# ASX
# Appendix 4D
for the half year ended 31 January 2025

**Lodged with the ASX**
**under Listing Rule 4.2A**

# Appendix 4D
# Results for announcement to the market

| | | Current period 31 January 2025 $m | Prior period 31 January 2024 $m | Change $m |
|---|---|---|---|---|
| Revenue from continuing operations | up 27% to | 492.7 | 387.9 | 104.8 |
| Profit After Tax attributable to members | up 8% to | 326.9 | 302.5 | 24.4 |
| Regular Profit After Tax attributable to members [1] | up 18% to | 284.8 | 241.3 | 43.5 |
| Net Cash Flow From Investments [2] | up 10% to | 289.5 | 263.4 | 26.1 |

## Dividends

| | | Cents per share cents | Franking % |
|---|---|---|---|
| **This period** | | | |
| Interim dividend | | 44.0 | 100 % |
| | | | |
| **Previous corresponding period** | | | |
| Interim dividend | | 40.0 | 100 % |
| | | | |
| Record date for determining entitlement to interim dividend | 16 April 2025 | | |
| Last date for receipt of election notice for the Dividend Reinvestment Plan | 17 April 2025 | | |
| Date the interim dividend is payable | 14 May 2025 | | |

### Dividend Reinvestment Plan

Soul Patts Dividend Reinvestment Plan (**DRP**) is in operation for the 2025 interim dividend. The DRP will operate without a discount for the interim dividend and is anticipated to be satisfied through a new issue of shares. The DRP Plan Rules are available on the Soul Patts website.

## Net tangible assets per security

| | Current period 31 January 2025 $ | Prior period 31 January 2024 $ |
|---|---|---|
| Net Tangible Asset backing per ordinary security (based on the Consolidated Statement of Financial Position)[3] | 27.56 | 27.20 |
| Net Asset Value (pre-tax) per ordinary security (based on the NAV statement included in the Investment Portfolio Financial Information) | 32.84 | 31.97 |

1 Regular Profit After Tax is a non-statutory profit measure and represents Net Profit After Tax attributable to shareholders of Soul Patts before Non-Regular Net Profit After Tax. A reconciliation to statutory Net Profit After Tax is included in the Directors' Report on page 19 of the accompanying 2025 Half Year Financial Report.

2 Net Cash Flow From Investments represents the cash flows generated by Soul Patts, from its investment portfolio, after deducting corporate costs, income tax, and Non-Regular cash flows. Refer to the Glossary on page 45 of the accompanying 2025 Half Year Financial Report for further details.

3 Net Tangible Assets are calculated using consolidated net assets, less intangible assets, right-of-use assets and lease liabilities.

## Commentary on results

A detailed explanation of the operating results for the reporting period is contained in the Review of operations section in the Directors' Report of the accompanying 2025 Half Year Financial Report. This Appendix 4D should be read in conjunction with the Half Year Financial Report and any public announcements made by the Company in accordance with the continuous disclosure requirements under the *Corporations Act 2001* and ASX Listing Rules.

As an investment house, Soul Patts does not consider profit to be an accurate reflection of investment performance. The key drivers of success are growth in the capital value of the portfolio (Net Asset Value) and a growing yield as measured by Net Cash Flow From Investments. Commentary on these measures is provided in the Portfolio Performance section of the Half Year Financial Report.

## Reporting period

The reporting period for this report is the half year ended 31 January 2025. The previous corresponding period is the half year ended 31 January 2024.

## Entities over which control has been gained or lost during the period

There were no material entities over which control, joint control or significant influence was gained or lost during the period.

## Audit

The Half Year Financial Report has been reviewed by Soul Patts' external auditors.

Soul Patts

Half Year Financial Report 2025

# Generating enduring success

# About Soul Patts



# Generating enduring success

## Contents



## Important dates

### Interim dividend

**Record date:** 16 April 2025

**Payment date:** 14 May 2025

**FOR MORE INFORMATION VISIT OUR WEBSITE**
www.soulpatts.com.au/investor-centre/key-dates

## FY24 reporting suite

**2024 ANNUAL REPORT**

**2024 CORPORATE GOVERNANCE STATEMENT**

**2024 SUSTAINABILITY REPORT**

**2024 MODERN SLAVERY STATEMENT**

**FY24 REPORTING SUITE IS AVAILABLE ON OUR WEBSITE**
www.soulpatts.com.au/investor-centre/reports

Washington H. Soul Pattinson and Company Limited

ABN 49 000 002 728
ASX Code: SOL

## Our aim

To grow shareholder wealth through a diversified range of investments that perform throughout market cycles.

## Our purpose

Our commitment to long-term investing is anchored by our purpose:

**Generating enduring success**

## Our strategy and investment approach

| Long-term commitment | Strength of conviction | Unconstrained opportunity |
|---|---|---|
| 1 | 2 | 3 |
| Increase cash generation | Grow the portfolio | Manage investment risk |

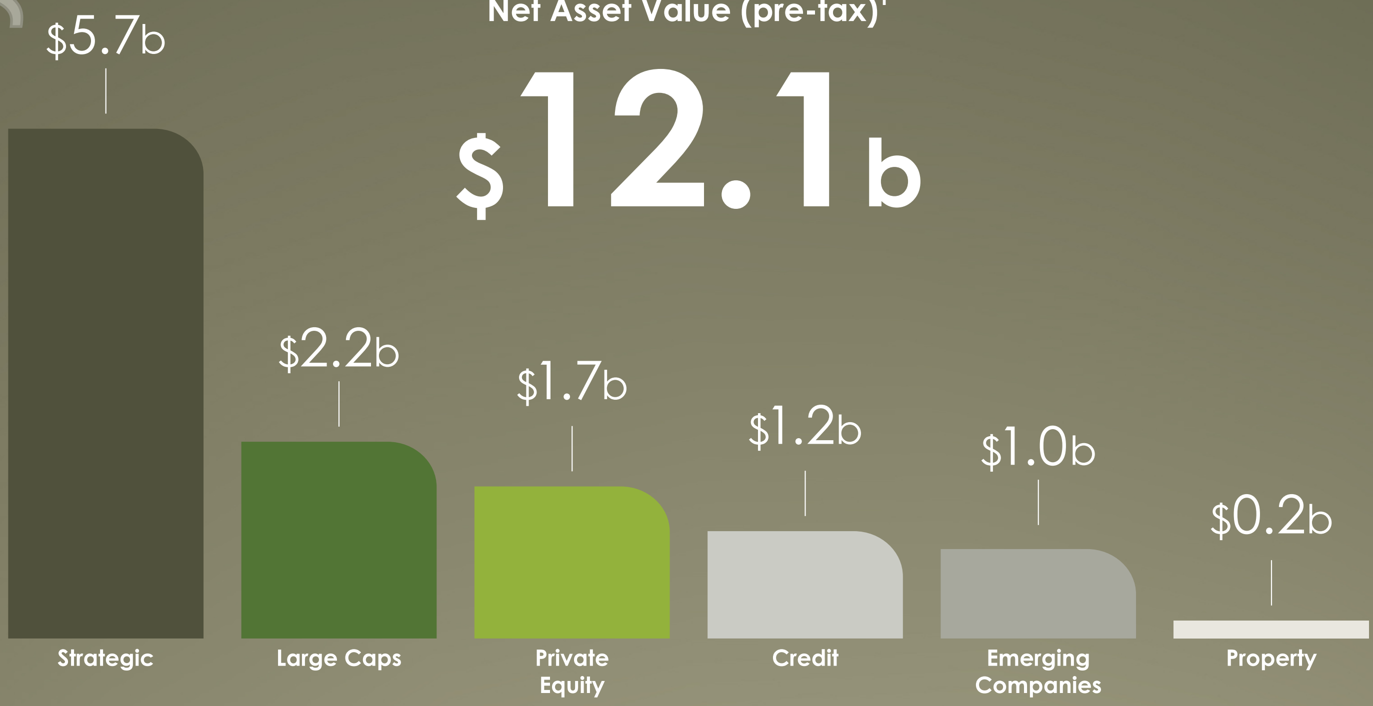
## About this report

The 2025 Half Year Financial Report is our interim report to shareholders. It brings together key information on our financial and operational performance for the financial half year ended 31 January 2025 (**1H25**). Previous corresponding period (**pcp**) relates to the financial half year ended 31 January 2024 (**1H24**).

Washington H. Soul Pattinson & Company Limited is the parent entity referred to as 'Soul Patts' or the 'Company' throughout this report. The 'Soul Patts Group' or the 'Group' refers to the group that is Washington H. Soul Pattinson & Company Limited and its controlled subsidiaries.

## Total Portfolio Net Asset Value (pre-tax)[1]

# $12.1b




### Strategic

Significant long-term investments in listed companies that generate reliable income.

READ MORE ON PAGE 8

### Large Caps

Actively managed listed equities generating long-term total returns.

READ MORE ON PAGE 8

### Private Equity

Long-term investments in unlisted companies with growth opportunities.

READ MORE ON PAGE 8

### Credit

Growing portfolio targeting income and strong risk-adjusted returns.

READ MORE ON PAGE 9

### Emerging Companies

Exposure to fast growing companies leveraging structural changes and global trends.

READ MORE ON PAGE 9

### Property

Actively managed Australian property investments.

READ MORE ON PAGE 9

1. Total Portfolio Net Asset Value (pre-tax) also includes Net Working Capital valued at $0.1billion.

# Performance overview

## Statutory report[1]

### Group Statutory NPAT

**$326.9m**

up 8.1% on 1H24

### Group Regular NPAT

**$284.8m**

up 18.0% on 1H24

## Key performance indicators

### Net Cash Flow From Investments

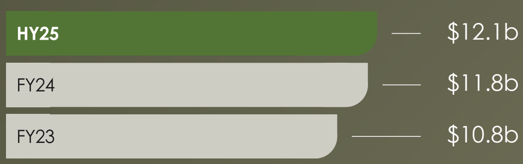
**$289.5m**

up 8.2% on 1H24 on a per share basis

### Net Asset Value (pre-tax)

**$12.1b**

up 2.6% on FY24




## Ordinary dividend history

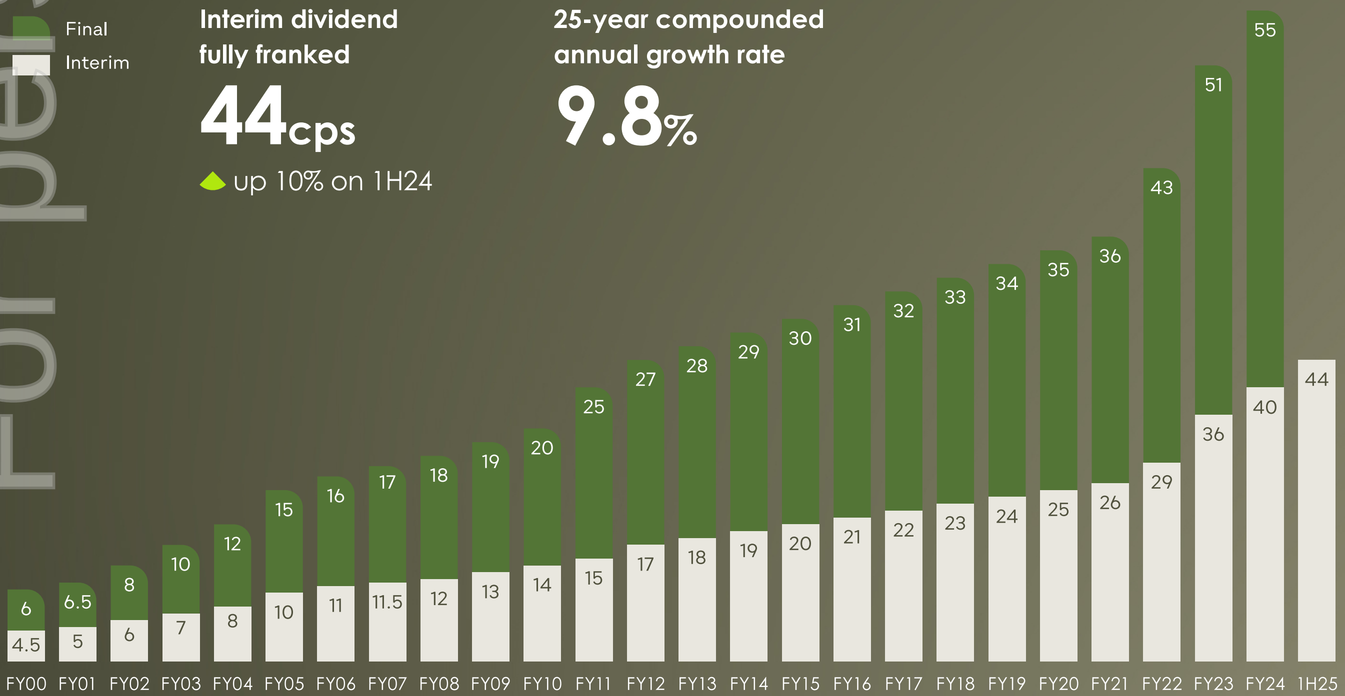
### Interim dividend fully franked

**44cps**

up 10% on 1H24

### 25-year compounded annual growth rate

**9.8%**




1. Refer to the Review of operations on page 16 for a detailed explanation of Statutory Consolidated Net Profit After Tax results.

## Operational highlights

### Transaction turnover

**$1.9b**

in buying and selling

### New investment activity

**$1.0b**

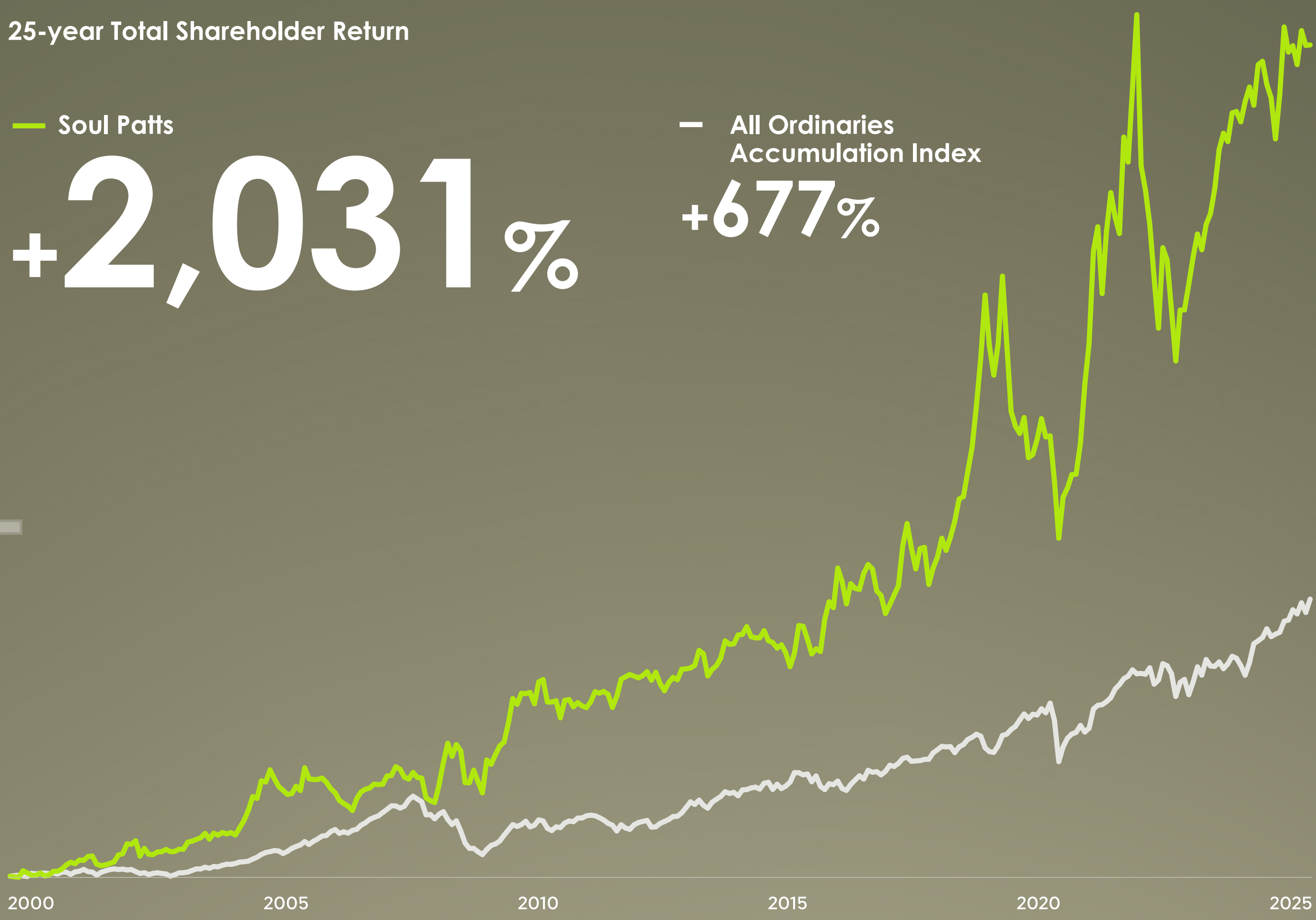
invested across public equities, private investments and new loans

### 1H25 cash

**$716m**

of cash and liquid income funds available following $450m capital raised in August 2024

### 25-year Total Shareholder Return




| | 1H25 | 5 years | 15 years | 25 years |
|---|---|---|---|---|
| Soul Patts | (2.0)% | 12.6% | 9.5% | 13.0% |
| All Ords Index | 7.5% | 8.2% | 8.8% | 8.5% |
| | ▼ 9.5% | ▲ 4.4% | ▲ 0.7% | ▲ 4.5% |

# Performance overview continued



## Strategy delivering long-term value creation

Our commitment to long-term value creation, decisive investment strategies and an open mandate to seek the highest quality returns continues to benefit our shareholders.

We optimise our portfolio performance throughout market cycles, by diversifying investments across various sectors and asset classes. This approach allows us to actively manage risks and capture growth opportunities which is reflected in our financial results.

## 1H25 results overview

Overall, our 1H25 results were strong, and we performed well against our three key investment measures of success – increase cash generation, grow the portfolio and manage investment risk.

While 1H25 results are not a definitive measure of our long-term performance, we are pleased to report another strong outcome. Looking beyond the six-month snapshot, over the past three years, we've consistently outperformed the market across each of our investment measures, showing our ability to deliver consistent returns over the long term.

Our Statutory Net Profit After Tax (**NPAT**) is up 8.1% on 1H24 to $326.9 million, driven by Regular NPAT of $284.8 million, up 18.0% on 1H24. Regular NPAT reflects higher operating results from our strategic investments and growing cash flow from the credit portfolio.

## Strong performance with sustained growth

Net Cash Flow From Investments (**NCFI**) increased 9.9% to $289.5 million compared to the previous corresponding period, with cash generation robust across our portfolio. This is particularly notable given the low growth in dividends and mixed earnings across the market in recent years. Over the past three years, NCFI has grown by 16.0% reflecting our ability to make smart investment decisions and adjust our portfolio opportunistically.

Our Net Asset Value (**NAV**) grew to $12.1 billion, delivering a return of 2.4% in the first half of 2025. While this is below the All Ords Accumulation index, our defensive portfolio settings and strong balance sheet provide stability. Over the past three years, NAV has generated a return of 12.8% p.a., outperforming the market. Over the three-year period, this outperformance increased NAV by $644.0 million. We remain committed to our investment style, which has proven successful over the long term.

During the 1H25 we managed risk through a combination of portfolio rebalancing and maintaining a strong cash position. During the half, our total transaction activity was $1.9 billion with $1.0 billion invested in public equities and private investments. Three years ago, private investments made up 13% of the total portfolio. Today, almost a third of our portfolio is invested in private assets. Our net cash position during this half increased by $502 million. This brings our cash and liquid income funds to $716 million, supported by our successful capital raising in August 2024, providing us with significant funds and flexibility for future investments.

## Dividend growth

We are proud to announce dividends continue to grow, with 2025 marking our 25th consecutive year of increasing dividends. The Board declared a 1H25 ordinary dividend of 44 cents per share, 10% higher than the prior corresponding period.

## Enduring value

We maintain Total Shareholder Return (TSR) is one of the most common measures of success over the long-term because it offers a definitive view of a company's ability to generate shareholder value. Over a 25-year period we have delivered a TSR of 13.0% p.a., outperforming the market by 4.5%. A $1,000 investment in Soul Patts in 2000, is now worth $20,309.

## Portfolio activity

Over the 1H25, we saw solid performance across all our portfolios, however our listed investments lagged the overall market. This was due to our underweight position in Australian retail banks, exposure to energy and soft share price performance in Brickworks and TPG. Our Strategic portfolio continues to be a strong contributor of cash, while our Large Caps portfolio remains a source of tax efficient growth and liquidity. The Private Equity portfolio benefited from strong revenue growth, while the Credit portfolio increased in size with additional capital deployed. In our Emerging Companies portfolio the increase in cash flow reflected higher realised trading gains and increased distributions.

## Investment environment and outlook

Soul Patts is well positioned to navigate current market uncertainty with our strong liquidity position and low gearing. This financial strength allows us to continue looking at opportunities that will create long-term value.

We are committed to the continued growth of our credit and private equity portfolios, while also exploring diversification through offshore partnerships. Our strong balance sheet and flexible financial position provide a solid foundation for growth. In times of market uncertainty, our defensive portfolio is designed to perform well, offering stability and resilience in softer market conditions. This positions us favourably for sustained growth and value creation.

# Portfolio Performance

# Portfolio Performance

## Strategic

**Net Asset Value**

**$5,654.6m**

**% of Group**

**47%**

**Net Cash Flow From Investments**

**$167.1m**

down 1.5% on the pcp

**Performance and activity**

- Portfolio delivered a Total Return of 1.9%.
- Performance impacted by lower share prices of Brickworks and TPG, offset by strength in TUAS.
- Net Cash Flow From Investments slightly down reflects reduced income from New Hope.
- Strategic portfolio continues to be a strong contributor to cash generation and long-term returns.

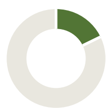
## Large Caps

**Net Asset Value**

**$2,194.6m**

**% of Group**

**18%**



**Net Cash Flow From Investments**

**$36.4m**

down 23.9% on the pcp

**Performance and activity**

- Portfolio delivered a Total Return 2.3%.
- Portfolio remains underweight in Australian retail banks, gold and technology stocks.
- Decrease in Net Cash Flow From Investments reflects re-sizing of portfolio and changing investment mix.
- Large Caps portfolio a source of tax efficient growth and liquidity.

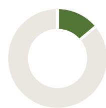
## Private Equity

**Net Asset Value**

**$1,713.0m**

**% of Group**

**14%**



**Net Cash Flow From Investments**

**$27.7m**

up 107.9% on the pcp

**Performance and activity**

- Private Equity portfolio companies continue to deliver strong growth.
- Actively targeting strategic acquisitions.
- Net Asset Value increase reflects revaluation of certain investments and acquisitions.
- Net Cash Flow From Investments significantly higher, a result of improved cash generation and portfolio maturity.

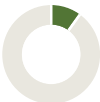
## Credit

**Net Asset Value**

$1,206.3m

**% of Group**

10%



**Net Cash Flow From Investments**

$94.1m

▲ up 81.4% on the pcp

**Performance and activity**

- Portfolio Net Asset Value growth reflects additional capital deployed.
- The Credit portfolio continues to perform in line with expectations.
- Increase in Net Cash Flow From Investments also reflects growing portfolio.
- Strong pipeline of opportunities with undrawn but committed funds of $238 million.
- Loan book widely spread, majority senior secured, sector diverse.

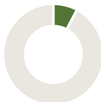
## Emerging Companies

**Net Asset Value**

$984.2m

**% of Group**

8%



**Net Cash Flow From Investments**

$25.1m

▲ up 132.8% on the pcp

**Performance and activity**

- Portfolio delivered a Total Return of 1.8%.
- Performance during the half impacted by concentrated exposure to energy.
- We remain confident in the long-term outlook for energy markets.
- Increase in Net Cash Flow From Investments reflects higher realised trading gains and increased distributions.

## Property

**Net Asset Value**

$202.9m

**% of Group**

2%



**Net Cash Flow From Investments**

$3.3m

▲ increased from nil in the pcp

**Performance and activity**

- Portfolio increased by $56 million, driven by a new structured co-investment in a Western Sydney commercial development.
- Net Cash Flow From Investments reflects portfolio realisations.
- Concentrated in the Sydney region, assets are generally positioned towards development opportunities.
- Exposure to premium industrial property separately through our strategic investment in Brickworks.

# Investment Portfolio Financial Information



Soul Patts is a diversified investment entity that manages its investments on a portfolio basis. In contrast to the consolidated financial report, the portfolio information reflects the entity's activities as an 'investor' and provides details of its investments (subsidiaries, associate entities and other investments), which in some cases will differ from the statutory accounting treatment.

The Directors have presented this information (unaudited, non-International Financial Reporting Standards (**non-IFRS**)) as they believe the disclosure enhances the understanding of the financial position and results attributable to members and users of the financial statements.

The NAV on page 12 is grouped according to the relevant valuation bases that apply to each individual portfolio. Assets are valued at Cost, Market Value, External Fair Value, or Directors' Fair Value as shown in the NAV statement included in the Portfolio Review on page 3.

The values in the NAV statement differ to the Parent Entity Statement of Financial Position on page 14 and the Consolidated Statement of Financial Position on page 26 due to the following accounting methodologies:

| | NAV statement | Parent entity statement | Consolidated financial statements |
|---|---|---|---|
| Investments in controlled entities | Market Value, External Fair Value, or Directors' Fair Value | Cost, less accumulated impairment if applicable | Consolidated into the group financial position and results |
| Investments in associates | Market Value, External Fair Value, or Directors' Fair Value | Cost, less accumulated impairment if applicable | Equity accounted with the balance in the statement of financial position increasing by the Group's share of each associate's result and decreasing by any dividends received |

Net Cash Flow From Investments reflects the dividend income, interest income and realised gains on trading assets received by the parent entity (rather than consolidated cash flows of the Group), after deducting corporate costs, income tax and excluding Non-Regular cash flows. The Directors declare dividends having regard to Net Cash Flow From Investments.

# Investment Portfolio Financial Information continued



## Net Asset Value Statement

as at 31 January 2025

1

| Strategic Portfolio | Valuation Basis[1] | Holding | $m |
|---|---|---|---|
| Brickworks Limited | MV | 42.9% | 1,712 |
| New Hope Corporation Limited | MV | 39.2% | 1,605 |
| TPG Telecom Limited | MV | 12.8% | 1,045 |
| Tuas Limited | MV | 20.6% | 632 |
| Apex Healthcare Berhad | MV | 29.5% | 187 |
| Pengana Capital Group Limited | MV | 40.7% | 37 |
| Aeris Resources Limited | MV | 31.4% | 44 |
| Other Strategic investments at MV | | | 341 |
| Other Strategic investments at EFV | | | 52 |
| **Total value of Strategic Portfolio** | | | **5,655** |

2

| Large Caps Portfolio | Valuation Basis[1] | $m |
|---|---|---|
| BHP Group Limited | MV | 249 |
| Macquarie Group Limited | MV | 183 |
| Wesfarmers Limited | MV | 145 |
| Commonwealth Bank of Australia | MV | 132 |
| Goodman Group | MV | 127 |
| Other Large Cap investments at MV | | 1,340 |
| Other Large Cap investments at EFV | | 19 |
| **Total value of Large Caps Portfolio** | | **2,195** |

3

| Private Equity Portfolio | $m |
|---|---|
| Private Equity investments at DFV | 1,399 |
| Private Equity investments at EFV | 314 |
| **Total value of Private Equity Portfolio** | **1,713** |

4

| Credit Portfolio | $m |
|---|---|
| Credit investments at Cost | 893 |
| Credit investments at EFV | 294 |
| Credit investments at MV | 19 |
| **Total value of Credit Portfolio** | **1,206** |

5

| Emerging Companies Portfolio | $m |
|---|---|
| Emerging Companies investments at MV | 820 |
| Emerging Companies investments at DFV | 150 |
| Emerging Companies investments at EFV | 14 |
| **Total value of Emerging Companies Portfolio** | **984** |

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| Property Portfolio | $m |
|---|---|
| Property investments at EFV | 76 |
| Property investments at Cost | 74 |
| Property investments at DFV | 53 |
| **Total value of Property Portfolio** | **203** |

| Working Capital | $m |
|---|---|
| Cash | 223 |
| Liquid Income Funds | 493 |
| Convertible Notes | (450) |
| Other interest bearing liability | (141) |
| Other working capital | (5) |
| **Total Working Capital** | **120** |

| | |
|---|---|
| **Consolidated Net Asset Value pre-tax** | **12,076** |
| Estimated net capital gains tax liability[2] | (1,291) |
| **Consolidated Net Asset Value post-tax** | **10,785** |
| **Fully paid ordinary shares (millions)** | **368** |
| **NAV per share (pre-tax)** | **32.84** |
| **NAV per share (post-tax)** | **29.33** |

1. Refer to the glossary of terms on pages 44 and 45 for the definitions of MV (Market Value), DFV (Directors' Fair Value), EFV (External Fair Value) and Cost.
2. A net deferred tax liability of $32 million has been recognised in the Parent Entity Statement of Financial Position at 31 January 2025. In the Parent Entity Statement of Financial Position, investments in subsidiaries and associates are carried at the lower of cost or impaired cost, and the tax recognised reflects the theoretical tax payable if investments were sold at these values, rather than market values.

## Parent Entity Net Cash Flow From Investments

for the half year ended 31 January 2025

| | Dividend and distribution income | $m |
|---|---|---|
| 1 | Brickworks Limited | 28 |
| | New Hope Corporation Limited | 73 |
| | TPG Telecom Limited | 21 |
| | Perpetual Limited | 5 |
| | Apex Healthcare Berhad | 4 |
| | Pengana Capital Group Limited | 1 |
| | Other Strategic investments | 3 |
| 2 | BHP Group Limited | 6 |
| | Macquarie Group Limited | 2 |
| | Wesfarmers Limited | 2 |
| | Commonwealth Bank of Australia | 1 |
| | Goodman Group | 1 |
| | Other Large Cap investments | 20 |
| 3 | Private Equity investments | 49 |
| 4 | Credit investments | 12 |
| 5 | Emerging Company investments | 6 |
| 6 | Property investments | 2 |
| | Liquid Income Funds | 8 |
| | **Total dividend and distribution income** | **244** |
| 4 | Interest income (from cash and Credit investments) | 88 |
| | Other revenue | 15 |
| | Realised and Unrealised fair value gains | 79 |
| | Corporate costs | (30) |
| | Other expenses | (22) |
| | Finance costs | (14) |
| | **Regular profit before income tax expense** | **360** |
| | Income tax expense | (34) |
| | **Regular profit after income tax expense** | **326** |

| | |
|---|---|
| **Regular profit after income tax expense** | **326** |
| **Adjusted for:** | |
| Non-cash fair value gains | (33) |
| Non-cash tax expense | (10) |
| Non-cash expected credit loss | 9 |
| Other | (2) |
| **Net Cash Flow From Investments** | **290** |
| **Net Cash Flow From Investments (cents per share)** | **79** |
| **Dividends paid/payable** | |
| Interim of 44 cents per share payable 14 May 2025 | 162 |
| **Total dividends paid/payable** | **162** |
| **Payout ratio** | |
| Total dividends as a percentage of Net Cash Flow From Investments | 55.8 % |

The Board declares dividends having regard to Net Cash Flow From Investments. The above demonstrates the underlying support Net Cash Flow From Investments currently provides to dividends declared.

# Investment Portfolio Financial Information continued

## Parent Entity Statement of Financial Position

for the half year ended 31 January 2025

| | 31 January 2025 $m |
|---|---|
| **Current and Non-current Assets** | |
| Strategic Portfolio | 1,680 |
| Large Caps Portfolio | 2,197 |
| Private Equity Portfolio | 1,341 |
| Credit Portfolio | 1,121 |
| Emerging Companies Portfolio | 983 |
| Property Portfolio | 195 |
| Cash | 223 |
| Liquid Income Funds | 493 |
| Other Working Capital | 197 |
| **Total Assets** | **8,430** |
| **Current and Non-current Liabilities** | |
| Strategic Portfolio | 1 |
| Emerging Companies Portfolio | 8 |
| Interest bearing liabilities | 586 |
| Net Deferred Tax[1] | 32 |
| Other Working Capital | 182 |
| **Total Liabilities** | **809** |
| **Net Assets** | **7,621** |
| **Equity** | |
| Share Capital | 4,913 |
| Reserves | (152) |
| Retained Profits | 2,860 |
| **Total Equity** | **7,621** |

1 In the Parent Entity Statement of Financial Position, investments in subsidiaries and associates are carried at the lower of cost or impaired cost, and the tax recognised reflects the theoretical tax payable if investments were sold at these values, rather than market values.

## Reconciliation of Parent Regular NPAT to Parent Statutory Profit

for the half year ended 31 January 2025

The following table reconciles key performance measures (non-IFRS) to the most comparable statutory measures.

| | 31 January 2025 $m |
|---|---|
| **Regular profit after income tax expense** | **326** |
| **Adjusted for Non-regular items after tax:** | |
| Impairment expense related to associates | (17) |
| Non-regular gain on disposal of associate shares, net of tax | 82 |
| Non-regular losses on trading assets, net of tax | (9) |
| Non-regular gain on convertible bond, net of tax | 12 |
| **Profit after income tax expense** | **394** |

## Reconciliation of Consolidated net assets to NAV

for the half year ended 31 January 2025

The following table reconciles key performance measures (non-IFRS) to the most comparable statutory measures.

| | 31 January 2025 $m |
|---|---|
| **Consolidated net assets (Statutory)** | **9,294** |
| Increase listed associates to their Market Value | 1,826 |
| Increase unlisted associates and subsidiaries to their Directors' Fair Value | 523 |
| Remove statutory deferred tax liability | 441 |
| Include capital gains tax liability based on NAV values[1] | (1,291) |
| Remove non-controlling interest | (6) |
| Other adjustments to Fair Value | (2) |
| **Consolidated Net Asset Value post-tax** | **10,785** |

1 The NAV reflects the tax liability payable if investments were sold at their market or fair values, which is higher than the statutory deferred tax liability.

# Directors' Report



The Directors of Soul Patts present their report for the reporting period ended 31 January 2025. This Directors' Report has been prepared in accordance with the requirements of Division 2 of Part 2M.3 of the *Corporations Act 2001*.

## Directors

The following individuals served as Directors of Soul Patts throughout the entire reporting period and up to the date of this Directors' Report, unless otherwise noted:

- **Robert Millner AO** (Chairman)
- **Todd Barlow** (MD & CEO)
- **Tiffany Fuller**
- **Josephine Sukkar AM**
- **Joanne (Joe) Pollard**
- **David Baxby** (Lead Independent Director)
- **Bruce MacDiarmid**
- **Michael Hawker AM** (until 22 November 2024)

## Principal activities

Soul Patts is an investment house with a diversified and uncorrelated portfolio of assets across multiple industries. There were no significant changes to the Group's principal investing activities during the period.

## Review of operations

### Revenue from continuing operations (revenue from ordinary activities)

Revenue from continuing operations of $492.7 million was up $104.8 million or 27% on the previous corresponding period (**pcp**).

| Key variances were: | $m |
|---|---|
| • Higher Revenue in the Private Equity portfolio including: Soul Patts Agriculture ($28.1 million) following the Redlands acquisition during 1H24 and a full Citrus season, growth in Ampcontrol ($26.7 million) due to increased activity in capital projects and workshop services, and Aquatic Achievers ($4.8 million) driven by new swim centres and price increases for established centres. | 60.1 |
| • Higher Interest revenue arising from growth in the Credit Portfolio. | 29.9 |
| • Higher Dividends and distribution income due to distributions from Liquid income funds. | 13.8 |
| • Higher Other revenue. | 1.0 |
| **Total increase in Revenue from continuing operations** | **104.8** |

## Profit after tax attributable to members

The Group Statutory Net Profit After Tax attributable to members for the reporting period ended 31 January 2025 was $326.9 million compared with a net profit of $302.5 million in the previous corresponding period, an increase of $24.4 million or 8%.

| The drivers of the increase in Group Statutory Net Profit After Tax were: | $m |
|---|---|
| • Higher current year Regular Net Profit After Tax of $284.8 million, compared with $241.3 million in the pcp, primarily resulting from higher contributions from the Strategic Portfolio and higher interest income in the Credit Portfolio, offset partly by lower contributions from the Emerging Companies Portfolio and Private Equity Portfolio. Further explanations of these variances are provided in this report. | 43.5 |
| • Lower Non-Regular Profit After Tax, further detailed in the Reconciliation between Consolidated Regular Profit After Tax and Consolidated Net Profit After Tax on page 19 and 20. | (19.1) |
| **Total increase in Group Statutory Net Profit After Tax attributable to members** | **24.4** |

The following table sets out reported Group Statutory Net Profit After Tax attributable to members on a Regular and Non-Regular basis, by portfolio.

| Group Profit After Tax attributable to members<br>Portfolio | Regular<br>31 Jan 25<br>$m | Regular<br>31 Jan 24<br>$m | Non-Regular<br>31 Jan 25<br>$m | Non-Regular<br>31 Jan 24<br>$m | Statutory<br>31 Jan 25<br>$m | Statutory<br>31 Jan 24<br>$m |
|---|---|---|---|---|---|---|
| Strategic | 165.9 | 98.3 | 18.7 | 50.8 | 184.6 | 149.1 |
| Large Caps | 31.1 | 38.2 | – | – | 31.1 | 38.2 |
| Private Equity | (9.3) | 3.3 | 21.2 | (11.6) | 11.9 | (8.3) |
| Credit | 76.8 | 39.6 | – | – | 76.8 | 39.6 |
| Emerging Companies | 30.9 | 71.8 | (9.7) | (1.8) | 21.2 | 70.0 |
| Property | 10.4 | 1.6 | 0.1 | 0.4 | 10.5 | 2.0 |
| Intersegment/unallocated | (21.0) | (11.5) | 11.8 | 23.4 | (9.2) | 11.9 |
| **Profit after income tax for the half year attributable to members** | **284.8** | **241.3** | **42.1** | **61.2** | **326.9** | **302.5** |

Regular Net Profit After Tax and Non-Regular Net Profit After Tax are defined in the Glossary on page 45.

# Portfolio performance

The following section contains a brief analysis of how each portfolio performed compared to the previous corresponding period on a Consolidated Statutory Net Profit After Tax basis.

## Strategic Portfolio

The Group Statutory Net Profit After Tax contribution from the Strategic Portfolio was $184.6 million, up $35.5 million or 24%.

| The primary reasons for the increase were: | $m |
|---|---|
| • Higher current year Regular Net Profit After Tax of $165.9 million, compared to $98.3 million in the pcp as a result of higher share of profits from Brickworks, New Hope and Aeris, partially offset by decreased income from other trading activities. Share of Regular profit from Brickworks increased $50.3 million as property valuations have stabilised following a decline in the pcp. Share of Regular profit from New Hope increased $10.3 million due to strong coal production and sales, partially offset by lower realised coal pricing. | 67.6 |
| Partially offset by: | |
| • Non-Regular Profit After Tax of $18.7 million, compared to a profit of $50.8 million in the pcp. Current year non-regular profit after tax is largely due to a $85.3 million gain on sale of equity accounted associate shares partially offset by $30.6 million of non regular losses from Brickworks, $26.0 million impairment of Aeris, and $19.7 million of non regular losses from New Hope. Prior year non-regular profit after tax was driven by a deferred tax benefit from New Hope of $61.1 milllion. Refer to page 19 and 20 for further details of Non-Regular items. | (32.1) |
| **Total** | **35.5** |

# Directors' Report continued



## **Portfolio performance** continued

### Large Caps Portfolio

The Large Caps Portfolio Statutory Net Profit After Tax contribution of $31.1 million was $7.1 million lower when compared to the previous corresponding period due to lower Regular Net Profit After Tax following a reduction in the size of the portfolio.

### Private Equity Portfolio

The Private Equity Portfolio made a Statutory Net Profit After Tax of $11.9 million, compared to a loss of $8.3 million in the previous corresponding period.

| The primary reasons for the higher contribution were: | $m |
|---|---|
| • Regular Net Profit After Tax decreased with higher losses in Soul Patts Agriculture of $26.8 million partially offset by growth in other investments of $14.2 million. | (12.6) |
| • Non-Regular Profit After Tax of $21.2 million, compared to a loss of $11.6 million in the pcp, resulting primarily from a $15.3 million decrease in impairment expense and a $25.5 million non-regular fair value gain, which were offset partially by a $6.7 million decrease in gains on deemed disposals of equity accounted associates. | 32.8 |
| **Total** | **20.2** |

### Credit Portfolio

The Statutory Net Profit After Tax contribution from the Credit Portfolio was $76.8 million, up $37.2 million on the previous corresponding period. The increased contribution was due to growth in the size of the portfolio generating higher interest income and loan fees.

### Emerging Companies Portfolio

The Emerging Companies Portfolio Statutory Net Profit After Tax contribution of $21.2 million was $48.8 million lower compared to the previous corresponding period.

Regular Net Profit After Tax decreased by $40.9 million to $30.9 million due to lower regular realised and unrealised mark-to-market gains on the trading portfolio compared with the previous corresponding period.

The increase in the Non-Regular loss after tax was primarily due to non regular realised and unrealised losses on the trading portfolio.

### Property Portfolio

The Property Portfolio Statutory Net Profit After Tax contribution of $10.5 million was $8.5 million higher compared to the previous corresponding period due mainly to higher income received from property joint ventures.

### Intersegment and unallocated

Intersegment and unallocated represents unallocated corporate costs, tax and net financing expenses incurred to support the investment portfolio. In the current reporting period, the Statutory Net Loss After Tax from intersegment and unallocated items was $9.2 million compared with a profit of $11.9 million in the previous corresponding period.

Regular Net Loss After Tax decreased by $9.5 million, primarily as a result of interest expense on the new larger convertible bond which also has a higher interest rate.

The decrease in Non-Regular Profit after Tax by $11.6 million was largely driven by the recognition of previously unrecognised deferred tax assets recognised in the previous corresponding period, partly offset by a gain on extinguishment of the existing convertible notes in the current period.

## Reconciliation between Consolidated Regular Profit After Tax and Consolidated Net Profit After Tax

A reconciliation between Consolidated Regular Net Profit After Tax attributable to members and Consolidated Net Profit After Tax attributable to members is set out below. The Directors consider that disclosing this will enhance shareholders' and other readers' understanding of the financial results.

The allocation of revenue and expense items between Regular and Non-Regular Net Profit After Tax is consistent with the previous corresponding period. Transactions between business segments are on an arm's length basis in a manner similar to transactions with third parties.

| Half year ended 31 January 2025 | Strategic Portfolio | Large Caps Portfolio | Private Equity Portfolio | Credit Portfolio | Emerging Companies Portfolio | Property Portfolio | Intersegment/ unallocated [1] | Consolidated |
|---|---|---|---|---|---|---|---|---|
| | $m | $m | $m | $m | $m | $m | $m | $m |
| **Consolidated Regular Profit/(loss) After Tax attributable to members** | **165.9** | **31.1** | **(9.3)** | **76.8** | **30.9** | **10.4** | **(21.0)** | **284.8** |
| **Consolidated Non-Regular items after tax** | | | | | | | | |
| Share of Non-Regular items from equity accounted associates | (50.3) | – | 4.5 | – | – | – | – | (45.8) |
| (Loss)/gain on deemed disposal of equity accounted associates | (1.9) | – | 4.6 | – | (1.1) | – | – | 1.6 |
| Deferred tax benefit/ (expense) recognised on equity accounted associates | 11.6 | – | (1.9) | – | 0.6 | 0.1 | – | 10.4 |
| Changes in unrecognised deferred tax assets | – | – | 5.0 | – | – | – | – | 5.0 |
| Impairment (expense)/ reversal on equity accounted associates | (26.0) | – | 0.8 | – | – | – | – | (25.2) |
| Impairment expense on property plant and equipment | – | – | (6.0) | – | – | – | – | (6.0) |
| Gain on sale of equity accounted associate shares | 85.3 | – | – | – | – | – | – | 85.3 |
| Non-regular gains/(losses) on trading and other financial assets | – | – | 25.5 | – | (9.2) | – | – | 16.3 |
| Other items | – | – | (11.3) | – | – | – | 11.8 | 0.5 |
| **Total Consolidated Non-Regular items after tax** | **18.7** | **–** | **21.2** | **–** | **(9.7)** | **0.1** | **11.8** | **42.1** |
| **Consolidated Profit/(loss) After Tax attributable to members** | **184.6** | **31.1** | **11.9** | **76.8** | **21.2** | **10.5** | **(9.2)** | **326.9** |
| (Loss)/profit attributable to non-controlling interests | – | – | (1.0) | 0.5 | – | – | – | (0.5) |
| **Consolidated Profit/(loss) after tax** | **184.6** | **31.1** | **10.9** | **77.3** | **21.2** | **10.5** | **(9.2)** | **326.4** |

1 Intersegment/unallocated represents Soul Patts revenue and corporate costs that are not allocated to individual segments.

Directors' Report continued

## Reconciliation between Consolidated Regular Profit After Tax and Consolidated Net Profit After Tax continued

| Half year ended 31 January 2024 | Strategic Portfolio $m | Large Caps Portfolio $m | Private Equity Portfolio $m | Credit Portfolio $m | Emerging Companies Portfolio $m | Property Portfolio $m | Intersegment/ unallocated[1] $m | Consolidated $m |
|---|---|---|---|---|---|---|---|---|
| **Consolidated Regular Profit/(loss) After Tax attributable to members** | **98.3** | **38.2** | **3.3** | **39.6** | **71.8** | **1.6** | **(11.5)** | **241.3** |
| **Consolidated Non-Regular items after tax** | | | | | | | | |
| Share of Non-Regular items from equity accounted associates | (7.9) | – | 4.6 | – | – | – | – | (3.3) |
| (Loss)/gain on deemed disposal of equity accounted associates | (1.0) | – | 11.3 | – | – | – | – | 10.3 |
| Deferred tax benefit/ (expense) recognised on equity accounted associates | 78.9 | – | (0.6) | – | 1.0 | 0.4 | – | 79.7 |
| Changes in unrecognised deferred tax assets | – | – | – | – | – | – | 24.3 | 24.3 |
| Impairment expense on equity accounted associates | (32.7) | – | (19.3) | – | (2.8) | – | – | (54.8) |
| Acquisition costs expensed | – | – | (6.5) | – | – | – | (0.9) | (7.4) |
| Other items | 13.5 | – | (1.1) | – | – | – | – | 12.4 |
| **Total Consolidated Non-Regular items after tax** | **50.8** | **–** | **(11.6)** | **–** | **(1.8)** | **0.4** | **23.4** | **61.2** |
| **Consolidated Profit/(loss) After Tax attributable to members** | **149.1** | **38.2** | **(8.3)** | **39.6** | **70.0** | **2.0** | **11.9** | **302.5** |
| (Loss)/profit attributable to non-controlling interests | – | – | (0.3) | 0.3 | – | – | – | – |
| **Consolidated Profit/(loss) after tax** | **149.1** | **38.2** | **(8.6)** | **39.9** | **70.0** | **2.0** | **11.9** | **302.5** |

1 Intersegment/unallocated represents Soul Patts revenue and corporate costs that are not allocated to individual segments.

## Financial position

In August 2024, significant funding was secured for investments through the issuance of a new $450 million convertible bond due in 2030 and a $225 million institutional equity placement. Simultaneously the existing $225 million convertible bond was repaid.

The Soul Patts Group balance sheet remains strong, holding a substantial balance of liquid assets with low levels of borrowings. Statutory net assets grew from $8,998.8 million to $9,294.2 million, driven by profits and the capital raise, offset by dividends paid to shareholders. The Group continues to maintain a high net current asset position of $505.2 million, although this decreased from 31 July 2024 due to the requirement to classify the 2030 Convertible Notes as current (refer to Note 6.1.2 of the Financial Report for further details). These amounts do not consider the Market and Fair Value of subsidiaries and associates, which are materially higher than statutory carrying values.

At 31 January 2025, the Group had access to $1,049.4 million in available financing facilities, of which $39.3 million was unutilised. This excludes the capacity to further draw on equity finance facilities, where the amount of future capacity is a function of the prevailing value of the pool of investments used as security at the time of borrowing. Details of existing financing arrangements are set out in Note 6.

## Dividends

The FY24 fully franked final dividend of 55 cents per share was paid during the period. The Directors have resolved to pay an interim dividend of 44.0 cents per share in respect of the half year ended 31 January 2025, an increase of 10.0% over last half year's interim dividend of 40.0 cents per share. The dividend will be fully franked and is payable on 14 May 2025.

### Dividend Reinvestment Plan

Soul Patts Dividend Reinvestment Plan (**DRP**) is in operation for the 2025 interim dividend. The DRP will operate without a discount for the interim dividend and is anticipated to be satisfied through a new issue of shares. The DRP Plan Rules are available on the Soul Patts website.

## Events subsequent to the reporting date

On 19 February 2025, Ampcontrol's current syndicated flexible working capital facility was extended for an additional three years from the amendment date, with the facility limit increased from $55 million to $100 million.

No other events or circumstances have occurred subsequent to the reporting period that have significantly affected, or may significantly affect, the operations of the Soul Patts Group, the results of those operations, or the state of affairs of the Soul Patts Group subsequent reporting periods.

## Auditor's Independence Declaration

The lead auditor's independence declaration for the half year ended 31 January 2025 has been received and included on page 22.

## Rounding

The Parent Entity and the Soul Patts Group have applied the relief available under *ASIC Corporations (Rounding in Financial/ Directors' Reports) Instrument 2016/191*. In accordance with that legislative instrument, amounts in the Directors' Report and the Financial Report have been rounded to the nearest million dollars, unless otherwise stated.

Signed in accordance with a resolution of the Board of Directors:

**Robert Millner AO**
**Chairman**
20 March 2025

**Todd Barlow**
**Managing Director & CEO**
20 March 2025

# Auditor's Independence Declaration



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Shape the future with confidence

## Auditor's Independence Declaration to the Directors of Washington H. Soul Pattinson and Company Limited

As lead auditor for the review of the half-year financial report of Washington H. Soul Pattinson and Company Limited for the half-year ended 31 January 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 review;

b) no contraventions of any applicable code of professional conduct in relation to the review; and

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

This declaration is in respect of Washington H. Soul Pattinson and Company Limited and the entities it controlled during the financial period.

Ernst & Young

Ernst & Young

Ryan Fisk
Partner
Sydney
20 March 2025

# Financial Report

## Financial Statements



## Notes to the Financial Statements



Financial Report

# Consolidated Statement of Comprehensive Income

for the half year ended 31 January 2025

| | Notes | 31 January 2025 $m | 31 January 2024 $m |
|---|---|---|---|
| **Revenue** | | | |
| Revenue from contracts with customers | 4.1 | 312.4 | 252.3 |
| Dividend and distribution income | | 84.0 | 70.2 |
| Interest revenue | | 93.8 | 63.9 |
| Other revenue | | 2.5 | 1.5 |
| **Total revenue** | | **492.7** | **387.9** |
| | | | |
| **Other gains and losses** | 4.2 | **259.3** | **191.0** |
| **Share of results from associates** | 5 | **85.2** | **46.3** |
| | | | |
| **Expenses** | | | |
| Cost of sales | | (232.5) | (177.2) |
| Administration expenses | | (143.8) | (101.6) |
| Impairment expense | 4.3 | (32.3) | (56.0) |
| Finance costs | | (29.6) | (15.3) |
| Other expenses | | (9.4) | (8.8) |
| **Profit before income tax expense** | | **389.6** | **266.3** |
| Income tax (expense)/benefit | 4.4 | (63.2) | 36.2 |
| **Profit after income tax expense for the half year** | | **326.4** | **302.5** |
| **Profit for the half year is attributable to:** | | | |
| **Members of the Company** | | **326.9** | **302.5** |
| Non-controlling interests | | (0.5) | – |
| **Profit after income tax expense for the half year** | | **326.4** | **302.5** |
| | | | |
| **Other comprehensive income/(loss)** | | | |
| **Items that will not be reclassified subsequently to profit or loss:** | | | |
| (Loss)/profit from revaluation of investments and other assets, after tax | | (48.3) | 129.6 |
| Share of associates' reserves, after tax | | 0.3 | (1.6) |
| **Items that may be reclassified subsequently to profit or loss:** | | | |
| Exchange differences from translation of foreign operations, after tax | | 0.3 | – |
| Share of associates' cash flow hedge and other reserves, after tax | | (11.9) | (13.2) |
| **Total other comprehensive (loss)/profit, net of tax** | | **(59.6)** | **114.8** |
| **Total comprehensive income for the half year** | | **266.8** | **417.3** |
| **Total comprehensive income for the half year is attributable to:** | | | |
| **Members of the Company** | | **267.3** | **417.3** |
| Non-controlling interests | | (0.5) | – |
| **Total comprehensive income for the half year** | | **266.8** | **417.3** |

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

| | 31 January 2025 $m | 31 January 2024 $m |
|---|---|---|
| **Profit attributable to Members of the Company for basic earnings** | **326.9** | **302.5** |
| Interest on convertible notes, after tax | 4.3 | 1.2 |
| **Profit attributable to Members of the Company adjusted for the effect of dilution** | **331.2** | **303.7** |

| | 31 January 2025 m | 31 January 2024 m |
|---|---|---|
| Weighted average number of ordinary shares | 366.6 | 361.0 |
| Less weighted average number of treasury shares[1] | (40.8) | (40.8) |
| **Weighted average number of ordinary shares for basic EPS** | **325.8** | **320.2** |
| Effects of dilution from unvested rights | 1.1 | 0.8 |
| Effects of dilution from convertible notes | 9.9 | 6.5 |
| **Weighted average number of ordinary shares adjusted for the effect of dilution** | **336.8** | **327.5** |

| | 31 January 2025 Cents | 31 January 2024 Cents |
|---|---|---|
| **Earnings per share attributable to Members of the Company** | | |
| Basic earnings per share | 100.32 | 94.49 |
| Diluted earnings per share | 98.33 | 92.73 |

1 Includes adjustment for treasury shares and the reciprocal interest with Brickworks Limited (2025: 40,517,243 shares);(2024: 40,635,229 shares).

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Financial Report
# Consolidated Statement of Financial Position

as at 31 January 2025

| | Notes | 31 January 2025 $m | 31 July 2024 $m |
|---|---|---|---|
| **Current assets** | | | |
| Cash and cash equivalents | | 269.0 | 261.1 |
| Liquid income funds | 6 | 493.2 | – |
| Trade receivables and other assets | | 154.6 | 196.2 |
| Loans receivable | | 74.2 | 75.5 |
| Inventories | | 80.8 | 83.9 |
| Biological assets | | 19.2 | 11.1 |
| Assets classified as held for sale | | 14.8 | 14.8 |
| Trading assets | | 544.6 | 482.3 |
| Other financial assets | | 34.2 | 34.9 |
| **Total current assets** | | **1,684.6** | **1,159.8** |
| **Non-current assets** | | | |
| Loans receivable | | 856.0 | 840.1 |
| Interests in associates | 5 | 2,792.6 | 2,751.3 |
| Long-term equity investments | | 3,632.4 | 3,708.0 |
| Other financial assets | | 978.1 | 897.6 |
| Investment properties | | 23.5 | 21.1 |
| Property, plant and equipment | | 674.8 | 648.3 |
| Right-of-use assets | | 94.9 | 88.0 |
| Intangible assets | | 284.2 | 283.5 |
| **Total non-current assets** | | **9,336.5** | **9,237.9** |
| **Total assets** | | **11,021.1** | **10,397.7** |
| **Current liabilities** | | | |
| Trade payables and other liabilities | | 125.6 | 135.7 |
| Interest bearing liabilities | 6 | 943.3 | 149.6 |
| Lease liabilities | | 13.6 | 12.7 |
| Other financial liabilities | | 63.0 | 6.7 |
| Current tax liabilities | | 4.5 | 21.8 |
| Provisions | | 29.4 | 23.6 |
| **Total current liabilities** | | **1,179.4** | **350.1** |
| **Non-current liabilities** | | | |
| Interest bearing liabilities | 6 | 0.9 | 520.2 |
| Lease liabilities | | 90.3 | 83.4 |
| Deferred tax liabilities | | 441.3 | 426.5 |
| Provisions | | 15.0 | 18.7 |
| **Total non-current liabilities** | | **547.5** | **1,048.8** |
| **Total liabilities** | | **1,726.9** | **1,398.9** |
| **Net assets** | | **9,294.2** | **8,998.8** |
| **Equity** | | | |
| Share capital | | 4,905.1 | 4,679.7 |
| Reserves | | (328.9) | (256.4) |
| Retained profits | | 4,711.7 | 4,565.9 |
| **Equity attributable to Members of the Company** | | **9,287.9** | **8,989.2** |
| Non-controlling interests | | 6.3 | 9.6 |
| **Total equity** | | **9,294.2** | **8,998.8** |

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes

# Consolidated Statement of Changes in Equity

for the half year ended 31 January 2025

| | Equity attributable to Members of the Company | | | | | |
|---|---|---|---|---|---|---|
| **Half year ended 31 January 2025** | **Share capital** $m | **Retained profits** $m | **Reserves** $m | **Total** $m | **Non-controlling interest** $m | **Total equity** $m |
| Total equity at the beginning of the half year 1 August 2024 | 4,679.7 | 4,565.9 | (256.4) | 8,989.2 | 9.6 | 8,998.8 |
| Net profit/(loss) for the half year after tax | – | 326.9 | – | 326.9 | (0.5) | 326.4 |
| Other comprehensive loss for the half year | – | – | (59.6) | (59.6) | – | (59.6) |
| **Total comprehensive income/(loss) for the half year** | **–** | **326.9** | **(59.6)** | **267.3** | **(0.5)** | **266.8** |
| **Transactions with owners** | | | | | | |
| Dividends provided for or paid[1] | – | (179.9) | – | (179.9) | (0.4) | (180.3) |
| Issue of shares to satisfy the dividend reinvestment plan | 5.1 | – | – | 5.1 | – | 5.1 |
| Issue of ordinary shares, net of transaction cost[2] | 219.7 | – | – | 219.7 | – | 219.7 |
| Convertible debt buy-back[3] | (3.9) | – | (15.7) | (19.6) | – | (19.6) |
| Conversion of convertible debt to equity[3] | 1.8 | – | – | 1.8 | – | 1.8 |
| Share-based payment transactions | 2.7 | – | 3.0 | 5.7 | – | 5.7 |
| Transactions with non-controlling interests | – | – | (1.4) | (1.4) | (2.4) | (3.8) |
| Reclassification of reserves to retained earnings | – | (1.2) | 1.2 | – | – | – |
| **Total equity at the half year ended 31 January 2025** | **4,905.1** | **4,711.7** | **(328.9)** | **9,287.9** | **6.3** | **9,294.2** |

1 After the elimination of $22.2 million (42.9% of Soul Patts dividend paid to Brickworks Limited).
2 The Company issued 6,573,181 Soul Patts ordinary shares with an aggregate value of $225 million before transaction costs.
3 Refer to Note 6.1.3 for further details.

| | Equity attributable to Members of the Company | | | | | |
|---|---|---|---|---|---|---|
| **Half year ended 31 January 2024** | **Share capital** $m | **Retained Profits** $m | **Reserves** $m | **Total** $m | **Non-controlling interest** $m | **Total equity** $m |
| Total equity at the beginning of the half year 1 August 2023 | 4,683.5 | 4,358.6 | (320.2) | 8,721.9 | 13.1 | 8,735.0 |
| Net profit for the half year after tax | – | 302.5 | – | 302.5 | – | 302.5 |
| Other comprehensive income for the half year | – | – | 114.8 | 114.8 | – | 114.8 |
| **Total comprehensive income for the half year** | **–** | **302.5** | **114.8** | **417.3** | **–** | **417.3** |
| **Transaction with owners** | | | | | | |
| Dividends provided for or paid[1] | – | (163.4) | – | (163.4) | (0.6) | (164.0) |
| Share-based payment transactions | – | – | 3.1 | 3.1 | – | 3.1 |
| Transactions with non-controlling interests | – | – | – | – | 0.3 | 0.3 |
| **Total equity at the half year ended 31 January 2024** | **4,683.5** | **4,497.7** | **(202.3)** | **8,978.9** | **12.8** | **8,991.7** |

1 After the elimination of $20.7 million (43.1% of Soul Patts dividend paid to Brickworks).

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Financial Report
# Consolidated Statement of Cash Flows

for the half year ended 31 January 2025

| | Notes | 31 January 2025 $m | 31 January 2024 $m |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Receipts from customers inclusive of GST | | 363.9 | 260.0 |
| Payments to suppliers and employees inclusive of GST | | (382.0) | (275.6) |
| Dividends and distributions received | | 198.5 | 208.4 |
| Interest received | | 89.6 | 59.4 |
| Interest on lease liabilities | | (2.8) | (1.0) |
| Payments for trading assets | | (310.6) | (339.9) |
| Proceeds from sale of trading assets | | 370.5 | 351.6 |
| Acquisition costs expensed | | – | (6.6) |
| Finance costs paid | | (20.4) | (9.9) |
| Income taxes paid | | (39.8) | (29.2) |
| **Net cash inflow from operating activities** | | **266.9** | **217.2** |
| **Cash flows from investing activities** | | | |
| Payments for property, plant and equipment and intangibles | | (69.1) | (77.2) |
| Proceeds from sale of property, plant and equipment and intangibles | | 1.4 | 0.9 |
| Payments for acquisition and development of investment properties | | – | (0.5) |
| Payments for equity investments and other financial assets | | (457.8) | (647.4) |
| Proceeds from sale of equity investments and other financial assets | | 359.9 | 351.3 |
| Payments to acquire equity accounted associates | | (65.9) | (12.7) |
| Proceeds from sale of equity accounted associate | | 131.8 | – |
| Net payments for liquid income funds | | (495.0) | – |
| Payments for acquisition of businesses, net of cash acquired | | (2.0) | (156.2) |
| Payments for deferred consideration | | – | (3.2) |
| Loan repayments from external and related parties | | 148.6 | 157.5 |
| Loans advanced to external and related parties | | (127.5) | (200.9) |
| Net proceeds from term deposit | | – | 667.3 |
| **Net cash (outflow)/inflow from investing activities** | | **(575.6)** | **78.9** |
| **Cash flows from financing activities** | | | |
| Dividends paid to members of the Company | 2 | (197.0) | (184.1) |
| Dividends paid by subsidiaries to non-controlling interests | | – | (0.6) |
| Proceeds from external borrowings | | 96.1 | 296.2 |
| Repayments of external borrowings | | (7.8) | (252.8) |
| Net proceeds from issue of ordinary shares | | 219.7 | – |
| Repurchase of convertible notes | 6.1.3 | (231.7) | – |
| Net proceeds from issue of convertible notes | 6.1.2 | 440.7 | – |
| Principal repayments of lease liabilities | | (2.0) | (6.7) |
| Transactions with subsidiaries non-controlling interests | | (1.4) | – |
| **Net cash inflow/(outflow) from financing activities** | | **316.6** | **(148.0)** |
| **Net increase in cash and cash equivalents** | | **7.9** | **148.1** |
| Cash and cash equivalents at the beginning of the year | | 261.1 | 311.8 |
| Effects of exchange rate changes on cash and cash equivalents | | – | – |
| **Cash and cash equivalents at the end of the half year** | | **269.0** | **459.9** |

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

# Notes to the Financial Statements



## 01 Basis of preparation

Washington H. Soul Pattinson and Company Limited (Soul Patts or The Company) is a for profit company listed on the Australian Securities Exchange (ASX:SOL).

The financial report for the half year ended 31 January 2025 is a general purpose financial report and has been prepared in accordance with AASB 134 *Interim Financial Reporting and the Corporations Act 2001*.

The financial report presents reclassified comparative information where required for consistency with the current half year's presentation.

The Half Year Financial Report does not include all the notes of the type normally included in annual financial statements. Accordingly, this report is to be read in conjunction with the annual financial report for the year ended 31 July 2024 and any public announcements made by Soul Patts during the interim reporting period in accordance with continuous disclosure requirements of the *Corporations Act 2001* and the Australian Securities Exchange Listing Rules.

The Half Year Financial Report is presented in Australian dollars and all values are rounded to the nearest million dollars unless otherwise stated, in accordance with *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*.

The accounting policies adopted in this report are consistent with those of the previous financial year and the corresponding half year reporting period, except for the required adoption of new standards effective as of 1 August 2024. These did not have a material impact on the interim financial report. The Company has not early adopted any standard, interpretation, or amendment that has been issued but is not yet effective.

This interim financial report was authorised for issue by the Board on 20 March 2025.

## 02 Payment of dividends to shareholders

| | 31 January 2025 $m | 31 January 2024 $m | 31 January 2025 Cents per share | 31 January 2024 Cents per share |
|---|---|---|---|---|
| **Dividends paid during the half year** | | | | |
| Fully franked final dividend[1] | 202.1 | 184.1 | 55.0 | 51.0 |
| **Total dividends paid** | **202.1** | **184.1** | **55.0** | **51.0** |
| | | | | |
| **Dividends not recognised at half year end** | | | | |
| In addition to the above dividends, since half year end, the Directors have resolved to pay: | | | | |
| Fully franked interim dividend | 161.8 | 144.4 | 44.0 | 40.0 |
| This dividend is due to be paid on 14 May 2025 (2024: 10 May 2024). As the dividend was not declared by the Directors until 20 March 2025 a provision was not recognised as at 31 January 2025. | | | | |

1 $5.1 million of the 2024 final dividends was reinvested to receive additional fully paid ordinary shares instead of cash payment.

### Dividend Reinvestment Plan

Soul Patts Dividend Reinvestment Plan (**DRP**) is in operation for the 2025 interim dividend. The DRP will operate without a discount for the interim dividend and is anticipated to be satisfied through a new issue of shares. The DRP Plan Rules are available on the Soul Patts website.

Total number of ordinary shares on issue at the end of the reporting period was 367,740,242 (2024: 360,967,863).

# Financial Report
## Notes to the Financial Statements continued



## 03 Segment information

The Group is an investment house that operates within six segments based on its investment portfolio allocation. All segments are predominately based in Australia.

The operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (**CODM**), who is responsible for allocating resources and assessing performance of the operating segments, and has been identified as the Board of Soul Patts.

The Group's reporting segments are outlined below:

| Reporting segments | Strategic Portfolio $m | Large Caps Portfolio $m | Private Equity Portfolio $m | Credit Portfolio $m | Emerging Companies Portfolio $m | Property Portfolio $m | Intersegment/unallocated[1] $m | Consolidated $m |
|---|---|---|---|---|---|---|---|---|
| **Half year ended 31 January 2025** | | | | | | | | |
| Profit/(loss) after tax for the half year | 184.6 | 31.1 | 10.9 | 77.3 | 21.2 | 10.5 | (9.2) | 326.4 |
| Loss/(profit) attributable to non-controlling interests | – | – | 1.0 | (0.5) | – | – | – | 0.5 |
| **Profit/(loss) after tax attributable to members of the Company** | **184.6** | **31.1** | **11.9** | **76.8** | **21.2** | **10.5** | **(9.2)** | **326.9** |

| Reporting segments | Strategic Portfolio $m | Large Caps Portfolio $m | Private Equity Portfolio $m | Credit Portfolio $m | Emerging Companies Portfolio $m | Property Portfolio $m | Intersegment/unallocated[1] $m | Consolidated $m |
|---|---|---|---|---|---|---|---|---|
| **Half year ended 31 January 2024** | | | | | | | | |
| Profit/(loss) after tax for the half year | 149.1 | 38.2 | (8.6) | 39.9 | 70.0 | 2.0 | 11.9 | 302.5 |
| Loss/(profit) attributable to non-controlling interests | – | – | 0.3 | (0.3) | – | – | – | – |
| **Profit/(loss) after tax attributable to members of the Company** | **149.1** | **38.2** | **(8.3)** | **39.6** | **70.0** | **2.0** | **11.9** | **302.5** |

1 Intersegment/unallocated represents Soul Patts revenue and corporate costs that are not allocated to individual segments.

## 04 Revenue and expense

Profit/(loss) for the half year includes the following items that are significant due to their size, nature or incidence:

### 4.1 Revenue

| | 31 January 2025 $m | 31 January 2024 $m |
|---|---|---|
| **Revenue from contracts with customers** | | |
| Revenue from sale of goods | 183.9 | 138.8 |
| Rental revenue | 0.9 | 1.4 |
| Revenue from services | 127.6 | 112.1 |
| **Total revenue from contracts with customers** | **312.4** | **252.3** |

### Further information

#### Major customers

In the current and previous corresponding period, there is no individual customer that represents more than 10% of total revenue from contracts with customers.

#### Geographical regions

98% of Soul Patts' revenue arises from Australia (2024: 97%). No material amounts of revenue are earned in other jurisdictions.

#### Disaggregation of revenue

The Group presents disaggregated revenue based on what each major subsidiary provided to customers by geographical regions and the timing of transfer of goods and services.

| | 31 January 2025 $m | 31 January 2024 $m |
|---|---|---|
| **Major product lines** | | |
| Electrical and electronic engineering services and equipment | 227.9 | 201.2 |
| Swimming fees | 37.7 | 33.0 |
| Other goods and services[1] | 46.8 | 18.1 |
| **Total revenue from contracts with customers** | **312.4** | **252.3** |
| | | |
| **Geographical regions** | | |
| Australia | 307.4 | 244.4 |
| Other | 5.0 | 7.9 |
| **Total revenue from contracts with customers** | **312.4** | **252.3** |
| | | |
| **Timing of revenue recognition** | | |
| Goods and services transferred at a point in time | 199.1 | 154.9 |
| Goods and services transferred over time | 113.3 | 97.4 |
| **Total revenue from contracts with customers** | **312.4** | **252.3** |

1 Other goods and services include revenue from the sale of agricultural products, rental and other services.

# Financial Report
# Notes to the Financial Statements continued

## 04 Revenue and expense continued

### 4.2 Other gains and losses

| | 31 January 2025 $m | 31 January 2024 $m |
|---|---|---|
| Gain on trading assets and other financial assets | 97.7 | 159.2 |
| (Loss)/gain on sale of tangible assets | (2.7) | 0.1 |
| Gain on deemed disposal of equity accounted associates | 1.6 | 10.3 |
| Gain on sale of equity accounted associates shares[1] | 120.4 | – |
| Gain on revaluation of non-financial assets | 22.9 | 17.5 |
| Gain on extinguishment of convertible note | 16.7 | – |
| Decrease in gain on bargain purchase[2] | (7.5) | – |
| Other | 10.2 | 3.9 |
| **Total other gains and losses** | **259.3** | **191.0** |

1 A gain of $120.4 million was recognised in the current reporting period from the sale of shares in Tuas Limited, an associate of Soul Patts. For further details, refer to Note 5.

2 A gain on bargain purchase of $34.9 million was provisionally recognised in FY24 related to the acquisition of Redlands. The purchase price allocation was finalised during the current period, resulting in an increase in deferred tax liabilities and a corresponding reduction in the gain on bargain purchase of $7.5 million.

### 4.3 Impairment expense

| | Notes | 31 January 2025 $m | 31 January 2024 $m |
|---|---|---|---|
| Interests in associates | 5 | (25.2) | (54.8) |
| Property, plant and equipment | | (6.3) | – |
| Intangibles | | (0.8) | (1.2) |
| **Total impairment expense** | | **(32.3)** | **(56.0)** |

#### Further information

**Impairment of equity accounted associates**

In the current reporting period, impairment expense of $26.0 million was recognised for the listed investment in Aeris and a $0.8 million reversal of impairment for an unlisted investment.

In the previous corresponding period, impairment expenses were recognised for listed investments in Aeris ($27.3 million) and Pengana ($5.4 million), along with impairment of $22.1 million in unlisted investments.

## 4.4 Income tax expense/(benefit)

### Reconciliation of prima facie tax expense to income tax expense

| | 31 January 2025 $m | 31 January 2024 $m |
|---|---|---|
| **Profit before income tax expense** | **389.6** | **266.3** |
| Tax at the Australian rate of 30% (2024: 30%) | 116.9 | 79.9 |
| **Tax effect of amounts which are not deductible/(assessable) in calculating taxable income:** | | |
| Net impairment expenses | 9.3 | 16.8 |
| Franking credits received (excluding controlled and associate entities) | (24.9) | (15.7) |
| Tax benefit on the carrying value of equity accounted associates | (33.8) | (96.8) |
| (Over)/under provision for income tax | (5.3) | 0.6 |
| Changes in unrecognised deferred tax assets | 11.7 | (18.9) |
| Other | (10.7) | (2.1) |
| **Total income tax expense/(benefit)** | **63.2** | **(36.2)** |
| | | |
| **Effective tax rate:** | **16.2 %** | **(13.6)%** |

The Group has applied the mandatory exception in AASB 112 *Income Taxes* to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes. Pillar Two income taxes legislation was substantively enacted in Australia on 26 November 2024 and became effective for the Group from 1 August 2024.

Based on the half year result, the Group has satisfied the safe harbour tests or its effective tax rate exceeded 15 per cent in the jurisdictions in which it operates and therefore, the application of the rules does not have any current tax impact on the Group for the half year period ended 31 January 2025. The Group continues to monitor the developments around the implementation and enactment of Pillar Two income taxes and the detailed impact assessment of Pillar Two income taxes is ongoing.

## 05 Interests in associates

### Details of investments and results in associates

| | | | Group's percentage of holding at balance date | | Contribution to Group result for the period | | Carrying value | |
|---|---|---|---|---|---|---|---|---|
| | Reporting Date | Place of Incorporation | 31 Jan 2025 | 31 Jan 2024 | 31 Jan 2025 | 31 Jan 2024 | 31 Jan 2025 | 31 Jul 2024 |
| **Half year ended 31 January** | | | % | % | $m | $m | $m | $m |
| **Brickworks Limited**[1] | | | | | | | | |
| Manufacturer of building products and investor | 31-Jul | Australia | 42.9 | 43.1 | (29.0) | (56.7) | 697.2 | 732.9 |
| **New Hope Corporation Limited** | | | | | | | | |
| Mining and exploration activities | 31-Jul | Australia | 39.2 | 39.2 | 89.7 | 99.1 | 1,488.0 | 1,488.8 |
| Other associates | various | various | various | various | 24.5 | 3.9 | 607.4 | 529.6 |
| **Share of results from associates** | | | | | **85.2** | **46.3** | **2,792.6** | **2,751.3** |
| Gain on revaluation of associates – fair value through profit or loss, net of tax | | | | | 25.5 | – | | |
| Gain on sale of equity accounted associates' shares, net of tax[2] | | | | | 85.3 | – | | |
| Gain on deemed disposal of equity accounted associates | | | | | 1.6 | 10.3 | | |
| Deferred tax benefit recognised on equity accounted associates | | | | | 10.4 | 79.7 | | |
| Net impairment expense of associates | | | | | (25.2) | (54.8) | | |
| **Net contribution from associates** | | | | | **182.8** | **81.5** | | |

1 During the current reporting period, Brickworks issued shares under an employee share option scheme. As a result, the Group's shareholding in Brickworks has reduced by 0.1% to 42.9%.

2 During the current reporting period, Soul Patts sold 21.6 million shares in Tuas, decreasing its holding by 4.6% to 20.6%. The gain on sale (before income tax expense) was $120.4 million. Tuas continues to be accounted for under the equity method as an associate.

# Financial Report
# Notes to the Financial Statements continued

## 06 Interest bearing liabilities

| | Note | 31 January 2025 $m | 31 July 2024 $m |
|---|---|---|---|
| **Current liabilities** | | | |
| **Secured** | | | |
| Convertible notes due 2030 (Soul Patts) | 6.1.2 | 408.2 | – |
| Equity finance loans (Soul Patts) | 6.1.1 | 143.9 | 148.8 |
| Secured loans (Ampcontrol) | 6.3 | 18.6 | – |
| Market rate loan (Soul Patts Agriculture) | 6.2 | 371.9 | – |
| Equipment finance loans (Soul Patts Agriculture) | 6.2 | 0.7 | 0.8 |
| **Total current interest bearing liabilities** | | **943.3** | **149.6** |
| | | | |
| **Non-current liabilities** | | | |
| **Secured** | | | |
| Convertible notes due 2026 (Soul Patts) | 6.1.3 | – | 222.1 |
| Market rate loan (Soul Patts Agriculture) | 6.2 | – | 297.0 |
| Equipment finance loan (Soul Patts Agriculture) | 6.2 | 0.9 | 1.1 |
| **Total non-current interest bearing liabilities** | | **0.9** | **520.2** |
| | | | |
| **Total interest bearing liabilities** | | 944.2 | 669.8 |
| Less: cash and cash equivalents and term deposits | | (269.0) | (261.2) |
| Less: liquid income funds[1] | | (493.2) | – |
| **Net debt** | | **182.0** | **408.6** |
| | | | |
| **Total available financing facilities** | | **1,049.4** | **789.7** |
| Less: facilities utilised at reporting date | | | |
| Convertible bonds | | (450.0) | (225.0) |
| Equity finance and other loan facilities | | (560.1) | (467.7) |
| **Facilities unutilised at reporting date** | | **39.3** | **97.0** |

1 The Group holds investments in unlisted managed funds to support Soul Patts short term capital management requirements. The funds are invested in a mix of cash, fixed interest securities and other interest-bearing securities and are typically liquid within 1 to 30 days. These funds are classified as liquid income funds on the consolidated statement of financial position. Liquid income funds are remeasured to fair value at each reporting date, with any gains or losses from changes in fair value recognised in the profit or loss.

The fair values of interest bearing liabilities materially approximate their respective carrying values as at 31 January 2025.

As at 31 January 2025, the Group had the following financing facilities in place:

## 6.1 Soul Patts

### 6.1.1 Equity finance facilities

As at 31 January 2025, Soul Patts had access to secured financing facilities with a number of financiers.

As security for borrowings under these facilities, Soul Patts transfers ownership of title over certain securities to the finance provider. As Soul Patts retains the risks and benefits of ownership of the transferred investments, including the right to receive dividends, these securities continue to be included as assets on the Group and Soul Patts statements of financial position. Upon repayment of the debt, legal title of the investments is transferred back to Soul Patts.

As at 31 January 2025, Soul Patts had $143.9 million of borrowings under equity finance facilities. During the half year ended 31 January 2025 Soul Patts borrowed $2.6 million and repaid $7.5 million under these facilities. The 31 January 2025 tenor and average cost for borrowings under these facilities was 30 to 200 days and 5.1% p.a.

Capacity to draw further funds under these facilities is not included in the facilities unutilised amounts above; the capacity is a function of the prevailing value of the pool of securities that is eligible to be loaned.

### 6.1.2 Issue of Convertible notes

On 29 August 2024, Soul Patts issued $450 million 2.875% senior unsecured Convertible notes maturing on 29 August 2030 ("2030 Notes"). The 2030 Notes were listed on the Singapore Exchange Securities Trading Limited ("SGX-ST") on 30 August 2024. There has been no movement in the number of these Notes since the issue date.

The initial conversion price of the 2030 Notes is $42.7875 per Ordinary Share, which represents a conversion premium of 25% over the Reference Price of $34.23, and the 2030 Notes carry a coupon of 2.875% per annum, payable semi-annually in arrears on the last day of February and 29 August. The conversion price was adjusted from $42.7875 to $42.1164 as a result of the fully franked final cash dividend paid to shareholders.

The 2030 Notes are convertible at the option of the noteholders into fully paid ordinary shares in Soul Patts or, at the option of Soul Patts, may be cash-settled in accordance with the terms and conditions of the 2030 Notes. As the terms of the 2030 Notes provide the Company with the right to settle any conversion of the Notes in cash, the conversion option is classified as a derivative liability.

The 2030 Notes also include an option for the holder to redeem all or some of such holder's notes on 29 February 2028 (Investor Put Date) at the Redemption amount; being the Principal amount, together with any accrued but unpaid interest up to the redemption date.

As the 2030 Notes entitle the holders to convert the Notes to shares at any time from 9 October 2024, the liability relating to the 2030 Notes is classified as current - although the Company does not expect to settle these Notes within the next 12 months. The net proceeds from the 2030 Notes after deducting all the related costs and expenses, were $440.7 million.

The fair value of the conversion option derivative liability component of the 2030 Notes was determined at the issuance date using the Black-Scholes option pricing model. The nominal value of the 2030 Notes was allocated as follows on initial recognition:

| | 31 January 2025 |
|---|---|
| **2030 Notes: initial recognition of components** | $m |
| Nominal value of convertible notes issued | 450.0 |
| Derivative liability component of the convertible notes[1] | (33.7) |
| Transaction fees[2] | (8.6) |
| Interest bearing liability component | **407.7** |
| | |
| **2030 Notes: subsequent measurement of liability component** | |
| At issuance | 407.7 |
| Interest accrued on convertible notes | 0.5 |
| **At 31 January 2025** | **408.2** |

1 At 31 January 2025, the fair value of the derivative liability was $34.2 million.

2 Transaction costs were proportionately allocated based on the respective fair values of the derivative liability and borrowing liability components of the 2030 Notes, with $8.6 million allocated to the liability component and $0.7 million to the derivative liability component (expensed immediately) on initial recognition.

# Financial Report
Notes to the Financial Statements continued

## 06 Interest bearing liabilities continued

### 6.1.3 Buy-back of 2026 Convertible notes

During the current reporting period, the Company undertook a process to buy-back the unsecured convertible notes that it had issued during January 2021 which were otherwise due in January 2026 ("2026 Notes").

On 29 August 2024, the Company repurchased $223.2 million of the principal amount of the 2026 Notes. The repurchase price was $207,496 per $200,000 principal amount of the 2026 Notes ("Repurchase Price") plus accrued and unpaid interest up to, and including, the settlement date. The total consideration paid on settlement of repurchase of the 2026 Notes was $231.7 million.

The fair value of the liability component of the 2026 Notes was $203.6 million which resulted in a total accounting gain recognised during the current reporting period of $16.7 million before tax. The difference between the value of the consideration attributable to the repurchase of the liability component and the repurchase amount totalling $28.1 million ($19.6 million net of tax) was recorded within equity.

The remaining 2026 notes with a carrying value of $1.8 million were converted to 52,296 ordinary shares.

| | 31 January 2025 $m |
|---|---|
| **2026 Notes** | |
| Liability component | |
| Opening balance | 222.1 |
| Conversion to ordinary shares | (1.8) |
| Gain on extinguishment of 2026 notes | (16.7) |
| Buy-back | (203.6) |
| **At 31 January 2025** | **–** |

### 6.2 Soul Patts Agriculture

Soul Patts Agriculture maintains loan facilities, secured by first ranking mortgages over property and specific pieces of agricultural machinery, water entitlements and water leases, as well as other general security interests. During the half year ended 31 January 2025, Soul Patts Agriculture entered into an additional $40m secured loan facility and amended the expiry date for all loan facilities to be 31 January 2026.

In addition, to finance the purchase of various pieces of agricultural equipment, Soul Patts Agriculture has financing agreements with various financiers. These credit contracts are specific to the agricultural equipment and are secured with a mortgage over the equipment for a term ranging between 35 to 60 months.

| | | | | 31 January 2025 | | | | 31 July 2024 |
|---|---|---|---|---|---|---|---|---|
| | Drawn | Undrawn | Total | Weighted average interest rate | Drawn | Undrawn | Total | Weighted average interest rate |
| | $m | $m | $m | % | $m | $m | $m | % |
| **Soul Patts Agriculture** | | | | | | | | |
| Market rate | 371.9 | 15.0 | 386.9 | 5.8 % | 297.0 | 49.9 | 346.9 | 5.8 % |
| Bank overdraft | – | 2.0 | 2.0 | 5.5 % | – | 2.0 | 2.0 | 6.5 % |
| **Total** | **371.9** | **17.0** | **388.9** | | **297.0** | **51.9** | **348.9** | |
| Agricultural equipment finance facility | 1.6 | – | 1.6 | 2.6 % | 1.9 | – | 1.9 | 2.4 % |

### 6.3 Ampcontrol

As at 31 January 2025 Ampcontrol maintained a syndicated flexible working capital facility, secured by fixed and floating charges over Ampcontrol's assets and subsidiaries. The facility expiry date was 28 June 2025. Subsequent to 31 January 2025, it has been extended and increased to $100 million.  In addition, uncommitted equipment finance facilities of $10.0 million are available.

| | | | | 31 January 2025 | | | | 31 July 2024 |
|---|---|---|---|---|---|---|---|---|
| | Drawn | Undrawn | Total | Weighted average interest rate | Drawn | Undrawn | Total | Weighted average interest rate |
| | $m | $m | $m | % | $m | $m | $m | % |
| **Ampcontrol** | | | | | | | | |
| Cash advance facilities | 18.6 | 4.4 | 23.0 | 5.7 % | – | 23.0 | 23.0 | 5.7 % |
| Bank overdraft | – | 10.0 | 10.0 | 5.4 % | – | 10.0 | 10.0 | 5.4 % |
| Bank guarantees | 18.4 | 3.6 | 22.0 | – | 14.5 | 7.5 | 22.0 | – |
| **Total** | **37.0** | **18.0** | **55.0** | | **14.5** | **40.5** | **55.0** | |
| Uncommitted equipment finance facility | 5.7 | 4.3 | 10.0 | 6.3 % | 5.4 | 4.6 | 10.0 | 6.3 % |

### 6.4 Bank guarantee facilities

The Group had unrestricted access at 31 January 2025 to bank guarantee facilities of $37.0 million (2024: $37.0 million). At 31 January 2025, the Group had drawn down on these facilities by $21.4 million (2024: $17.6 million).

# Financial Report
Notes to the Financial Statements continued

## 07 Fair value estimation

### Fair value hierarchy

The following table represents the Group's assets and liabilities measured and recognised at fair value using a three level hierarchy, based on the degree to which inputs used in fair value measurement are observable.

The valuation techniques and inputs for significant level 3 assets are consistent with those in the previous reporting period.

| As at 31 January 2025 | Level 1 $m | Level 2 $m | Level 3 $m | Total $m |
|---|---|---|---|---|
| **Financial assets/(liabilities) measured at fair value** | | | | |
| Liquid income funds | – | 493.2 | – | 493.2 |
| Trading assets | 500.9 | 29.8 | 13.9 | 544.6 |
| Other financial assets | 479.7 | 175.7 | 356.9 | 1,012.3 |
| Long-term equity investments | 3,380.3 | 90.0 | 162.1 | 3,632.4 |
| Interests in associates | – | – | 87.3 | 87.3 |
| Contingent consideration | – | – | (4.7) | (4.7) |
| Other financial liabilities | – | (63.0) | – | (63.0) |
| **Non-financial assets measured at fair value** | | | | |
| Investment properties | – | – | 23.5 | 23.5 |
| Biological assets | – | – | 19.2 | 19.2 |
| **Assets/(liabilities) for which fair values are disclosed** | | | | |
| Loans receivable at amortised cost | – | – | 930.2 | 930.2 |
| Interest bearing liabilities | – | (944.2) | – | (944.2) |

| As at 31 July 2024 | Level 1 $m | Level 2 $m | Level 3 $m | Total $m |
|---|---|---|---|---|
| **Financial assets/(liabilities) measured at fair value** | | | | |
| Trading assets | 448.5 | 15.9 | 17.9 | 482.3 |
| Other financial assets | 557.4 | 171.8 | 203.3 | 932.5 |
| Long-term equity investments | 3,485.7 | 90.6 | 131.7 | 3,708.0 |
| Interests in associates | – | – | 45.8 | 45.8 |
| Contingent consideration | – | – | (4.4) | (4.4) |
| Other financial liabilities | – | (6.7) | – | (6.7) |
| **Non-financial assets measured at fair value** | | | | |
| Investment properties | – | – | 21.1 | 21.1 |
| Biological assets | – | – | 11.1 | 11.1 |
| **Assets/(liabilities) for which fair values are disclosed** | | | | |
| Loans receivable at amortised cost | – | – | 915.6 | 915.6 |
| Interest bearing liabilities | – | (669.8) | – | (669.8) |

### Fair value measurements using significant unobservable inputs (level 3)

The following table presents the change in level 3 items for the half year ended 31 January 2025:

| | Trading assets $m | Other financial assets $m | Long-term equity investments $m | Interests in associates $m | Investment properties $m | Biological assets $m | Loans receivable at amortised cost $m | Contingent consideration $m |
|---|---|---|---|---|---|---|---|---|
| **Opening balance at 1 August 2024** | **17.9** | **203.3** | **131.7** | **45.8** | **21.1** | **11.1** | **915.6** | **(4.4)** |
| Acquisitions | – | 136.7 | 45.3 | 4.8 | – | – | 126.7 | – |
| Disposals/repayments | – | – | (22.9) | – | – | – | (136.2) | – |
| Change in fair value due to biological transformation | – | – | – | – | – | 20.5 | – | – |
| Transfer to inventory | – | – | – | – | – | (12.4) | – | – |
| Unrealised gain recognised in profit and loss | – | 12.9 | 8.0 | 36.7 | 2.4 | – | 9.5 | – |
| Capitalised interest | – | – | – | – | – | – | 8.4 | (0.3) |
| Gain on contract modification | – | – | – | – | – | – | 6.2 | – |
| Reclassification | (4.0) | 4.0 | – | – | – | – | – | – |
| **Closing balance at 31 January 2025** | **13.9** | **356.9** | **162.1** | **87.3** | **23.5** | **19.2** | **930.2** | **(4.7)** |

## 08 Contingent liabilities

The Group includes subsidiaries that have operations in a range of industries. From time to time and in the ordinary course of business there may be litigation, fines and other regulatory actions. At the reporting date, there are no matters of this nature which are expected to result in a material effect in the financial position of the Group.

## 09 Commitments

| | 31 January 2025 $m | 31 July 2024 $m |
|---|---|---|
| **Capital expenditure contracted for the period but not recognised as liabilities is as follows:** | | |
| Within one year | 23.4 | 30.5 |
| One to five years | 6.0 | 9.3 |
| | **29.4** | **39.8** |
| **Other contracted commitments** | | |
| Investments in Credit Portfolio | 238.4 | 269.1 |
| Investments in Private Equity Portfolio | 56.4 | 83.3 |
| Investments in Emerging Companies | 32.5 | – |
| Investments in Property Portfolio | 13.3 | 24.8 |
| | **340.6** | **377.2** |

## 10 Events after the reporting period

On 19 February 2025, Ampcontrol's current syndicated flexible working capital facility was extended for an additional three years from the amendment date, with the facility limit increased from $55 million to $100 million.

No other events or circumstances have occurred subsequent to the reporting period that have significantly affected, or may significantly affect, the operations of the Soul Patts Group, the results of those operations, or the state of affairs of the Soul Patts Group subsequent reporting periods.

# Directors' Declaration

**The Directors declare that:**

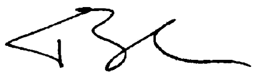
In the opinion of the Directors, the financial statements and notes for the half year ended 31 January 2025, as set out on pages 24 to 39, are in accordance with the *Corporations Act 2001*, including:

- complying with the Australian Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
- giving a true and fair view of the Group's financial position as at 31 January 2025 and of its performance for the half year ended on that date.

In the opinion of the Directors, there are reasonable grounds to believe that Soul Patts will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of Directors made pursuant to section 303(5)(a) of the *Corporations Act 2001*.

**Robert Millner AO**
**Chairman**
20 March 2025



**Todd Barlow**
**Managing Director & CEO**
20 March 2025

# Independent Auditor's Review Report



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## Independent auditor's review report to the members of Washington H. Soul Pattinson and Company Limited

### Conclusion

We have reviewed the accompanying half-year financial report of Washington H. Soul Pattinson and Company Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 31 January 2025, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, explanatory notes and the directors' declaration.

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

a. Giving a true and fair view of the consolidated financial position of the Group as at 31 January 2025 and of its consolidated financial performance for the half-year ended on that date; and

b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

### Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

### Directors' responsibilities for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

### Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 January 2025 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

# Independent Auditor's Review Report continued



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A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Ernst & Young

Ernst & Young

Ryan Fisk

Ryan Fisk
Partner
Sydney
20 March 2025

# Glossary of terms



The below summarises certain terms relating to our business that are made throughout the Half Year Financial Report and defines the performance measures that we use to analyse and discuss our results.

## References

'Soul Patts' or the 'Company' refers to the Parent Entity, Washington H. Soul Pattinson and Company Limited.

'Soul Patts Group' or 'the Group' refers to the Consolidated Entity that is Washington H. Soul Pattinson and Company Limited and its controlled subsidiaries.

Investors in Soul Patts are referred to as shareholders, members or owners.

Holdings is the number of shares held directly and/or indirectly by Soul Patts as a percentage of the total number of shares on issue.

Throughout the Half Year Financial Report, the following subsidiaries, associates, and portfolio investments will be referenced as follows:

### Major subsidiaries

- Ampcontrol: Ampcontrol Limited
- Aquatic Achievers: WHSP Aquatic Achievers Pty Ltd
- Soul Patts Agriculture: WHSP Agriculture Holding Trust
- Pitt Capital: Pitt Capital Partners Limited
- Milton: Milton Corporation Pty Limited (formerly Milton Corporation Limited, acquired 5 October 2021)

### Major associates

- Brickworks: Brickworks Limited
- New Hope: New Hope Corporation Limited
- Tuas: Tuas Limited
- Aeris: Aeris Resources Limited
- Apex: Apex Healthcare Berhad
- Pengana: Pengana Capital Group Limited
- Ironbark: Ironbark Investment Partners Pty Limited

### Portfolio investments

- TPG: TPG Telecom Limited
- Argyle Water Fund: Water Fund managed by Argyle Capital Partners.

# Glossary of terms continued



## Investment Portfolio Financial Information

Investment Portfolio Financial Information represents the results and position of the Company.

## Portfolios

Soul Patts is a diversified investment house that operates within six segments (portfolios), which are based on its investment portfolio allocation, supported by a working capital portfolio.

**Strategic Portfolio**: Significant investments in largely uncorrelated listed companies, generally with board representation.

**Large Caps Portfolio**: Actively managed listed equities generating consistent income and capital growth over the long term.

**Private Equity Portfolio**: Long-term investments in unlisted companies to support their growth.

**Credit Portfolio**: Investments in different types of credit related financial instruments across an investee's capital structure aimed at optimising the portfolio's risk adjusted returns.

**Emerging Companies Portfolio**: Exposure to faster growing companies often benefitting from structural changes and trends in the domestic and global economy.

**Property Portfolio**: Actively managed Australian property investments as well as investments in property development joint ventures.

**Net Working Capital**: Cash, borrowings and other assets and liabilities supporting the funding and operations of the portfolio investing activity and corporate office.

## Performance Measures

Definitions of performance measures, including IFRS and non-IFRS measures, are presented below in alphabetical order. We have specifically identified those measures which are IFRS measures.

**Basic Earnings Per Share (EPS)** is an IFRS measure calculated by dividing the consolidated net profit after tax attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the reporting period excluding treasury shares and excluding shares representing the reciprocal interest with Brickworks.

**Cost** is the amount of consideration (cash or other assets) paid at the time of acquisition, less any impairment or expected credit loss.

**Directors' Fair Value (DFV)** is based on an internal valuation methodology and assumptions approved by the Directors of Soul Patts.

**Diluted Earnings Per Share (DPS)** is an IFRS measure calculated by dividing the consolidated net profit after tax attributable to owners of the Company after adding back the after tax effect of interest and other financing costs associated with dilutive potential ordinary shares, by the weighted average number of ordinary shares that would have been outstanding assuming the conversion of dilutive potential ordinary shares. It excludes treasury shares and shares representing the reciprocal interest with Brickworks.

**External Fair Value (EFV)** is a fair value based on valuations received from a third party. Third parties include, but are not limited to, custodians, investment banks, external investment managers and independent valuers.

**Fair Value (FV)** is defined under IFRS as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. It is inclusive of External Fair Value, Directors' Fair Value, and Market Value.

**Group Statutory Net Profit After Tax (NPAT)** is referring to the IFRS measure, consolidated Net Profit After Tax attributable to the shareholders of Soul Patts.

**Group Regular Net Profit After Tax (NPAT)** is a non-statutory profit measure, also referred to as Underlying NPAT, which represents the consolidated profit after tax attributable to shareholders of Soul Patts, before Non-Regular items.

**Market Value (MV)** is based on the last sales price as quoted on the Australian Securities Exchange or other securities exchanges on the reporting date. These investments are subject to market price fluctuations.

**NAV, or Net Asset Value (pre-tax)**, is the value of all Soul Patts' assets less all liabilities, excluding any capital gains tax payable upon the sale of its assets. Assets may be valued at Cost, Directors' Fair Value, External Fair Value, or Market Value.

**Net Asset Value (post-tax)** is the Net Asset Value (pre-tax) less the estimated capital gains tax liability that would arise if Soul Patts disposed of all of its assets at the pre-tax values adopted.

**Net Cash Flow From Investments (NCFI)** represents the cash flows generated by Soul Patts, as Parent Entity, from its investment portfolio, after deducting corporate costs, income tax, and Non-Regular cash flows. Includes dividends and distributions from investments, interest income and realised gains on assets held for trading. The Directors determine interim and final dividends having regard to Soul Patts' Net Cash Flow From Investments.

**Net Cash Flow From Investments Per Share** is calculated by dividing Net Cash Flow From Investments by the weighted average issued ordinary shares of the Company.

**Net Tangible Assets** is defined in the ASX listing rules as total assets of the Consolidated Entity less all intangible assets and total liabilities ranking ahead of, or equally with claims of the Company's ordinary security.

**Net Tangible Asset backing per ordinary security** is calculated by dividing Net Tangible Assets by: the total issued ordinary shares of the Company excluding treasury shares and excluding shares representing the reciprocal interest with Brickworks.

**Net Working Capital** comprises intersegment/unallocated assets and liabilities (e.g. cash, interest bearing liabilities, etc.).

**Non-Regular** refers to items of income, expense, or cash flow, which by nature are outside the ordinary course of business or are part of ordinary activities but are unusual due to their size (such as disposals of investments in subsidiaries and associates).

**Non-Regular Net Profit After Tax (NPAT)** refers to the sum of Non-Regular items of income and expense, net of applicable tax, attributable to shareholders of Soul Patts.

**Payout Ratio** is the proportion of ordinary dividends that Soul Patts pays to shareholders in relation to its Net Cash Flow From Investments, expressed as a percentage.

**Regular Net Profit After Tax (NPAT)** is a non-statutory profit measure and represents net profit after tax attributable to shareholders of Soul Patts, before Non-Regular Net Profit After Tax. Regular items refer to the core or recurring business activities that are expected to continue into the future and contribute to profit and loss.

**Statutory Net Profit After Tax (NPAT)** is referring to the IFRS measure, Net Profit After Tax attributable to the Members of Soul Patts.

**Total Shareholder Return (TSR) or Total Return** is a performance measure that combines capital appreciation (e.g. market price changes or revaluation) with all income distributed by the investment over the period, excluding the benefit of any franking credits distributed. It is expressed as a percentage by referencing the value of the investment at the beginning of the period.

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