

17 October 2024

AGM: Chair's Address & Managing Director's Presentation

Attached is a copy of the addresses to be given by the Chair and Managing Director, and the presentation for the EQT Holdings Limited (EQT) Annual General Meeting today.

The Managing Director has authorised that this document be given to the ASX.

FURTHER INFORMATION

Media

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Equity Trustees was established in 1888 for the purpose of providing independent and impartial Trustee and Executor services to help families throughout Australia protect their wealth. As Australia's leading specialist trustee company, we offer a diverse range of services to individuals, families and corporate clients including asset management, estate planning, philanthropic services and Responsible Entity (RE) services for external Fund Managers. Equity Trustees is the brand name of EQT Holdings Limited (ABN 22 607 797 615) and its subsidiary companies, publicly listed company on the Australian Securities Exchange (ASX: EQT) with offices in Melbourne, Adelaide, Sydney, Brisbane and Perth.



ANNUAL GENERAL MEETING



Carol Schwartz AO, Chair
Mick O'Brien, Managing Director
EQT Holdings Limited

17 October 2024



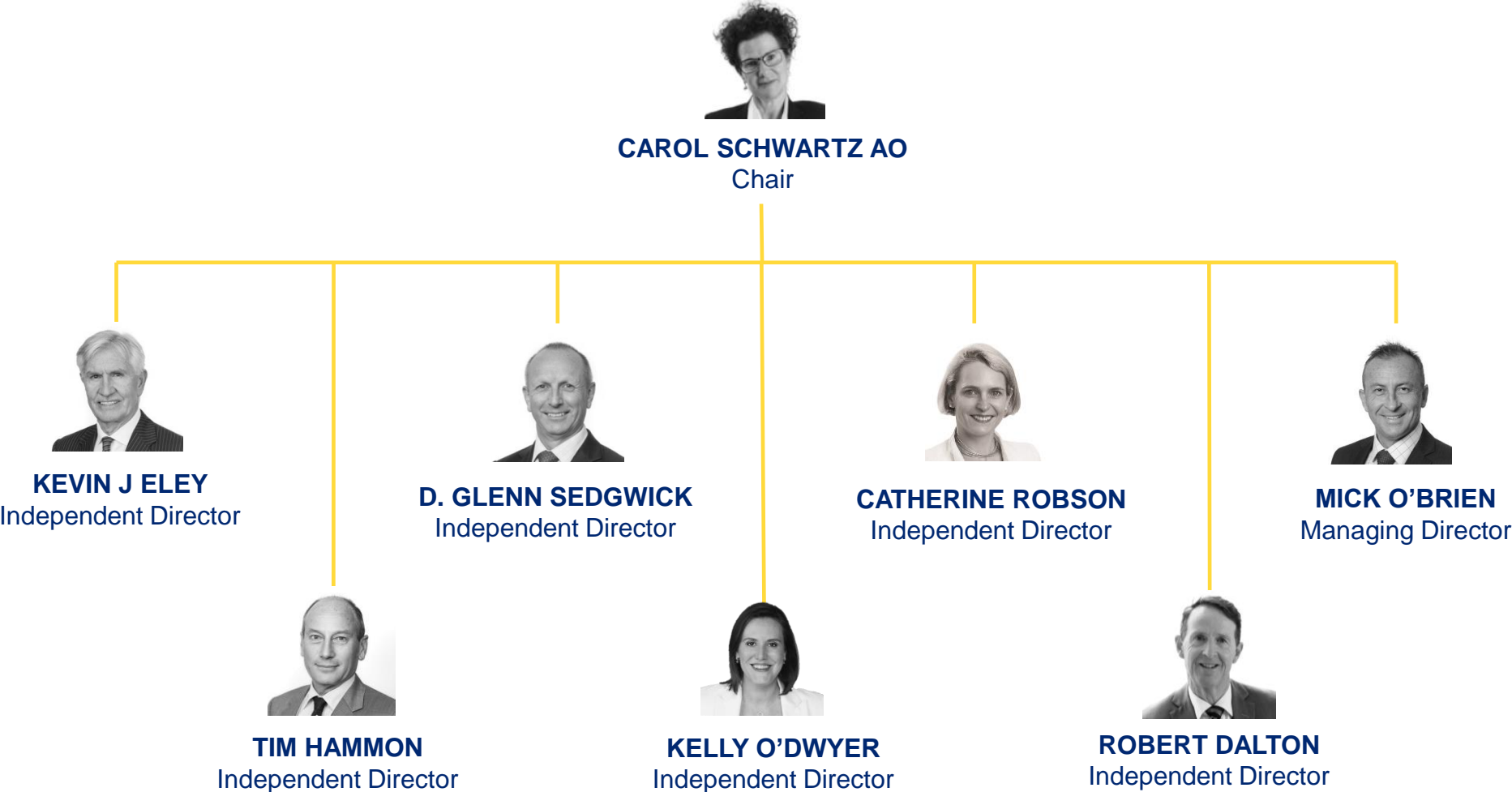
**CAROL
SCHWARTZ AO
CHAIR**



AGENDA

- (A) CHAIR'S ADDRESS**
- (B) MANAGING DIRECTOR'S ADDRESS**
- (C) ITEMS OF BUSINESS**
 - (1.) FINANCIAL REPORT, DIRECTORS' REPORT AND AUDITOR'S REPORT**
 - (2.) RE-ELECTION OF DIRECTOR**
 - (3.) ADOPTION OF REMUNERATION REPORT**
 - (4.) APPROVAL OF LONG-TERM INCENTIVE AWARD FOR MANAGING DIRECTOR**

BOARD OF DIRECTORS





OUR STRATEGY IS DELIVERING

- Focus on strategy to be Australia's leading provider of trustee services is proving successful
- FY24 was a year of transformation for the business
- Industry rationalisation continues to provide opportunities
- Regulatory environment has intensified, and we are well placed to capitalise
- The business has experienced strong organic growth
 - Investment has provided the capacity to support that growth
- Market leading position in most of our chosen markets
- Fulfilling our purpose of being trusted to care for people and enrich the broader community



MICK O'BRIEN
MANAGING DIRECTOR

REFRESHED EXPERIENCED LEADERSHIP TEAM



MORGAN LONGLEY
Executive Assistant
0.5 years



MICK O' BRIEN
Managing Director
8 years



ANDREW GODFREY
Executive General Manager,
Corporate & Superannuation
Trustee Services
1.5 years



JOHANNA PLATT
Chief Financial Officer
22 July 2024



GEORGIE TAYLOR
Executive General
Manager, People
2 years



IAN WESTLEY
Executive General
Manager, Trustee
Wealth Services
17 years



SAMANTHA EINHART
Company Secretary
2.5 years



NEVEIN VERSACE
Chief Risk Officer
23 September 2024



PHING LEE
Chief Technology
Officer
11 years



DARREN THOMPSON
Head of Asset
Management
6 years



ALICIA KOKOCINSKI
General Manager, Marketing
& Communications
9 years



A COMPANY FOUNDED ON TRUST

PURPOSE: HELP PEOPLE TAKE CARE OF THEIR FUTURE



Safeguard people's wealth now and for generations to come



Provide trustee services to help clients protect members' and investors' interests



Act as a trusted, independent partner to grow and manage clients' wealth



Empower clients to improve the lives of others and support the community

OUR VALUES



TRUSTED
We do what we say we will and put the best interests of our clients first.



ACCOUNTABLE
We own our responsibilities and speak up about ways we can do better.



EMPOWERING
We give ourselves, our workplace and our community the support, strength and confidence to grow.



YEAR OF TRANSFORMATION

CHARACTERISED BY FOUR KEY DRIVERS

On track Integration

- The integration of the AET business progressed to plan

Successful exit of non-core businesses

- Fully exited the Irish business and in the final stages of winding up the UK business
- Exit of the AET Platform business and outsourcing of Small APRA Fund administration

Technology re-platforming

- In the final year of a three-year technology transformation that has progressed to plan with major platform developments delivered

Managing extraordinary growth

- The business has experienced extraordinary growth during the year, producing some growth strains but reflecting our market leading position



STRONG FINANCIAL PERFORMANCE

FUMAS*
\$202.8b

↑ Up 26.7% on FY23

REVENUE
\$174.0m

↑ Up 23.1% on FY23

NPAT
\$20.7m

↑ Up 10.0%
UNPAT \$37.9m ↑ Up 13.8%

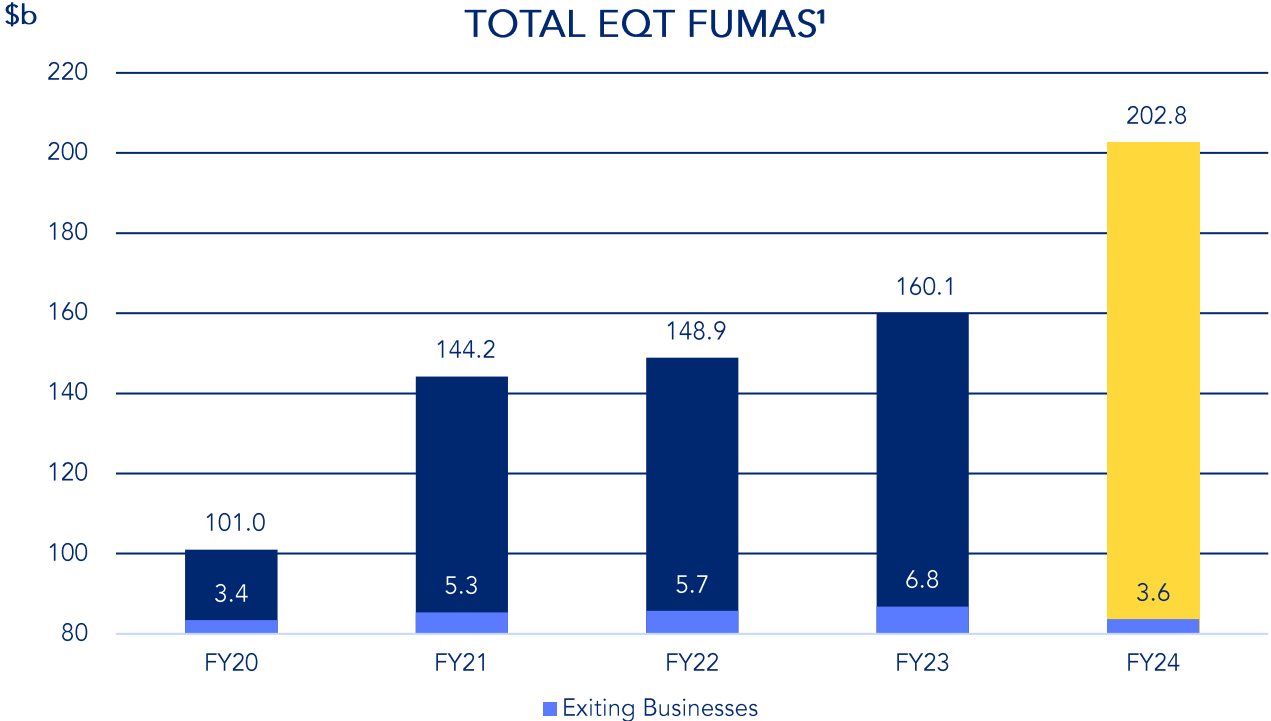
DIVIDENDS
53 cents (final)

104 cents (full-year)
↑ Up 5 cents on FY23

* FUMAS: Funds under management, administration, advice and supervision



GROWTH FROM ACQUISITION, ORGANIC & INVESTMENT MARKETS

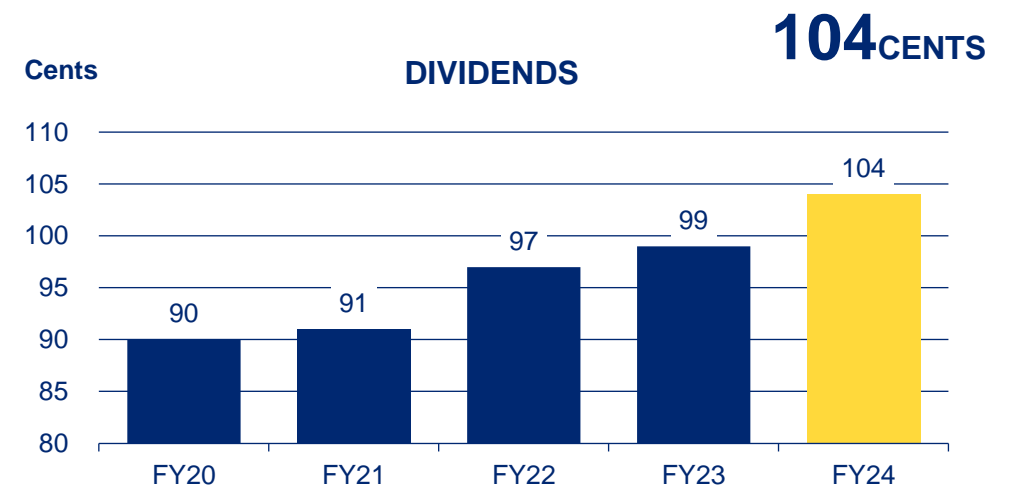
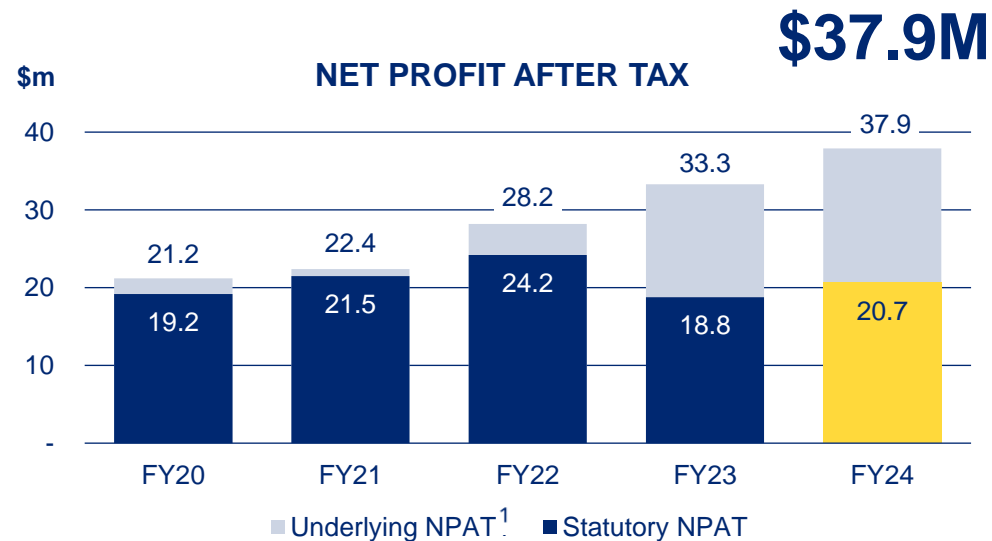
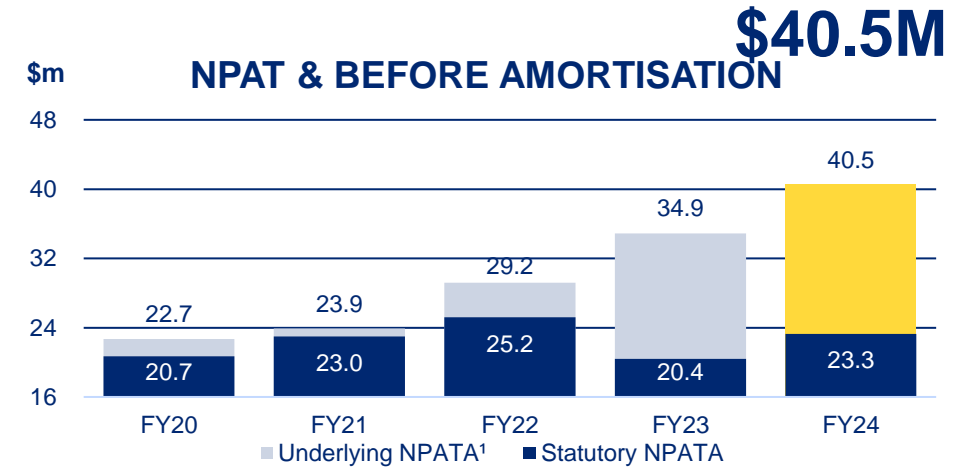
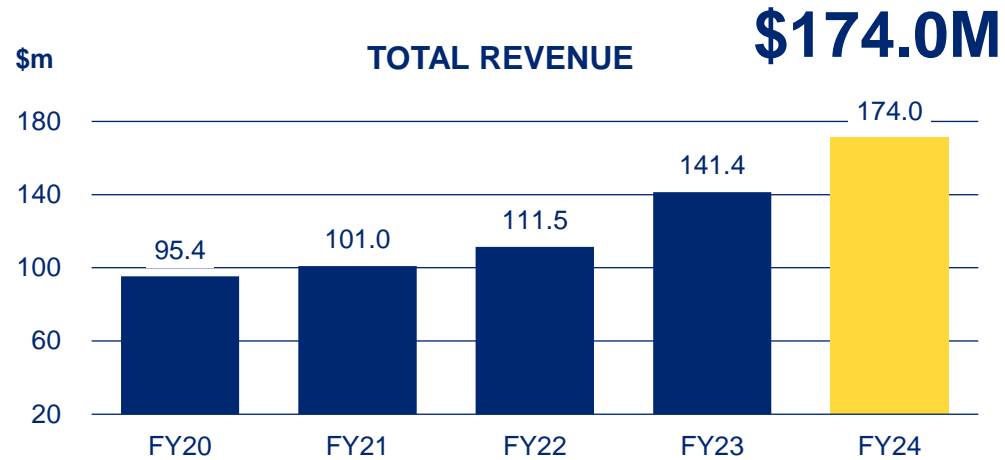


FUMAS CAGR FY20 to FY24 of 19.0%, made up of:

- Organic growth ~55%
- Investment market impact ~40%
- AET acquisition 5%

¹ FUMAS: Funds under management, administration, advice and supervision

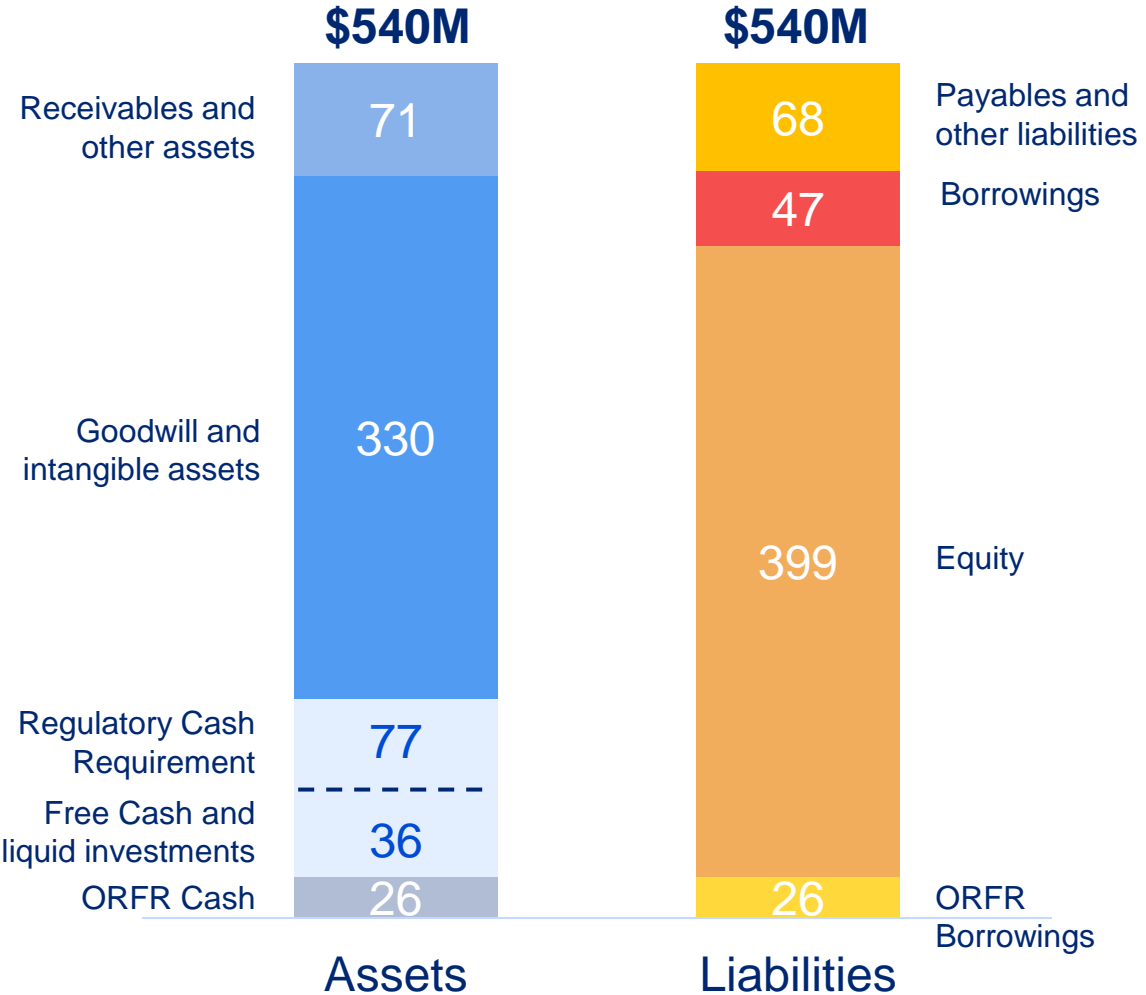
CONTINUED IMPROVEMENT ON KEY FINANCIAL MEASURES



¹ Underlying net profit after tax (UNPAT) and Underlying EBITDA excludes significant items. Adjustments have been made to reflect acquisition and integration costs associated with the acquisition of Australian Executor Trustees Limited (AET) and related platforms business exit, costs associated with the equity capital raise in FY23; major technology system replacement costs, and operating losses and costs associated with impairment and disposal of the Group's UK/Ireland operations.



STRONG BALANCE SHEET WITH FLEXIBILITY

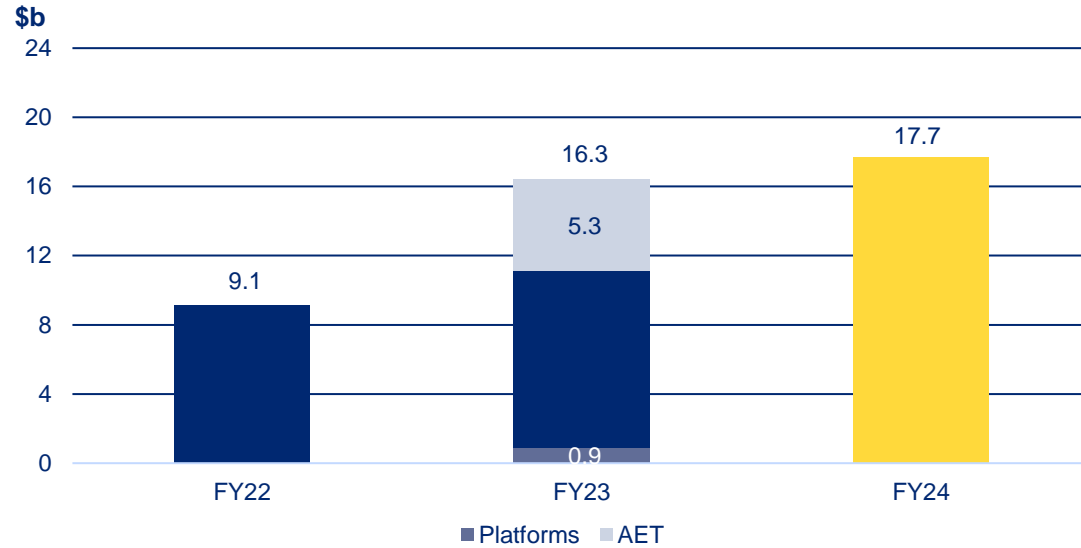


- GEARING DEBT / EQUITY**
11.9%
Excl. ORFR
- EXCESS LIQUIDITY**
~\$36m
- UNDRAWN BORROWINGS**
\$33m



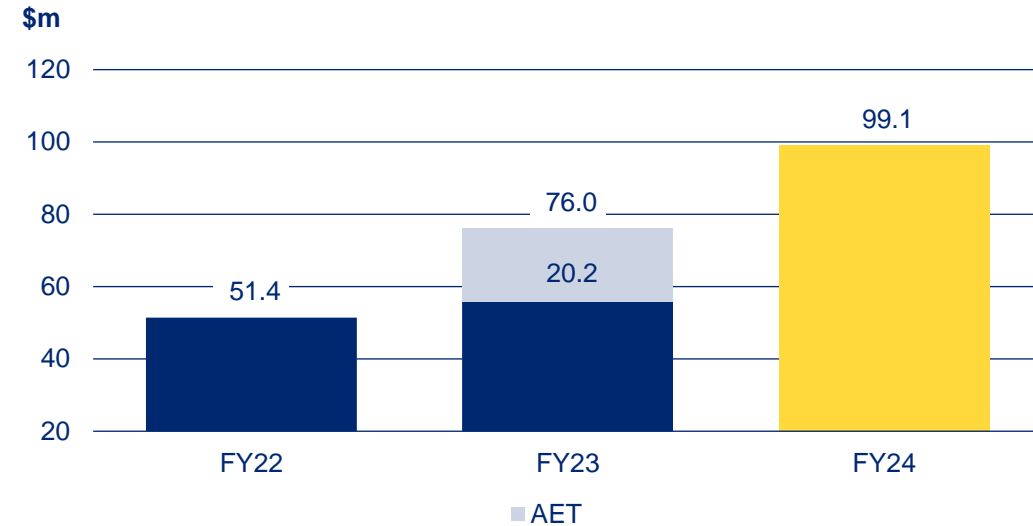
TRUSTEE WEALTH SERVICES

TWS FUMAS¹



¹ FUMAS: Funds under management, administration, advice and supervision

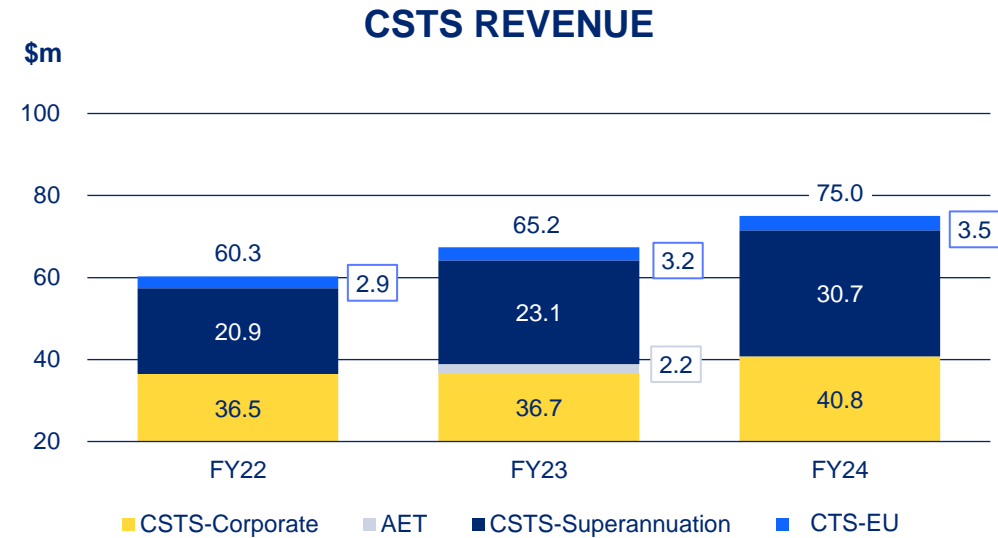
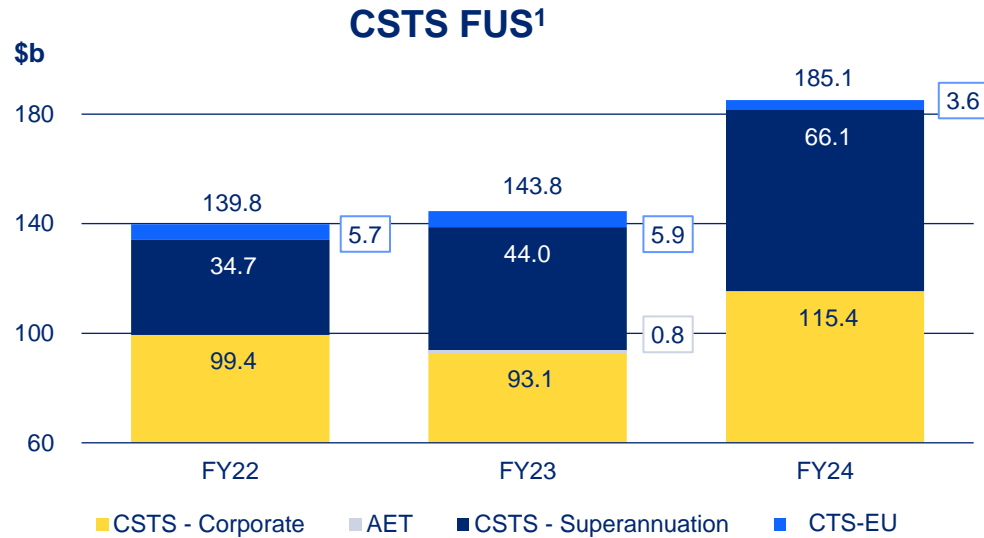
TWS REVENUE



Revenue in FY23 and FY24 included some significant items of revenue that are one-off in nature or irregularly occurring, totaling \$3.7m in FY24.

- Leading market position in key segments and geographies
- Positive market fundamentals of ageing demographic and increasing levels of inter-generational wealth transfer
- Strong recurring revenue characteristics
- The scale created through the AET integration is driving growth
- Long-term investment performance across all asset classes has been positive
- New investment strategies; Eight Bays Global Equities and Spectrum Strategic Income had very positive alpha generation in FY24
- FY24 FUMAS increased by 8.6%, Revenue by 30.3% and NBPT of \$30.0m up by 16.2%

CORPORATE & SUPERANNUATION TRUSTEE SERVICES



¹ FUS: Funds under supervision

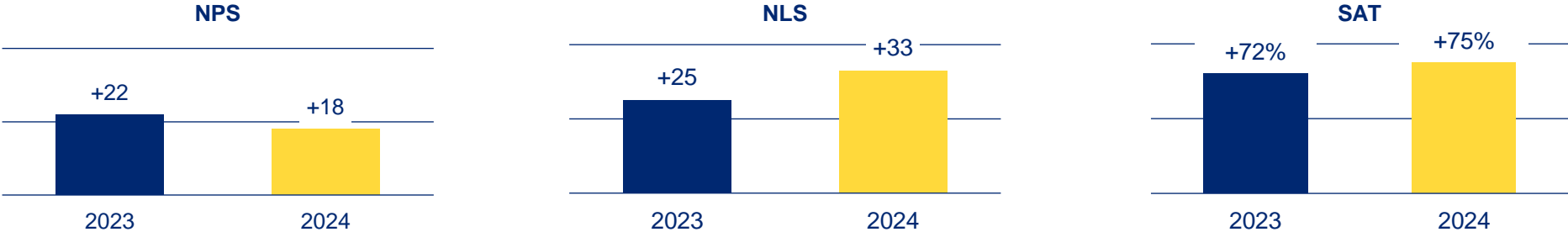
- Market leader in both Corporate and Superannuation Trustee Services (CSTS)
- Very strong new business across both corporate and superannuation
- Strong global fund manager demand for Fund Governance and Trustee services
- Investment in capability and technology to meet increased regulatory oversight requirements and regulatory change agenda
- Integration of Corporate and Super Trustee operations phase 1 completed and ready to leverage capability
- Reorganised business to respond to increased regulatory requirements
- Excluding UK/Ireland, FY24 FUS increased by 31.6%, revenue by 15.3% and NBPT of \$21.7m declined 1.4%



DELIVERING FOR ALL STAKEHOLDERS

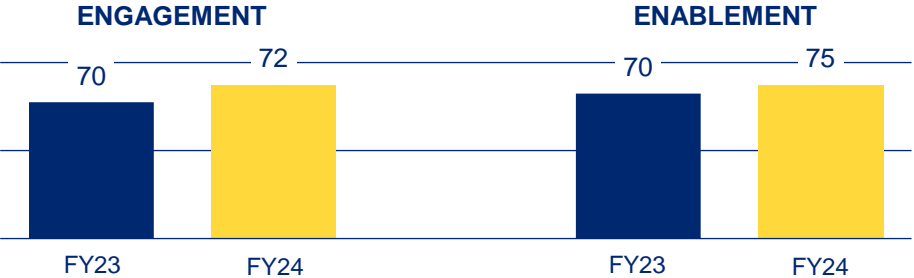
IMPROVING CLIENT SATISFACTION

Clients are surveyed every year and action taken to improve their experience



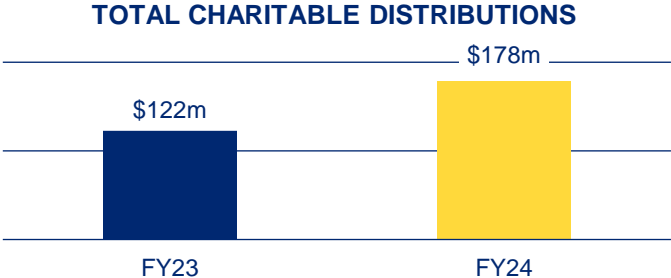
LIFTING EMPLOYEE ENGAGEMENT

Our goal is to have highly engaged and enabled employees to support our clients



DEEPENING COMMUNITY IMPACT

We are proud of the trust placed in us to deepen our impact on the community



All results include AET clients, employees and community granting



AET INTEGRATION ON TRACK TO PLANNED COMPLETION DATES

DEC 22 – JUN 23

Employees

- Employee retention
- Combined client facing teams
- New offices in Perth and Brisbane

Products & Platforms

- Single governance and controls
- Single investment framework
- Repricing of SAF portfolio
- Repricing of new estates and trusts
- Websites aligned
- IT Infrastructure aligned

Businesses

- Exit of Safe Custody

Synergies

- Revenue synergies begin

FY24

Employees

- Cultural alignment
- New office in Adelaide
- Employee engagement increasing

Platforms

- iPhi – transition of Active Philanthropy
- Salesforce – transition of Estate Planning and Management
- Build of NavOne (& HUB24 interface)
- Transition of Continuing and Philanthropic Trusts
- ~2,800 accounts transitioned

Businesses

- Exit of Platform business
- Outsource of SAF administration

Synergies

- Material revenue synergies emerging

FY25 PLAN

Employees

- Release of ~50 roles – in August and Nov.
- Combined single TWS Operations Team

Products & Platforms

- Final transition in October of Health & Personal Injury and Native Title Trusts
- All final transitions from Insignia platforms
- Exit of Insignia TSA in November
- 4,600 accounts transitioned

Businesses

- Consolidation of licenses (trustee/ custody)

Synergies

- Revenue synergy fully achieved
- Expense synergies being achieved
- Capital release synergy achieved



AET OVERALL SYNERGIES & IMPLEMENTATION COSTS ON TRACK

	NET COST SYNERGIES	REVENUE SYNERGIES	IMPLEMENTATION COSTS	CAPITAL RELEASE
Forecast amount	\$3.5m p.a.	\$5.9m+ p.a.	\$22.0m	\$10.0m
Original amount	\$3.5m p.a.	\$3.3m p.a.	\$22.0m	\$nil
Timing	Run Rate Current – \$0.8m Expected Nov 24 – \$2.8m Expected Jun 25 – \$3.5m	\$0.4m in FY23 \$3.6m in FY24 \$5.9m+ in FY25 (planned)	\$5.6m in FY23 ¹ \$12.8m in FY24 ¹ \$3.6m in FY25 ¹ (planned)	\$10.0m in FY25 (planned)
Key sources and status	<ul style="list-style-type: none"> Exit from Platform & SMSF Outsourcing of SAFs admin ✓ ~20 staff released in Aug-24 ✓ ~ 25 staff notified and to finish in Nov-24 ✓ Exit from Safe Custody business ✓ SAF repricing ✓ Other synergies ✓ 	<ul style="list-style-type: none"> Investment management transitions ✓ - \$867m in EQT common funds - Expected revenue synergies of \$5.3m Implemented EQT Estate Management and Trust pricing ✓ - Expected to deliver \$0.6m in FY25 	<ul style="list-style-type: none"> Technology build ✓ Transitions ✓ Project management ✓ Operations integration ✓ - Retrenchment costs all taken in FY24 Exit TSA with Insignia in Nov-24 	Release of: <ul style="list-style-type: none"> Traditional trustee licence - subject to NSW Supreme Court approval AET custody licence - subject to ASIC varying AFSL

¹ August 2024 Implementation costs have been updated since the August 2024 Investor Presentation was released. The total of FY24 & FY25 has not changed.



STRATEGY & PLANS



BUSINESS UNIT INITIATIVES IN FY25

PRIVATE CLIENT BUSINESSES

TRUSTEE & WEALTH SERVICES

- Digital launch of Australian leading philanthropy platform – iPhi
- Capitalise on market leading business development capability
- Complete:
 - Implementation of future state operating model
 - Third and final year of technology investment and uplift
 - AET Integration and platform divestment
- Continue to develop and leverage Responsible Investing capability
- Realise expense synergies through FY25 announced redundancy program

ASSET MANAGEMENT

- Capitalising on highly rated top performing Equity Trustees investment funds
- Further penetration of For Purpose market given strong alignment and specialist offer
- Increase exposure to adviser market for EQT Eight Bays and Spectrum Strategic Income Fund

CORPORATE & SUPERANNUATION TRUSTEE SERVICES

CORPORATE

- Growing existing business
- Strengthen leading proposition for global fund managers to enter Australian market
- Structure innovative solutions for super funds
- Focus on larger scale opportunities
- Building ASX/CBOE listed capability to expand manager distribution
- Accelerate growth in new Australian markets:
 - Debt offers and securitisations
 - Bespoke custody and MIT's for real assets
- Digitise/streamline workflows and data to increase productivity to support growth

SUPERANNUATION

- Capitalise on demand for professional trustee services in the superannuation industry
- Focus business development on the retail and SAF segment
- Implementation of new and revised APRA Prudential Standards
- Focus on operational excellence and business transformation by investing in people, process and technology to facilitate growth



INVESTING IN TECHNOLOGY

\$2m PLATFORM MODERNIZATION & \$3m ADDITIONAL INCLUDED IN \$22m AET INTEGRATION

CORPORATE TRUSTEE SERVICES

- Implement a data warehouse to integrate data and enable analytics
 - Phase one fee invoicing
- Standardise and automate operational tasks
- Centralise client management operational platform

TRUSTEE WEALTH SERVICES

- Achieve single digital platform to enhance client experience using Quantios and NavOne
- Progressively rollout digital client solutions (e.g. Active Philanthropy Portal)
- Foundation to enable analytics and continuous improvement in workflow

INFRASTRUCTURE & TECHNOLOGY SERVICES

- Continued investment to strengthen cyber security and system reliability
- Delivering IT infrastructure that is robust, scalable, and cost efficient

FINANCE & PEOPLE

- Extend Workday implementation
- Finance – procurement and expense management, reporting
- People – Human Capital Management and payroll



Enrich the client and employee experience

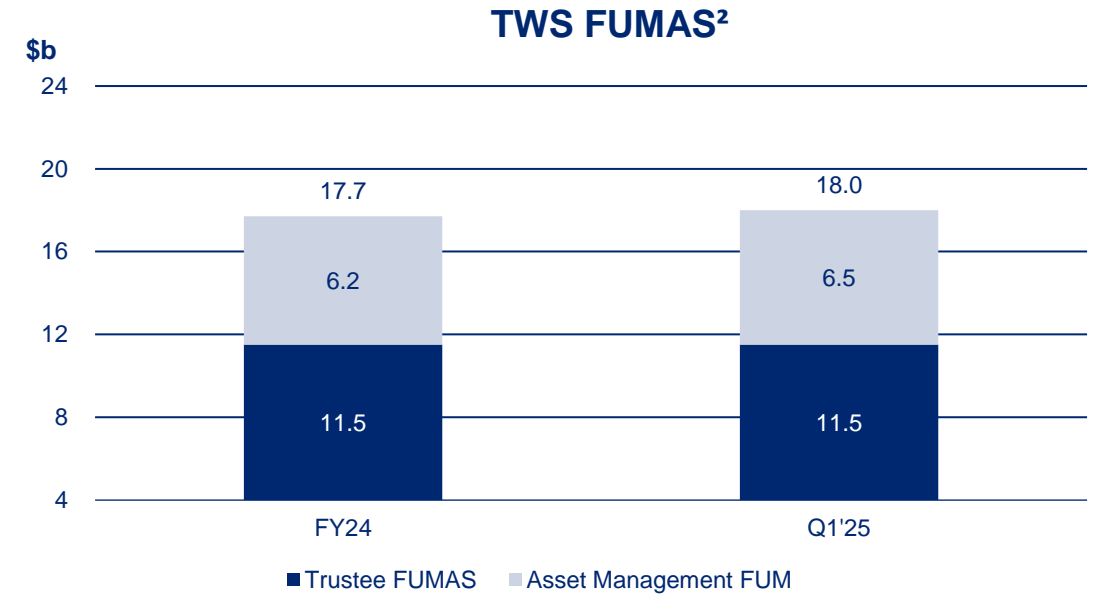
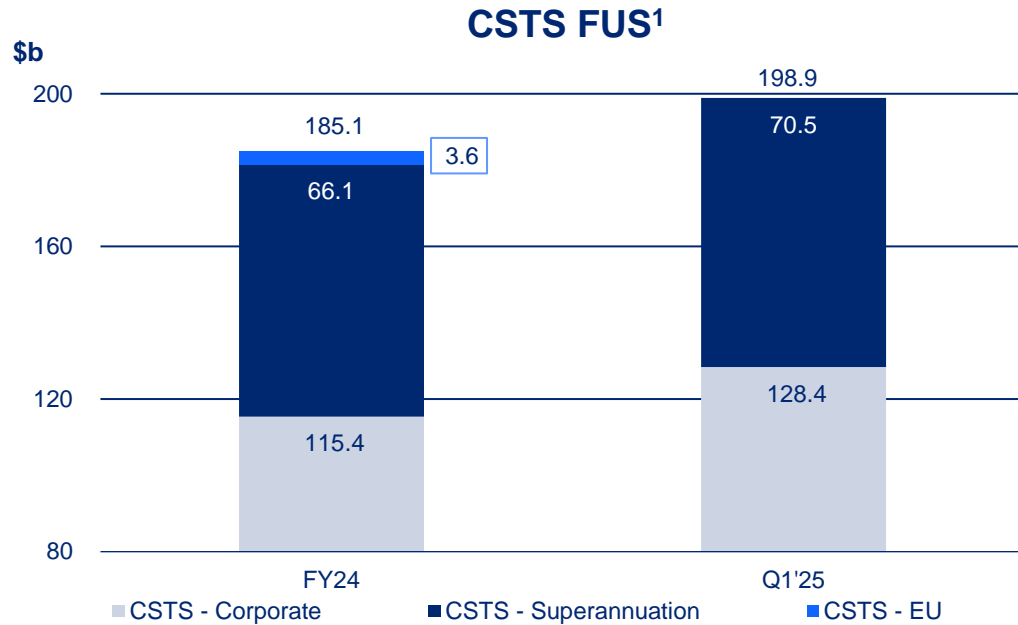


Enhance value creation



Efficient processes & operations

GOOD START TO FIRST QUARTER FY25



- FUS up 7.5% (Excluding CSTS – EU 9.6%).
- Good momentum in Fund Services
 - 13 new schemes established and four custody roles (annualised revenue \$1.2m)
 - Currently establishing 39 schemes, 17 custody roles with 15 more proposals accepted
- Superannuation focused on four new business opportunities and also four transitions

- Trustee FUMAS held constant from June 24 due to transitions. Asset Management FUM has been updated to 30 September 24
- Focus on completing transitions and client service
- Good underlying organic growth momentum in Q1
 - Significant new Native Title Trust won
 - Large contribution to existing PCT
 - 18 new Health and Personal Injury clients
- Asset Management FUM increased by \$263m

¹ FUS: Funds under supervision – Includes UK and Ireland FUS.

² FUMAS: Funds under management, administration, advice and supervision

Q1 FY25 UPDATE



Key integration and transformation milestones delivered and progressing to plan

ACHIEVEMENTS	STATUS UPDATE AS OF 17 OCTOBER 2024
Final client transition to NavOne and HUB24 completed	COMPLETED
~ 20 operational roles in Adelaide released 31 August	COMPLETED
~ 25 operational roles planned for release at end of November	ON TRACK
Transition Services Agreement with Insignia terminating at end of November	ON TRACK
UK clients exited, business operating on skeleton footprint and preparing for liquidation	ON TRACK



FY25 OUTLOOK & PRIORITIES

DELIVER RETURN ON INVESTMENT IN TECHNOLOGY AND AET BUSINESS



Complete AET integration and embed synergy benefits



Ongoing investment required to meet increasingly complex regulatory obligations



Continue leveraging the combining of the corporate lines of business in CSTS



Achieving improvements in client experience through digital platform investments



Deliver technology modernisation program



Unlock benefits of automating and standardising key processes



SUMMARY

STRONG PERFORMANCE WITH CONTINUED GROWTH MOMENTUM



Growth primarily driven by new business



AET integration and technology transformation on track



Earnings growth as underlying results revert towards statutory results in 2nd half FY25 and fully in FY26



Well positioned to realise benefits of scale in our key markets



QUESTIONS



THANK YOU

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Disclaimer

The Board has authorised that this document be given to the ASX.

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AGM CHAIR SPEECH

SLIDE 2 – CAROL SCHWARTZ AO

Shareholders, ladies and gentlemen, good morning and welcome.

I am Carol Schwartz, and I am the Chair of EQT Holdings Limited.

I would like to acknowledge the Wurundjeri People as the traditional custodians of this land on which this office is located. We recognise their enduring connection to this land and pay our respects to Kulin Nations Elders past and present. It's particularly important for Equity Trustees to make that acknowledgement given our significant role in assisting First Nations people in safeguarding their community wealth.

On behalf of my fellow directors, the executives and employees of EQT Holdings Limited, it gives me great pleasure to welcome you to this 2024 Annual General Meeting.

A quorum is present, and I declare the meeting open. I confirm that the Notice of Meeting was dispatched to all shareholders in accordance with the Company's constitution, and I will take that Notice as read.

SLIDE 3 – AGENDA

We will work through this agenda today.

SLIDE 4 – BOARD OF DIRECTORS

I would like to introduce you to my Board colleagues;

- **Kevin Eley** joined the Board in 2011. Kevin is Chair of the Audit Committee and a member of the Board Risk Committee. Kevin is our longest serving director and will therefore be stepping down as a director at the conclusion of this meeting.
- **Glenn Sedgwick** joined the Board in 2016 and is a member of the Audit Committee and Responsible Entity Compliance Committee. He also chairs our Board meetings focused on strategy.



- **Tim Hammon** joined the Board in 2018 and is Chair of the Remuneration, Human Resources and Nominations Committee. He is also a member of the Board Risk Committee.
- **Catherine Robson** joined the Board in 2020, after serving on our Superannuation subsidiary Board for six years. Catherine chairs our Superannuation Trustee entities and she is also Chair of the Board Risk Committee, a member of the Remuneration, Human Resources and Nominations Committee, and a member of the Audit Committee.
- **Kelly O'Dwyer** joined the Board in 2021. Kelly is a member of the Board Risk Committee and Remuneration, Human Resources and Nominations Committee and Chair of the Responsible Entity Compliance Committee.
- **Robert Dalton** has been on the Board for a year and has been serving on the Board Audit Committee and following this meeting becomes the Chair of the Audit Committee. He also been added as a member of the Board Risk Committee.
- **Mick O'Brien** was appointed Managing Director in 2016, after joining Equity Trustees in 2014 as a non-Executive Director. Mick is a member of the Board Risk Committee.

Also representing the Company here today are our Chief Financial Officer, **Johanna Platt**, and **Samantha Einhart**, our Company Secretary. Johanna joined the company as Chief Financial Officer in July this year.

We also welcome **Lani Cockrem** from Deloitte, our Group external auditors. We thank them for the quality of the independent audit services they provide to the Equity Trustees Group.

At this juncture I want to recognise Kevin's incredible commitment and service to the company. Kevin is one of our hardest working directors; his financial insights, astute judgements and challenging perspectives have been major contributions to the Board's considerations. We will also of course miss his collaborative nature and magnificent gentlemanly manner. We will all look forward to Kevin's continuing support for Equity Trustees. On behalf of the Board, I wish to thank Kevin for his valued contribution to our Board over the last 12 years.

I also want to let you know that Kevin will leave a lasting legacy through his encouragement of the Board to implement a Non-Executive Director Share Plan, which we did in July this year. The Plan allows directors to sacrifice between 10% and 100% of their Board fees in exchange for share rights. This will further align directors' interests with shareholders – thank you Kevin!



SLIDE 5 – OUR STRATEGY IS DELIVERING

I want to focus on an overview of the highlights of the 2024 financial year. Equity Trustees has once again had a very successful and busy year. The highlights have included the continuing integration of the Australian Executor Trustees business, together with the accompanying build of a new technology platform to underpin our Trustee Wealth Services business, and significant growth in each of our lines of business. We have completed the second year of our major technology investment program to drive innovation and efficiency in our business and we are moving into the third and final year of this initiative.

At the same time, Underlying Net Profit after Tax of \$37.9 million was up 13.8% on the prior year and underlying earnings per share of 142.37 cents was 9% up on the prior year.

These results were delivered in a business environment characterised by inflationary pressures, and tight labour markets.

Our consistent performance reflects our strong positive culture, market leading position and the high quality of services and products delivered to our clients.

In addition, a major contribution to the growth of the business and the success of the strategy has been our approach to maintaining our singular focus on trusteeship. This is at a time when trust, great judgement and governance have never been in more demand.

Equity Trustees remains in a unique position. Our singular focus sets us apart from other financial services providers. Our commitment to focussing on our specialisation of trusteeship has provided a clarity in assessing and pursuing opportunities to acquire businesses, and grow organically, each of which strengthen our market leadership position in our chosen markets. The opportunities have been magnified by industry rationalisation and structural changes in the wealth industry that continues to create tailwinds for the business, and the increased regulatory load continues to ensure our value proposition remains highly relevant.

The clarity of our strategy has given us great confidence in our ability to grow, and it has been a high priority to focus on capturing that growth. This means we have been determined to invest in the business to ensure we have the right people and that they are supported with contemporary platforms on which to service clients. At the end of this financial year we will have moved all our key platforms to contemporary platforms aligned with our technology strategy to buy not build, to host in the cloud to ensure scalability and flexibility, to minimise customisation and seamlessly link networks via APIs.

Our technology investments are ensuring we have the most productive, efficient systems and platforms in place to support the business.



Our clients and communities benefit from our commitment to technology because we invest through the lens of how it equips us to take care of their future as well as delivering services to them in the most efficient and user-friendly way possible – that is, in ways that they are perhaps more used to seeing and experiencing through other service providers.

We also recognise that we depend on a talented, committed workforce; it is the key driver of growth in the business, and we are grateful for their dedication and commitment. I am sure Mick will talk about the evolution of his Executive Leadership Team more recently.

During the year we continued to provide wide-ranging support to communities in need, through our philanthropic and Native Title Trust teams. Together with our stewardship over Native Title Trusts we had a record year of charitable distributions to the community.

In a year where inflationary pressure is impacting so many parts of the community, Equity Trustees is proud of its capacity to steward the charitable funds of our generous clients, to continue to provide important regular support where it is needed most.

Environmental, Social and Governance (or ESG) standards continue to evolve, with new financial reporting standards requiring implementation next year. Our regulators are increasingly concerned to ensure faithful, accurate disclosures are being made to investors in financial products, and Equity Trustees is rising to that challenge.

Equity Trustees is well placed to meet these heightened expectations. We are focused on all stakeholders and appreciate that our success – as for any healthy company – means that we must balance meeting the needs of all stakeholders alongside our fiduciary duties. The latter must take precedence, if in conflict over other considerations, including commercial considerations. This is part of what makes us unique.

We are part way through developing a new ESG framework and road map that will evolve our reporting and commitment to more comprehensively address this important imperative.

We operate in an environment that has increasingly complex regulatory and statutory requirements, with unprecedented levels of scrutiny.

Some regulator interactions can be challenging, and whilst we may not always agree with all regulatory decisions, we respect their authority and we place great importance on maintaining productive relationships with our regulators, to ensure we are a model regulated entity.

With a good balance of skills, experience, tenure and diversity, the Board continues to provide a secure foundation for the governance of the business.



I thank my fellow directors for their support and contribution, and on behalf of the Board, I thank all our clients, people, shareholders and other partners for your tremendous ongoing commitment and support. Again, best wishes to Kevin as he leaves the Board.

Thank you for your time and attention.

I will now hand over to our Managing Director, Mick O'Brien.

AGM MANAGING DIRECTOR SPEECH

SLIDE 6 – MICK O'BRIEN, MANAGING DIRECTOR

Thank you, Carol.

Good morning, everyone.

Can I also pass on my warmest greetings to everyone and welcome you to Equity Trustees' head office.

I'm looking forward to talking to you about our FY24 results.

SLIDE 7 – REFRESHED EXPERIENCE LEADERSHIP TEAM

Let me start by introducing the leadership team. The leadership team has continued to go through a carefully planned succession.

We have most of the team here today and starting from our longest serving member first:

1. **Ian Westley**, Executive General Manager Trustee and Wealth Services which I will refer to as TWS through the presentation. Ian has been with Equity Trustees for 17 years and brings enormous experience to our private client trustee business.
2. **Phing Lee**, our Chief Technology Officer, who has been with us for 14 years and his important role has recently been elevated to the leadership team.
3. Alicia Kokocinski, our General Manager of Marketing and Communications, who has been with us for 9 years.
4. **Darren Thompson**, heading up our Asset Management team for the last 6 years.
5. **Samantha Einhart**, our Company Secretary. Sam joined us three years ago and her team oversees our governance which is so important to this business.
6. **Georgie Taylor**, our Executive General Manager of People, who has been with us for two years.



7. **Andrew Godfrey**, Executive General Manager for Corporate and Superannuation Trustee Services, covering all our corporate lines of business. Andrew joined under two years ago and has extensive experience in overseeing large scale financial service operations which is critical to this part of the business. And to our two new starters.
8. **Johanna Platt**, our Chief Financial Officer. Jo joined us in July and many of our shareholders have already met her. It's appropriate at this juncture to mention our previous CFO, Philip Gentry who isn't with us today, but I want to recognise his excellent service to the company over the previous 9 years.
9. Finally, **Nevein Versace**, our Chief Risk Officer, who has joined us in the last month.

I couldn't be happier with the quality of the new appointments we made to the CFO and Chief Risk Officer roles. The quality of appointments demonstrates that Equity Trustees is increasingly becoming an employer of choice.

The team has a fabulous mix of experience and tenure with the business.

SLIDE 8 – A COMPANY FOUNDED ON TRUST

Before jumping into results, it's always good to revisit the purpose of this company, ***and that is to help people take care of their future.***

It's this fundamental principle that underpins everything we do.

Nothing has changed here with our values and the key objectives of our mission to safeguard and protect people's wealth, act as an independent partner and empower our clients and support the community.

SLIDE 9 – YEAR OF TRANSFORMATION

Financial year 2024 was a major year of transformation and it can be characterised by four key drivers.

- The continued successful integration of the AET business,
- The exit of our offshore businesses in Ireland and the UK and also the AET Platform business,
- The transformation of our technology to contemporary platforms and finally,
- The extraordinary growth in funds achieved from our market leading position. Naturally this growth has produced some strains which we are managing through by investing in technology and our people.



SLIDE 10 – STRONG FINANCIAL PERFORMANCE

These are the headline financial results for FY24.

I mentioned the growth before, and you can see Funds Under Management, Advice and Supervision (FUMAS) increased by 26.7% to be \$202.8bn.

Revenue was \$174m, a 23% increase on FY23. This is the first full year of AET results, which were only accounted for 7 months in FY23.

Net Profit after Tax was \$20.7m, a 10% increase on prior year and on an underlying basis Net Profit After Tax was \$37.9m, which was up 13.8% on prior year. Given the one-off investments in the business and the businesses being exited, it's important to note that underlying result.

The Board chose to increase the final dividend to 53 cents taking the full year dividend to 104 cents, which is up 5 cents on the prior year.

SLIDE 11 – GROWTH FROM ACQUISITION, ORGANIC & INVESTMENT MARKETS

It's instructive to look at the growth over the last four years. It took this company 142 years to reach the \$100bn funds milestone and only a further four years to reach \$200b. That represents a 19% Compound Annual Growth Rate over the last 4 years.

FUMAS increased by over \$40bn; that's even after dropping off about \$3.5bn in exiting businesses. AET contributed to 5% of this growth but the majority of the growth has been organic growth and through investment markets.

The growth reflects Equity Trustees market leading position.

SLIDE 12 – CONTINUED IMPROVEMENT ON KEY FINANCIAL MEASURES

This slide shows all the key financial measures. I mentioned the revenue, Net Profit After Tax and dividends previously. I do however want to point out two key points on this slide:

1. We've included a new financial measure; Net Profit After Tax, and Before Amortisation, which is more commonly used by analysts and a measure many have asked us to produce. The measure effectively, excludes the accounting entry for amortisation of management rights. You



can see the statutory result at \$23.3m, but the underlying result at \$40.5m. This underlying result increased by 16% on the prior year.

2. The gap between statutory and underlying results as at 30 June is the biggest we have had due to the investment in the AET integration, the technology developments, and the exit of the European businesses. The gap will close, and we expect to revert to the statutory result fully in FY26 and be only \$1m difference in the second half of FY25.

SLIDE 13 – STRONG BALANCE SHEET WITH FLEXIBILITY

This slide shows our balance sheet position.

The debt-to-equity ratio of the balance sheet, excluding the cash backed Operational Risk Financial Requirement loans, which we utilise for some superannuation funds is 11.9% which is very low. We aim to sit clearly as investment grade, albeit without a formal credit rating.

The majority of the high cash and liquid investments of \$113m supports required regulatory capital, but you can see we have a buffer of \$36m above the regulatory requirement of \$77m. We retain substantial head rooms in our covenants, and we currently have surplus borrowing capacity of about \$30m so we continue to have all the flexibility we require.

SLIDE 14 – TRUSTEE WEALTH SERVICES

The TWS business capitalised on its improved market position provided by AET, providing us a leading position in Perth and Adelaide, clear market leadership in the Health and Personal Injury sector and improved positions in Philanthropy and Native Title.

FUMAS increased by 9% to \$17.7bn and revenue by 30% during the first full year of AET to be \$99m. There was a margin decline in FY24 of about 3% as the business exited the AET platform business with its loss of revenue, but no loss of expenses yet, and some duplicated IT costs through the year. TWS goes into FY25 with a margin just above 30%.

Our new investment strategies have delivered excellent investment performance in FY24, and the business has managed its business as usual activities at the same time as transitioning all data across to the new operating platform, NavOne.

It's been an impressive year to have achieved so much, so smoothly for our clients.



SLIDE 15 – CORPORATE & SUPERANNUATION TRUSTEE SERVICES

The newly combined Corporate and Superannuation Trustee Services business had a strong year of growth, reflecting our market leadership position.

Excluding UK and Ireland – for the Australian business, Funds Under Supervision increased by 31.6% to \$185bn revenue was up 15.3% to \$75m. There was a similar decline in margin in this business as there was in TWS, as we invested to handle the growth and manage the increased complexity and regulatory change. This business likewise goes into FY25 with a margin above 30%. I will point out that the regulatory load has been and will continue to be material, and it comes from two sources:

1. The constant change in regulation, mainly in superannuation and,
2. The increased industry surveillance by the two key regulators.

This is of course a two-edged sword and demand for independent trustee services continues to build.

We are investing in technology to manage the increasing scale and complexity of this business and to handle the increased regulatory load in both businesses.

We plan to continue to leverage the combination of the businesses in the coming years.

And finally, we are at the tail end of the exit from the European business.

SLIDE 16 – DELIVERING FOR ALL STAKEHOLDERS

At Equity Trustees we strive to deliver for all of our stakeholders, clients, employees, our shareholders and the Australian community. It's critical to a healthy company and such an important part of the culture of Equity Trustees. You've seen the results for shareholders, but let's look at the other results.

All of the measures we look at in these areas are moving in the right direction.

Client satisfaction measures such as the Net Promoter Score – propensity to recommend EQT and Net Loyalty Score – propensity to buy another service, and satisfaction remain at very high levels, with two of the measures increasing despite the disruptive transition work progressing during the year.

People are key to this business and employee engagement and enablement both improved during the year. I'm really pleased by the commitment of our employees. Again, this is a very good result given the workload of the technology development and transitions.



Finally, for the community, we granted over \$178m to fabulous charitable and for-purpose causes. This is such an important part of Equity Trustees, to provide stewardship over such crucial funding to the community. This granting includes \$57m to First Nations communities.

This is a well-rounded set of results and something to be very proud of.

SLIDE 17 – AET INTEGRATION PROGRESSING WELL – ON TRACK

It is important I give shareholders an update on the AET integration. This shows our journey since acquisition in December 2022.

I won't focus on the first 7 months in FY23, except to say it was important we set about repricing services early, and established our approach to investments to ensure the revenue synergies would be achieved.

In FY24, we moved to a new smaller office in Adelaide, that completes all our premises moves and resizes our footprint.

The key development in the last quarter has been development of the NavOne platform, with HUB24 as custodian. This development has progressed to plan and two weeks ago we completed the final transition of client data from the EQT's Garradin system and Insignia's TACT system. We are now in an excellent position to exit from the Insignia Transitional Services Agreement, as planned next month.

In August we released some 20 roles from Adelaide operations, with another 25 staff notified to be leaving next month.

Following the exit of the platform business, the outsourcing of small APRA funds administration and the exit of Insignia's TACT and other systems, we can now have a single TWS Operations function with a single operating model which is important to streamlining our processes and delivering consistent service across TWS.

SLIDE 18 – OVERALL SYNERGIES & IMPLEMENTATION COSTS ON TRACK

I'm really pleased to say that we are well advanced on achieving all the AET synergies. We expect to fully achieve the \$3.5m net expense synergy as a run rate in FY25. You can see we have now achieved a positive run rate at \$0.8m following staff leaving in August, we will be at a run rate saving of \$2.8m by the end of November and closing in on the \$3.5m for the end of the financial year.

We will exceed revenue synergies with close to \$6m expected for FY25.



We are on track to achieve this all within the \$22m envelope with \$3.6m of this implementation cost planned for FY25. I need to point out at our August release we had the FY24 number at \$9.4m and FY25 at \$7m, however the numbers are corrected here, but still adding to the same total for FY24 and FY25.

Finally, we are well advanced to achieve a release of \$10m of regulatory capital near the end of the calendar year or in Q3 FY25.

SLIDE 19 – STRATEGY & PLANS

Let us now look forward at our strategy and plans.

SLIDE 20 – BUSINESS UNIT INITIATIVE IN FY25

Our plans for FY25 are really clear. In TWS we will be marketing our active philanthropy offers and capitalising on our upgraded iPhi platform, which allows straight through applications.

We will settle the single TWS operational model and look for efficiencies from this, plus from the new technology we've deployed for payments. Achieving the planned expense synergies will be an immediate focus.

We will continue broadening out our investment capabilities to capitalise on our increased scale and meet the needs of our clients.

In the Corporate and Superannuation business, we will focus on managing the expected growth of the pipeline, including managing the development of more listed schemes, and we are well set to implement the raft of regulatory change scheduled for FY25, which is primarily in superannuation. We will continue building out the two new lines of Corporate Trust business in the debt and custody markets.

In superannuation our team is set to complete a number of transitions and take on a couple of new funds in our pipeline. We will be looking to develop a new market for small APRA funds off the back of the large number of SMSFs closures being experienced in the market, and focus on operational excellence in our oversight processes.

SLIDE 21 – INVESTING IN TECHNOLOGY

We are in the final year of a major technology upgrade and on track to achieve our objectives.

For Corporate and Superannuation business we are implementing a new data warehouse to make our fee invoicing process more efficient and deliver more insightful analytics. In TWS we have deployed the NavOne platform and continued to develop the iPhi active philanthropy platform. With the NavOne



platform, very importantly we've also implemented two automated payment systems which we extracted from Insignia, meaning TWS will have straight through payment functionality for the first time.

And finally, we have introduced Workday in Finance, and we have another module to come next month, and we are also moving our Human Resources data and functions onto Workday.

The technology development cost in FY25 will be \$2m. There is also a remaining \$3m in the final stages of AET integration, which is included in the \$22m envelope mentioned earlier.

We do not expect to call out separate technology spend in FY26.

SLIDE 22 – GOOD START TO FIRST QUARTER FY25

Let me turn now to give you an update on progress in the first quarter. I am pleased to report that our momentum has continued in this first quarter.

The Corporate and Superannuation Trustee Services business has continued to grow with Funds Under Supervision increasing by \$13.8bn in the quarter, or 7.5%. Excluding our exit from the UK, the underlying increase would have been \$17.4bn.

Corporate increased by \$13bn of which some \$9bn related to a trustee directed role at a considerably lower fee level – think a basis point on the \$13bn. We have 13 new schemes already seeded in the quarter and another 39 schemes and 17 custody roles in the establishment process. So, this business is in healthy shape in terms of our market position and ability to win new business.

Superannuation has continued its very strong growth path with Fund Under Supervision increasing by \$4.4bn to the end of September. A good proportion of this growth came from our platform clients, and I've mentioned before, the lower tail fee level applying to the largest clients in the portfolio. The pipeline looks promising in the immediate term.

TWS FUMAS has been updated for the Asset Management data. However, the trustee data has not been updated from June 24 due to the transitions. I can say however that TWS has continued its recent momentum in the first quarter with new wins coming through in multiple lines of business and you can see Asset Management FUM increased by a quarter of a billion.

SLIDE 23 – Q1 FY25 UPDATE

In relation to other achievements over the first quarter, I'm very pleased to say that we completed the final client transition across to the new NavOne platform and we now have all client data across to the new platform.



We flagged at the full year results that we would be soon releasing some roles in Adelaide, and we released about 20 roles at the end of August and another 25 people have been advised that their roles will cease next month.

With the final transition we are very confident of exiting the Transitional Service Agreement with Insignia as planned at the end of next month.

Finally, we have released all roles in the UK, bar one and are currently retiring the license and winding up the entity.

SLIDE 24 – FY25 OUTLOOK & PRIORITIES

The outlook for FY25 and priorities for the year are to complete the AET integration, deliver the benefits from combining Corporate and Superannuation, the technology developments, meet our obligations in respect of regulatory change and continue automating processes and improving our client experience.

Assuming relatively stable markets the outlook is for solid revenue growth reflecting:

- Annualising synergies from AET
- Strong levels of new business activity
- Markets have been supportive in the first quarter
- Shareholders should also note the non-recurring revenue in TWS, which we called out as part of the FY24 results. They relate to exiting the AET platform business and some extraordinary one-off revenues. These non-recurring amounts of \$3.7m impact TWS' top line growth in FY25
- Exit of the European businesses, noting the full revenue was in the FY24 results.

In respect of expenses, you should note, the key items are:

- Utilisation of the majority of the \$22m AET integration estimate in coming months
- Lower vacancy rates and annualization of prior people investment, noting the current vacancy level is still sitting at a very low 2.6% which is consistent with what I said in August
- Investment in technology and people to support the growth and to develop a more contemporary trustee proposition

The outlook for FY25 is however encouraging due to:

- Reduced losses from the UK and Irish business
- The AET Integration and technology replacement costs are expected to be almost fully met in the first half of this year
- And finally, the revenue cost synergies are expected to be largely realised by year end.

We have previously pointed out the correlation of our revenue with investment markets. In August, we made it clearer the asset class mix which is the best guide for assessing those correlations.



We will give more some guidance on the correlations at the half year, because with the extraordinary growth of the portfolio, some of the numbers are changing due to the mix of business. We think our past guidance for Superannuation at 20% looks right, and likewise the Corporate Trust business around 50%, however the correlation is at a lesser level than 50% for TWS that we have previously mentioned.

The results for FY25 are definitely going to be in two differing halves, with the margins being a little lower in the first half versus second half FY24 and higher in the second half FY25, which will likely give a slight margin expansion for the whole year.

SLIDE 25 – SUMMARY

So, in summary our strategy to focus on trusteeship is holding us in great stead.

We've continued to grow strongly in the quarter and the pipeline is healthy.

Our investments in technology are progressing well.

We are well advanced in simplifying the business by combining our corporate lines of business, exiting the AET Platform business and outsourcing SAF administration, as well as exiting the UK and Irish businesses.

We are attracting and retaining the people we need.

The AET acquisition provides us with very strong market positioning.

The first quarter has started strongly, and we expect revenue to continue to rise, while net profit reflects investment for growth and one-off integration and technology costs.

CLOSING STATEMENT

In closing.....

I'm delighted to lead this business. I want to thank the executive team for their support and all the hard work of our employees who make this company what it is and shout out to our employees who have worked so hard on the integration and technology developments. I want to also thank the Board for all their support through the course of the year, and particularly for Carol's support as Chair.

I continue to feel extremely privileged to lead this company and be able to look after our incredible clients and in particular all those vulnerable clients who rely so heavily on Equity Trustees.

And to our shareholders, thank you for your support and the confidence you show in this company.