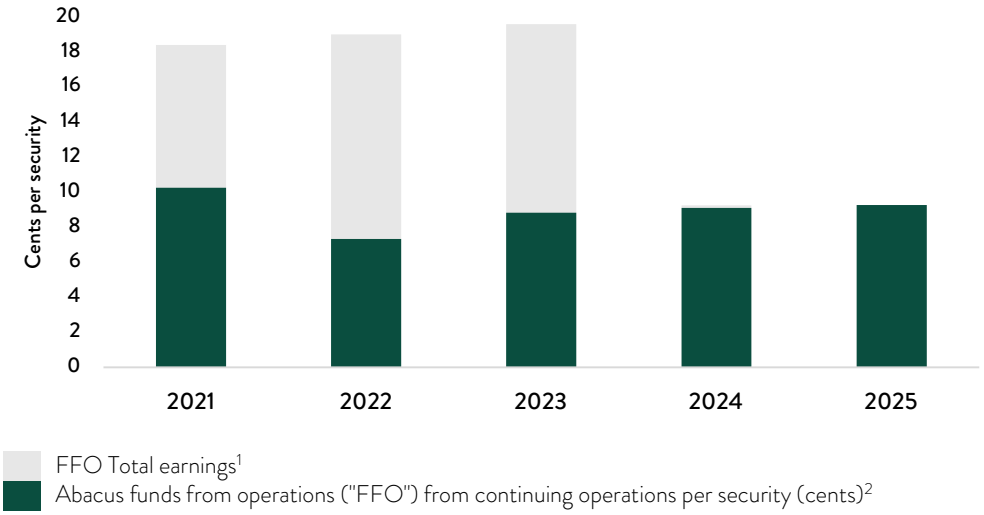
- replaced 14 legacy systems with one enterprise resource planning (ERP) system during the period, strengthening system automation;
- distributed its first franking credits to investors, with the intention to distribute excess franking credits to securityholders over the medium term; and
- achieved a high level of employee engagement

Five year FFO performance



Relationship between remuneration and Abacus performance

Abacus performance over the last five years is illustrated below.

Key financial performance indicators

Key financial performance Indicators	2021	2022	2023	2024	2025
Abacus funds from operations ("FFO") from continuing operations per security (cents)[1]	10.24	7.32	8.82	9.10	**9.26**
FFO (total earnings) per security (cents)[2]	18.40	19.01	19.58	9.24	**9.26**
FFO Profit $m	136.4	160.9	175.0	82.5	**82.7**
Distributions paid and proposed (cents)	17.50	18.00	18.40	8.50	**8.50**
Franking credit distributions paid and proposed (cents)	-	-	-	0.91	**1.82**
Payout Ratio (%)	95.1%	94.7%	94.0%	92.0%	**91.8%**
Closing security price (30 June)	$3.15	$2.57	$2.69	$1.16	**$1.12**
Net Tangible Assets per security[3]	$3.43	$3.85	$3.70	$1.76	**$1.72**
Weighted average securities on issue	741.1m	846.3m	893.5m	893.7m	**893.7m**

[1]Excludes the FFO performance of the ASK entities which formed part of Abacus Group until August 2023.
[2]FFO earnings are unaudited.
[3]Net tangible assets per security include the impact of the fair value movements.

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4. EXECUTIVE KMP REMUNERATION

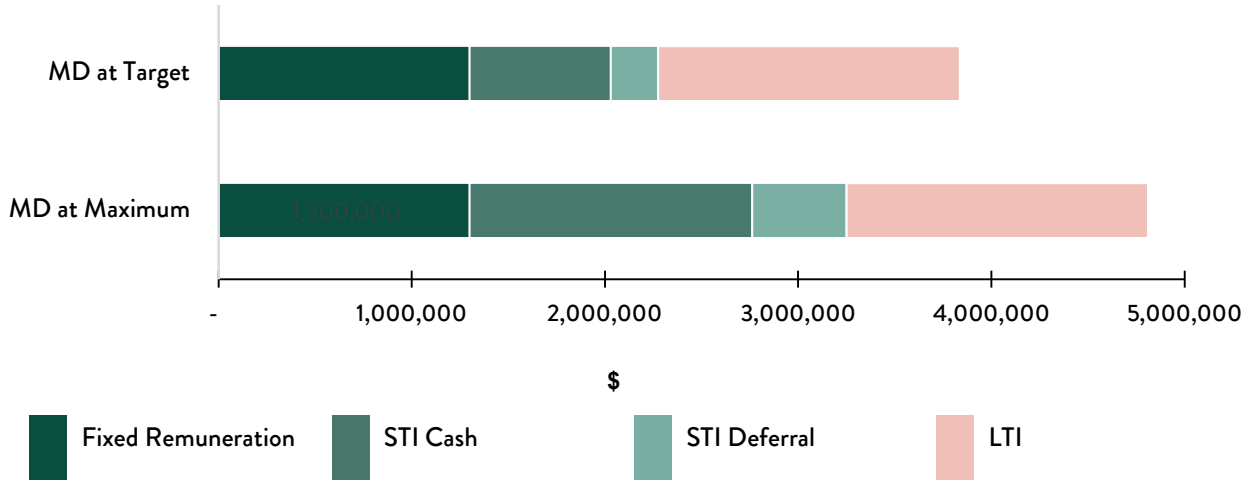
MD FY25 Remuneration details – Target and maximum remuneration in FY25

The following sets out the awards made to the Managing Director for the year ended 30 June 2025.

FIXED REMUNERATION	SHORT TERM INCENTIVE (STI)	LONG TERM INCENTIVE (LTI)
FR of $1,300,000 per annum	Target STI of $975,000 (75% of FR) Maximum STI of $1,950,000 (150% of FR) The balanced scorecard was based on the following: - Financials - 60% - Strategy - 30% - Environment, Social, Governance - 10% The Managing Director received 60.8% of his maximum STI for FY25. 75% or $889,200 of this was received in cash and 25% or $296,400 has been received in rights and deferred for one year.	Maximum LTI of $1,560,000 (120% of FR) 100% of the LTI is granted as performance rights. - 50% of the rights will be tested against performance requirements in FY27. - 50% of the rights will be tested against performance requirements in FY28

This at-risk portion aligns both the Group's performance and the MD's personal influence and contribution to the Group's performance. The total maximum and target for the MD for the full year is summarised in the graph below.

Maximum remuneration represents total potential remuneration of FR, maximum STI and face value of LTI (assuming 100% vesting subject to performance and employment conditions to be met). For STI, the amount is based on 150% achievement of performance targets. Target remuneration represents total potential remuneration of FR, target STI (amount based on 100% achievement of performance targets) and face value of LTI.



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REMUNERATION REPORT

FY25 Managing Director STI Outcome

The following table sets out the performance of the MD against his KPI's for the year ended 30 June 2025 (scorecard) which were reviewed and approved by the People, Performance and Nomination Committee (PPNC) and the Board. These KPIs are intended to provide a link between remuneration outcomes and the key drivers of long term securityholder value.

The FY25 STI balanced scorecard focused on four key priority areas: Financial Performance, Strategic Execution, Customer and Employee Engagement.

The PPNC considers the performance of the Executive KMP against their KPIs and other applicable measures. The Committee then recommends current variable remuneration payments, if any, to the Board for its approval.

The PPNC, along with the Board, reviews performance, at mid-year and the end of the financial year. These reviews, guided by leaders' values and behaviours, evaluate the Executive KMP's achievements against the STI criteria for the entire year.

Managing Director's performance against KPI's

FY25 KPI'S	% KPI	% OF MAX	PERFORMANCE DETAIL
Funds from Operations (FFO) ABG	**50%**	54.5%	Above FFO target achieving $82.7m or 9.26 cps which was above FY24. A DPS of 8.5 cps which was in line with the target rate.
Funds from Operations (FFO) ASK per security	**10%**	53.0%	Delivered a cps of 6.47 which was above FY24
Groups position and profitability in the market	**15%**	55.0%	Implementing strategic initiatives that will improve the Group's competitive position and profitability in the market.
Capital for ASK	**15%**	75.0%	Strong continued momentum, with both streams of acquisition and development delivered.
Environment, Social and Governance	**10%**	87.5%	Employee engagement score of 83% Customer engagement NPS of +27

The balanced scorecards for other Executive KMPs during FY25 are like that of the MD, but with strategic KPIs applicable to their individual roles.

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Executive KMP FY25 STI Outcomes

The FY25 performance assessment resulted in the Board awarding the below STI.

Executive KMP	STI Target % of FR	STI Max % of FR	Max STI Potential $	Actual STI awarded on a % of Max STI potential	Actual Full STI awarded $	Actual STI deferred $	STI forfeited as a % of Max STI potential
Steven Sewell	75%	150%	1,950,000	60.8%	1,185,600	296,400	39.2%
Kevin George[1]	60%	100%	610,000	68.2%	381,128	95,282	30.8%
Evan Goodridge	60%	100%	625,000	72.2%	451,500	112,875	27.8%
Nikki Lawson	60%	100%	610,000	71.6%	436,516	109,129	28.4%
Gavin Lechem	60%	100%	655,200	71.6%	469,386	117,346	28.4%

[1] Kevin George STI is prorated based on his contract.

Executive KMP remuneration details – Employment Arrangements

The Group General Manager, Commercial and Fund Manager ABG's employment arrangements also include an invitation to participate in a one-off grant of equity with a face value of $400,000. The award will be granted in the form of performance rights under the Abacus Group Equity Incentive Plan rules and vesting is subject to Board approval at its August Meeting. The first tranche of the award (face value of $133,333) will be tested in August 2025, subject to continued employment, two FY25 key performance indicators and behaviour consistent with the Group's values and policies. Any vesting into Abacus stapled securities would occur on or around 1 October 2025.

The second and third tranches of the award will vest into Abacus group stapled securities on or around 1 October 2026 and 1 October 2027, respectively, subject to continued employment, two FY26 and FY27 key performance indicators and behaviour consistent with the Group's values and policies.

Key Performance indicators over the three-year period are related to satisfactory development and execution of the Group's strategy as agreed by the Board.

Executive KMP remuneration details – realised remuneration table

This section provides details of the cash and value of other benefits received by the Executive KMP. This is a voluntary disclosure to provide securityholders with increased clarity and transparency in relation to Executive KMP remuneration.

Actual pay represents the pre-tax take home amounts by each Executive KMP for the financial years ended 30 June 2025. This consists of cash remuneration that was received in relation to FY25 which includes fixed pay and the non-deferred portion of any FY25 STI which will be received. The table also includes the value of the deferred STI awards from FY24 which vested during FY25 and prior year SAR's and LTI awards which vested during FY25 based on share price at vesting/exercise date.

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REMUNERATION REPORT

Name	Year	Fixed Pay $	Short Term Incentive (STI) received as cash	Previous years DSTI which were realised	Previous years LTI and SARs which were realised	Total remuneration received and or realised	Awards which lapsed or were forfeited
Steven Sewell	FY25	1,300,000	889,200	330,699	1,504,725	4,024,624	(387,446)
Kevin George[1]		455,889	285,846	-	-	741,735	-
Evan Goodridge		625,000	338,625	100,660	179,407	1,243,692	(48,764)
Nikki Lawson		610,000	327,387	103,999	109,976	1,151,362	(43,076)
Gavin Lechem		655,200	352,039	119,913	311,370	1,438,522	(74,182)

[1] Remuneration reflects period of service as Executive KMP effective 1 October 2024.

Executive KMP remuneration details – statutory table

The table below is prepared in compliance with statutory obligations and accounting standards. The amounts shown may differ from the actual amounts received. It includes accounting values for current and prior years' LTI grants, which have not been received yet as they are contingent upon meeting performance hurdles and service conditions.

	SHORT TERM BENEFITS		LONG TERM BENEFIT		SECURITY BASED PAYMENT		TOTAL	
YEAR	Base Pay	Short Term Incentive (STI)	Non-monetary benefits	Super	Long Service Leave	Deferred STI Rights[2]	Rights[2]	$
Steven Sewell – Managing Director								
FY25	**1,270,068**	889,200	10,406	29,932	21,043	307,036	1,199,325	3,727,009
FY24	1,272,601	1,047,682	11,857	27,399	25,718	351,848	1,029,385	3,766,490
Kevin George[1]- Group General Manager, Commercial and Fund Manager, ABG								
FY25	**433,440**	285,846	-	22,449	7,200	138,920[3]	65,869	953,724
FY24	-	-	-	-	-	-	-	-
Evan Goodridge – Chief Financial Officer								
FY25	595,000	338,625	-	30,000	26,026	113,101	303,444	1,406,197
FY24	522,500	318,900	-	27,500	18,484	98,521	212,864	1,198,769
Nikki Lawson – Group General Manager, Self Storage and Fund Manager, ASK								
FY25	580,068	327,387	-	29,932	10,618	108,441	172,564	1,229,010
FY24	497,405	329,475	-	24,887	9,084	54,912	78,075	993,839
Gavin Lechem – Chief Investment Officer and General Counsel								
FY25	625,268	352,039	-	29,932	9,914	121,197	380,142	1,518,492
FY24	627,500	379,897	-	27,500	15,411	122,498	299,643	1,472,449

[1]Remuneration reflects period of service as Executive KMP.
[2]Accrued not presently entitled. Includes both LTI and Executive Incentive plan (SAR's).
[3] For Kevin George, 91,279 rights relate to the first tranche of his 'one off' grant of equity aligned to his STI. This is detailed on page 23.

REMUNERATION REPORT

5. REWARD, GOVERNANCE AND FRAMEWORK

The Abacus Performance and Reward framework aims to reward, engage, and develop our people focusing on, value creation for our customers and stakeholders.

VISION

CREATE EXCEPTIONAL VALUE FOR OUR CUSTOMERS AND COMMUNITY AS A HIGH CONVICTION OWNER DELIVERING LONG TERM SUSTAINABLE RETURNS

VALUES

ENTREPRENEURIAL

RESPONSIBLE

ACCOUNTABLE

REMUNERATION PRINCIPLES

REWARD

Reward and promote the results and behaviours consistent with the Abacus vision, objectives, and values

BALANCE

Balanced between financial performance, strategic priorities and continued focus on increasing engagement of our people

ALIGNMENT

Alignment of interests to stakeholders to focus on long term sustainable value creation

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REMUNERATION REPORT

The Group's remuneration governance

The People Performance and Nomination Committee is responsible for making recommendations to the Board on the remuneration arrangements for non-executive directors and executives.

Board	People, Performance and Nominations Committee (PPNC)	Management
Ensuring that the Abacus group remuneration framework is aligned with the group's purpose, values, strategic objectives, and risk appetite. Determining Non-Executive Directors and Executive remuneration. Monitoring performance of the Managing Director and executive team in their implementation of the strategy and overseeing succession plans for the key management team.	Review and approve the Group's remuneration policy to ensure remuneration is competitive in the market and effectively designed to attract, motivate, and retain team members. Reviewing and recommending to the Board arrangements for the Executive KMP and the Executive committee in relation to their terms of employment, remuneration and participation in the Groups incentive programs (including performance targets). Review and approve the structure of short-term incentive plans annually to ensure they are effectively designed to reward the achievement of business and individual objectives equitably. Review the design of long term incentives annually to ensure its design meets the Group's objectives, is aligned with industry standards and is within the Group's cost parameters.	Recommend and implement the Abacus Group's remuneration policies and practices ensuring ease of understanding. Providing information relevant to remuneration decisions and making recommendations. Recommend and implement a remuneration framework that is fit for purpose.

Remuneration framework

Fixed Remuneration (FR)	
What is fixed remuneration?	Paid mainly as cash salary – comprises base salary, superannuation contributions and other non-monetary benefits.
How is FR determined?	Base salary is set in reference to each Executive's position, performance, experience, and market rates.

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Short Term Incentive (STI)	
What is the purpose of the short-term incentive (STI) plan?	The STI provides an incentive to deliver annual business plans that will lead to sustainable returns for securityholders. We strive to set a series of financial and non-financial targets that are appropriately ambitious in the context of our strategy, and which drive the right long term behaviours. 25% of any STI awarded to Executive KMP is deferred in the form of Rights with a 12-month vesting period to provide increased alignment with securityholders.
What is the performance period?	1 July 2024 to 30 June 2025.
What is the award opportunity?	For FY25 the target and maximum STI opportunity for Executive KMP as a percentage of FR were:

% of FR	MD	Other Executive KMP
Target	75%	60%
Maximum	150%	100%

What key performance indicators are measured for STI to be paid?	The following factors are among those considered by the Board in making its assessment on the achievement of the STI opportunity: • Unifying Financial performance - FFO • Strategic Objectives • Unifying ESG performance – Customer, People, Safety and Risk
Why were these measures chosen?	An FFO profit target range was chosen by the Board because FFO demonstrates the closest correlation to securityholder value creation (measured by total securityholder return). FFO profit reflects the statutory profit as adjusted 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), and other non-recurring adjustments deemed significant on account of their nature and non-FFO tax benefit/expense. This measure, although underlying, is consistent with the Property Council of Australia guidelines, is derived from financial disclosures and is hence transparent. It reflects the Directors' assessment of the result for the ongoing business activities of Abacus, in accordance with the Property Council guidelines for reporting FFO profit. The other financial and non-financial KPIs were chosen as they represent the key drivers for the short-term success of the business and provide a framework for long term securityholder value.
How is performance assessed?	The People Performance and Nomination Committee considers the performance of the Executive KMP against their KPIs considering a range of factors to ensure outcomes align to overall business performance and investor outcomes. The Committee then recommends current variable remuneration payments, if any, to the Board for its approval.

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Short Term Incentive (STI)		
What is the relationship between performance scales and outcomes?	**Performance Scales**	**STI Outcome**
	Below threshold	0% paid
	Between threshold and maximum	25% - 100% of maximum incentive paid
	Maximum	100% of maximum incentive paid
Are any STI awards deferred?	25% of STI awarded to Executive KMP is delivered in the form of rights with a one year deferral period.	
How is the number of rights determined?	The number of rights to be granted will be calculated by dividing the deferred STI amount by the 10-day volume-weighted average price of the ABG securities on the ASX for the period commencing on the second trading day after the full year's financial results announcement for the year in which the STI award is made were released to the market, rounded to the nearest whole number.	
Are distributions paid on deferred STI awards?	No distributions are paid to participants during the vesting period. Participants receive an entitlement equal to accrued and reinvested distributions only on performance rights that vest.	
Are there any disqualification provisions?	All STI incentive payouts are subject to annual 'good behaviour' and conduct checks, as determined by the Board (or its delegate) in its absolute discretion. Failure to demonstrate good behaviour and conduct may result in a reduction to or forfeiture of the STI payment for the Performance Period. Examples include: • the participant resigns; • the participant has breached the Company Code of Conduct or core company policies; and • the participant's action/s led to a material WHS incident, material compliance issue, material Corporate Social Responsibility (CSR) issue or material reputation issue. The Board has discretion to delay the payment dates set out above, for example to allow time for it to determine the appropriate outcome if there is an investigation underway by the Group or an external third party. The Group reserves the right to suspend or alter STI payments to any participant due to any action which has caused the Group loss or reputational damage. This includes any deferred STI (in the form of rights) in the event of fraud, malfeasance, dismissal for cause, or other misconduct.	
How is STI treated on cessation of employment?	Unless the Board determines otherwise, an Executive will forfeit their STI award and unvested deferred awards if they resign or if their employment is terminated with cause.	

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REMUNERATION REPORT

Long Term Incentive (LTI)

The LTI Plan is aimed at attracting, rewarding, and retaining high performing Executives and other nominated participants for delivering sustained long term growth and aligning them with securityholder interests.

Who participates in the LTI plan?	Participation is limited to Executive KMP and selected senior management positions by invitation and as approved by the Board.
What is the payment vehicle?	LTI awards are granted in the form of performance rights. Performance rights that vest subject to ABG performance conditions entitle executives to receive Abacus Group securities or, at the discretion of the Board, cash of equivalent value at exercise. Performance rights that vest subject to ASK performance conditions will be settled in cash of equivalent value to be invested in ASK securities within 12 months of vesting.
What is the maximum opportunity?	The maximum opportunity for the MD is 120% of FR and for other Executive KMP it ranges from 75% to 100% of FR.
How are the grants calculated?	The number of performance rights that are granted to each participant is calculated by dividing the maximum LTI opportunity (face value) by the face value of an Abacus security. The face value is based on the 10-day VWAP for Abacus securities measured from the second trading day after the full year results announcement for the year ended 30 June 2024 were released to the market.
What are the performance periods, vesting periods, and exercise periods?	The performance rights will be tested against the relevant Performance Conditions following release of audited financial results for the final year of the relevant Performance Period. For the Executive KMP, 50% of the performance rights are tested on the third anniversary of the grant date and 50% on the fourth anniversary of the grant date. Rights that vest subject to ABG performance conditions can be exercised up to 15 years from the grant date. Rights that vest subject to ASK performance conditions can be exercised up to 12 months from the vesting date.
What are the performance conditions for FY25?	The performance rights are subject to the following three independent performance conditions (with a percentage of total performance rights granted to be separately tested against each performance condition) that will be tested separately at the end of each of the applicable performance periods:

Performance Condition	Weight (MD grant)
ABG EBIT per security CAGR	41.67%
ABG Relative TSR	41.67%
[2]ASK Relative TSR	16.66%

ABG EBIT per security CAGR is measured based on the compound annual growth rate in earnings before interest and tax (EBIT) configured on a per security basis. The FY24 base year EBIT per security for performance measurement is 13.73 cps.

[2] Please note the Group General Manager, Commercial and Fund Manager, ABG is on ABG performance only.

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Long Term Incentive (LTI)	
	ABG and ASK Relative Total Securityholder Return (TSR) is measured by taking into account the change in the ABG/ASK security price over the relevant performance period as well as the distributions received (and assumed to be reinvested into ABG/ASK securities on the ex-dividend date). Tax and any franking credits (or equivalent) will be ignored. This outcome will then be tested against a comparator group. The performance requirements for each measure are as follows:

ABG EBIT per Security CAGR	Percentage % of Rights that vest
Less than 2%	0%
2%	50%
2 - 6%	Pro rata vesting from 50% to 100%
6%	100%

ABG / ASK Relative TSR percentile rank	Percentage % of Rights that vest
< 50th	0%
50th	50%
> 50th to 75th	Pro rata vesting from 50% to 100%
75th and above	100%

Why were these measures chosen?	• Growth in EBIT per security reflects management operational performance. • Relative TSR provides alignment with outcomes for securityholders that invest in the A-REIT sector. The comparator group for both the Abacus Group and Abacus Storage King Relative TSR conditions is outlined below and has been derived from the ASX A-REIT's.
Who is the comparator group for FY25?	The Board has determined the comparator group for the FY25 LTI for the Relative TSR test for each of Abacus Group and Abacus Storage King to be: - BWP Trust (BWP) - Charter Hall Retail REIT (CQR) - Cromwell Property Group (CMW) - Dexus Property Group (DXS) - GPT Group (GPT) - Growthpoint Properties (GOZ) - Mirvac Group (MGR) - National Storage REIT (NSR) - Scentre Group Limited (SCG) - Region Group (RGN) - Stockland (SGP) - Vicinity Centres (VCX)
Do we allow for re-testing?	No.
Additional conditions relating to the ASK related rights?	On vesting, the ASK Related Rights which are tested against the Abacus Storage King Relative TSR will be automatically exercised and converted to a cash equivalent amount (including distributions). This amount (net of tax) must be applied by relevant KMP to be used to purchase Abacus Storage King securities within 12 months of vesting.

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Long Term Incentive (LTI)	
Are there distributions or voting rights?	Rights do not carry any voting rights. No distributions are paid to Participants during the vesting period. Participants receive an entitlement to securities equal to accrued and reinvested distributions only on performance rights that vest.
What happens on cessation of employment?	Unless the Board determines otherwise: — if the participant's employment is terminated for cause or they resign (or give notice of their resignation) prior to their Rights vesting, all unvested Rights will lapse; or if the participant ceases employment for any other reason prior to their Rights vesting, all their unvested Rights will remain on foot and be tested in the ordinary course.
What happens if a change in control occurs?	The Board may in its absolute discretion, accelerate vesting on some or all of any unvested securities taking into consideration service and performance prior to a change in control.
Forfeiture for Fraud, Dishonesty or Misstatement	The Board has discretion to determine that a participants Rights lapse in certain circumstances, including where they act fraudulently or dishonestly, or they are in breach of their obligations of the Group.
When is Board discretion used?	Discretion can be applied to the proportion that may vest, taking into account behaviour inconsistent with our Code of Conduct, reputational damage, and having regard to any matters that it considers relevant (including any adjustments for unusual or non-recurring items that the Board considers appropriate). The extent and reasons for any discretion will be disclosed.
Abacus Security Trading Policy	In accordance with Abacus' Trading Policy, no director, employee, or associate may trade in ABG securities at any time if they are in possession of unpublished information which, if generally available, might materially affect the price or value of ABG securities. They may only trade within specified trading windows.

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Security based payments

The tables below provide the grant date fair value and the maximum potential value of all outstanding LTI grants at grant date for the Executive KMP.

If the performance conditions are not met, the minimum value of the LTI will be nil.

The table below shows LTI grants made during FY25, subject to performance conditions over the performance period 1 July 2024 to 30 June 2028.

Performance Long Term Incentive Plan Grant FY25

Participant	LTI max as a % of FR	Performance measure	Number of performance rights granted	Grant date fair value per performance right	Total estimated fair value
Steven Sewell	50	EBIT ps[1]	529,748	1.15	609,209
	50	ABG TSR[2]	529,748	0.62	330,826
	20	ASK TSR[3]	211,899	0.61	128,410
Total	**120**		**1,271,395**		**1,068,445**
Kevin George	37.5	EBIT ps	186,430	1.15	214,395
	37.5	ABG TSR	186,430	0.62	116,425
Total	**75**		**372,860**		**330,820**
Evan Goodridge	40	EBIT ps	203,749	1.15	234,311
	40	ABG TSR	203,749	0.62	127,241
	20	ASK TSR	101,874	0.61	61,735
Total	**100**		**509,372**		**423,287**
Nikki Lawson	18.75	EBIT ps	93,215	1.15	107,197
	18.75	ABG TSR	93,215	0.62	58,212
	37.5	ASK TSR	186,430	0.61	112,976
Total	**75**		**372,860**		**278,385**
Gavin Lechem	40	EBIT ps	213,954	1.15	245,633
	40	ABG TSR	213,954	0.62	133,389
	20	ASK TSR	106,797	0.61	64,719
Total	**100**		**534,705**		**443,741**

[1]EBITps is Underlying Earnings before Interest and Tax Compound Annual Growth Rate per security.
[2]ABG TSR is Relative Total Securityholder Return.
[3]ASK TSR will be cash settled.

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Movements in LTI holdings of key management personnel during the year

The table below provides the movement of all security-based payments granted to the Executive KMP in respect to LTI holdings.

KMP	BALANCE 1 JULY 2024[1]	GRANTED AS REMUNERATION	NO. LAPSED DURING THE YEAR[1]	LTIS EXERCISED	BALANCE 30 JUNE 2025[1]
Steven Sewell	2,060,403	1,168,760	(196,306)	-	3,032,857
Kevin George	-	386,823	-	-	386,823
Evan Goodridge	543,707	441,422	(21,372)	-	963,757
Nikki Lawson	392,515	207,909	(24,266)	-	576,158
Gavin Lechem	686,608	465,311	(34,836)	(37,489)	1,079,594
Total	**3,683,233**	**2,670,225**	**(276,780)**	**(37,489)**	**6,039,189**

[1]Number of Abacus securities include participants receiving an entitlement equal to accrued and reinvested distributions only on performance rights that vest.

Movements in LTI holdings (ASK cash settled securities) of key management personnel during the year

The table below provides the movement of all security-based payments granted to the Executive KMP in respect to LTI holdings (ASK cash securities). The securities granted are in the form of ABG rights, with performance measured against ASK securities and, if vested and exercised, are settled in cash.

KMP	BALANCE 1 JULY 2024[1]	GRANTED AS REMUNERATION	NO. LAPSED DURING THE YEAR[1]	LTIS EXERCISED	BALANCE 30 JUNE 2025[1]
Steven Sewell	241,112	220,291	-	-	461,403
Evan Goodridge	102,010	105,424	-	-	207,434
Nikki Lawson	106,645	190,185	-	-	296,830
Gavin Lechem	121,521	111,078	-	-	232,599
Total	**571,288**	**626,978**	**-**	**-**	**1,198,266**

[1]Number of securities include participants receiving an entitlement equal to accrued and reinvested distributions only on performance rights that vest.

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Background of new issuances in LTI holdings (Replacement Rights)

Prior to the implementation of the de-stapling of Abacus Property Group in August 2023, Abacus Property Group had on issue Performance Rights which on vesting entitled participants to receive securities in Abacus Property Group (**'Pre De-Stapling Rights'**). These Pre De-Stapling Rights (FY22 & FY23) were to be tested against a Relative TSR hurdle, under which the VWAP of both Abacus Group and Abacus Storage King Group securities (collectively '**Combined Abacus Securities'**) for the period were to be tested against the VWAP of Combined Abacus Securities at the end of each relevant performance period and then compared against a comparator group.

In connection with the de-stapling transaction, the 'starting' period VWAP that Pre De-Stapling Rights were to be tested against was reset to be based on the 30-day VWAP of Combined Abacus Securities starting from the de-stapling implementation date of 1 August 2023 (**'FY22 & FY23 Starting VWAP'**). In addition, shortly following implementation of the de-stapling of Abacus Property Group, new Performance Rights were granted by Abacus Group (**'FY24 ABG Rights'**). These FY24 ABG Rights were incentives granted as part of the FY24 remuneration arrangements for Abacus Group and entitled the participant to receive (on vesting) ABG Securities only.

These Performance Rights were to be tested against a Relative TSR hurdle, with a 'starting' period VWAP based on the 30-day VWAP of only ABG Securities starting from the de-stapling implementation date (**'FY24 ABG Starting VWAP'**). The FY22 & FY23 Starting VWAP and the FY24 ABG Starting VWAP were the same and set during a period in which each of the ABG Securities and ASK Securities were still within the S&P/ASX 200 index. At the time of determining the Starting VWAP, it was not certain whether the ABG Securities and ASK securities would remain in the S&P/ASX 200 index after the completion of de-stapling.

Shortly after the FY22 & FY23 Starting VWAP and the FY24 ABG Starting VWAP were set, ABG Securities and ASK Securities were excluded from the S&P/ASX 200 index. To ensure an ongoing, effective and economic incentive program (following the lapse of performance rights in FY24) the Board proposed to grant new performance rights to management for those that had lapsed, being Replacement Rights, and modify those that were yet to vest, being Corrective Rights.

At the 2024 Annual General Meeting held on 20 November 2024, securityholders voted FOR the Board resolutions to grant new performance rights to management and extend the VWAP period from 30 to 90 days from 1 August 2023 to 31 October 2023, to replace grants that had lapsed with all other performance hurdles remaining the same as the lapsed grants.

The grant date of the Replacement Rights was 10 December 2024, at a security price of $1.20.

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Movements in LTI holdings (Replacement Rights) of key management personnel during the year

The table below provides the grant date fair value and the number of Replacement Rights granted to Executive KMP. Replacement Rights will be tested against performance conditions on 25 August 2025.

Participant	Tranche of Rights Replaced	Number of performance rights granted	Fair value per performance right	Total estimated fair value
Steven Sewell	FY22	252,423	$0.52	131,260
Evan Goodridge	FY22	16,155	$0.52	8,401
Nikki Lawson	FY23	38,706	$0.58	22,449
Gavin Lechem	FY22	35,696	$0.52	18,562

The table below provides the movement of all Replacement Rights granted to the Executive KMP.

KMP	BALANCE 1 JULY 2024	GRANTED AS REMUNERATION	NO. LAPSED DURING THE YEAR[1]	LTIS EXERCISED	BALANCE 30 JUNE 2025[1]
Steven Sewell	-	261,875	-	-	261,875
Evan Goodridge	-	16,760	-	-	16,760
Nikki Lawson	-	40,155	-	-	40,155
Gavin Lechem	-	37,033	-	-	37,033
Total	**-**	**355,823**	**-**	**-**	**355,823**

[1]Number of securities include participants receiving an entitlement equal to accrued and reinvested distributions only on performance rights that vest.

Vesting Outcome for Managing Director and other Executive KMP

On 30 June 2025 the following was tested for the Managing Director:

- the Replacement LTI Grant,
- the second tranche of the modified FY22 LTI Plan, and
- the first tranche of the modified FY23 LTI Plan.

On 30 June 2025 the following was tested for the other Executive KMP:

- the Replacement LTI Grant,
- the third tranche of the modified FY22 LTI Plan, and
- the second tranche of the modified FY23 LTI plan,

noting some grants were made prior to them becoming KMP.

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FY22 Replacement LTI Vesting Outcome – August 2025

PERFORMANCE MEASURE	WEIGHTING	MINIMUM	MAXIMUM	RESULT	VESTING OUTCOME
Relative TSR	100%	50th percentile	75th percentile	57th percentile	**64%**

FY22 & FY23 Modified LTI Vesting Outcome – August 2025

PERFORMANCE MEASURE	WEIGHTING	MINIMUM	MAXIMUM	GROUP RESULT		PERFORMANCE MEASURE VESTING OUTCOME	
				FY22	FY23	FY22	FY23
EBIT CAGR	50%	3%	8%	10.1%	6.6%	100%	86%
Relative TSR	50%	50th percentile	75th percentile	57th percentile	57th percentile	64%	64%
			Vesting Outcome % of maximum	**82%**	**75%**		

Legacy Plans

a) LTI rights (Corrective Rights)

Background of modification of LTI rights (Corrective Rights)

At the 2024 Annual General Meeting held on 20 November 2024, securityholders voted FOR the Board resolutions to grant new performance rights to management and extend the VWAP period from 30 to 90 days from 1 August 2023 to 31 October 2023.

In this context, it was proposed to grant Corrective Rights to participants which has the effect of modifying existing LTI rights (to be tested on each of 30 June 2025, 30 June 2026 and 30 June 2027) that had a starting 30 day VWAP period calculated during a period in which ABG Securities and ASK Securities were in the ASX 200.

Each of these Corrective Rights are tested against a Relative TSR performance condition consistent with the LTIs issued in November 2024 detailed on page 29, and will, on vesting and exercise, entitle each holder to receive an ABG Security.

The grant date of the Corrective Rights was 10 December 2024, at a security price of $1.20.

Through the issuance of Corrective Rights, the existing LTI rights that had a starting VWAP calculated during a period in which ABG Securities and ASK Securities were in the ASX 200 were effectively modified.

The impact of the issuance means participants will only receive the percentage of rights which is equal to the difference between their entitlement on any vesting of the Corrective Rights for a particular testing date and their entitlement on any vesting of their existing LTI rights to be tested on the same testing date.

This adjustment ensures that participants will not receive more than 100% of the initial intended incentivisation outcome.

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Summary of existing LTI rights impacted by Corrective Rights prior to modification

GRANT	NO. OF EXISTING LTI RIGHTS IMPACTED BY MODIFICATION	GRANT DATE SECURITY PRICE $ OF EXISTING LTI RIGHTS PRIOR TO MODIFICATION	MAXIMUM VESTING PERIOD OF EXISTING LTI RIGHTS
Steven Sewell			
FY24 LTI rights	560,345	1.16	23 August 2027
FY24 ASK LTI rights	56,035	1.16	23 August 2027
FY23 LTI rights	228,102	2.74	24 August 2026
FY22 LTI rights	91,912	3.40	25 August 2025
Evan Goodridge			
FY24 LTI rights	189,655	1.16	23 August 2027
FY24 ASK LTI rights	26,983	1.16	23 August 2027
FY23 LTI rights	45,621	2.74	24 August 2026
FY22 LTI rights	5,883	3.40	25 August 2025
Nikki Lawson			
FY24 LTI rights	136,315	1.16	23 August 2027
FY24 ASK LTI rights	24,785	1.16	23 August 2027
FY23 LTI rights	34,976	2.74	24 August 2026
Gavin Lechem			
FY24 LTI rights	225,931	1.16	23 August 2027
FY24 ASK LTI rights	56,483	1.16	23 August 2027
FY23 LTI rights	57,482	2.74	24 August 2026
FY22 LTI rights	12,998	3.40	25 August 2025

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Impact of modification on existing LTI rights by grant of Corrective Rights

Grant	Relative TSR starting and ending VWAP period of Existing LTI Rights	Relative TSR starting and ending VWAP period of modified LTI Rights	Date of Modification	Difference in Fair Value of LTI Rights due to modification $
Steven Sewell				
FY24 LTI rights	30 days	90 days	10 December 2024	38,178
FY24 ASK LTI rights	30 days	90 days	10 December 2024	-
FY23 LTI rights	30 days	90 days	10 December 2024	7,632
FY22 LTI rights	30 days	90 days	10 December 2024	1,953
Evan Goodridge				
FY24 LTI rights	30 days	90 days	10 December 2024	12,922
FY24 ASK LTI rights	30 days	90 days	10 December 2024	-
FY23 LTI rights	30 days	90 days	10 December 2024	1,526
FY22 LTI rights	30 days	90 days	10 December 2024	125
Nikki Lawson				
FY24 LTI rights	30 days	90 days	10 December 2024	9,288
FY24 ASK LTI rights	30 days	90 days	10 December 2024	-
FY23 LTI rights	30 days	90 days	10 December 2024	1,170
Gavin Lechem				
FY24 LTI rights	30 days	90 days	10 December 2024	15,393
FY24 ASK LTI rights	30 days	90 days	10 December 2024	-
FY23 LTI rights	30 days	90 days	10 December 2024	1,923
FY22 LTI rights	30 days	90 days	10 December 2024	237

The FY24 ASK LTI rights will vest 50% in ABG securities and 50% cash settled.

b) Impact of De-stapling on Abacus Group LTI rights

This section outlines the approved treatment by securityholders of the Abacus Group Incentive Awards on foot for employees that, on de-stapling implementation, either continued to be employed by Abacus Group or be employed by Abacus Storage King but continue to hold relevant Abacus Group Incentive Awards.

The Abacus Group Board determined the treatments set out in the following table in order to preserve the overall value of the Abacus Property Group Incentive Awards following the de-stapling, and to ensure that participants do not receive a benefit that they would not have received before the de-stapling and are not disadvantaged by the de-stapling.

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What are the performance conditions for the FY22 & FY23 grants?

The performance rights are subject to two independent performance conditions (with a percentage of total performance rights granted to be separately tested against each performance condition) that will be tested separately at the end of each of the applicable performance periods:

The vesting hurdles for these LTI Rights will be tested against the compound annual growth rate in Earnings Before Interest and Tax **(EBIT Growth)** and Relative Total Securityholder Return (TSR).

The performance period for testing the relevant LTI Rights against the EBIT Growth hurdle will remain the same as the performance period which applied to those LTI Rights prior to De-stapling Implementation. The performance period for testing the relevant LTI Rights against the TSR hurdle has been adjusted and reset to commence on the 1st of August 2023.

- 50% of the LTI Rights scheduled to vest in each year will be subject to the EBIT Growth hurdle. The EBIT Growth outcome will be based on the combined performance of Abacus Group and Abacus Storage King **(Combined EBIT Growth Outcome).** In order for the LTI Rights subject to the EBIT Growth hurdle to vest, the Combined EBIT Growth Outcome must be a minimum of 3% for the relevant performance period and target is 8%. There is a pro rata vesting between 3-8%.
- 50% of the LTI Rights scheduled to vest in each year will be subject to the TSR hurdle. TSR measures the growth in the price of securities plus cash distributions notionally reinvested in securities. The TSR outcome will be based on the combined performance of Abacus Group Securities and Abacus Storage King Securities **(Combined TSR Growth Outcome).**

Who is the comparator group?

The Board has determined the comparator group for the Relative TSR test for each of Abacus Group and Abacus Storage King to be:

- BWP Trust (BWP)	- Mirvac Group (MGR)
- Charter Hall Retail REIT (CQR)	- National Storage REIT (NSR)
- Cromwell Property Group (CMW)	- Scentre Group Limited (SGC)
- Dexus Property Group (DXS)	- Region Group (RGN)
- GPT Group (GPT)	- Stockland (SGP)
- Growthpoint Properties (GOZ)	- Vicinity Centres (VCX)

For the LTI Rights to vest based on Relative TSR Growth:

- 50% of the rights vest if the Combined Relative TSR Growth Outcome is at least at the 50th percentile.
- 100% of the rights vest if the outcome reaches the 75th percentile.
- Pro rata vesting occurs between the 50th and 75th percentiles.

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FY22 & 23 Grant date fair value and maximum value for existing LTI grants

PLAN[1]	GRANT DATE SECURITY PRICE $	NUMBER OF LTI RIGHTS GRANTED		PERFORMANCE PERIOD	MAXIMUM GRANT DATE FACE VALUE $
		ABG	ASK		
Steven Sewell - MD					
FY23	2.74	228,102	228,102	1 Jul 2022 to 30 Jun 2025	1,250,000
		228,102	228,102	1 Jul 2022 to 30 Jun 2026	
FY22	3.40	183,824	183,824	1 Jul 2021 to 30 Jun 2024	1,250,000
		183,824	183,824	1 Jul 2021 to 30 Jun 2025	
Evan Goodridge[2]- CFO					
FY23	2.74	45,621	45,621	1 July 2022 to 30 June 2025	250,000
		45,620	45,620	1 July 2022 to 30 June 2026	
Gavin Lechem – CIO and GC					
FY23	2.74	57,482	57,482	1 July 2022 to 30 June 2025	315,000
		57,482	57,482	1 July 2022 to 30 June 2026	
FY22	3.40	25,995	25,995	1 July 2022 to 30 June 2024	265,148
		25,995	25,995	1 July 2022 to 30 June 2025	
		25,995	25,995	1 July 2022 to 30 June 2026	

[1] The FY23 grant was issued on 23 December 2022 (FY22: November 2021).
[2] Remuneration reflects period of service as Executive KMP.

c) Executive Incentive Plan (Legacy SAR's Plan)

The Executive Incentive plan ceased in the year ending 30 June 2021. The final SARs vesting under this plan occurred in September 2024.

The table below discloses the number of SARs that vested or lapsed during the year.

No further grants will be made under this Plan.

Grant date fair value and maximum value for executive incentive plan (Legacy SARs)

PLAN[1]	GRANT DATE SECURITY PRICE $	NUMBER OF LTI RIGHTS GRANTED		PERFORMANCE PERIOD	MAXIMUM GRANT DATE FACE VALUE $
		ABG	ASK		
Steven Sewell - MD					
FY21	2.71	96,825	96,825	1 July 2021 to 30 June 2024	787,185

[1] The FY21 grant was issued on 17 November 2020.

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Movements in SARs holdings of key management personnel during the year

The table below provides the movement of all security-based payments granted to the Executive KMP in respect to SARs holdings.

KMP	BALANCE 1 JULY 2024	GRANTED AS REMUNERATION	NO. LAPSED DURING THE YEAR[1]	SARS EXERCISED	BALANCE 30 JUNE 2025[1]
Steven Sewell (MD)	118,808	-	-	(118,808)	**-**
Evan Goodridge	12,074	-	-	(12,074)	**-**
Gavin Lechem	33,205	-	-	(33,205)	**-**
Total	**164,087**	**-**	**-**	**(164,087)**	**-**

[1]Number of securities include participants receiving an entitlement equal to accrued and reinvested distributions only on performance rights that vest.

Minimum securityholding requirement for Executive KMP

To align the interests of the Board with securityholders, the Board introduced a minimum securityholding requirement for Executive KMP.

- The MD is required to maintain a minimum holding of securities equivalent to 100% of his fixed remuneration. Executive KMP are required to maintain a minimum holding of securities that is equivalent to 50% of their fixed remuneration.
- Executive KMP had until the later of the de-stapling of Abacus Group and Abacus Storage King or the date they become a member of the KMP to meet the minimum holding requirement.

Executive KMP ownership – securityholdings detail as of 30 June 2025

EXECUTIVE KMP	BALANCE 1 JULY 2024	VESTED/ EXERCISED[1]	PURCHASED / (SOLD)	BALANCE 30 JUNE 2025
Steven Sewell	1,515,415	981,876	-	2,497,291
Kevin George	-	-	-	-
Evan Goodridge	201,996	168,411	-	370,407
Nikki Lawson	21,924	153,897	-	175,821
Gavin Lechem	526,974	279,466	-	806,440

[1]Includes securities that were tested on 30 June 2025 and will vest in August 2025

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Executive KMP ownership – Minimum securityholding detail as at 30 June 2025

EXECUTIVE KMP	BALANCE 30 JUNE 2025	MSH REQUIREMENT	MSHR ASSESSMENT DATE
Steven Sewell	$3,505,157	$1,300,000	Aug-27
Kevin George	-	$305,000	Sep-28
Evan Goodridge	$524,910	$312,500	Aug-27
Nikki Lawson	$196,920	$305,000	Aug-27
Gavin Lechem	$1,310,030	$327,600	Aug-27

Unvested rights are not included in the calculation of the minimum holding of securities.

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REMUNERATION REPORT

6. NON-EXECUTIVE DIRECTOR REMUNERATION

Objective

The Committee assesses the appropriateness of the nature and amount of remuneration of Non-Executive Directors (NEDs) on a periodic basis by reference to market rates with the overall objective of attracting and retaining Board members with an appropriate combination of industry and specialist functional knowledge and experience.

Fee Structure and Policy

The following table outlines the Non-Executive Directors (NEDs) fee policy and any changes introduced for FY25.

Maximum aggregate fees approved by securityholders	Abacus' constituent documents and the ASX Listing Rules specify that the maximum aggregate remuneration of Non-Executive directors must be approved by securityholders. The last determination was at the annual general meeting held on 14 November 2022 when securityholders approved an aggregate remuneration limit of $1,250,000 per year.
Contracts	Upon appointment to the Board, all NEDs receive a letter of appointment which summarises the Board policies and terms, including compensation, relevant to the office of Director.
Non-Executive Director fees reviews	The Board reviews NED fees on an annual basis in line with general industry practice. This ensures fees are appropriately positioned in the market to attract and retain high calibre individuals. The fees were last increased in July 2021. NEDs are entitled to be reimbursed for all reasonable costs and expenses incurred by them in performing their duties. NED fee changes There were no changes to the Board base fees and committee fees in FY25 and there are no planned changes to the Board base fees and committee in FY26. Refer to the below table for details of FY25 fees. The aggregation of all Board and committee fees for FY25, remains below the current pool limit.
Superannuation	The fees set out above include superannuation contributions in accordance with relevant statutory requirements.
Post-employment benefits	The Non-Executive directors do not receive retirement benefits. Nor do they participate in any incentive programs.

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REMUNERATION REPORT

Non-Executive Director fee levels (inclusive of superannuation) – Abacus Group

BOARD/COMMITTEE	ROLE	FY25 PER ROLE $	FY25 TOTAL
Board	Chair	$252,000	$252,000
	Non-Executive Director	$113,000	$339,000
Audit and Risk Committee	Chair	$27,300	$27,300
	Non-Executive Director	$12,285	$24,750
Work, Health Safety and Sustainability Committee	Chair	$21,000	$21,000
	Non-Executive Director	$10,500	$10,500
People Performance and Nomination Committee	Chair	$23,000	$23,000
	Non-Executive Director	$11,250	$11,250
Total			$719,870

Non-Executive Directors' remuneration details – Abacus Group

NON-EXECUTIVE DIRECTOR	FY	BASE FEES	NON-MONETARY BENEFITS	TOTAL CASH PAYMENTS AND SHORT-TERM BENEFITS	SUPER	$
Myra Salkinder (Chair)[1]	FY25	252,000	-	252,000	-	252,000
	FY24	245,757	-	245,757	6,243	252,000
Trent Alston	FY25	140,054	-	140,054	16,106	156,160
	FY24	133,590	-	133,590	14,695	148,285
Mark Haberlin	FY25	135,919	-	135,919	15,631	151,550
	FY24	136,531	-	136,531	15,018	151,550
Sally Herman[2]	FY25	30,224	-	30,224	3,476	33,700
	FY24	131,460	-	131,460	3,340	134,800
Jingmin Qian	FY25	138,764	-	138,764	15,958	154,722
	FY24	131,789	-	131,789	14,497	146,285
Mark Bloom[3]	FY25	-	-	-	-	-
	FY24	11,587	-	11,587	1,275	12,862

[1]Myra Salkinder as Chair does not receive any fees for other sub-committees.
[2] Sally Herman ceased as a director 30 September 2024.
[3]Mark Bloom ceased as a director 3 August 2023.

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REMUNERATION REPORT

Minimum securityholding requirement for Non-Executive Directors FY25

The Board recognises the importance of aligning the interests of its senior executives and directors with the long term interests of Abacus' securityholders. To further align this interest, the Board has introduced a minimum securityholding requirement for NEDs.

Each Non-Executive Director must accumulate and retain a minimum securityholding in Abacus securities equivalent to their annual director's fee inclusive of base fee, superannuation contributions and before any tax deductions. The minimum securityholding was to be achieved progressively by the 4th anniversary of the later of 27 June 2022 or the date of their appointment, to meet the minimum holding requirement.

From FY24 the minimum securityholding is to be achieved progressively by the 4th anniversary of the later of the de-stapling of Abacus Group and Abacus Storage King or the date of their appointment as a director.

NON-EXECUTIVE DIRECTOR	BALANCE 1 JULY 2024	PURCHASE / SALE	BALANCE 30 JUNE 2025	MSHR ASSESSMENT	MSHR POLICY	MSHR ASSESSMENT DATE
Myra Salkinder (Chair)	14,802,171	-	14,802,171	$23,572,839	$252,000	Aug-27
Trent Alston	45,250	41,975	87,225	$166,078	$156,160	Aug-27
Mark Haberlin	42,292	-	42,292	$107,928	$151,550	Aug-27
Jingmin Qian	45,167	-	45,167	$102,517	$154,722	Aug-27

Non-Executive Directors are bound by Abacus's Securities Trading Policy. No additional remuneration is provided to Non-Executive Directors to purchase these stapled securities.

All equity transactions with Non-Executive Directors have been entered into under terms and conditions no more favourable than those that Abacus would have adopted if dealing at arm's length. There have been no movements in holdings since 30 June 2025.

7. ADDITIONAL REQUIRED DISCLOSURES

Executive KMP employment terms

The total remuneration package is reviewed annually, and the key terms are summarised below:

KMP	TERM OF AGREEMENT	NOTICE PERIOD (BY COMPANY OR BY EMPLOYEE)	POST-EMPLOYMENT RESTRAINTS	TERMINATION BENEFITS
Steven Sewell, Managing Director	No expiry date	9 months	12 months	No redundancy payment entitlements. If there are any termination entitlements to be paid, they will be limited by the current Corporations Act 2001 (Cth) or the ASX Listing Rules or both.
Other Executive KMP	No expiry date	6 months	6 months	Covered by National Employment Standards (NES).

REMUNERATION REPORT

Abacus may terminate an Executive KMP's service at any time without notice if serious misconduct has occurred. Where termination with cause occurs, the Executive is only entitled to remuneration up to the date of termination.

Use of Remuneration advisors

The People and Performance and Nomination Committee engages external remuneration consultants from time to time to provide independent benchmarking data and information on best practice. This ensures the Company continually reviews assesses and adapts the remuneration governance functions to assist the Board and Committee in making informed remuneration decisions. No remuneration recommendations as defined under the Corporations Act 2001 (Cth) were provided to the Committee by remuneration consultants in FY25.

Loans to Key Management Personnel

There were no loans to key management personnel or their related parties at any time in 2025 or in the prior year.

Other transactions with Key Management Personnel

During the year, transactions occurred between Abacus and key management personnel which were within normal employee and investor relationships.

Directors and Officers Insurance

During the year, Abacus Group paid for a Directors and Officers Insurance policy. In accordance with usual commercial practice, the insurance policy prohibits disclosure of details relating to the nature of the liabilities covered by the insurance, the limit of indemnity and the amount of the premium paid under the contract.

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SIGNIFICANT EVENTS AFTER BALANCE DATE

On 13 May 2025, Abacus Storage King (ASK) announced it had rejected a Non-Binding Indicative proposal from Ki Corporation and Public Storage (the 'Consortium') of $1.47 per security. ASK's Independent Board Committee rejected the Proposal on the basis it was not in securityholders' best interests.

ASK announced a revised non-binding indicative proposal from the Consortium on 14 July 2025 with a new price of $1.65 per security. As previously announced, the Independent Board Committee has accepted a six week period of due diligence to the Consortium to determine whether a binding proposal can be developed that is capable of being recommended to securityholders. The Group holds an equity accounted investment in ASK and associated management rights which would both be impacted should a sale proceed. There are no further updates to provide at this time.

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

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Group is subject to environmental regulation in respect of its property activities and there are systems in place for the management of the Group's environmental responsibilities, and compliance with relevant licence requirements and regulations. No material breaches of requirements or any environmental issues have been identified during the year.

ROUNDING

The amounts contained in this report and in the annual 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 48.

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

Myra Salkinder
Chair

Steven Sewell
Managing Director

Sydney, 25 August 2025

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Shape the future
with confidence

Auditor's independence declaration to the directors of Abacus Group Holdings Limited

As lead auditor for the audit of the financial report of Abacus Group Holdings Limited for the financial year ended 30 June 2025, 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 audit;

b. No contraventions of any applicable code of professional conduct in relation to the audit; and

c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

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

Ernst & Young

Ernst & Young

Jodie Inglis
Partner
25 August 2025

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CONSOLIDATED INCOME STATEMENT

30 JUNE 2025

	Notes	2025 $'000	2024 $'000
REVENUE			
Rental income		152,621	144,373
Finance income	1(a)	4,106	6,957
Fee income	1(b)	19,566	17,180
Total Revenue		**176,293**	**168,510**
OTHER INCOME			
Net change in fair value of investments and derivatives derecognised		1,007	658
Share of profit/(loss) from equity accounted investments	7(a)	74,638	24,977
Net change in fair value of investment properties derecognised		40	(8,244)
Other income		115	-
Total Revenue and Other Income		**252,093**	**185,901**
Net change in fair value of investment properties held at balance date		(72,173)	(275,407)
Net change in fair value of derivatives		(13,895)	(13,992)
Net change in fair value of investments held at balance date	3(a)	(330)	(1,798)
Net change in fair value from deconsolidation	20	-	(5,614)
Property expenses and outgoings		(44,497)	(43,588)
Depreciation and amortisation expense	3(b)	(4,491)	(4,091)
Finance costs	3(c)	(46,724)	(41,557)
Administrative and other expenses	3(d)	(36,057)	(38,241)
PROFIT/(LOSS) BEFORE TAX FROM CONTUNUING OPERATIONS		**33,926**	**(238,387)**
Income tax expense	4(a)	(7,016)	(3,602)
NET PROFIT/(LOSS) AFTER TAX FROM CONTINUING OPERATIONS		**26,910**	**(241,989)**
Discontinued Operations			
Net profit after tax from discontinued operations	21	-	951
NET PROFIT/(LOSS) AFTER TAX		**26,910**	**(241,038)**
PROFIT/(LOSS) ATTRIBUTABLE TO:			
Equity holders of the parent entity (AGHL)		(9,950)	(33,286)
Equity holders of other stapled entities			
AT members		38,702	(178,499)
AGPL members		(4,033)	3,028
AIT members		2,191	(33,232)
ASPT members		-	(7,913)
ASOL members		-	8,864
NET PROFIT/(LOSS) AFTER TAX		**26,910**	**(241,038)**
Basic and diluted earnings/(loss) per stapled security (cents)	2	3.01	(26.97)
Basic and diluted earnings/(loss) per stapled security from continuing operations (cents)	2	3.01	(27.08)

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CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

30 JUNE 2025

	2025 $'000	2024 $'000
NET PROFIT/(LOSS) AFTER TAX	26,910	(241,038)
OTHER COMPREHENSIVE INCOME		
Items that may be reclassified subsequently to the income statement		
Share of other comprehensive income of an associate	1,582	(491)
Foreign exchange translation adjustments, net of tax associated with discontinued operations	-	1,145
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD	**28,492**	**(240,384)**
Total comprehensive income attributable to:		
Members of the Group	28,492	(240,384)
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD	**28,492**	**(240,384)**
Total comprehensive income / (loss) attributable to members of the Group analysed by amounts attributable to:		
AGHL members	(9,950)	(33,286)
AT members	40,047	(178,917)
AGPL members	(3,796)	2,955
AIT members	2,191	(33,232)
ASPT members	-	(6,852)
ASOL members	-	8,948
TOTAL COMPREHENSIVE INCOME/(LOSS) AFTER TAX ATTRIBUTABLE TO MEMBERS OF THE GROUP	**28,492**	**(240,384)**

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 JUNE 2025

	Notes	2025 $'000	2024 $'000
CURRENT ASSETS			
Investment properties held for sale	5	194,000	123,000
Cash and cash equivalents	9	23,946	23,556
Trade and other receivables	8(a)	42,057	28,502
Derivatives at fair value		1,279	3,971
Other		5,954	6,595
TOTAL CURRENT ASSETS		**267,236**	**185,624**
NON-CURRENT ASSETS			
Investment properties	5	1,607,800	1,762,000
Property loans	6(a)	55,944	55,870
Equity accounted investments	7(b)	610,185	565,324
Deferred tax assets	4(c)	2,900	8,180
Property, plant and equipment		168	288
Other financial assets	6(b)	6,523	4,938
Intangible assets and goodwill	20	32,403	32,426
Derivatives at fair value		730	7,186
Other		4,500	4,500
TOTAL NON-CURRENT ASSETS		**2,321,153**	**2,440,712**
TOTAL ASSETS		**2,588,389**	**2,626,336**
CURRENT LIABILITIES			
Trade and other payables	8(b)	60,516	61,919
Derivatives at fair value		538	-
Income tax payable		679	
Other		6,626	6,226
TOTAL CURRENT LIABILITIES		**68,359**	**68,145**
NON-CURRENT LIABILITIES			
Interest-bearing loans and borrowings	11	942,099	939,327
Derivatives at fair value		3,250	858
Deferred tax liabilities	4(c)	9,729	9,399
Other		1,623	1,474
TOTAL NON-CURRENT LIABILITIES		**956,701**	**951,058**
TOTAL LIABILITIES		**1,025,060**	**1,019,203**
NET ASSETS		**1,563,329**	**1,607,133**
TOTAL EQUITY		**1,563,329**	**1,607,133**

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

30 JUNE 2025

	Notes	2025 $'000	2024 $'000
Equity attributable to members of AGHL:			
Contributed equity		568,862	568,862
Treasury shares		(4,284)	(4,358)
Reserves		9,635	6,045
Retained earnings		45,394	93,324
Total equity attributable to members of AGHL:		**619,607**	**663,873**
Equity attributable to unitholders of AT:			
Contributed equity		1,373,217	1,373,217
Reserves		928	(418)
Accumulated losses		(554,745)	(555,467)
Total equity attributable to unitholders of AT:		**819,400**	**817,332**
Equity attributable to members of AGPL:			
Contributed equity		47,064	47,064
Reserves		163	(73)
Retained earnings		61,248	65,281
Total equity attributable to members of AGPL:		**108,475**	**112,272**
Equity attributable to unitholders of AIT:			
Contributed equity		188,472	188,472
Accumulated losses		(172,625)	(174,816)
Total equity attributable to unitholders of AIT:		**15,847**	**13,656**
TOTAL EQUITY		**1,563,329**	**1,607,133**
Contributed equity	13	2,177,615	2,177,615
Treasury shares		(4,284)	(4,358)
Reserves		10,726	5,554
Retained earnings		(620,728)	(571,678)
TOTAL EQUITY		**1,563,329**	**1,607,133**

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CONSOLIDATED STATEMENT OF CASH FLOW

30 JUNE 2025

	Notes	2025 $'000	2024 $'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Income receipts		187,279	203,025
Interest received		1,006	1,513
Distributions received		115	-
Income tax paid		(272)	(2,827)
Finance costs paid		(48,441)	(36,474)
Operating payments		(74,270)	(89,263)
NET CASH FLOWS FROM OPERATING ACTIVITIES	9	**65,417**	**75,974**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for investments and funds advanced		(2,041)	(1,267)
Proceeds from sale and settlement of investments and funds repaid		7,631	140,849
Purchase of property, plant and equipment		(7)	(28)
Payments for investment properties and capital expenditure		(55,531)	(188,028)
Proceeds from disposal of investment properties		58,549	110,523
Payment for other investments and financial assets		-	(16,051)
NET CASH FLOWS FROM INVESTING ACTIVITIES		**8,601**	**45,998**
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of borrowing costs		(2,191)	(1,315)
Payment for treasury shares		(74)	(4,358)
Repayment of borrowings and financial instruments		(91,341)	(249,098)
Repayment of principal portion of lease liabilities		-	(33)
Proceeds from borrowings		95,938	122,752
Distributions paid		(75,960)	(70,149)
NET CASH FLOWS (USED IN) FINANCING ACTIVITIES		**(73,628)**	**(202,201)**
Net increase/(decrease) in cash and cash equivalents from continuing operations		1,966	(48,390)
Net (decrease) in cash and cash equivalents from discontinued operations		-	(31,839)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		390	(80,229)
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 at deconsolidation	21	-	(31,745)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	9	**23,946**	**23,556**

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

30 JUNE 2025

	Attributable to the stapled securityholders					
CONSOLIDATED	Issued capital $'000	Share of reserves* $'000	Employee equity benefits $'000	Treasury shares $'000	Retained earnings $'000	Total equity $'000
At 1 July 2024	2,177,615	(491)	6,045	(4,358)	(571,678)	1,607,133
Other comprehensive income	-	1,582	-	-	-	1,582
Net income for the period	-	-	-	-	26,910	26,910
Total comprehensive income for the period	-	1,582	-	-	26,910	28,492
Performance rights	-	-	3,590	-	-	3,590
Treasury shares	-	-	-	74	-	74
Distribution to security holders	-	-	-	-	(75,960)	(75,960)
De-stapling of discontinued operations	-	-	-	-	-	-
At 30 June 2025	**2,177,615**	**1,091**	**9,635**	**(4,284)**	**(620,728)**	**1,563,329**

	Attributable to the stapled securityholders					
CONSOLIDATED	Issued capital $'000	Share of reserves* $'000	Employee equity benefits $'000	Treasury shares $'000	Retained earnings $'000	Total equity $'000
At 1 July 2023	2,596,650	228	4,144	-	760,668	3,361,690
Other comprehensive income	-	654	-	-		654
Net income for the period	-	-	-	-	(241,038)	(241,038)
Total comprehensive income for the period	-	654	-	-	(241,038)	(240,384)
Performance rights	-	-	1,901	-	-	1,901
Treasury shares	-	-	-	(4,358)	-	(4,358)
Distribution to security holders	-	-	-	-	(76,024)	(76,024)
De-stapling of discontinued operations	(419,035)	(1,373)	-	-	(1,015,284)	(1,435,692)
At 30 June 2024	**2,177,615**	**(491)**	**6,045**	**(4,358)**	**(571,678)**	**1,607,133**

*The share of reserves are from equity accounted investments.

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30 JUNE 2025

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Results for the period	Operating assets and liabilities	Capital structure and financing costs	Group Structure	Other Items
1. Revenue	5. Investment properties	9. Cash and cash equivalents	15. Parent entity financial information	16. Commitments and contingencies
2. Earnings per stapled security	6. Property loans and other financial assets	10. Capital management		17. Related party disclosures
3. Expenses	7. Investments accounted for using the equity method	11. Interest bearing loans and borrowings		18. Key management personnel
4. Income tax	8. Trade receivables and trade payables	12. Financial instruments		19. Security based payments
		13. Contributed equity		20. Intangible assets and goodwill
		14. Distributions paid and proposed		21. Discontinued operations
				22. Summary of material accounting policies
				23. Auditor's remuneration
				24. Events after balance sheet date

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Abacus Group ("Abacus" 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 none 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 year ended 30 June 2025 was authorised for issue in accordance with a resolution of the directors on 25 August 2025.

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

MATERIAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

In applying the Group's accounting policies management continually evaluates judgements, estimates and assumptions based on experience and other factors, including expectations of future events that may have an impact on the Group. All judgements, estimates and assumptions made are believed to be reasonable, based on the most current set of circumstances available to management. Actual results may differ from these judgements, estimates and assumptions. Material judgements, estimates and assumptions made by management in the preparation of these financial statements are outlined below:

(a) Material accounting judgements

Control and significant influence

In determining whether the Group has control over an entity, the Group assesses its exposure or rights to variable returns from its involvement with the entity and whether it has the ability to affect those returns through its power over the investee. The Group may have significant influence over an entity when it has the power to participate in the financial and operating policy decisions of the entity but is not in control or joint control of those policies.

(b) Material accounting estimates and assumptions

Valuation of investment properties

The Group makes judgements in respect of the fair value of investment properties (Note 22(n)). The fair values of these properties are reviewed regularly by management with reference to internal and external independent property valuations and market conditions existing at reporting date, using generally accepted market practices. The assumptions underlying estimated fair values are those relating to the receipt of contractual rents, expected future market rentals, maintenance requirements, capitalisation rates and discount rates that reflect current market conditions and current or recent property investment prices. These judgements, assumptions and estimates have also been applied to investment properties held through investments accounted for using the equity method.

Expected credit loss (ECL) provision and impairment of property loans and trade receivables

The Group has applied the simplified approach and recorded lifetime expected losses on trade receivables with the exception of property loans. In estimating the ECL provision, historical recoverability and underlying risks within the financial asset are considered.

In considering the ECL provision for property loan financial assets at amortised cost, the Group has established a provision matrix which includes assessing the credit rating of each borrower to determine the probability of

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MATERIAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

(b) Material accounting estimates and assumptions (continued)

Expected credit loss (ECL) provision and impairment of property loans and trade receivables (continued)

default, loss given default and exposure at default, taking into account sensitivity factors to work out the ECL provision for each property loan.

In considering the impairment of property loans and financial assets, the Group undertakes a market analysis of the secured property development and other securities being utilised to support the underlying loan and financial assets and identifies if a deficiency of security exists and the extent of that deficiency, if any. If there is an indicator of impairment, fair value calculations of expected future cashflows are determined and if there are any differences to the carrying value of the loan, an impairment is recognised.

Fair value of derivatives

The fair value of derivatives is determined based on discounted cash flow analysis using assumptions supported by observable market rates adjusted for counterparty creditworthiness.

Fair value of financial assets

The Group holds investments in unlisted securities which are held at fair value based on valuation of underlying asset values.

Impairment of goodwill, intangible assets and other non-financial assets

The Group determines whether goodwill, intangible assets and other non-financial assets are impaired at least on an annual basis. This requires an estimation of the recoverable amount of the cash-generating units to which the goodwill and intangible assets are allocated. For goodwill and intangible assets this involves fair value less costs to sell calculations (FVLCS) which incorporate a number of key estimates and assumptions around cash flows and fair value of investment properties upon which these determine the revenue / cash flows. The assumptions used in the estimations of the recoverable amount and the carrying amount of goodwill and intangible assets are discussed in Note 20.

Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. This requires management judgement to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies. Further details on taxes are disclosed in Note 4.

NOTES TO THE FINANCIAL STATEMENTS – SEGMENT INFORMATION

The Group 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.

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1. REVENUE

	2025 $'000	2024 $'000
(a) Finance income		
Interest on secured loans - amortised cost	3,104	5,780
Bank interest	1,002	1,177
Total finance income	**4,106**	**6,957**
(b) Fee Income		
Asset management fees	13,065	11,298
Property management fees	764	1,161
Development management fees	5,737	4,721
Total funds management income	**19,566**	**17,180**

2. EARNINGS PER STAPLED SECURITY

	2025	2024
Basic and diluted earnings per stapled security (cents)	3.01	(26.97)
Basic and diluted earnings per stapled security for continuing operations (cents)	3.01	(27.08)
Reconciliation of earnings used in calculating earnings per stapled security		
Basic and diluted earnings per stapled security		
Continuing operations	26,910	(241,989)
Discontinued operations	-	951
Net profit / (loss) ($'000)	**26,910**	**(241,038)**
Weighted average number of securities:		
Weighted average number of stapled securities for basic earning per security ('000)	893,658	893,658

3. EXPENSES

	2025 $'000	2024 $'000
(a) Net change in fair value of investments held at balance date		
Net change in fair value of unlisted property securities held at balance date	(20)	1,594
Net change in fair value of other investments held at balance date	350	204
Total change in fair value of investments held at balance date	**330**	**1,798**
(b) Depreciation and amortisation expenses		
Depreciation and amortisation of property, plant and equipment and intangible assets	150	236
Amortisation - leasing costs	4,341	3,855
Total depreciation and amortisation expenses	**4,491**	**4,091**
(c) Finance costs		
Interest on loans and derivatives	46,230	40,099
Amortisation of finance costs	494	1,458
Total finance costs	**46,724**	**41,557**
(d) Administrative and other expenses		
Wages and salaries	26,114	25,058
Contributions to defined contribution plans	1,571	1,517
Other expenses	7,847	8,090
Restructuring cost	525	3,576
Total administrative and other expenses	**36,057**	**38,241**

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4. INCOME TAX

	2025 $'000	2024 $'000
(a) Income tax expense		
The major components of income tax expense are:		
Income Statement		
Current income tax		
Current income tax charge	4,446	3,922
Adjustments in respect of current income tax of previous years	(166)	(393)
Deferred income tax		
Relating to origination and reversal of temporary differences	2,736	73
Total income tax expense	**7,016**	**3,602**

(b) Numerical reconciliation between aggregate tax expense recognised in the income statement and tax expense calculated per the statutory income tax rate

A reconciliation between tax expense and the product of the accounting profit before income tax multiplied by the Group's applicable income tax rate is as follows:

Profit/(loss) before tax from continuing operations	33,926	(238,387)
Profit before tax from discontinued operations	-	951
Profit before income tax expense	**33,926**	**(237,436)**
Prima facie income tax expense calculated at 30% (2024: 30%)	10,178	(71,231)
Less prima facie income tax expense on profit from Trusts	(8,535)	73,755
Prima Facie income tax of entities subject to income tax	1,643	2,524
Adjustment of prior year tax applied	(166)	(393)
Unrecognised tax benefit on tax losses	1,442	2,818
Share of results of joint ventures and associates	5,094	(225)
Security acquisition rights	(1,105)	(811)
Other items (net)	108	(311)
Total income tax expense	**7,016**	**3,602**

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4. INCOME TAX (CONTINUED)

	2025 $'000	2024 $'000
(c) Recognised deferred tax assets and liabilities		
Deferred income tax relates to the following:		
Deferred tax liabilities		
Revaluation of investment properties at fair value	5,106	-
Revaluation of investments and financial instruments at fair value	-	124
Other	9,851	9,481
Gross deferred income tax liabilities	**14,957**	**9,605**
Set off against deferred tax assets	(5,228)	(206)
Net deferred income tax liabilities	**9,729**	**9,399**
Deferred tax liabilities	**9,729**	**9,399**
Deferred tax assets		
Provisions - employee entitlements	6,451	3,609
Losses available for offset against future taxable income	756	3,865
Other	921	912
Gross deferred income tax assets	**8,128**	**8,386**
Set off of deferred tax liabilities	(5,228)	(206)
Net deferred income tax assets	**2,900**	**8,180**

TAX CONSOLIDATION

AGHL and its 100% owned Australian resident subsidiaries have formed a tax consolidated group. AGHL is the head entity of the tax consolidated group. The head entity and the controlled entities in the tax consolidated group continue to account for their own current and deferred tax amounts. These amounts are measured in a manner that is consistent with the broad principles in AASB 112 Income Taxes. The nature of the tax funding agreements are discussed further below.

Nature of the tax funding agreement

Members of the respective tax consolidated groups have entered into tax funding agreements. The tax funding agreements require payments to/from the head entity to be recognised via an inter-entity receivable/(payable) which is at call. To the extent that there is a difference between the amount allocated under the tax funding agreement and the allocation under Interpretation 1052, the head entity accounts for these as equity transactions. The allocation method utilised under Interpretation 1052 is the Stand-alone taxpayer approach.

The amounts receivable or payable under the tax funding agreements are due upon receipt of the funding advice from the head entity, which is issued as soon as practicable after the end of each financial year. The head entity may also require payment of interim funding amounts to assist with its obligations to pay tax instalments.

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5. INVESTMENT PROPERTIES

	2025 $'000	2024 $'000
Freehold investment properties	1,801,800	1,885,000
Total investment properties	**1,801,800**	**1,885,000**

	2025 $'000	2024 $'000
Investment properties held for sale		
Commercial [1]	194,000	123,000
Total investment properties held for sale	**194,000**	**123,000**
Investment properties		
Commercial	1,607,800	1,762,000
Total investment properties	**1,607,800**	**1,762,000**
Total investment properties including held for sale	**1,801,800**	**1,885,000**

1. Properties held for sale include Oasis Shopping Centre in FY25 and 81 James Ruse Drive, Camellia and Market Central, Lutwyche in FY24. Market Central, Lutwyche was sold in FY25, and 81 James Ruse Drive, Camellia is no longer held for sale as at 30 June 2025.

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 12:

	Held for sale		Non-current	
	30 Jun 2025	30 Jun 2024	30 Jun 2025	30 Jun 2024
Freehold investment properties	$'000	$'000	$'000	$'000
Carrying amount at beginning of the financial period	123,000	-	1,762,000	2,099,876
Additions	-	-	-	88,097
Capital expenditure	-	-	46,228	90,099
Net change in fair value as at balance date	-	-	(72,173)	(275,407)
Net change in fair value derecognised	40	-	-	(8,244)
Disposals	(58,549)	-	-	(110,410)
Properties transferred to / (from) held for sale	129,509	123,000	(129,509)	(123,000)
Rental straightlining adjustment	-	-	1,254	989
Carrying amount at end of the period	**194,000**	**123,000**	**1,607,800**	**1,762,000**

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5. INVESTMENT PROPERTIES (CONTINUED)

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 full independent valuation, latest independent update 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 unit	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 could potentially magnify the impact to the fair value.

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 future cashflows and terminal value are discounted to the present value.

External valuations are conducted by qualified independent valuers who are appointed by the Chief Financial 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.

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5. INVESTMENT PROPERTIES (CONTINUED)

The majority of the investment properties are used as security for secured bank debt outlined in Note 11.

The weighted average capitalisation rate for Abacus is 6.77% (30 June 2024: 6.50%).

The current occupancy rate for the principal commercial portfolio excluding development assets is 92.1% (30 June 2024: 94.2%).

The key assumptions and estimates used in the valuations include:

- forecast future rental income, based on the location, type and quality of the property, which are supported by the terms of any existing leases, other contracts or external evidence such as current market rents for similar properties;
- lease assumptions based on current and expected future market conditions after expiry of any current lease; and
- the capitalisation rate and discount rate derived from recent comparable market transactions.

The property valuations have been prepared based on the information that is available at 30 June 2025.

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 $69.1 million (2024: $72.1 million) or decreasing the fair value by $64.2 million (2024: $66.8 million) respectively.

During the year ended 30 June 2025, 67% (2024: 63%) of the number of investment properties in the portfolio were subject to external valuations; the remaining 33% (2024: 37%) were subject to internal valuation.

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5. INVESTMENT PROPERTIES (CONTINUED)

	Ownership Interest %	Fair Value 2025 $'000	Capitalisation Rate 2025 %	Fair Value 2024 $'000	Capitalisation Rate 2024 %
Commercial					
Walker Street, North Sydney NSW[1]	100	225,500	6.92	236,900	6.65
314-336 Bourke Street, Melbourne VIC	50	225,000	6.00	216,000	6.00
77 Castlereagh St, Sydney NSW	100	206,000	6.25	203,000	6.00
201 Elizabeth Street, Sydney NSW	32	196,800	6.38	198,400	6.13
The Oasis, Broadbeach QLD[2]	100	194,000	7.00	170,000	7.25
324 Queen Street, Brisbane QLD	100	141,000	7.75	142,700	7.25
452 Johnston Street, Abbotsford VIC	100	103,000	7.50	122,500	6.50
14 Martin Place, Sydney NSW	50	110,000	5.88	105,000	5.88
Industry Lanes, Richmond, VIC	50	89,500	6.25	96,000	5.88
Westpac House, Adelaide SA	50	81,000	7.50	82,000	7.25
Kingsgate, Fortitude Valley QLD	50	72,000	7.50	75,500	6.75
181 James Ruse Drive, Camellia NSW[4]	100	63,500	N/A	65,200	N/A
Market Central, Lutwyche QLD[3]	-	-	-	57,800	6.75
51 Allara Street, Canberra ACT	100	43,000	8.50	57,000	7.25
11 Bowden Street, Alexandria NSW	100	39,000	7.25	44,500	6.63
Riverlands, Milperra NSW	100	12,500	N/A	12,500	N/A
Total Commercial		**1,801,800**	**6.77**	**1,885,000**	**6.50**

1. Includes both 83 and 99 Walker Street, North Sydney NSW.
2. Held for sale and classified as current.
3. In September 2024, Abacus divested Market Central, Lutwyche QLD.
4. Valued in 2025 and 2024 using direct comparison method

6. PROPERTY LOANS AND OTHER FINANCIAL ASSETS

	2025 $'000	2024 $'000
(a) Non-current property loans		
Secured loans - amortised cost	55,972	55,894
Provision for secured loans - amortised cost	(28)	(24)
	55,944	**55,870**
(b) Non-current other financial assets		
Investment in unlisted securities - fair value	6,523	4,938
	6,523	**4,938**

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7. 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	
	2025 $'000	2024 $'000	2025 $'000	2024 $'000	2025 $'000	2024 $'000	2025 $'000	2024 $'000
Revenue	478,430	290,471	18,931	10,102	51,785	17,813	549,146	318,386
Expenses	(189,385)	(154,990)	(17,385)	(7,871)	(15,120)	(22,195)	(221,890)	(185,056)
Net profit / (loss)	**289,045**	**135,481**	**1,546**	**2,231**	**36,665**	**(4,382)**	**327,256**	**133,330**
Share of net profit / (loss)	**56,149**	**26,187**	**353**	**1,086**	**18,136**	**(2,296)**	**74,638**	**24,977**

* Abacus Group's share of profit from ASK includes the elimination of related party transactions. Interest income of $0.8 million (2024: $1.3 million) and interest expense of $36.2 million (2024: $32.3 million) were included in the net profit of ASK for the year ended 30 June 2025.

^Included in the net profit of Fordtrans Pty Ltd for the year ended 30 June 2025: interest income of $2.1 million (2024: $1.8 million) and interest expense of $3.6 million (2024: $4.1 million). Abacus Group's share of net profit from Fordtrans Pty Ltd includes additional costs related to the oversight of development activities.

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

	Abacus Storage King*		Fordtrans Pty Ltd^		Other Joint Ventures		Total	
	2025 $'000	2024 $'000	2025 $'000	2024 $'000	2025 $'000	2024 $'000	2025 $'000	2024 $'000
Current assets	167,568	220,296	2,137	2,417	5,852	5,144	175,557	227,857
Non-current assets	3,446,425	3,008,566	217,704	247,535	202,035	168,086	3,866,164	3,424,187
	3,613,993	3,228,862	219,841	249,952	207,887	173,230	4,041,721	3,652,044
Current liabilities	95,677	84,920	35,291	67,119	5,440	5,369	136,408	157,408
Non-current liabilities	1,188,734	1,029,590	43,789	15,107	41,838	42,499	1,274,361	1,087,196
Net assets	**2,329,582**	**2,114,352**	**140,761**	**167,726**	**160,609**	**125,362**	**2,630,952**	**2,407,440**
Share of net assets	**459,670**	**418,723**	**70,381**	**83,863**	**80,134**	**62,738**	**610,185**	**565,324**

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

* Upon de-stapling in 2023, ASK issued 260.8 million securities to Abacus Group for $415.1 million by settling a portion of an outstanding loan with Abacus Group and acquiring units in Abacus Repository Trust. The Group has received or is going to receive $18.1 million (2024: $14.5 million) of management fee (from Abacus Storage King for the management services provided during the period. Details on transactions with ASK are disclosed in Note 17(d).

Included in the net assets of ASK as at 30 June 2025: cash and cash equivalents $119.5 million (2024: $89.0 million), non-current interest bearing loans and borrowings $1,142.6 million (2024: $990.2 million), and deferred tax liability $34.2 million (2024: $32.5 million).

^Included in the net assets of Fordtrans Pty Ltd as at 30 June 2025: cash and cash equivalents $0.5 million (2024: $0.8 million), current interest bearing loans and borrowings $Nil (2024: $58.7 million) and non-current interest bearing loans and borrowings $28.8 million (2024: Nil).

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7. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (CONTINUED)

1. Abacus Storage King

Post de-stapling, Abacus owns 19.8% (2024: 19.8%) of securities in ASK. Abacus' share of distributions (including capital distributions) which are exclusive of foreign tax credits, for the year ended 30 June 2025 was $16.1 million (2024: $15.6 million).

2. Fordtrans Pty Ltd (Virginia Park) ("VP")

Abacus has a 50% interest in the ownership and voting rights of Fordtrans Pty Ltd. VP's principal place of business is in Bentleigh East, Victoria.

VP owns a sizeable Business Park providing a mixture of industrial and office buildings as well as supporting facilities including gymnasium, swim centre, childcare centre, children's play centre and cafe. Abacus jointly controls the venture with the other partner under the terms of a Unitholders Agreement and requires unanimous consent for all major decisions over the relevant activities.

Abacus' share of distributions (including capital distributions) for the year ended 30 June 2025 was $14.3 million (2024: $0.9 million).

8. TRADE RECEIVABLES AND TRADE PAYABLES

	2025 $'000	2024 $'000
(a) Trade and other receivables		
Distribution receivable	16,792	15,158
Trade debtors	25,871	13,561
Expected credit loss	(606)	(217)
Total Trade and other receivables	**42,057**	**28,502**
(b) Trade and other payables		
Distribution payable	37,980	37,980
Trade payables and others	17,534	21,591
Unearned income	5,002	2,348
Total Trade and other payables	**60,516**	**61,919**

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9. CASH AND CASH EQUIVALENTS

	2025 $'000	2024 $'000
Reconciliation to Statement of Cash Flow		
For the purposes of the Statement of Cash Flow, cash and cash equivalents comprise the following:		
Cash at bank and in hand[1]	23,946	23,556
Cash and cash equivelants	**23,946**	**23,556**

1. Cash at bank earns interest at floating rates. The carrying amounts of cash and cash equivalents represent fair value.

Net profit from continuing operations	26,910	(241,989)
Net profit from discontinued operations	-	951
Net profit	26,910	(241,038)
Adjustments for:		
Depreciation and amortisation of non-current assets	4,491	4,406
Net change in fair value of derivatives	13,895	16,791
Net change in fair value of investment properties held at balance date	72,173	275,407
Net change in fair value of investments held at balance date	330	4,659
Net change in fair value of investment properties derecognised	(40)	8,244
Net change in fair value of investment and financial instruments derecognised	(1,007)	(658)
Net change in fair value from deconsolidation	-	5,614
Share of profit from equity accounted investments	(63,430)	(25,022)
Increase / (decrease) in payables	9,730	4,771
(Increase) / decrease in receivables and other assets	2,365	22,800
Net cash from operating activities	**65,417**	**75,974**
Less: Net cash from operating activities from discontinued operations	-	(9,788)
Net cash from operating activities from continuing operations	**65,417**	**66,186**

(a) Disclosure of financing facilities

Refer to Note 11.

(b) Disclosure of non-cash financing facilities

Non-cash financing activities include capital raised pursuant to the Abacus' distribution reinvestment plan. During the year no stapled securities were issued (2024: no stapled securities issued).

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10. CAPITAL MANAGEMENT

Group entities comply with capital and distribution requirements of their constitutions and/or trust deeds, the capital requirements of relevant regulatory authorities and continue to operate as a going concern. Abacus also protects its equity in assets by taking out insurance.

Abacus assesses the adequacy of its capital requirements, cost of capital and gearing (i.e. debt/equity mix) as part of its broader strategic plan. In addition to tracking actual against budgeted performance, Abacus reviews its capital structure to ensure sufficient funds and financing facilities (on a cost effective basis) are available to implement its strategy, that adequate financing facilities are maintained and distributions to members are made within the stated distribution guidance (i.e. paid out of funds from operations).

The following strategies are available to the Group to manage its capital: issuing new stapled securities, its distribution reinvestment plan, electing to have the distribution reinvestment plan underwritten, adjusting the amount of distributions paid to members, activating a security buyback program, divesting assets, active management of its fixed rate swaps and collars, directly purchasing assets from joint ventures, or (where practical) recalibrating the timing of transactions and capital expenditure so as to avoid a concentration of net cash outflows.

During the year, Abacus successfully negotiated and agreed terms on its syndicated banking facility to extend the facility tranches tenor on average by a further 1.7 years. Abacus also extended its $12.5 million Bank Guarantee facility by two years to June 2028. Abacus has no bank debt expiring in the financial year ending 30 June 2026, with the majority of debt expiring from the financial year ending 30 June 2027 onwards.

Abacus has a total gearing covenant as a condition of the current $1.125 billion Headstock syndicated facility and the $11 million Bilateral facility. The total gearing covenant requires Abacus to have total liabilities (net of cash) to be less than or equal to 50% of total tangible assets (net of cash). As at date of reporting period, Abacus was compliant in meeting all its debt covenants.

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11. INTEREST BEARING LOANS AND BORROWINGS

	2025 $'000	2024 $'000
Non-current		
Bank loans - A$	907,530	904,272
Loan from related party - A$ [1]	36,543	35,293
Less: Unamortised borrowing costs	(1,974)	(238)
(a) Total non-current	**942,099**	**939,327**

[1] - Details of loan maturity and applicable interest rate are disclosed in Note 17(d)

	2025 $'000	2024 $'000
(b) Maturity profile of non-current interest bearing loans		
Due between one and five years	942,099	939,327
Due after five years	-	-
	942,099	**939,327**

	2025 $'000	2024 $'000
Available financing facility		
Total facilities - bank loans	1,136,000	1,182,750
Facilities used at reporting date - bank loans	(905,560)	(904,250)
	230,440	**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 June 2027 to June 2031. The bank loans are secured by charges over the investment properties and certain property, plant and equipment.

Approximately 79.7% (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 3.3 years (30 June 2024: 3.4 years). Hedge cover as a percentage of available facilities at 30 June 2025 is 63.8% (30 June 2024: 58.1%).

Abacus' weighted average interest rate for the year ended 30 June 2025 was 5.11% (30 June 2024: 4.41% including discontinued operations). The weighted average interest rate included line fees on undrawn facilities.

(c) Assets pledged as security

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

	2025 $'000	2024 $'000
Non-current		
First mortgage		
Investment properties	1,510,300	1,522,400
Total non-current assets pledged as security	1,510,300	1,522,400
Total assets pledged as security	**1,510,300**	**1,522,400**

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11. INTEREST BEARING LOANS AND BORROWINGS (CONTINUED)

(d) Defaults and breaches

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

12. FINANCIAL INSTRUMENTS

FINANCIAL RISK MANAGEMENT

The risks arising from the use of the Group's financial instruments are credit risk, liquidity risk and market risk (interest rate risk, and price risk).

The Group's financial risk management focuses on mitigating the unpredictability of the financial markets and its impact on the financial performance of the Group. The Board reviews and agrees policies for managing each of these risks, which are summarised below.

Primary responsibility for identification and control of financial risks rests with the Treasury Management Committee under the authority of the Board. The Board reviews and agrees policies for managing each of the risks identified below, including the setting of limits for trading in derivatives, hedging cover of interest rate risks and cash flow forecast projections.

The main purpose of the financial instruments used by the Group is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations. The Group also enters into derivative transactions principally interest rate derivatives. The purpose is to manage the interest rate exposure arising from the Group's operations and its sources of finance.

Details of the material accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instruments are disclosed in the section about this report and Note 22 to the financial statements.

(a) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations including any adverse economic events such as the current inflationary environment, and arises principally from the Group's receivables from customers, investment in securities and options, secured property loans and interest bearing loans and derivatives with banks.

The Group manages its exposure to risk by:

- derivative counterparties and cash transactions are limited to high credit quality financial institutions;
- policy which limits the amount of credit exposure to any one financial institution;

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12. FINANCIAL INSTRUMENTS (CONTINUED)

(a) Credit Risk (continued)

- providing loans as an investment into joint ventures, associates, related parties and third parties where it is satisfied with the underlying property exposure within that entity;
- regularly monitoring loans and receivables balances on an ongoing basis;
- regularly monitoring the performance of its associates, joint ventures, related parties and third parties on an ongoing basis; and
- obtaining collateral as security (where required or appropriate).

Credit risk exposures

The Group's maximum exposure to credit risk at the reporting date was:

	Carrying Amount	
	2025 $'000	2024 $'000
Trade and other receivables	42,057	28,502
Other financial assets	5,954	4,938
Cash and cash equivalents	23,946	23,556
Derivatives at fair value	2,009	11,157
Cash and other financial assets	**73,966**	**68,153**
Secured property loans - amortised cost *	55,944	55,870
Secured property loans	**55,944**	**55,870**
Total credit risk exposure	**129,910**	**124,023**

* The secured property loan is with one borrower.

(b) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate and diverse amount of committed credit facilities, the ability to close out market positions and the flexibility to raise funds through the issue of new stapled securities or the distribution reinvestment plan.

The Group's policy is to maintain an available loan facility with banks sufficient to meet expected operational expenses and to finance investment acquisitions for a period of 90 days, including the servicing of financial obligations. Current loan facilities are assessed and extended for a maximum period based on the Group's expectations of future interest and market conditions.

The table below shows an analysis of the contractual maturities of key liabilities which forms part of the Group's assessment of liquidity risk.

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12. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Liquidity Risk (continued)

30 June 2025	Carrying Amount $'000	Contractual cash flows $'000	1 Year or less $'000	Over 1 year to 5 years $'000	Over 5 years $'000
Liabilities					
Trade and other payables	60,516	60,516	60,516	-	-
Interest bearing loans and borrowings incl derivatives#	945,888	1,103,373	44,302	1,058,473	598
Total liabilities	**1,006,404**	**1,163,889**	**104,818**	**1,058,473**	**598**

30 June 2024	Carrying Amount $'000	Contractual cash flows $'000	1 Year or less $'000	Over 1 year to 5 years $'000	Over 5 years $'000
Liabilities					
Trade and other payables	61,919	61,919	61,919	-	-
Interest bearing loans and borrowings incl derivatives#	940,185	1,121,608	49,926	1,071,682	-
Total liabilities	**1,002,104**	**1,183,527**	**111,845**	**1,071,682**	**-**

Carrying amount includes fair value of derivative liabilities. Contractual cash flow includes contracted debt and net swap payments using prevailing forward rates.

(c) Market risk

Market risk is the risk that changes in market prices, such as interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest rate risk / Fair value interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to its long-term bank debt obligations which are based on floating interest rates. The Group has a policy to maintain a mix of floating exposure and fixed interest rate hedging with fixed rate cover highest in years 1 to 5.

The Group hedges to minimise interest rate risk by entering into variable to fixed interest rate swaps which also helps deliver interest covenant compliance and positive carry (net rental income in excess of interest expense) on the property portfolio. Interest rate swaps have the economic effect of converting borrowings from variable rates to fixed rates. Under the interest rate swaps, the Group agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to the agreed notional principal amounts. At 30 June 2025, after taking into account the effect of interest rate swaps, approximately 79.7% (2024: 76.0%) of the Group's drawn debt is subject to fixed rate hedges. Hedge cover as a percentage of available facilities at 30 June 2025 is 63.8% (2024: 58.1%).

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12. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Market risk (continued)

The Group's exposure to interest rate risk and the effective weighted average interest rates for each class of financial asset and financial liability are:

30 June 2025	Floating interest rate $'000	Fixed interest less than 1 year $'000	Fixed interest 1 to 5 years $'000	Fixed interest over 5 years $'000	Non interest bearing $'000	Total $'000
Financial Assets						
Cash and cash equivalents	23,946	-	-	-	-	23,946
Receivables	-	-	-	-	42,057	42,057
Secured loans	-	-	55,944	-	-	55,944
Derivatives	-	1,279	730	-	-	2,009
Other financial assets	-	-	-	-	5,954	5,954
Total financial assets	**23,946**	**1,279**	**56,674**	**-**	**48,011**	**129,910**
Weighted average interest rate*^	3.85%		5.50%			
Financial liabilities						
Interest bearing liabilities - bank	905,556	-	-	-	-	905,556
Interest bearing liabilities - other	-	-	36,543	-	-	36,543
Derivatives	-	538	3,250	-	-	3,788
Payables	-	-	-	-	60,516	60,516
Total financial liabilities	**905,556**	**538**	**39,793**	**-**	**60,516**	**1,006,404**
Notional principal swap balance maturities*	-	325,000	1,250,000	-	-	1,575,000
Weighted average interest rate on drawn bank debt*	5.11%					

* calculated for the year ended 30 June
^ weighted average interest rate excludes the impact of derivatives

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12. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Market risk (continued)

30 June 2024	Floating interest rate $'000	Fixed interest less than 1 year $'000	Fixed interest 1 to 5 years $'000	Fixed interest over 5 years $'000	Non interest bearing $'000	Total $'000
Financial Assets						
Cash and cash equivalents	23,556	-	-	-	-	23,556
Receivables	-	-	-	-	28,502	28,502
Secured loans	-	-	55,870	-	-	55,870
Derivatives	-	3,971	7,186	-	-	11,157
Other financial assets	-	-	-	-	4,938	4,938
Total financial assets	**23,556**	**3,971**	**63,056**	**-**	**33,440**	**124,023**
Weighted average interest rate*^	4.35%		4.70%			
Financial liabilities						
Interest bearing liabilities - bank	857,284	-	46,750	-	-	904,034
Interest bearing liabilities - other	-	-	35,293	-	-	35,293
Derivatives	-	-	858	-	-	858
Payables	-	-	-	-	61,919	61,919
Total financial liabilities	**857,284**	**-**	**82,901**	**-**	**61,919**	**1,002,104**
Notional principal swap balance maturities*	-	610,000	825,000	-	-	1,435,000
Weighted average interest rate on drawn bank debt*	4.41%					

* calculated for the year ended 30 June
^ weighted average interest rate excludes the impact of derivatives

The following table is a summary of the interest rate sensitivity analysis:

		AUD			
	Carrying amount	-1%		+1%	
30 June 2025	Floating $'000	Profit $'000	Equity $'000	Profit $'000	Equity $'000
Financial assets	23,946	(239)	-	239	-
Financial liabilities	905,556	(9,796)	-	7,525	-

		AUD			
	Carrying amount	-1%		+1%	
30 June 2024	Floating $'000	Profit $'000	Equity $'000	Profit $'000	Equity $'000
Financial assets	23,556	(236)	-	236	-
Financial liabilities	857,522	(2,841)	-	5,502	-

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12. FINANCIAL INSTRUMENTS (CONTINUED)

(d) 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 unit Optimal occupancy Adopted discount rate
Securities – 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 unit.
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.

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12. FINANCIAL INSTRUMENTS (CONTINUED)

(d) Fair Values (continued)

The following table is a reconciliation of the movements in unlisted securities classified as Level 3 for the period ended 30 June.

	Unlisted securities $'000
Opening balance as at 30 June 2024	4,938
Fair value movement through the income statement	(328)
Additions	1,913
Closing balance as at 30 June 2025	**6,523**

	Unlisted securities $'000
Opening balance as at 30 June 2023	3,987
Fair value movement through the income statement	(198)
Additions	1,149
Closing balance as at 30 June 2024	**4,938**

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.

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13. CONTRIBUTED EQUITY

(a) Issued stapled securities	2025 $'000	2024 $'000
Stapled securities	2,220,407	2,220,407
Issue costs	(42,792)	(42,792)
Total contributed equity	2,177,615	2,177,615

(b) Movement in stapled securities on issue	Stapled securities Number 2025 '000	Number 2024 '000
At beginning of financial period	893,658	893,658
- distribution reinvestment plan	-	-
Securities on issue at end of financial period	893,658	893,658

14. DISTRIBUTIONS PAID AND PROPOSED

	2025 $'000	2024 $'000
(a) Distributions paid during the period		
June 2024 half: 4.25 cents per stapled security (2023: 9.40 cents)	37,980	84,004
December 2024 half: 4.25 cents per stapled security (2023: 4.25 cents)	37,980	37,980
(b) Distributions declared and recognised as a liability^		
June 2025 half: 4.25 cents per stapled security (2024: 4.25 cents)	37,980	37,980

^ The final distribution of 4.25 cents per stapled security was declared on 23 June 2025. The distribution will be paid on or around 29 August 2025 and will be approximately $38 million.

50% of distribution is to be paid from Abacus Trust (which do not pay tax provided they distribute all their taxable income) hence, there were no franking credits attached. The other 50% of the distribution is to be paid from Abacus Group Holdings Limited as fully franked dividends with $8.1 million franking credits attached.

The total amount of franking credits available for the subsequent financial years including franking credits that will arise from the payment of income tax payable at the end of the financial year, based on a tax rate of 30 per cent, is $67.7 million (2024: $75.9 million).

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15. PARENT ENTITY FINANCIAL INFORMATION

	2025 $'000	2024 $'000
Results of the parent entity		
Profit / (loss) for the year	(1,641)	30,545
Total comprehensive income / (expense) for the year	**(1,641)**	**30,545**
Financial position of the parent entity at year end		
Current assets	630,870	654,256
Total assets	**827,749**	**843,136**
Current liabilities	19,413	18,676
Total liabilities	**241,247**	**220,678**
Net assets	**586,502**	**622,458**
Total equity of the parent entity comprising of:		
Issued capital	568,862	568,862
Accumulated profit/(losses)	(74,243)	(74,243)
Profit available for dividend distribution	86,532	126,153
Employee options reserve	9,635	6,044
Treasury shares	(4,284)	(4,358)
Total equity	**586,502**	**622,458**

(a) Parent entity contingencies

There are no contingencies of the parent entity as at 30 June 2025 (2024: Nil).

(b) Parent entity capital commitments

There are no capital commitments of the parent entity as at 30 June 2025 (2024: Nil).

In July 2025, AGHL has provided a letter of support to its subsidiaries who have entered into interest free inter-entity loans within the Group as the support for the subsidiaries to continue as a going concern.

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16. COMMITMENTS AND CONTINGENCIES

(a) Operating lease commitments – Group as lessor

Future minimum rentals receivable under non-cancellable operating leases as at 30 June 2025 are as follows:

	2025 $'000	2024 $'000
Within one year	106,765	110,063
Within two years	91,200	100,986
Within three years	77,745	86,974
Within four years	60,453	71,229
Within five years	48,665	52,388
More than five years	81,617	117,109
	466,445	**538,749**

These amounts do not include contingent rentals which may become receivable under certain leases on the basis of retail sales in excess of stipulated minimums and, in addition, do not include recovery of outgoings.

(b) Capital and other commitments

At 30 June 2025 the Group had numerous commitments which principally related to property and investment acquisition settlements, loan facility guarantees for the Group's interest in the jointly controlled property developments and funds management vehicles, and commitments relating to property refurbishing costs.

Commitments planned and/or contracted at reporting date but not recognised as liabilities are as follows:

	2025 $'000	2024 $'000
Within one year		
- gross settlement of property and investment acquisitions	879	2,655
- property refurbishment costs	13,843	18,759
- property development costs	-	1,523
	14,722	**22,937**

(c) Contingencies

At 30 June 2025 the Group had a $12.5 million bank guarantee facility which expires in June 2028 (2024: $12.5 million) and $10.0 million of bank guarantees had been issued from the facility (2024: $10.0 million).

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

	2025 $'000	2024 $'000
Bank guarantees		
- Australian Financial Service Licences	10,000	10,000
- redevelopment of investment properties	1,005	1,005
	11,005	**11,005**

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17. RELATED PARTY DISCLOSURES

(a) Subsidiaries

The consolidated financial statements include the financial statements of the following entities:

Entity	Equity interest 2025 %	Equity interest 2024 %
Abacus Group Holdings Limited and its subsidiaries		
Abacus Finance Pty Limited	100	100
Abacus Funds Management Limited	100	100
Abacus Investment Pty Ltd	100	100
Abacus Note Facilities Pty Ltd	100	100
Abacus Property Services Pty Ltd	100	100
Abacus Storage Funds Management Limited	100	100
Abacus Camellia Investments Pty Limited	100	100
Abacus Riverlands Investments Pty Limited	100	100
Abacus Group Projects Limited and its subsidiaries		
Abacus Property Pty Ltd	100	100
Abacus Allara Street Trust*	74	74
Abacus Ventures Trust*	51	51
Abacus Trust and its subsidiaries:		
Abacus Abbotsford Trust	100	100
Abacus Ashfield Mall Property Trust	-	100
Abacus Bowden Street Trust	100	100
Abacus K1 Property Trust	100	100
Abacus Lutwyche Trust	100	100
Abacus Oasis Trust	100	100
Abacus Richmond Trust	100	100
Abacus Shopping Centre Trust	-	100
Abacus Virginia Trust	100	100
Abacus Westpac House Trust	100	100
Abacus Westpac House No. 2 Trust	100	100
Abacus 14 Martin Place Trust	100	100
Abacus 324 Queen Street Trust	100	100
Lutwyche City Shopping Centre Unit Trust	100	100
Oasis JV Unit Trust	100	100
Abacus Income Trust and its subsidiaries:		
Castlereagh Sub 1 Trust	100	100
Castlereagh FH Sub 1 Trust	100	100

* These entities are wholly owned by Abacus

(b) Ultimate parent

AGHL has been designated as the parent entity of the Group.

(c) Key management personnel

Details of payments are disclosed in Note 18.

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17. RELATED PARTY DISCLOSURES (CONTINUED)

(d) Transaction with related parties

	2025 $'000	2024 $'000
Transactions with related parties other than associates and joint ventures		
Revenues		
Property management fees received / receivable	408	355
Transactions with associates and joint ventures		
Revenues		
Management fees received / receivable from joint ventures and associates	18,828	15,257
Share of (loss)/profit from joint ventures and associates	74,638	24,977
Other transactions		
Loan advanced from joint ventures	1,685	1,628
Loan repayments to joint ventures	(434)	(297)
Loans advanced to associate*	-	76,324
Distribution received / receivable	17,625	19,960

* The loans provided to and by an associate, Abacus Storage King were fully repaid as part of the de-stapling process in the year ended 30 June 2024

Terms and conditions of transactions

Fees to and purchases and fees charged from related parties are made in accordance with commercial terms in the management agreements.

Outstanding balances at year-end are unsecured and settlement occurs in cash.

There are no ECL provisions incurred with respect to amounts payable or receivable from related parties during the year.

The term to maturity of the loan facility from a related party is April 2027 with an interest rate of 4.70% (2024: 4.71%).

Ultimate controlling entity

Ki Corporation Limited ("Ki") is the ultimate controlling securityholder in the Group with a holding of approximately 50.0% of the ordinary securities of the Group (2024: Calculator Australia Pty Ltd held 50% of the ordinary securities of the group).

During the year, Abacus Property Services Pty Ltd was engaged to manage the following properties:

Property	Relationship with Ki	Charge per annum	2025 $	2024 $
14 Martin Place	Tenants-in-common	3% of gross rental	285,111	271,264
4 Martin Place	100% owned by Ki	3% of gross rental	408,152	355,108

Mrs Myra Salkinder is the Chair of the Group and is a senior executive of Ki. Mark Bloom was a Non-Executive Director of the Group (retired on 3 August 2023) and is a consultant to Ki.

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18. KEY MANAGEMENT PERSONNEL

(a) Compensation for key management personnel

	2025 $	2024 $
Short-term employee benefits	6,404,308	5,798,531
Post-employment benefits	193,417	162,354
Other long-term benefits	74,800	68,698
Security-based payments	2,910,039	2,247,746
	9,582,564	**8,277,329**

(b) Loans to key management personnel

There were no loans to key management personnel or their related parties at any time in 2025 or in the prior year.

(c) Other transactions and balances with key management personnel and their related parties

During the financial year, transactions occurred between the Group and key management personnel which are within normal employee and investor relationships.

19. SECURITY BASED PAYMENTS

(a) Recognised security payment expenses

	2025 $'000	2024 $'000
Expense arising from equity-settled payment transactions	4,089	3,522

Type of security – based payment plan

(i) Long Term Incentives (LTI)

The LTI plan has been designed to align the interests of executives with those of securityholders by providing for a significant portion of the remuneration of participating executives to be linked to the delivery of Earnings Before Interest and Tax ("EBIT") and Relative Total Securityholder Return ("RTSR").

Key executives have been allocated LTIs in the current financial year. Allocations were based on the performance assessment completed in determining current variable incentive awards for the prior financial year, adjusted to take into account other factors that the Board considers specifically relevant for the purpose of providing LTIs.

The LTIs granted during the year vest as follows:

Executive KMP

Grant	Tranche	Vesting date	Potential number to vest
FY25 Grant	Tranche One – 50% of Grant	August 2027	1,040,306
	Tranche Two – 50% of Grant	August 2028	1,040,306

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19. SECURITY BASED PAYMENTS (CONTINUED)

(a) Recognised security payment expenses (continued)

Other Executives

Grant	Tranche	Vesting date	Potential number to vest
FY25 Grant	Tranche One – 33% of Grant	August 2026	58,169
	Tranche Two – 33% of Grant	August 2027	581,270
	Tranche Three – 33% of Grant	August 2028	581,270

Modifications to LTIs – Corrective Rights

Modifications were made during the year to tranches which were issued in 2022, 2023 and 2024, to change the performance criterion within RTSR from the original issuance, being an increase in the initial Volume Weighted Average Price ('VWAP') period from 30 days to 90 days. The tranches impacted and fair value upon modification is as follows:

Grant	Tranche	Vesting date	Potential number to vest	Fair Value of Modification
FY22 Corrective Rights	Tranche One – 100% of Grant	August 2025	384,049	$0.035
FY23 Corrective Rights	Tranche One – 50% of Grant	August 2025	1,059,832	$0.035
	Tranche Two – 50% of Grant	August 2026	1,059,832	$0.022
FY24 Corrective Rights	Tranche One – 33% of Grant	August 2025	1,681,132	$0.119
	Tranche Two – 33% of Grant	August 2026	1,681,132	$0.074
	Tranche Three – 33% of Grant	August 2027	1,681,132	$0.058

A Monte Carlo simulation approach was used to value the modifications.

(ii) Abacus Storage King Long Term Incentive Rights (ASK LTI Rights)

The ASK LTI Rights plan has been designed to align the interests of Executive KMP of Abacus Group with those of Abacus Storage King ('ASK') securityholders by providing for a significant portion of the remuneration of participating executives to be linked to the delivery of Relative Total Securityholder Return ("RTSR") based on the performance of ASK.

Executive KMP have been allocated LTIs of ABG securities in the current financial year linked to the performance of ASK. Allocations were based on the performance assessment completed in determining current variable incentive awards for the prior financial year, adjusted to take into account other factors that the Board considers specifically relevant for the purpose of providing ASK LTIs.

The ASK LTIs granted during the year vest as follows:

Grant	Tranche	Vesting date	Potential number to vest
FY25 Grant	Tranche One – 50% of Grant	August 2027	303,500
	Tranche Two – 50% of Grant	August 2028	303,500

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19. SECURITY BASED PAYMENTS (CONTINUED)

(a) Recognised security payment expenses (continued)

(ii) Abacus Storage King Long Term Incentives (ASK LTI) (continued)

Modifications to ASK LTIs

Modifications were made during the year to tranches which were issued in 2024, to extend the assessment period of the RTSR hurdle. The tranches impacted and fair value upon modification is as follows:

Grant	Tranche	Vesting date	Potential number to vest	Fair Value of Modification
FY24 Grant Modified	Tranche One – 50% of Grant	August 2026	124,403	Nil
	Tranche Two – 50% of Grant	August 2027	124,403	Nil

A Monte Carlo simulation approach was used to value the modifications.

(iii) Replacement Rights

Key Executives were also awarded Replacement Rights during the year, as previous grants had lapsed based upon hurdles that were impacted by the de-stapling of Abacus Storage King from Abacus Group in August 2023. Tranches that were initially awarded in the financial year ended 30 June 2022 and 2023 and had lapsed in 2024 were re-issued as new rights, with a change in performance criterion within RTSR from the original issuance being an increase in the initial Volume Weighted Average Price ('VWAP') period from 30 days to 90 days.

The Replacement Rights granted during the year vest as follows:

Executive KMP

Grant	Tranche	Vesting date	Potential number to vest
FY22 Replacement Rights	Tranche One – 100% of Grant	August 2025	304,274
FY23 Replacement Rights	Tranche One – 100% of Grant	August 2025	38,706

Other Executives

Grant	Tranche	Vesting date	Potential number to vest
FY22 Replacement Rights	Tranche One – 100% of Grant	August 2025	84,875
FY23 Replacement Rights	Tranche One – 100% of Grant	August 2025	124,663

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19. SECURITY BASED PAYMENTS (CONTINUED)

(a) Recognised security payment expenses (continued)

(iv) Deferred Short Term Incentives (Deferred STI)

25% of an Executive KMP's short term incentive is deferred by 12 months and settled in the form of rights. The deferred STI was introduced to aid retention, better align Executive KMP with securityholders' interests, and provide for a "consequence management" governance mechanism for misconduct, fraud, malfeasance, or financial misstatement.

An Executive KMP also received 325,998 securities in the form of a one-off Deferred STI during the year, with 108,666 securities each vesting in three equal tranches in October 2025, 2026 and 2027 with a fair value of $1.227 per security. The fair value was determined with reference to the share price upon grant date.

During the year, ABG has purchased no securities ($nil) on the market in advance to cover future LTI and deferred STI payments. There are unallocated securities held in a Trust account and accounted for as a reduction in equity reserve as a result of purchases in prior periods.

(v) Security Acquisition Rights (SARs)

The deferred variable incentive plan ceased in the year ending 30 June 2021 and has been replaced by the LTI plan. The deferred variable incentive plan was delivered in the form of an annual grant of security acquisition rights (SARs) under the deferred security acquisition rights plan (SARs Plan). The SARs continued to vest under this plan until September 2024.

When SARs vested, they converted into ABG and ASK securities on a one for one basis.

(b) Summary of Performance Rights granted

(i) Long Term Incentives (LTI)

The following table illustrates movements in LTI during this year:

	2025 No.	2024 No.
Opening balance	6,067,109	2,265,376
Granted during the year	6,664,872	4,194,875
Forfeited during the year	(608,879)	(333,519)
Exercised during the year	(97,987)	(59,623)
Outstanding at the end of the year	12,025,115	6,067,109
Exercisable at the end of the year	2,637,761	418,767

The weighted average fair value of LTI granted during the year excluding modifications was $0.89 (2024: $0.79). The fair value of LTI was calculated utilising the security price on grant date for non-market measures, and a valuation model for market measures.

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19. SECURITY BASED PAYMENTS (CONTINUED)

(b) Summary of Performance Rights granted (continued)

(i) Long Term Incentives (LTI) (continued)

The following table lists the inputs to the model used for the performance rights' plans for the year ended 30 June 2025 and 30 June 2024:

	2025	2024
Expected volatility (%)	24	26
Risk-free interest rate (%)	3.72-3.76	3.90 - 4.00
Life of instrument (years)	1.7 - 3.7	1.7 - 3.7
Model used	Monte Carlo	Monte Carlo

The expected life of the performance rights is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the performance rights is indicative of future trends, which may not necessarily be the actual outcome.

(ii) Abacus Storage King Long Term Incentives (ASK LTI)

	2025 No.	2024 No.
Opening balance	612,000	-
Granted during the year	867,116	612,000
Forfeited during the year	-	-
Exercised during the year	-	-
Outstanding at the end of the year	1,479,116	612,000
Exercisable at the end of the year	-	-

The weighted average fair value of ASK LTI granted during the year excluding modifications was $0.61 (2024: $0.62). The fair value of ASK LTI was calculated utilising a valuation model.

The following table lists the inputs to the model used for the performance rights' plans for the year ended 30 June 2025 and 30 June 2024:

	2025	2024
Expected volatility (%)	25	27
Risk-free interest rate (%)	3.72-3.73	3.90-3.91
Life of instrument (years)	2.7 - 3.7	2.7-3.7
Model used	Monte Carlo	Monte Carlo

The expected life of the performance rights is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the performance rights is indicative of future trends, which may not necessarily be the actual outcome.

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19. SECURITY BASED PAYMENTS (CONTINUED)

(b) Summary of Performance Rights granted (continued)

(iii) Replacement Long Term Incentives (Replacement LTI)

The following table illustrates movements in FY22 Replacement LTI during this year:

	2025 No.
Opening balance	-
Granted during the year	403,721
Forfeited during the year	(144,128)
Exercised during the year	-
Outstanding at the end of the year	259,593
Exercisable at the end of the year	259,593

The weighted average fair value of FY22 Replacement LTI granted during the year was $0.52. The fair value of FY22 Replacement LTI was calculated utilising a valuation model.

The following table lists the inputs to the model used for the performance rights' plans for the year ended 30 June 2025:

	2025
Expected volatility (%)	23
Risk-free interest rate (%)	3.8
Life of instrument (years)	0.7
Model used	Monte Carlo

The following table illustrates movements in FY23 Replacement LTI during this year:

	2025 No.
Opening balance	-
Granted during the year	169,487
Forfeited during the year	(60,507)
Exercised during the year	-
Outstanding at the end of the year	108,980
Exercisable at the end of the year	108,980

The weighted average fair value of FY23 Replacement LTI granted during the year was $0.58. The fair value of FY23 Replacement LTI was calculated utilising a valuation model.

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19. SECURITY BASED PAYMENTS (CONTINUED)

(b) Summary of Performance Rights granted (continued)

(iii) Replacement Long Term Incentives (Replacement LTI) (continued)

The following table lists the inputs to the model used for the performance rights' plans for the year ended 30 June 2025:

	2025
Expected volatility (%)	23
Risk-free interest rate (%)	3.78-3.83
Life of instrument (years)	0.7-1.7
Model used	Monte Carlo

(iv) Deferred Short Term Incentives (Deferred STI)

The following table illustrates movements in Deferred STI during this year:

	2025 No.	2024 No.
Opening balance	547,964	217,046
Granted during the year	931,368	459,437
Forfeited during the year	-	-
Exercised during the year	(36,129)	(128,519)
Outstanding at the end of the year	1,443,203	547,964
Exercisable at the end of the year	1,117,205	453,103

The weighted average fair value of Deferred STI, excluding the one-off grant to an Executive, granted during the year was $1.31 (2024: $1.11). The fair value of STI is the security price on grant date.

(v) Security Acquisition Rights (SARs)

The following table illustrates movements in SARs during this year:

	2025 No.	2024 No.
Opening balance	370,086	936,061
Granted during the year*		21,427
Forfeited during the year	-	-
Exercised during the year	(370,086)	(587,402)
Outstanding at the end of the year	-	370,086
Exercisable at the end of the year	-	-

* To achieve a closer alignment of interests of securityholders and senior executives, when a tranche of SARs vests, the holder will be paid in respect of each SAR vesting an amount (a notional distribution) equivalent to the aggregate of the distributions per Abacus security paid during the period.

The weighted average remaining life of the performance rights (all tranches of LTIs and SARs) at 30 June 2025 was 2.0 years (2024: 1.8 years).

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20. INTANGIBLE ASSETS AND GOODWILL

Description of the Group's intangible assets

	Notes	2025 $'000	2024 $'000
Goodwill			
Balance at 1 July		32,394	32,394
At the end of the year		**32,394**	**32,394**
Software			
At 1 July, net of accumulated amortisation		32	69
Amortisation charge for the year		(23)	(37)
At the end of the year, net of accumulated amortisation		**9**	**32**
Total goodwill and intangibles		**32,403**	**32,426**

Impairment tests for goodwill and intangible assets

(i) Description of the cash generating units and other relevant information

Goodwill and intangible assets acquired through business combinations for the purposes of impairment testing are allocated to the respective Group's property / asset management businesses. The property / asset management business of the Group has been identified as a cash generating unit (CGU), as it generates cash flows that are independent from the cash flows of other assets or group of assets within the Group. Goodwill is subject to annual impairment testing with the recoverable amount of the CGU determined based on a fair value less cost to sell (FVLCS) calculation using cash flow projections as of 30 June 2025 covering a five-year period.

(ii) Key assumptions used in valuation calculations

Goodwill and intangible assets – the calculation is most sensitive to the following assumptions:

(a) Management and other fee income: based on market rates and revenue / funds under management within the financial year and the underlying growth rate of 3% (2024: 2%).

(b) Discount rates: reflects management's estimate of the time value of money and the risks specific to each unit that are not reflected in the cash flows

(c) Property values of the funds / properties under management for Abacus Funds Management Limited: based on the fair value of properties

(d) Selling costs: management's estimate of costs to sell the funds / properties under management

(e) For Abacus Funds Management Limited, a pre-tax discount rate of 8.6% (2024: 10%) and a terminal growth rate of 3.0% (2024: 2.5%) have been applied to the cash flow projections for goodwill.

(iii) Sensitivity to changes in assumptions

The CGU earns management and development fees from managing Abacus Storage King (ASK). As disclosed in Note 24, ASK has received a revised non-binding indicative proposal from Ki Corporation and Public Storage to acquire all of the outstanding stapled securities in ASK, not already owned by Ki or its subsidiaries. If acquisition takes place, the ASK management arrangement currently undertaken by the Group will be transferred to ASK resulting in a loss of income for the CGU. While there is a significant headroom in the FVLCS model at 30 June 2025, this goodwill will be reduced to nil if ASK management fees are absent.

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21. DISCONTINUED OPERATIONS

On 16 February 2023, the Group announced its intention to create a new ASX listed Self Storage REIT to be known as Abacus Storage King REIT (ASK). ASK was established by de-stapling Abacus' existing Self Storage assets and became an externally managed REIT with a majority independent Board of Directors. The de-stapling of ASK completed on 4 August 2023. 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 7). The difference between the fair value of the equity accounted investment in ASK upon deconsolidation and consideration provided was 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)**

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21. DISCONTINUED OPERATIONS (CONTINUED)

The financial performance of the discontinued operations segment for the year ended 30 June 2024 was as follows:

	2024 $'000
Storage Income	16,427
Fee Income	1,289
Finance income	50
Total Revenue	**17,766**
OTHER INCOME	
Net change in fair value of investment properties held at balance date	-
Net change in fair value of investment held at balance date	(2,861)
Net change in fair value of PPE, investments and financial instruments derecognised	-
Net change in fair value of derivatives	(2,799)
Other income	-
Total Revenue and Other Income	**12,106**
Net change in fair value of investment properties derecognised	(1)
Storage expenses	(4,016)
Share of (loss)/profit from equity accounted investments	45
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 year ended 30 June 2024 were as follows:

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

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22. SUMMARY OF MATERIAL ACCOUNTING POLICIES

(a) Basis of Preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standards. The financial report has also been prepared on a historical cost basis, except for investment properties and derivative financial instruments which have been measured at fair value, interests in joint ventures and associates which are accounted for using the equity method, and certain investments and financial assets measured at fair value.

The financial report is presented in Australian dollars and all values are rounded to the nearest thousand dollars ($'000) unless otherwise stated under the option available to the Group under ASIC Corporations Instrument 2016/191. The Group is an entity to which the instrument applies.

(b) Statement of Compliance

The financial report complies with Australian Accounting Standards and International Financial Reporting Standards (IFRS), as issued by the AASB and IASB respectively.

(c) 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 amendments and interpretations that apply for the first time on 1 July 2024 as follows, but they do not have a material impact on the consolidated financial statements of ABG.

- 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 ABG for the annual reporting period ended 30 June 2025. The amendments are effective for annual reporting periods beginning on or after 1 January 2026 and must be applied retrospectively. ABG is currently assessing the impact the amendments will have on current practice and whether existing loan agreements may require amendments.

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22. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(c) New accounting standards and interpretations (continued)

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

The significant new standards or amendments are outlined below:

- AASB 2024-2 Amendments to Australian Accounting Standards – Classification and Measurement of Financial Instruments (effective 1 January 2026).

This amends AASB 7 Financial Instruments: Disclosures and AASB 9 Financial Instruments to:

(i) clarify the date of recognition and derecognition of some financial assets and liabilities;

(ii) clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest criterion;

(iii) add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and

(iv) update the disclosures for equity instruments designated at fair value through other comprehensive income.

- AASB 2024-3 Amendments to Australian Accounting Standards – Annual Improvements Volume II (effective 1 January 2026).

This makes minor improvements to address inconsistencies or to clarify requirements in:

(i) AASB 1 First-time Adoption of International Financial Reporting – to improve consistency between AASB 1 and AASB 9 in relation to the requirements for hedge accounting, and improve the understandability of AASB 1;

(ii) AASB 7 Financial Instruments: Disclosures – to improve consistency in the language used in AASB 7 with the language used in AASB 13 Fair Value Measurement;

(iii) AASB 9 Financial Instruments – to clarify how a lessee accounts for the derecognition of a lease liability when it is extinguished and address an inconsistency between AASB 9 and AASB 15 Revenue from Contracts with Customers in relation to the term 'transaction price';

(iv) AASB 10 Consolidated Financial Statements – to clarify the requirements in relation to determining de facto agents of an entity; and

(v) AASB 107 Statement of Cash Flows – to replace the term 'cost method' with 'at cost' as the term is no longer defined in Australian Accounting Standards

- 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 2028)

  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.

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22. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(c) 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 and new standards 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.

(d) Basis of consolidation

The consolidated financial statements comprise the financial statements of AGHL and its subsidiaries, AT and its subsidiaries, AIT and its subsidiaries, and AGPL and its subsidiaries collectively referred to as the Group, and also includes ASPT and its controlled entities ASOL until 3 August 2023, as ASPT and ASOL were de-stapled from the Group on this date.

Subsidiaries are all those entities over which the Group has power over the investee such that the Group is able to direct the relevant activities, has exposure or rights to variable returns from its involvement with the investee and has the ability to use its power over the investee to affect the amount of the investor's returns.

The financial statements of subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies with adjustments made to bring into line any dissimilar accounting policies that may exist.

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22. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(d) Basis of consolidation (continued)

All intercompany balances and transactions, including unrealised profits from intra-group transactions, have been eliminated in full and subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. Where there is a loss of control of a subsidiary, the consolidated financial statements include the results for the part of the reporting period during which the Group has control.

The acquisition of subsidiaries is accounted for using the purchase method of accounting. The purchase method of accounting involves allocating the cost of the business combination to the fair value of the assets acquired and the liabilities and contingent liabilities assumed at the date of acquisition.

Non-controlling interests are allocated their share of net profit after tax in the consolidated income statement and are presented within equity in the consolidated statement of financial position, separately from the equity of the owners of the parent.

(e) Foreign currency translation

Functional and presentation currency

Both the functional and presentation currency of the Group are in Australian dollars. Each entity in the Group determines its own functional currency and items are included in the financial statements of each entity are measured using that functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date.

All exchange differences in the consolidated financial report are taken to profit or loss with the exception of differences on foreign currency borrowings on translation of foreign operations that provide a hedge against a net investment in a foreign operation. These are taken directly to equity until the disposal of the net investment, at which time they are recognised in profit or loss. On disposal of a foreign operation, the cumulative amount recognised in equity relating to that particular foreign operation is recognised in profit or loss. Tax charges and credits attributable to exchange differences on those borrowings are also recognised in equity.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

At reporting date the assets and liabilities of foreign operations are translated into the presentation currency of the Group at the rate of exchange prevailing at balance date and the financial performance is translated at the average exchange rate prevailing during the reporting period. The exchange differences arising on translation are taken directly to the foreign currency translation reserve in equity.

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22. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(f) Revenue recognition

Revenue is recognised when performance obligations have been met and is measured at the amount that reflects consideration received or receivable to the extent it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Rental income

Rental income from investment properties is accounted for on a straight-line basis over the lease term. Lease incentives granted are recognised as an integral part of the total rental income.

Finance income

Revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost or principal of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Management and other fee income

Revenue from rendering of services is recognised in accordance with the performance obligations under the terms and conditions of the service agreements and the accounting standards.

Dividends and distributions

Revenue is recognised when the Group's right to receive the payment is established.

Net change in fair value of investments and financial instruments derecognised during the year

Revenue from sale of investments is recognised on settlement when all performance obligations under the contract have been met. Performance obligations are generally considered to have been met at the time of settlement of the sale. Financial instruments are derecognised when the right to receive or pay cash flows from the financial derivative has expired or when the entity transfers substantially all the risks and rewards and the performance obligations of the financial derivative through termination. Gains or losses due to derecognition are recognised in the income statement.

Net change in fair value of investments held at balance date

Changes in market value of investments are recognised as revenue or expense in determining the net profit for the period.

(g) Expenses

Expenses including rates, taxes and other outgoings, are brought to account on an accrual basis and any related payables are carried at cost.

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22. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(h) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash which are subject to an insignificant risk of changes in value.

For the purposes of the Statement of Cash Flow, cash and cash equivalents consist of cash and cash equivalents as defined above.

(i) Trade and other receivables

Trade and other receivables, which generally have 30 day terms, are held to collect contractual cash flows and these contractual cash flows are solely payments of principal and interest. At initial recognition, these are measured at amortised cost at the transaction price.

Trade and other receivables are subsequently measured at amortised cost using the effective interest rate method, reduced by impairment losses. Interest income and impairment losses are recognised in the income statement. The receivable is written off when there is no reasonable expectation of recovering the contractual cash flows. Any gain or loss on derecognition is also recognised in the income statement.

In assessing for impairment under AASB 9, the Group assesses on a forward-looking basis the expected credit losses associated with its financial assets carried at amortised cost. For trade receivables, the Group applies the simplified approach permitted by the standard, which requires lifetime expected losses to be recognised from initial recognition of the receivables.

To measure the expected credit losses, trade debtors and other receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on outstanding balances, days past their due date and the corresponding historical credit losses experienced. Historical loss rates are adjusted to reflect current and forward looking information on macroeconomic factors (including GDP) affecting the ability of customers to settle their debts.

(j) Derivative financial instruments and hedging

The Group utilises derivative financial instruments, interest rate derivatives to manage the risk associated with foreign currency and interest rate fluctuations. Such derivative financial instruments are recognised at fair value through profit or loss ("FVTPL").

The Group has set defined policies and implemented hedging policies to manage interest and exchange rate risks. Derivative instruments are transacted in line with these policies to achieve the economic outcomes in line with the Group's treasury and hedging policy. They are not transacted for speculative purposes.

The Group does not employ hedge accounting and as such derivatives are recorded at fair value with gains or losses arising from the movement in fair values recorded in the income statement.

(k) Investments and other financial assets

All investments are initially recognised at cost, being the fair value of the consideration given.

Financial assets in the scope of AASB 9 *Financial Instruments* are classified as either financial assets at fair value through profit or loss or financial assets at amortised cost. The Group determines the classification of its financial assets after initial recognition and, when allowed and appropriate, re-evaluates this designation at each financial

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22. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(k) Investments and other financial assets (continued)

year-end. At 30 June the Group's investments in unlisted securities have been classified as financial assets at fair value through profit or loss and property loans are classified as loans and receivables at amortised cost.

Financial assets at fair value through profit or loss

The Group classifies its financial assets that do not meet the Solely Payments of Principal Plus Interest ('SPPI') criterion and derivatives at FVTPL.

At initial recognition, the financial asset is measured at its fair value and transaction costs are recognised in profit or loss as incurred. Financial assets at FVTPL are subsequently measured at fair value. Any gains and losses from changes in fair value are recognised through profit or loss unless they have been designated and qualify as cash flow or net investment hedging instruments, where the effective portion of changes in fair value is recognised in either a cash flow or foreign currency reserve within equity. Any gain or loss on derecognition is recognised in the income statement.

The Group holds investments in unlisted securities.

Loans and receivables

Loans and receivables are non-derivative financial assets that are not quoted in an active market with SPPI. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired.

Subsidiaries

Investment in subsidiaries are held at lower of cost or recoverable amount as disclosed within the parent entity note.

(l) Interest in joint arrangements and associates

The Group's interest in joint venture entities and associate is accounted for under the equity method of accounting in the consolidated financial statements. The investment in the joint venture entities and associate is carried in the consolidated balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the joint ventures and associate, less any impairment in value. The consolidated income statement reflects the Group's share of the results of operations of the joint ventures and associate.

Investments in joint ventures and associate are held at the lower of cost or recoverable amount in the investing entities.

The Group's interest in joint operations that give the parties a right to the underlying assets and obligations themselves is accounted for by recognising the Group's share of those assets and obligations.

(m) Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and any impairment losses.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

Plant and equipment – over 5 to 15 years Right-of-use property – up to 5 years

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22. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(m) Property, plant and equipment (continued)

Impairment

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount.

The recoverable amount of property (including land and buildings), plant and equipment is the greater of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the assets.

Impairment losses are recognised in the income statement.

Disposal

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement in the year the asset is derecognised.

(n) Investment properties

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing parts of an existing investment property at the time that the cost is incurred if the recognition criteria are met, and excludes the costs of day-to-day servicing of an investment property. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market and property specific conditions at the balance sheet date. This includes investment properties under redevelopment because fair value can be calculated based on estimated fair value on completion of redevelopment after allowing for the remaining expected costs of completion plus an appropriate risk adjusted development margin. Gains or losses arising from changes in the fair values of investment properties are recognised in the income statement in the year in which they arise.

Investment properties are derecognised either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in the income statement in the year of retirement or disposal.

Investment properties under construction are carried at cost until when the construction is near completion (70%-80% complete) because the fair value of an investment property under construction cannot be reliably measured.

Transfers are made to investment property when, and only when, there is a change in use, evidenced by commencement of an operating lease to another party or ending of construction or development. Transfers are

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22. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(n) Investment properties (continued)

made from investment property when, and only when, there is a change in use, evidenced by commencement of development with a view to sale.

For a transfer from investment property to inventories, the deemed cost of property for subsequent accounting is its fair value at the date of change in use. For a transfer from inventories to investment property, any difference between the fair value of the property at that date and its previous carrying amount is recognised in profit or loss.

Land and buildings that meet the definition of investment property are considered to have the function of an investment and are therefore regarded as a composite asset, the overall value of which is influenced by many factors, the most prominent being income yield, rather than diminution in value of the building content due to the passing of time. Accordingly, the buildings and all components thereof, including integral plant and equipment, are not depreciated.

Investment properties are independently valued on a staggered basis every two years unless the underlying financing requires a more frequent independent valuation cycle. In determining fair value, the capitalisation of net income method and the discounting of future cashflows to their present value have been used.

Lease incentives provided by the Group to lessees, and rental guarantees which may be received by the Group from third parties (arising from the acquisition of investment properties) are included in the measurement of fair value of investment property. Leasing costs and incentives are included in the carrying value of investment property and are amortised over the respective lease period, either using a straight-line basis, or a basis which is more representative of the pattern of benefits.

Under AASB 140, investment properties, including any plant and equipment, are not subject to depreciation. However, depreciation allowances in respect of certain buildings, plant and equipment are currently available to investors for taxation purposes.

(o) Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

Group as lessee

At the lease commencement date, a right-of-use asset and a corresponding lease liability is recognised.

The liabilities arising from the lease are initially measured on a present value basis. Lease liabilities include the net present value of future lease payments, less any lease incentives receivable. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset. Lease payments are allocated between principal and finance cost.

Right-of-use assets are measured at cost comprising:

– the amount of the initial measurement of the lease liability;

– any lease payments made at or before the commencement date, less any lease incentives received;

– any initial direct costs incurred; and

– any restoration costs.

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22. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(o) Leases (continued)

Right-of-use property assets are measured and classified as either investment property or property plant and equipment in accordance with the policies above.

Group as a lessor

Leases in which the Group retains substantially all the risks and benefits of ownership of the lease assets are classified as operating leases.

The Group accounts for a modification to an operating lease either due to a change in scope or consideration of the lease as a new lease from the effective date of the modification, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease.

(p) Goodwill

Goodwill on acquisition is initially measured at cost being the excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses and is not amortised. Goodwill is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units. Each unit or group of units to which the goodwill is so allocated:

- Represents the lowest level within the Group at which the goodwill is monitored for internal management purposes; and
- Is not larger than a segment based on either the Group's primary or the Group's secondary reporting format determined in accordance with AASB 8 Operating Segments.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units), to which the goodwill relates. When the recoverable amount of the cash-generating unit (group of cash-generating units) is less that the carrying amount, an impairment loss is recognised.

When goodwill forms part of a cash-generating unit (group of cash-generating units) and an operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this manner is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Impairment losses recognised for goodwill are not subsequently reversed.

(q) Impairment of non-financial assets other than goodwill

Intangible assets that have an indefinite useful life are not subject to recognised in and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the

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22. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTIUNED)

(q) Impairment of non-financial assets other than goodwill (continued)

asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are tested for possible reversal of the impairment whenever events or changes in circumstances indicate that the impairment may have reversed.

(r) Trade and other payables

Trade payables and other payables are carried at amortised cost. They represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

(s) Provisions and employee leave benefits

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the time value of money and the risks specific to the liability. The increase in the provision resulting from the passage of time is recognised in finance costs.

Employee leave benefits

i) Wages, salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Expenses for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

ii) Long service leave

The liability for long service leave is recognised and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

(t) Distributions and dividends

Trusts generally distribute their distributable assessable income to their unitholders. Such distributions are determined by reference to the taxable income of the respective trusts. Distributable income may include capital

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22. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(t) Distributions and dividends (continued)

gains arising from the disposal of investments and tax-deferred income. Unrealised gains and losses on investments that are recognised as income are usually retained and are generally not assessable or distributable until realised. Capital losses are not distributed to securityholders but are retained to be offset against any future realised capital gains.

A liability for dividend or distribution is recognised in the Balance Sheet if the dividend or distribution has been declared, determined or publicly recommended prior to balance date.

(u) Interest-bearing loans and borrowings

All loans and borrowings are initially recognised at cost, being the fair value of the consideration received net of transaction costs associated with the borrowing.

Subsequent to initial recognition, interest-bearing loans and borrowings are stated at amortised cost net of establishment costs, with any difference being recognised in the Consolidated Statement of Comprehensive Income over the period of the borrowings on an effective interest basis, subject to set-off arrangements.

The entity derecognises a financial liability when its contractual obligations are discharged, cancelled or expired. The entity also derecognises a financial liability when there has been a substantial modification to the terms and cash flows of the liability and recognises a new financial liability based on the modified terms, with the difference being recognised in the Consolidated Statements of Comprehensive Income.

Borrowings are classified as non-current liabilities where the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Borrowing Costs

Borrowing costs are recognised as an expense when incurred unless they relate to a qualifying asset or to upfront borrowing establishment and arrangement costs, which are deferred and amortised as an expense over the life of the facility. A qualifying asset is an asset that generally takes more than 12 months to get ready for its intended use or sale. In these circumstances, the financing costs are capitalised into the cost of the asset. Where funds are borrowed by the Group for the acquisition or construction of a qualifying asset, the amount of the borrowing costs capitalised are those incurred in relation to the borrowing.

(v) Contributed equity

Issued and paid up capital is recognised at the fair value of the consideration received by the Group. Stapled securities are classified as equity. Incremental costs directly attributable to the issue of new securities are shown in equity as a deduction, net of tax, from the proceeds.

(w) Taxation

The Group comprises taxable and non-taxable entities. A liability for current and deferred tax and tax expense is only recognised in respect of taxable entities that are subject to income tax and potential capital gains tax as detailed below.

Trust income tax

Under current Australian income tax legislation AT and AIT are not liable to Australian income tax provided securityholders are presently entitled to the taxable income of the trusts and the trusts generally distribute their taxable income.

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22. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(w) Taxation (continued)

Company income tax

AGHL and its Australian resident wholly-owned subsidiaries have entered into tax funding agreements with their Australian resident wholly-owned subsidiaries, so that each subsidiary agrees to pay or receive its share of the allocated tax at the current tax rate.

The head tax entity and the controlled entities in each tax consolidated group continue to account for their own current and deferred tax amounts.

In addition to its own current and deferred tax amounts, the head tax entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the Group.

Any difference between the amounts assumed and amounts receivable or payable under the tax funding agreements are recognised as a contribution to (or distribution from) wholly-owned tax consolidated entities.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Deferred income tax assets are recognised for all deductible temporary differences, carry forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilised, except:

when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or

- when the deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax is provided on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences, except:

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22. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(w) Taxation (continued)

- when the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, and the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in the income statement.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Cash flows are included in the Cash Flow Statement on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(x) Earnings per stapled security (EPSS)

Basic EPSS is calculated as net profit attributable to stapled securityholders, adjusted to exclude costs of servicing equity (other than distributions) divided by the weighted average number of stapled securities on issue during the period under review.

Diluted EPSS is calculated as net profit attributable to stapled securityholders, adjusted for:

- costs of servicing equity (other than distributions);
- the after tax effect of dividends and interest associated with dilutive potential stapled securities that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential stapled securities;

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22. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(x) Earnings per stapled security (EPSS) (continued)

divided by the weighted average number of stapled securities and dilutive potential stapled securities, adjusted for any bonus element.

(y) Security based payment plans

Executives of the Group receive remuneration in the form of security based payments, whereby Executives render services as consideration for equity instruments (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made, using an appropriate valuation model and is recognised, together with a corresponding increase in other capital reserves in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The income statement expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense (Note 19).

No expense is recognised for awards that do not ultimately vest, except for equity-settled transactions for which vesting is conditional upon a market or non-vesting condition. These are treated as vesting irrespective of whether or not the market or non-vesting conditions are satisfied, provided that all other performance and / or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the security based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

When an equity-settled award is cancelled, it is treated as if it vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the entity or the employee are not met.

When the award securities are acquired from the market in advance, the unallocated securities are treated as reduction of equity reserve.

A portion of security based payments are classified as cash-settled, as Executives are awarded a cash equivalent of shares to purchase securities. For these securities the fair value is measured upon issue and recorded as an expense. Until the liability is settled, the fair value will be remeasured at each reporting period.

(z) Non-current assets held for sale or distribution and discontinued operations

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction or deemed disposal rather than through continuing use. Upon classification as held for sale, assets of a disposal group are recognised at the lower of carrying amount and fair value less costs to sell with the exception of investment properties, other financial assets and derivatives which are valued in accordance with Note 22(n) and Note 22(j) respectively.

Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale. Assets and liabilities classified as held for sale are presented separately as current items in the statement of

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22. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(z) Non-current assets held for sale or distribution and discontinued operations (continued)

financial position.

A segment, entity or operation disposed of or wound up qualifies as discontinued operations if it is a component of the Group that represents a separate major line of business or geographical area of operations. Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit or loss. Additional disclosures are provided in Note 21. All other notes to the financial statements include amounts for continuing operations, unless indicated otherwise.

23. AUDITOR'S REMUNERATION

	2025 $	2024 $
Amounts received or due and receivable by Ernst & Young Australia:		
- Fees for auditing the statutory financial report of the parent covering the Group and auditing the statutory financial reports of any controlled entities	704,465	680,000
- Services required by legislation to be provided by the auditor - compliance services	27,169	41,239
- Other assurance and agreed-upon-procedures services under other legislation or contractual arrangements where there is discretion as to whether the service is provided by the auditor or another firm	42,380	8,812
Total	**774,014**	**730,051**

24. EVENTS AFTER BALANCE SHEET DATE

On 13 May 2025, Abacus Storage King (ASK) announced it had rejected a Non-Binding Indicative proposal from Ki Corporation and Public Storage (the 'Consortium') of $1.47 per security. ASK's Independent Board Committee rejected the Proposal on the basis it was not in securityholders' best interests.

ASK announced a revised non-binding indicative proposal from the Consortium on 14 July 2025 with a new price of $1.65 per security. As previously announced, the Independent Board Committee has accepted a six week period of due diligence to the Consortium to determine whether a binding proposal can be developed that is capable of being recommended to securityholders. The Group holds an equity accounted investment in ASK and associated management rights which would both be impacted should a sale proceed. There are no further updates to provide at this time.

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

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Entity name	Entity type	Body corporate Country of incorporation	Body corporate % of share capital held	Country of tax residence
Abacus Group Holdings Limited & its subsidiaries				
Abacus Group Holdings Limited	Body corporate	Australia	100	Australia
Abacus Finance Pty Limited	Body corporate	Australia	100	Australia
Abacus Funds Management Limited	Body corporate	Australia	100	Australia
Abacus Investments Pty Ltd	Body corporate	Australia	100	Australia
Abacus Note Facilities Pty Ltd	Body corporate	Australia	100	Australia
Abacus Property Services Pty Ltd	Body corporate	Australia	100	Australia
Abacus Storage Funds Management Limited	Body corporate	Australia	100	Australia
Abacus Camellia Investments Pty Limited	Body corporate	Australia	100	Australia
Abacus Riverlands Investments Pty Limited	Body corporate	Australia	100	Australia
444 Queen Street Pty Limited	Body corporate	Australia	100	Australia
Abacus 77 Castlereagh Street Pty Limited	Body corporate	Australia	100	Australia
Abacus Repository Pty Limited	Body corporate	Australia	100	Australia
Abacus U Stow It A1 Pty Limited	Body corporate	Australia	100	Australia
Abacus U Stow It B1 Pty Limited	Body corporate	Australia	100	Australia
Abacus USI C Pty Limited	Body corporate	Australia	100	Australia
Lutwyche City Shopping Centre Pty Limited	Body corporate	Australia	100	Australia
Oasis JV Pty Limited	Body corporate	Australia	100	Australia
Abacus Group Projects Limited & its subsidiaries				
Abacus Group Projects Limited	Body corporate	Australia	100	Australia
Abacus Property Pty Ltd	Body corporate	Australia	100	Australia
Abacus U Stow It A2 Pty Limited	Body corporate	Australia	100	Australia
Sucaba UST Pty Limited	Body corporate	Australia	100	Australia
Abacus Allara Street Trust	Trust	N/A	N/A	Australia
Abacus Ventures Trust	Trust	N/A	N/A	Australia
Abacus Trust & its subsidiaries				
Abacus Trust	Trust	N/A	N/A	Australia
Abacus Abbotsford Trust	Trust	N/A	N/A	Australia
Abacus Bowden Street Trust	Trust	N/A	N/A	Australia
Abacus K1 Property Trust	Trust	N/A	N/A	Australia
Abacus Lutwyche Trust	Trust	N/A	N/A	Australia
Abacus Oasis Trust	Trust	N/A	N/A	Australia
Abacus Richmond Trust	Trust	N/A	N/A	Australia
Abacus Virginia Trust	Trust	N/A	N/A	Australia
Abacus Westpac House Trust	Trust	N/A	N/A	Australia
Abacus Westpac House No. 2 Trust	Trust	N/A	N/A	Australia
Abacus 14 Martin Place Trust	Trust	N/A	N/A	Australia
Abacus 324 Queen Street Trust	Trust	N/A	N/A	Australia
Lutwyche City Shopping Centre Unit Trust	Trust	N/A	N/A	Australia
Oasis JV Unit Trust	Trust	N/A	N/A	Australia
Abacus Income Trust & its subsidiaries				
Abacus Income Trust	Trust	N/A	N/A	Australia
Castlereagh Sub 1 Trust	Trust	N/A	N/A	Australia
Castlereagh FH Sub 1 Trust	Trust	N/A	N/A	Australia

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

In the opinion of the directors:

(a) the consolidated financial statements, notes and the additional disclosures included in the Directors' report designated as audited, are in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2025 and of its performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Regulations 2001;

(b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 22(b); and

(c) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

(d) The consolidated entity disclosure statement required by section 295(3A) of the Corporations Act 2001 is true and correct.

This declaration has been made after receiving the declarations required to be made to the directors in accordance with sections 295A of the Corporations Act 2001 for the financial year ended 30 June 2025.

On behalf of the Board.

Myra Salkinder
Chair

Steven Sewell
Managing Director

Sydney, 25 August 2025

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

Report on the audit of the financial report

Opinion

We have audited the 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 30 June 2025, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a. Giving a true and fair view of the consolidated financial position of the Group as at 30 June 2025 and of its consolidated financial performance for the year ended on that date; and

b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

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Investment Properties

Why significant	How our audit addressed the key audit matter

The Group's total assets include investment properties either held directly or through an interest in Joint Ventures and associates. These assets are carried at fair value, which was assessed by the directors with reference to either external independent property valuations or internal valuations and are based on market conditions existing at the reporting date.
 	
The valuation of investment properties is inherently subjective given there are alternative assumptions and valuation methods that may result in a range of values. A small difference in any one of the key market input assumptions, when aggregated across all the properties, could result in a significant change to the valuation of investment properties.
 	
Two approaches are generally used: the Income Capitalisation approach and the Discounted Cash Flow approach to arrive at a range of valuation outcomes, from which the valuers derive their best estimate of the value at a point in time.
 	
We have considered this a key audit matter due to the extent of judgment required in determining fair value. We draw attention to Note 5 of the financial statements which discloses accounting policy and sensitivities to changes in the key assumptions that may impact these valuations.
	Our audit procedures included the following:
	• We discussed the following matters with management:
	  • movements in the Group's investment property portfolio;
	  • changes in the condition of the properties including tenancy matters and development status on a sample basis.
	• On a sample basis, we performed the following procedures for selected properties:
	  • Evaluated the key valuation assumptions and inputs. These assumptions and inputs included the adopted capitalisation rate and a number of leasing assumptions including market and contractual rent, forecast occupancy levels and future capital expenditure. We agreed the passing rental income in the valuations to the audited passing rental income.
	  • Tested the mathematical accuracy of valuations.
	  • Involved our real estate valuation specialists to assist with the assessment of the valuation assumptions and methodologies.
	  • Where relevant we compared the valuation against comparable transactions utilised in the valuation process.
	  • Evaluated the suitability of the valuation methodology based on the type of asset.
	  • Assessed the qualifications, competence and objectivity of the valuers.
	  • Assessed the appropriateness of disclosures included in Note 5 of the financial report.

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Information other than the financial report and auditor's report thereon

The directors of the Company are responsible for the other information. The other information comprises the information included in the Group's 2025 annual report other than the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not and will not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of:

- the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001;* and

for such internal control as the directors determine is necessary to enable the preparation of:

- the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial report. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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Report on the audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 14 to 46 of the directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of Abacus Group Holdings Limited for the year ended 30 June 2025, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Ernst & Young

Ernst & Young

Jodie Inglis
Partner
Sydney
25 August 2025

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ADDITIONAL INFORMATION

Number of holders of ordinary full paid securities	8,639
Number of holders holding less than a marketable parcel or ordinary fully paid stapled securities	1,089
Voting rights attached to ordinary fully paid stapled securities.	One vote per security

Top 20 largest security holdings as at 24 July 2025

HOLDER NAME	NUMBER OF SECURITIES	% ISSUED SECURITIES
Ki Corporation Limited	446,738,859	49.99%
J P Morgan Nominees Australia Pty Limited	114,016,192	12.76%
HSBC Custody Nominees (Australia) Limited	97,644,313	10.93%
Citicorp Nominees Pty Limited	71,783,383	8.03%
Arym Investment Holdings Pty Ltd	14,600,000	1.63%
National Nominees Limited	8,575,962	0.96%
BNP Paribas Noms Pty Ltd	7,801,576	0.87%
BNP Paribas Nominees Pty Ltd	6,164,468	0.69%
BNP Paribas Nominees Pty Ltd	6,112,552	0.68%
Solium Nominees (Aus) Pty Ltd	3,681,462	0.41%
Quixley Finance Pty Limited	2,957,515	0.33%
Warbont Nominees Pty Ltd	2,160,363	0.24%
IOOF Investment Services Limited	1,431,240	0.16%
Gil Investment Company Pty Ltd	1,118,541	0.13%
Netwealth Investments Limited	1,048,162	0.12%
Neweconomy Com Au Nominees Pty Limited	997,583	0.11%
Mr. Peter Edward Morgan & Mr. Robert Scott Morgan	895,381	0.10%
The Trust Company (Australia) Limited	800,000	0.09%
Mr. Carlos Gil	782,754	0.09%

HSBC Custody Nominees (Australia) Limited	765,603	0.09%
Total Securities of Top 20 Holdings	**790,075,909**	**88.41%**
Total of securities	**893,657,633**	

Spread of securities as at 24 July 2025

RANGE	HOLDERS	NUMBER OF SECURITIES	% ISSUED SECURITIES
1-1,000	1,960	857,634	0.10%
1,001-5,000	2,871	7,989,493	0.89%
5,001-10,000	1,533	11,353,994	1.27%
10,001-100,000	2,131	56,105,238	6.28%
100,001-9,999,999,999	144	817,351,274	91.46%
Totals	**8,639**	**893,657,633**	**100%**

Substantial security holders[1]

SECURITYHOLDER	NUMBER OF SECURITIES
Ki Group Entities	446,738,859

[1]As disclosed in substantial securityholder notices provided to the ASX prior to 24 July 2025

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