

Appendix 4E

Abacus Group

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

ABN: 31 080 604 619

Annual Financial Report

For the year ended 30 June 2026

Results for announcement to the market

(corresponding period: year ended 30 June 2025)

Total revenues and other income	down	13.1%	to	\$207.1m
Net profit after income tax expense attributable to stapled security holders	down	380.5%	to	(\$75.5m)
Funds from operations ("FFO") ⁽¹⁾	down	1.9%	to	\$81.2m

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

	30 June 2026	30 June 2025
Basic earnings per security (cents)	(8.34)	3.01
Basic funds from operations per security (cents)	9.08	9.26
Distribution per security (cents - including proposed distribution)	8.50	8.50
Weighted average securities on issue (million)	893.7	893.7

Distribution	per stapled security
June 2026 half year	4.25 cents
This distribution was declared on 18 June 2026 and will be paid on 31 August 2026	
Record date for determining entitlement to the distribution	1 July 2026

Refer to the attached announcement for a detailed discussion of the Abacus Group's results and the above figures for the year ended 30 June 2026.

Details of individual and total distribution payments	per stapled security	Total
Half December 2025 distribution	paid 27 February 2026	4.25
		\$38.0m
The distribution was paid in full by Abacus Trust and Abacus Group Holdings Limited with \$8.1m of franking credits attached.		

	30 June 2026	30 June 2025
Net tangible assets per security ⁽²⁾	\$1.59	\$1.72

- (2) Net tangible assets per security excludes external non-controlling interest. On 30 June 2026, Abacus Group sold to Abacus Storage King 100% of the securities in Abacus Storage Funds Management Limited, along with certain other entities acting as trustees of Abacus Storage King sub-trusts.

Distribution Reinvestment Plan (DRP)

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





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ABACUS GROUP HOLDINGS LIMITED
ABN: 31 080 604 619
ABACUS GROUP PROJECTS LIMITED
ABN: 11 104 066 104
ABACUS FUNDS MANAGEMENT LIMITED
ABN: 66 007 415 590

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

COMPANY SECRETARY:
Lucy Spenceley

AUDITOR (FINANCIAL AND COMPLIANCE PLAN):
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DISCLAIMER: It is recommended that this Annual Financial Report should be read in conjunction with the Annual Financial Report of Abacus Trust, Abacus Group Projects Limited and Abacus Income Trust as at 30 June 2026. It is also recommended that the report be considered together with any public announcements made by Abacus Group in accordance with its continuous disclosure obligations arising under the *Corporations Act 2001*.

DIRECTORS' REPORT

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The Directors of Abacus Group Holdings Limited ("AGHL"), Abacus Funds Management Limited ("AFML") – the Responsible Entity of Abacus Trust ("AT") and Abacus Income Trust ("AIT"), and Abacus Group Projects Limited ("AGPL") present their report for the year ended 30 June 2026.

PRINCIPAL ACTIVITIES AND STRUCTURE

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

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

Listed Structure / Entities

The listed Abacus Group is a diversified property group that operates predominantly in Australia. It comprises AGHL, AT, AIT and AGPL (collectively "Abacus" or "the Group") and its securities trade on the Australian Securities Exchange ("ASX") as ABG. Abacus was listed on the ASX in November 2002 and its market capitalisation was over \$1.0 billion at 30 June 2026. Abacus Group is included in the S&P/ASX 300 A-REIT index (ASX:XPK), a sub-index of the S&P/ASX 300 index that contains the listed vehicles classified as A-REITs.

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

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

Abacus Group Consolidation

AGHL ("the company") has been identified as the parent entity of the Group. The financial report of the Group for the year ended 30 June 2026 comprises the consolidated financial reports of AGHL and its controlled entities, AT and its controlled entities, AIT and its controlled entities, and AGPL and its controlled entities.



OPERATING AND FINANCIAL REVIEW

GROUP OVERVIEW

Abacus Group is currently positioned as a pure-play Commercial REIT, focused on owning and actively managing predominately A-grade Office assets and Retail holdings across Australia's eastern seaboard markets. Abacus Group completed a transformational de-staple in FY24, taking effect on 3 August 2023 to create a standalone Self Storage REIT, Abacus Storage King (ASX:ASK) ('ASK'), renamed Storage King Group on 6 July 2026 (ASX:SKG) ('SKG'). Post de-staple, Abacus Group was the manager of ASK and remained invested with a strategic stake of 19.8% of ASK. On 18 May 2026, Abacus Group announced it had entered into binding transaction documentation with ASK to internalise ASK's management functions (the 'Internalisation'), through the sale of 100% of the shares in Abacus Storage Funds Management Limited ('ASFML'), the responsible entity holding the ASK management rights.

The Internalisation completed on 30 June 2026, terminating the existing management agreements between the Group and ASK and transferring the relevant ASK-focused employees to ASK. Following completion, the Group no longer manages ASK or earns investment and development management fees from it, has no Board representation, and the Group's remaining c.19.7% security holding in ASK is now held as a financial asset measured at fair value, rather than as an equity accounted investment.

ABG's strategic priorities are now centred on three clear areas: simplifying the business model, strengthening the platform and positioning the Group for sustainable growth.



DIRECTORS' REPORT

30 JUNE 2026



GROUP OVERVIEW (continued)

ABG remains focused on owning and actively managing high quality commercial real estate investments and creating long-term value for securityholders. We remain confident that the Group is positioned to leverage our key enablers, being:

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

The Board monitors a range of financial information and operating performance indicators to measure performance over time. Funds from operations ("FFO") is the key measure that Abacus Group uses to monitor the financial success of its overall strategy. We expect delivery of our strategy to drive value creation through active asset management, disciplined capital allocation and a focused approach to investing in our selected markets.

The Group's near-term priorities are to continue disciplined non-core asset sales, capital recycling to optimise portfolio mix, reducing gearing, improving free cash flow and resetting to a sustainable payout ratio. This may provide Abacus Group opportunities to acquire core Office assets with medium to long term growth prospects. Despite the challenging economic conditions, we believe our Commercial Office portfolio remains robust, given that the majority of the Group's investments:

- Are well located in CBD or suburban locations with low and often below market average rent levels;
- Have limited exposure to multi-floor tenants; and
- Focus on the responsible and sustainable evolution of core business practices.

GROUP RESULT SUMMARY

While elevated interest rates and evolving macroeconomic conditions continued to create uncertainty across the Commercial Real Estate sector, Abacus Group's portfolio of quality assets delivered a resilient performance in FY26. The Group's Commercial portfolio maintained strong occupancy of 91.2% (2025: 92.1%), reflecting the quality of its assets and predominately Eastern Seaboard locations. Against this backdrop, we remain disciplined in our capital allocation, directing investment towards opportunities with the potential to enhance income growth, improve total returns and create long-term value.

	2026	2025
Revenue (\$ million)	167.0	176.3
Total income (\$ million)	207.1	238.2
Statutory net profit/(loss) (\$ million)	(74.5)	26.9
Funds from operations (\$ million)	81.2	82.7
Funds from operations per security (cents)	9.08	9.26
Underlying EBIT (\$ million)	130.7	133.7
Underlying EBIT per security (cents)	14.63	14.96
Distributions per security (cents)	8.50	8.50
Interest cover ratio	2.7x	2.5x
Weighted average securities on issue (million)	893.7	893.7

DIRECTORS' REPORT

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GROUP RESULT SUMMARY (continued)

The Group earned a statutory net loss after tax of \$74.5 million for the year ended 30 June 2026 (2025: \$26.9 million profit). This profit has been calculated in accordance with Australian Accounting Standards. The decrease in the Group's statutory net profit compared to the prior period was principally due to:

- a loss on change in classification of the ASK investment from equity accounted to fair value through profit or loss of \$122.1 million;
- a decrease in the share of profit from equity accounted investments from \$74.6 million in 2025 to \$26.6 million in 2026, primarily driven by underlying property revaluations from the ASK investment; offset by
- a decrease in the fair value loss of the Commercial investment property portfolio from \$72.2 million in 2025 to \$16.7 million in 2026, with capitalisation rates contracting 7bps to 6.70%.

Abacus Group's portfolio remained resilient despite challenging conditions for Office assets, recording an FFO decline of 1.9% and a full year distribution per security, in line with guidance, of 8.50cps (2025: 8.50cps).

4.25cps is due to be paid on or around 31 August 2026.

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

FFO has been determined with reference to the Property Council of Australia's voluntary disclosure guidelines to help investors and analysts compare Australian real estate organisations. FFO is calculated by adding back the following to statutory net profit after tax:

- Tenant incentive amortisation
- Depreciation on owner occupied property, plant & equipment (PP&E)
- Change in fair value of investment properties derecognised
- Restructuring costs
- Unrealised fair value gains / losses on investment properties
- Adjustments arising from the effect of revaluing assets / liabilities carried at fair value (such as derivatives, financial instruments and investments)
- Other non-recurring adjustments deemed significant on account of their nature and non-FFO tax benefit/expense. All adjusted items have their relevant tax impact adjusted.

DIRECTORS' REPORT

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GROUP RESULT SUMMARY (continued)

The reconciliation between the Group's statutory profit and FFO is as follows:

	2026 \$'000	2025 \$'000
Consolidated statutory net profit / (loss) after tax attributable to continuing operations	(74,495)	26,910
Adjust for:		
Net change in fair value of investment properties derecognised	-	(40)
Net change in fair value of investment properties held at balance date	16,712	72,173
Net change in fair value of investments and financial instruments held at balance date	725	330
Net change on remeasurement of investments held at balance date	122,069	-
Net change in fair value of investment properties included in equity accounted investments	(7,670)	(54,481)
Depreciation and amortisation	129	150
Net change in fair value of derivatives	(11,710)	13,895
Amortisation of rent abatement incentives	17,534	16,817
Amortisation of other tenant incentives	5,033	3,980
Impairment charges	13,394	-
Straightline of rental income	247	1,254
Finance costs and other	3,529	(3,994)
Net tax expense on non-FFO items	(4,337)	5,735
Abacus funds from operations ("FFO")	81,160	82,729

	2026	2025
Basic earnings per security (cents)	(8.34)	3.01
FFO per security (cents)	9.08	9.26
Distribution per security (cents - including proposed distribution)	8.50	8.50
Weighted average securities on issue (million)	893.7	893.7

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

Capital Management and Allocation

Abacus maintained a solid capital position during FY26, supported by active treasury management and ongoing cost discipline. As at 30 June 2026 gearing of 36.2% (FY25: 34.5%) is within the Group's target range of up to 40%. ABG's interest coverage ratio of 2.7x increased from 2.5x in FY25 and the debt term to maturity declined slightly to 3.2 years (FY25: 3.3 years).

The Group further strengthened its debt profile during the year, successfully extending the tenor of its syndicated banking facilities by an average of 0.9 years, as well as receiving a small reduction in margin. While weighted average debt term to maturity was 3.2 years at 30 June 2026 (FY25: 3.3 years), ABG has no bank debt maturing in FY27, with debt maturing from FY28 onwards. This further supports the Group's financial flexibility.



ASK INTERNALISATION

On 18 May 2026, the Group announced that it had entered into a binding transaction documentation with ASK to internalise ASK's management functions, following a process overseen by an Independent Board Committee comprising the Group's independent directors. Under the Share Sale and Purchase Agreement, the Group sold 100% of the shares in ASFML, the responsible entity holding the ASK management rights, and certain dormant subsidiaries, to a stapled entity of ASK. The transaction completed on 30 June 2026, with the transfer of ASK-focused employees, the termination of the Group's management agreements with ASK, and the cessation of management fee income from ASK all taking effect from that date (other than in respect of one employee who transfers on 31 August 2026). The Abacus name and logo will be removed from the Storage King business following implementation, subject to transitional arrangements.

Total consideration for the Internalisation was \$23.2 million, comprising the net assets of ASFML of \$5.0 million, plus a headline premium of \$19.0 million, less \$0.8 million in respect of employee entitlement liabilities assumed by ASK on transfer of the relevant employees. Net proceeds from the transaction have been used to repay Group debt. The disposal, and the cessation of the management arrangement, gave rise to a number of consequential accounting impacts for the Group, which are summarised below and further explained in the notes to the financial statements.

- **Goodwill impairment:** upon the sale of ASFML the historical \$32.4 million goodwill balance was allocated between ASFML and the remaining cash-generating unit, on the basis of the relative value of ASFML to the cash-generating unit as a whole. \$19.0 million was allocated to ASFML, and has been presented net against the sale, reflecting the combined financial effect of the disposal transaction. The cessation of the ASK management arrangement reduced the forecast cash flows of the property and asset management cash-generating unit to which the Group's remaining goodwill was allocated, resulting in the full impairment of that goodwill balance. \$13.4 million of goodwill impairment is therefore recognised as an expense in the statement of profit or loss. Following this impairment, the Group's goodwill balance has reduced to nil.
- **Reclassification of the ASK investment:** as a result of the Internalisation, and the resignation of the Group's nominee, Steven Sewell, from the ASK Board on 30 June 2026, the Group ceased to have significant influence over ASK. Accordingly, the Group's c.19.7% holding in ASK was reclassified from an equity accounted associate to a financial asset measured at fair value through profit or loss, with reference to the quoted market price of ASK securities (a Level 1 input) at 30 June 2026. This reclassification resulted in a loss of \$122.1 million being recognised in profit or loss, including the reclassification of the Foreign Currency Translation Reserve balance relating to ASK from reserves to profit or loss. The investment continues to be held following completion, with future movements in fair value recognised through profit or loss. Historically, the Group recognised its proportionate share of ASK's earnings through equity accounted income. Following the Internalisation, ABG will no longer recognise a share of ASK earnings, with future returns from its investment expected to be reflected through distributions received from ASK.
- **Long-term incentives:** employees transferring to ASK are treated as good leavers under the terms of the Group's long-term incentive plans, resulting in a change in estimate to their expected vesting period and an acceleration of \$1.1 million of expense, recognised within Administrative and other expenses for the year ended 30 June 2026.

DIRECTORS' REPORT

30 JUNE 2026



ASK INTERNALISATION (continued)

Following the Internalisation, the Group will no longer earn investment and development management fees from ASK, a recurring revenue stream which contributed \$19.3 million in FY26. This is expected to be partly offset by annualised cost savings of approximately \$8.4 million, primarily associated with the transfer of ASK-focused employees to ASK, as the Group continues to rebalance its cost base. The Group has agreed to provide certain transitional services to ASK for a period of 6 months following implementation (which may be extended for an additional three months), on a cost recovery basis, with ASK providing certain reverse transitional services over the same period, also on a cost recovery basis.

The Internalisation was conducted on arm's length terms, supported by an independent expert opinion obtained by the Group, and accordingly did not require securityholder approval under Chapter 2E of the Corporations Act 2001 (Cth) or the ASX Listing Rules. Following the Internalisation, the Group will pursue with added focus its long-term strategy of creating value for securityholders through the identification, ownership and management of high quality commercial real estate investments, and will consider a range of strategic options to optimise its portfolio and capital structure.

KEY SEGMENT RESULTS SUMMARY

Commercial

The Commercial portfolio consists of 17 assets (FY25: 18 assets) and had a total value of \$2.1 billion at year end (FY25: \$2.1 billion). The Commercial portfolio comprises 13 Office assets (FY25: 14 assets), 2 Retail assets (FY25: two assets) and two greenfield assets (FY25: two assets).

The Commercial portfolio has a stable income growth profile, supported by high occupancy of 91.2% and a diversified lease profile of 3.9 years.

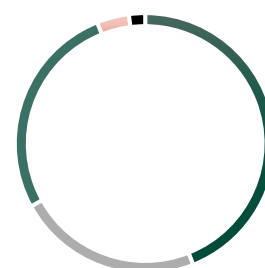
Key Commercial Metrics

	FY26	FY25
Portfolio Value (\$ million)	\$2,116.9	\$2,128.8
Number of assets	17	18
Occupancy ¹ (% by area)	91.2%	92.1%
WALE ¹	3.9 years	4.0 years
WACR ²	6.68%	6.74%

1. Excludes development affected assets

2. WACR: Weighted Average Capitalisation Rate

Portfolio geographic diversification



■ NSW 44% ■ QLD 23% ■ VIC 27%
■ SA 4% ■ ACT 2%

Office

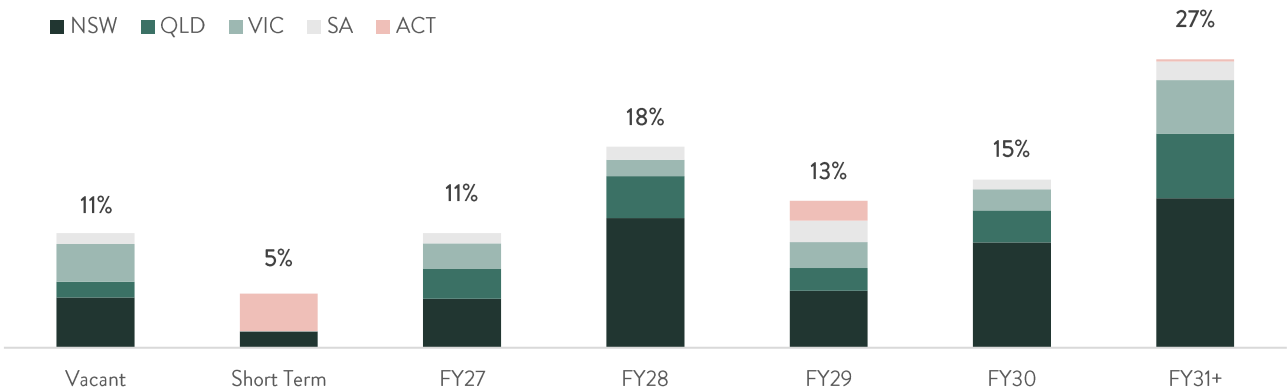
Abacus Group delivered solid Office income in FY26, underpinned by a high-quality Commercial Portfolio and disciplined asset management. Portfolio occupancy remained solid at 89.2%, supported by 71 leasing transactions and over 46,000sqm of space leased.

Leasing activity remained competitive, with average incentives at 33%, skewed higher for new deals of 35% compared to renewals of 25%. Average net face rent increased 3.2% on FY25 to \$836psm for Sydney and Melbourne assets, with CBD assets achieving a premium of \$1,037psm, reflecting the strength of Abacus Group's positioning in core markets.



KEY SEGMENT RESULTS SUMMARY (continued)

Office Lease Expiry



Retail

The Group's Retail portfolio continued to perform well in FY26, with occupancy holding firm at 97.4% and average rent reviews delivering growth of 3.6%. The portfolio's weighted average capitalisation rate (WACR) contracted by 21 basis points over the period to 6.25%, reflecting the quality of the assets and sustained tenant demand.

Commercial Valuations

The investment property portfolio's overall weighted average capitalisation rate contracted 7 basis points from 6.77% in FY25 to 6.70% in FY26. The Commercial portfolio (excluding equity accounted properties) was valued at \$1.8 billion at 2026 year-end (FY25: \$1.8 billion) across 15 assets (FY25: 15 assets).

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

Storage

Abacus Group's 19.7% equity interest in Abacus Storage King (ASK) delivered a FY26 FFO of \$82.1 million, down 3.4% on FY25, and a distribution of 6.20 cents per security, in line with guidance. ASK's scalable platform. ASK's RevPAM rose 0.7% to \$341psm, or +2.7% excluding the impact of New Zealand.

Following completion of the Internalisation on 30 June 2026, the Group ceased to manage ASK and no longer earns investment or development management fees from it. The Group's remaining interest in ASK ceased to be equity accounted from that date and is now recognised as a financial asset measured at fair value, with movements in fair value recognised through profit or loss in future periods (refer to "ASK Internalisation" above).

DIRECTORS' REPORT

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SUSTAINABILITY PERFORMANCE

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

Key achievements include:

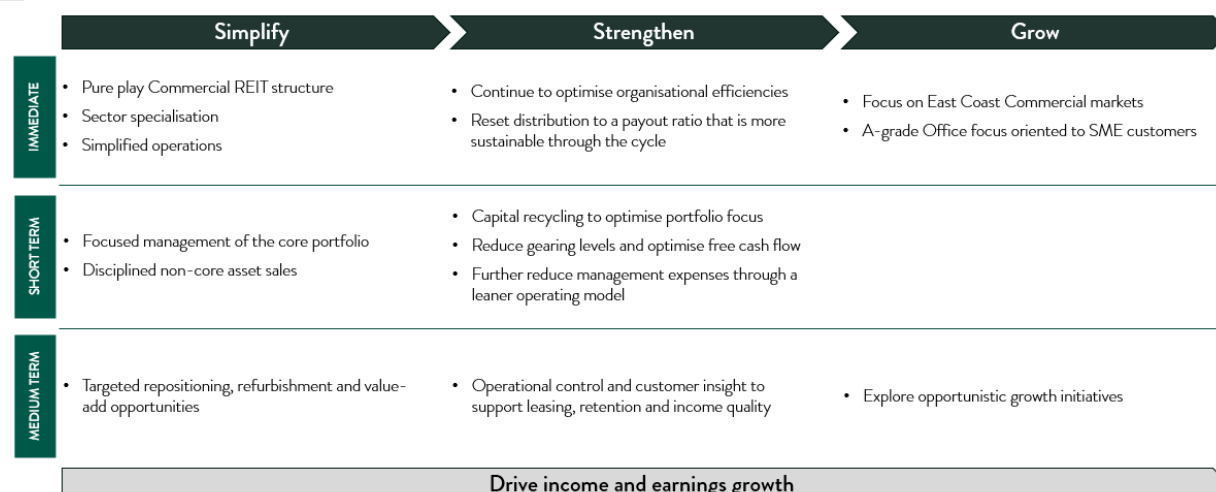
- A 79 % reduction in emissions intensity compared to our FY19 baseline, reflecting our ongoing commitment to net zero 2030 (scope 1 & 2)
- 100% of Office buildings (operational control) have transitioned to renewable electricity sources from 1 January 2026
- Achieved a Net Promoter Score (NPS) from our customers of +35, an eight point increase on FY25, highlighting strong customer engagement and satisfaction
- Achieved an employee engagement score of 74%, and we have and continue to focus on improving employee engagement

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

FUTURE PROSPECTS

ABG enters FY27 as a focused Commercial REIT with strategic priorities centred on simplifying the business model, strengthening the platform and positioning the Group for sustainable growth. Following completion of the Internalisation, the Board has set out a strategic framework of immediate, short term and medium term priorities to guide the Group's focus, underpinned by disciplined execution to drive sustainable earnings growth and maximise income yield:

ABG also retains more than \$150 million of funding capacity, providing flexibility to execute on its capital management and portfolio optimisation initiatives. Abacus Group's forecast level of gearing and liquidity will enable it to pursue its strategy and to take advantage of any short-term volatility in the market, which is anticipated in this fluctuating macro-economic environment.





RISK MANAGEMENT

Abacus has a Business Risk Management Policy which provides a framework to identify, assess, monitor, and manage material risks to its operations, which was most recently reviewed in June 2026. The Business Risk Management Policy is based on ISO 31000:2018 Risk Management Guidelines, an internationally recognised set of principles for managing risks in organisations.

Risk Category	Description of Risk	Potential Impact	Mitigation Strategies
Strategic	Macroeconomic Environment	Pressure on asset valuations, operating costs, customer demand and consumption levels	- Disciplined approach to capital management - Diversification of property locations across Australia - Robust annual budgeting process
	Consumer and Working Behaviour and Competition	Potential lower demand for Office space, reduce effective rental levels through higher tenant incentives and higher costs of Office fit outs.	- Continuous engagement with customers and tenants to understand their needs - Monitoring performance and requirements for building and tenancy enhancements
Operational	Health, Safety and Wellbeing of our Employees, Suppliers, Customers and Tenants	Harm to people, reputational damage, criminal penalties and costs and efforts to remediate	- Culture of promoting the importance of health, safety and wellbeing - Delivery and oversight of the Abacus Work, Health and Safety Management System - Health and safety matters are monitored by the Audit and Risk Committee
	Asset quality and maintenance	Poor functioning of assets, financial penalties for non-compliance	- Professional asset, property and facility managers - Ongoing programme of capital expenditure upgrades
	Natural disasters (floods, bushfires, earthquakes) and climate change	Property damage, service disruption, repair costs, higher operating costs	- Geographic diversification - Insurance coverage - Property upgrades and resilience planning
	Cybersecurity and data privacy threats	Data breach, operational disruption, reputational damage	- Investment in cybersecurity infrastructure - Staff training and awareness - Incident response testing and planning. - Insurance cover

DIRECTORS' REPORT

30 JUNE 2026



RISK MANAGEMENT (continued)

Risk Category	Description of Risk	Potential Impact	Mitigation Strategies
Financial	Rising interest rates	Increased borrowing costs, lower valuations	- Interest rate hedging - Balance sheet discipline
	Restricted access to capital markets	Inability to fund growth or refinance debt	- Maintain strong credit rating - Diversify funding sources - Conservative gearing
Regulatory & Legal	Non-compliance with regulations	Fines, litigation, reputational harm	- Regular compliance reviews - Legal counsel oversight - Staff compliance training
	Litigation exposure	Financial liability, reputational risk	- Insurance coverage - Dispute resolution frameworks - Legal risk monitoring

DIRECTORS AND SECRETARY

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

Mark Haberlin BSc (Eng) Hons Chair (non-executive)

Mark is a Non-Executive Director and has significant expertise in fields that cover accounting and audit, capital transactions, mergers and acquisitions and risk management in the real estate and financial services sectors. Mark was a partner at PwC for 24 years where he developed key accounting and audit experience. Mark was a member of the PwC Governance Board and completed his last two years as Chair and was previously a Non-Executive Director of LayBuy Holdings Limited. Mark has been a Non-Executive Director of ASX listed Australian Clinical Labs since April 2021.

Mark is a member of the Audit & Risk Committee and People Performance and Nomination Committee.

Tenure: 7 years 7 months

Steven Sewell BSc Managing Director

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

Tenure: 8 years 2 months

DIRECTORS' REPORT

30 JUNE 2026



DIRECTORS AND SECRETARY (continued)

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

Trent is a Non-Executive Director and has over 30 years of experience in the real estate and funds management industry, with the last 13 years as Head of Real Estate for Challenger Limited. His experience includes direct and wholesale property roles at Colonial First State Property and Lendlease. Trent is also a Non-Executive Director of Landcom.

Trent is Chair of the People Performance and Nomination Committee and a member of the Audit and Risk Committee.

Tenure: 6 years 9 months

Philip Lewis FRICS – commenced 30 June, 2026

Philip based in London, has been at Ki Corporation since May 2010 and heads the Group's property investment division. Ki Corporation is a significant securityholder in ABG and has a substantial portfolio of real estate investments in Australia, the United Kingdom and United States. He brings extensive experience in property investment, development and listed company leadership to the Board, having previously served as CEO of Milner Estates PLC, Executive Chairman of Safestore Self Storage plc and a wide range of non-executive roles in property related businesses. Philip is currently Non-Executive Chairman of Smeg UK Ltd, Senior Independent Non-Executive Director of Platform 4 Ltd, Network Rail's property development company and Chairs their Board Investment Committee and previously spent 11 years on the Board of the London Legacy Development Corporation, the body responsible for the development of the Olympic Park following the 2012 Olympic Games. He is a Fellow of the Royal Institution of Chartered Surveyors. Philip commenced as a board member on 30 June 2026.

Jingmin Qian CFA, BEc, MBA, FAICD

Jingmin is a Non-Executive Director and has significant expertise in the property, infrastructure and investment sectors as well as rich experience in Asia. Jingmin previously worked at L.E.K. Consulting, Boral Limited and Leighton Holdings, with a broad range of commercial responsibilities covering strategy, planning, investment review, mergers and acquisitions, operational improvement and Asia expansion. Jingmin has served as a member of the business liaison program of the Reserve Bank of Australia. Jingmin is the Independent Chair of the trustee board of HMC Capital Partners Fund, a member of Macquarie University Council, a director of the CFA Society Australia, and Jing Meridian. Jingmin was formerly a non-executive director of IPH Limited and National Vice President of the Australia China Business Council. Jingmin is a member of Chief Executive Women.

Jingmin is Chair of the of the Audit and Risk Committee and a member of the People Performance and Nomination Committee.

Tenure: 9 years

Myra Salkinder MBA, BA (Resigned 30 June 2026)

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

Myra was Chair of the Board and a member of the Sustainability and WHS Committee.

DIRECTORS' REPORT

30 JUNE 2026



DIRECTORS AND SECRETARY (continued)

Lucy Spenceley BA (Hons) AGIA Company Secretary

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

Directors' Meetings

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

	Board		Audit & Risk Committee		People, Performance & Nomination Committee		Sustainability & WHS Committee*		Independent Board Committee	
	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended
M Salkinder	10	10	-	-	-	-	4	4	-	-
T Alston	11	11	4	4	4	4	4	4	10	10
M Haberlin	11	11	4	4	4	4	-	-	10	10
J Qian	11	11	4	4	4	4	4	4	10	10
S Sewell	11	11	-	-	-	-	-	-	-	-

* As of 30 June 2026 the Sustainability & WHS Committee was retired

Indemnification and Insurance of Directors and Officers

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

Indemnification of Auditors

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

SIGNIFICANT EVENTS AFTER BALANCE DATE

On 23 June 2026, the Group announced the appointment of Lawrence Wong as Chief Financial Officer. Mr Wong commenced with the Group on 17 August 2026 and assumes the CFO role on 1 September 2026. Departing CFO Evan Goodridge, who transfers to ASK as part of the Internalisation, will ensure a smooth transition and handover.

Other than the matters noted above and elsewhere in this report, no other matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.



REMUNERATION REPORT

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

On behalf of the People, Performance and Nomination Committee and the Board, I am pleased to present the Remuneration Report for FY26.

The report summarises Abacus' performance and remuneration outcomes for FY26, the executive remuneration framework, and changes to FY26 executive and non-executive remuneration.

FY26 Performance

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

The Funds from Operations profit result in FY26 was \$81.2m, a decrease of 1.9% on the prior year's performance from continuing operations.

Beyond the FFO result, the Group delivered a resilient operating performance across its Commercial portfolio in a year marked by significant corporate change.

A statutory net loss of \$74.5 million was recorded, driven by the non-cash impact of reclassifying the Group's investment in Storage King Group ('SKG')¹, formerly known as Abacus Storage King ('ASK') from an equity accounted investment to an investment held at fair value following its internalisation.

The Internalisation was the culmination of a multi-year strategy that now repositions Abacus Group as a focused Commercial REIT from FY27.

Distributions of 8.50 cents per security were maintained in line with FY25, at a payout ratio of 93.6% of FFO, while gearing of 36.1% remained within the Group's target range of up to 40%.

The weighted average capitalisation rate contracted a further 7 basis points to 6.70%, reflecting improving fundamentals across the portfolio.

FY26 Remuneration

The Board considered financial and non-financial performance both in the context of the 2026 financial year and over a multi-year period when determining incentive outcomes.

STI awards for Executive KMP correlated with annual performance outcomes against expectations, with payments averaging 40.04% of maximum STI. 25% of Executive KMP STI is deferred for a further 12 months. Further details on the STI Plan can be found on page 23.

The following LTI grants will vest in August 2026 for the MD and certain other Executive KMP participants:

- The FY23 LTI grant will vest at 33.6% of maximum based on combined EBIT CAGR and Relative TSR for Abacus Group and Abacus Storage King.
- The FY24 LTI grant will vest at 37.5% of maximum based on Abacus Group EBIT CAGR and Relative TSR.
- The FY24 LTI grant related to Abacus Storage King Relative TSR will vest at 77.3%.

¹ Abacus Storage King ('ASK') was renamed Storage King Group (SKG) on 6 July 2026



REMUNERATION REPORT

Internalisation

In May 2026, Abacus Group announced to the market, that Abacus Group and Abacus Storage King entered into a binding Share Sale Agreement and Co-operation Services Agreement to effect the Internalisation, which involved the termination of the existing management agreements with ASK, the sale of 100% of the securities in ASK's responsible entity (AFSML) to ASK, and the transfer of key ASK focused employees to ASK. Nikki Lawson has transitioned to ASK as Managing Director on 1 July 2026 and Evan Goodridge as Chief Financial Officer will transfer with effect from 1 September. Nikki and Evan have both been part of a strong team that has been instrumental in growing ASK to where it is today.

As part of the transaction, the two departing employees were treated as "good leavers" under the Group's incentive plans, meaning their outstanding awards will not lapse or be forfeited as a result of the transaction and will instead continue to vest and be assessed on the same basis as other employees holding the same type of award.

KMP Changes

Abacus Group is pleased to announce the appointment of Lawrence Wong as Chief Financial Officer effective 17 August 2026. Departing CFO Evan Goodridge, will ensure a smooth transition and hand over to Lawrence.

Our long serving Chair of the Board, Myra Salkinder has stepped down, effective 30 June 2026. Myra joined the Board in 2011 and was appointed Chair of the Board in 2019. During her time at Abacus, Myra oversaw the strategic evolution of the Group into a focused annuity style asset backed business model, including the concentration of investments into the Commercial and Self Storage sectors that ultimately culminated in the destapling and separate ASX listing of Abacus Storage King. The Board would like to thank Myra for her significant contribution and dedication to the Group throughout her tenure.

Upon Myra's planned retirement effective close of business 30 June 2026, the Board has resolved to make the following appointments:

- Mark Haberlin, a Non-Executive director since 2018 and currently Lead Independent Director as Independent Chair of the Board; and
- Mr Philip Lewis as a Non-Independent Non-Executive Director.

Looking Ahead

Abacus Group will pursue with added focus its long-term strategy of creating value for securityholders through the identification, ownership and management of high quality commercial real estate investments. The Internalisation also provided an opportunity for Abacus Group to consider a range of strategic options to optimise its portfolio and capital structure, enhancing Abacus's ability to identify and execute on future growth opportunities and deliver long-term value for securityholders.

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

Trent Alston

Chair – People, Performance and Nomination Committee (PPNC)

DIRECTORS' REPORT

30 JUNE 2026



REMUNERATION REPORT

The Board presents the FY26 Remuneration Report for Abacus in accordance with the *Corporations Act 2001* and its regulations, which has been audited by EY. This report outlines the key remuneration policies and practices for the year ended 30 June 2026.

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

This remuneration report is set out under the following headings:

SECTION	CONTENTS	PAGE
1.	Who is covered in this report - KMP	18
2.	FY26 Performance Outcomes	19
3.	FY26: How did we perform?	21
4.	Executive KMP remuneration	23
5.	Remuneration governance and framework	27
6.	Non-Executive Director remuneration	41
7.	Additional required disclosures	45

1. WHO IS COVERED IN THIS REPORT – KMP

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

NAME	ROLE	TERM AS KMP
Non-Executive Directors (NED)²		
³ Myra Salkinder	Chair of the Board	Full Year
Trent Alston	Non-Executive Director	Full year
Mark Haberlin	Non-Executive Director	Full Year
Jingmin Qian	Non-Executive Director	Full Year
Executive KMP		
Steven Sewell	Managing Director (MD)	Full Year
Kevin George	Group General Manager (GGM), Commercial & Fund Manager ABG	Full Year
⁴ Evan Goodridge	Chief Financial Officer (CFO)	Full Year
⁵ Nikki Lawson	Group General Manager (GGM), Self Storage & Fund Manager ASK	Full Year
Gavin Lechem	Chief Investment Officer (CIO) and General Counsel	Full Year

² Philip Lewis was appointed 30 June 2026.

³ Myra Salkinder has ceased as Chair of the Abacus Group Board 30 June 2026.

⁴ Evan Goodridge will cease as KMP and CFO 31 August 2026.

⁵ Nikki Lawson has ceased as KMP and Group General Manager (GGM), Self Storage & Fund Manager ASK 30 June 2026.



REMUNERATION REPORT

2. FY26 PERFORMANCE OUTCOMES

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

Our Remuneration Principles and Abacus Values

Our people are key to our success, providing a wealth of market insight, industry experience and strategic partnering that enables our growth and evolution. The more we nurture and invest in our people, the more we achieve. The Abacus Performance and Reward strategy is guided by the following principles:

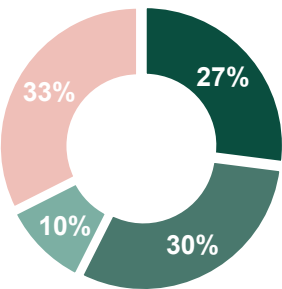
 Reward	Reward and promote the results and behaviours consistent with the Abacus purpose, objectives, and values.		
 Balance	Balanced between financial performance, strategic priorities, and continued focus on increasing engagement of our people.		
 Alignment	Alignment of interests to stakeholders to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

Maximum Remuneration Mix

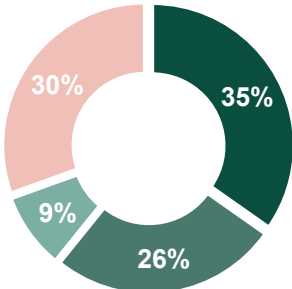
Abacus strives to structure the balance between fixed and variable (at risk) remuneration so that a substantial portion of the variable reward is performance-based and at risk. This approach aligns with the Board's strategic vision for Abacus within the A-REIT industry.

The graph below illustrates the relative proportions of each component in the executive remuneration framework for the Managing Director and other Executive Key Management Personnel (KMP) at Abacus for FY26, expressed as a percentage of the total maximum opportunity.

Managing Director



Other Executives





REMUNERATION REPORT

FY26 Components of Remuneration – Purpose, link to performance and outcomes

PURPOSE	LINK TO PERFORMANCE	FY26 OUTCOMES
Fixed Remuneration (FR)		
To attract, engage and retain individuals with capability, diversity of thought and experience to continue delivering on our strategy.	Appropriately compensating our employees so that we remain competitive. Changes to FR are linked to a combination of the responsibilities and complexities of the role, incumbent skills and experience, and market rates informed by benchmarking. To align the interests of the Board with securityholders, the MD is required to maintain a minimum holding of securities equivalent to 100% of his fixed remuneration. Executive KMP are required to maintain a minimum holding of securities that is equivalent to 50% of their fixed remuneration.	There were no remuneration changes for Executive KMP in FY26.
Short Term Incentive (STI)		
To focus performance on key annual financial and non-financial KPIs, including FFO profit. A deferred STI was introduced to aid retention, align with securityholders' interests, and provide for a "consequence management" governance mechanism for misconduct, fraud, malfeasance, or financial misstatement.	The following factors are among those considered by the Board in making its assessment on the achievement of the annual STI opportunity: - Financial performance. - Strategic objectives. - Environment, Social and Governance objectives. The value of STI awards offered in FY26 was up to a maximum of 150% of FR for the MD, and 100% for the remaining Executive KMP. STI for Executive KMP is delivered through 75% in cash and 25% deferred in the form of rights to securities, which have a deferral period of 12 months.	The STI outcome in FY26 was 35.0% of maximum for the MD. The average STI outcome for other Executive KMP in FY26 was 41.7% of maximum. As a result of the internalisation of the business during FY26, the Board determined that STI deferral would not apply to Evan Goodridge and Nikki Lawson. This determination reflected the timing of the internalisation and the consequent changes to remuneration structures and incentive participation. The Board considers this outcome to be appropriate in the context of the transition.



REMUNERATION REPORT

PURPOSE	LINK TO PERFORMANCE	FY26 OUTCOMES
Long Term Incentive (LTI)		
The LTI Plan is aimed at attracting, rewarding, and retaining high performing Executives and other nominated participants for delivering sustained long term growth and aligning them with securityholder interests.	LTI granted are in the form of performance rights. Performance rights are subject to three independent performance conditions: - EBIT per security CAGR Abacus Group - Relative TSR Abacus Group (ABG) - Relative TSR Abacus Storage King (ASK) 50% of the performance rights are tested on the third anniversary of the grant date and 50% on the fourth anniversary of the grant date. The maximum LTI opportunity in FY26 was 120% of FR for the MD, 100% of FR for the CFO and the CIO, and 75% of FR for the Group General Managers.	For LTI grants that were tested based on performance requirements to 30 June 2026, the vesting outcomes in August 2026 will be as follows⁶: - FY23 LTI grant: 33.6% of maximum. - FY24 LTI Grant was 37.5% of maximum. - FY24 LTI Grant – ASK Cash settled – 77.3% of maximum. - FY25 LTI Grant⁷ was 32.6%. (see Section 5 for more information).

3. FY26: HOW DID WE PERFORM?

One of the key principles of the Group's remuneration framework is the alignment of interests to securityholders to focus on long term sustainable value creation. This section provides a summary of both FY26 performance and the Company's five year financial performance outcomes.

Abacus' FY26 FFO result was \$81.2m. During the period, the Group continued to make significant progress delivering on its business priorities. Of note, the Group:

- Completed the internalisation of Abacus Storage King resulting in Abacus receiving proceeds of \$19 million for the sale of ASFML, , plus approximately \$5 million representing net tangible assets.
- Continued to derive fees and returns from ASK through the management and 19.7% investment in ASK
- Materially held levels across its Office and Retail portfolio occupancies at 89.2% (FY25: 91.1%) and 97.4% (FY25: 95.5%) respectively, despite the Office leasing environment remaining challenging
- Focussed on customer centricity, achieving an NPS score of +35% with a 72% completion rate or a 30% improvement on FY25;
- Leasing spread growth by sector: Office spreads grew 5.5%, reflecting broad-based gains from both new deals and renewals, while Retail spreads outperformed at 8.4%, driven by continued strong tenant demand at Oasis given its prime location.
- Divested non-core assets at 241 Adelaide St, Brisbane (\$20.3m) and continued sell down of Virginia Park (\$4.8m).
- Weighted average cost of debt reduced due to a focused hedging strategy - 4.5% vs FY25 5.1%

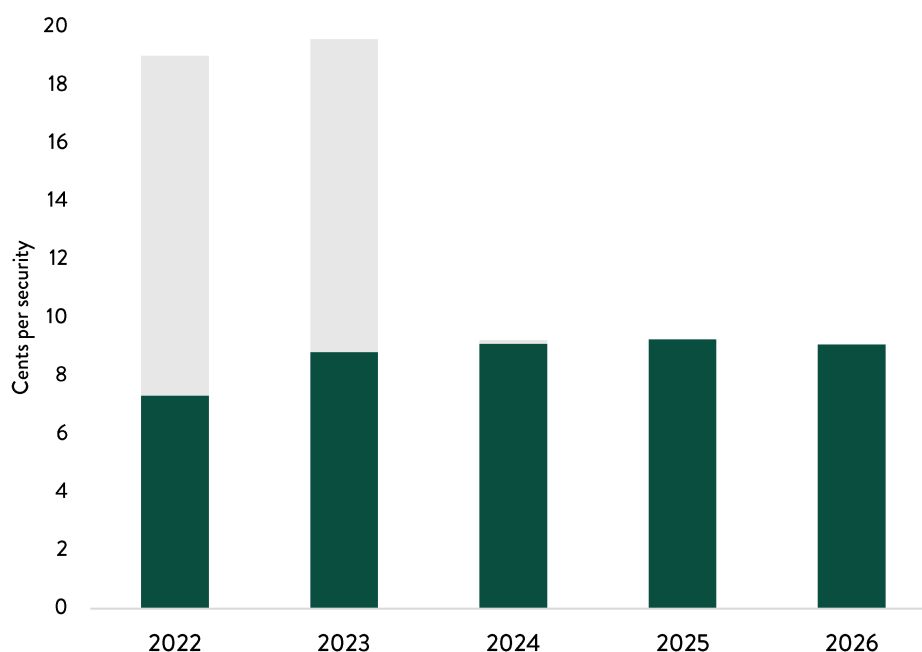
⁶ Vesting outcomes refer to the combined outcome from the original grant made plus the corrective grant for FY23 or FY24.

⁷ Kevin George was the only Executive KMP with an FY25 LTI grant tested on 30 June 2026. Grant was made prior to becoming KMP.



REMUNERATION REPORT

Five year FFO Performance



FFO Total earnings¹
 Abacus funds from operations ("FFO") from continuing operations per security (cents)²

Relationship between remuneration and Abacus performance

Abacus performance over the last five years is illustrated below.

Key financial performance indicators

Key financial performance Indicators	2022	2023	2024	2025	2026
Abacus funds from operations ("FFO") from continuing operations per security (cents) ¹	7.32	8.82	9.10	9.26	9.08
FFO (total earnings) per security (cents) ²	19.01	19.58	9.24	9.26	9.08
FFO Profit \$m	160.9	175.0	82.5	82.7	81.2
Underlying EBIT \$m	210.0	235.5	122.7	133.7	130.7
Distributions paid and proposed (cents)	18.00	18.40	8.50	8.50	8.50
Franking credit distributions paid and proposed (cents)	-	-	0.91	1.82	1.82
Payout Ratio (%)	94.7%	94.0%	92.0%	91.8%	93.6%
Closing security price (30 June)	\$2.57	\$2.69	\$1.16	\$1.12	\$0.965
Net Tangible Assets per security ³	\$3.85	\$3.70	\$1.76	\$1.72	\$1.59
Weighted average securities on issue	846.3m	893.5m	893.7m	893.7m	893.7m

¹Excludes the FFO performance of the ASK entities which formed part of Abacus Group until August 2023.

²FFO earnings are unaudited.

³Net tangible assets per security include the impact of the fair value movements.



REMUNERATION REPORT

4. EXECUTIVE KMP REMUNERATION

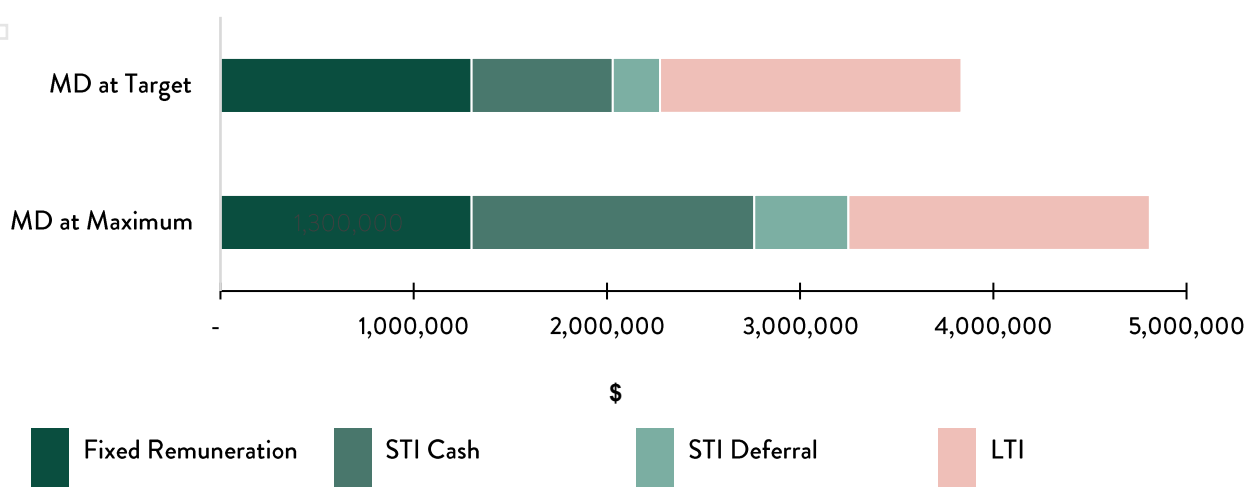
MD FY26 Remuneration details – Target and maximum remuneration in FY26

The following sets out the awards made to the Managing Director for the year ended 30 June 2026.

FIXED REMUNERATION	SHORT TERM INCENTIVE (STI)	LONG TERM INCENTIVE (LTI)
FR of \$1,300,000 per annum	Target STI of \$975,000 (75% of FR) Maximum STI of \$1,950,000 (150% of FR) The balanced scorecard was based on the following: - Financials - 60% - Strategy - 30% - Environment, Social, Governance - 10% The Managing Director received 35.0% of his maximum STI for FY26. 75% or \$511,875 of this was received in cash and 25% or \$170,625 has been received in rights and deferred for one year.	Maximum LTI of \$1,560,000 (120% of FR) 100% of the LTI is granted as performance rights. - 50% of the rights will be tested against performance requirements in FY27. - 50% of the rights will be tested against performance requirements in FY28

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

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





REMUNERATION REPORT

FY26 Managing Director performance against KPI's and STI Outcome

The following table sets out the performance of the MD against his KPI's for the year ended 30 June 2026 (scorecard) which were reviewed and approved by the People, Performance and Nomination Committee (PPNC) and the Board. These KPIs are intended to provide a link between remuneration outcomes and the key drivers of long term securityholder value.

The FY26 STI balanced scorecard focused on four key priority areas: Financial Performance, Strategic Execution, Customer and Employee Engagement.

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

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

MEASURE AND PERFORMANCE DETAIL	ASSESSMENT		
	THRESHOLD	TARGET	MAXIMUM
Funds from Operations (FFO) ABG — Funds from Operations (FFO) of \$81.2 million, down 1.9% on FY25 — Distribution of 8.5 cents per security in line with FY26 guidance			
Funds from Operations (FFO) ASK — Funds from Operations (FFO) of \$82.1 million, down 3.4% on FY25 — Distribution of 6.2 cents per security.			
Group Strategic Initiatives for ASK and ABG — Led the Group strategic initiative from option development through to execution, including identifying and recommending the preferred strategy, securing Board approval, and delivering material implementation within FY26 (including the ASK internalisation and ABG standalone repositioning).			
Environment, Social and Governance — Customer Engagement- Abacus Group achieved an NPS of +35, which is a 30% improvement last year with an increased response rate of 72% vs FY25 60%. — Employee Engagement -Abacus Group achieved 74% which is a 9% drop on last year.			

The balanced scorecards for other Executive KMPs during FY26 are like that of the MD, but with strategic KPIs applicable to their individual roles.



REMUNERATION REPORT

Executive KMP FY26 STI Outcomes

The FY26 performance assessment resulted in the Board awarding the below STI.

Executive KMP	STI Target % of FR	STI Max % of FR	Max STI Potential \$	Actual STI awarded on a % of Max STI potential	Actual Full STI awarded \$	Actual STI deferred \$	STI forfeited as a % of Max STI potential
Steven Sewell	75%	150%	1,950,000	35.0%	682,500	170,625	65.0%
Kevin George	60%	100%	610,000	46.8%	285,480	71,370	53.2%
Evan Goodridge	60%	100%	625,000	42.0%	262,500	-	58.0%
Nikki Lawson	60%	100%	610,000	36.0%	219,600	-	64.0%
Gavin Lechem	60%	100%	655,200	42.0%	275,184	68,796	58.0%

Executive KMP remuneration details – statutory table

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

YEAR	SHORT TERM BENEFITS			SUPER	LONG TERM BENEFIT	SECURITY BASED PAYMENT		TOTAL
	Base Pay	Short Term Incentive (STI)	Non-monetary benefits	Super	Long Service Leave	Deferred STI Rights ²	LTI Rights ²	Total \$
Steven Sewell – Managing Director								
FY26	1,270,000	511,875	8,041	30,000	21,223	236,162	815,109	2,892,410
FY25	1,270,068	889,200	10,406	29,932	21,043	307,036	1,199,325	3,727,009
Kevin George ¹ - Group General Manager, Commercial and Fund Manager, ABG								
FY26	580,000	214,110	-	30,000	9,692	217,511	188,796	1,240,109
FY25	433,440	285,846	-	22,449	7,200	138,920 ³	65,869	953,724
Evan Goodridge – Chief Financial Officer								
FY26	595,000	262,500	-	30,000	9,929	57,447	546,229	1,501,105
FY25	595,000	338,625	-	30,000	26,026	113,101	303,444	1,406,197
Nikki Lawson – Group General Manager, Self Storage and Fund Manager, ASK								
FY26	580,000	219,600	-	30,000	9,690	55,540	613,829	1,508,659
FY25	580,068	327,387	-	29,932	10,618	108,441	172,564	1,229,010
Gavin Lechem – Chief Investment Officer and General Counsel								
FY26	625,200	206,388	-	30,000	10,433	94,120	317,538	1,283,680
FY25	625,268	352,039	-	29,932	9,914	121,197	380,142	1,518,492

¹Remuneration reflects period of service as Executive KMP from September 2024.

²Accrued not presently entitled.

³For Kevin George, this includes the 'one off' grant of equity aligned to his STI of \$133,333. This is detailed on page 46.

DIRECTORS' REPORT

30 JUNE 2026



REMUNERATION REPORT

Executive KMP remuneration details – realised remuneration table

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

Actual pay represents the pre-tax take home amounts by each Executive KMP for the financial year ended 30 June 2026. This consists of cash remuneration that was received in relation to FY26 which includes fixed pay and the non-deferred portion of any FY26 STI which will be received. The table also includes the value of the deferred STI awards from FY25 which vested during FY26 and prior year LTI awards which vested during FY26 based on share price at vesting/exercise date.

Name	Year	Fixed Pay \$	Short Term Incentive (STI) received as cash	Previous years DSTI which were realised	Previous years LTI which were realised	Total remuneration received and or realised	Awards which lapsed or were forfeited
Steven Sewell	FY26	1,300,000	511,875	150,849	699,678	2,662,402	(607,385)
Kevin George		610,000	214,110	181,826	-	1,005,936	-
Evan Goodridge		625,000	262,500	57,447	69,648	1,014,595	(102,541)
Nikki Lawson		610,000	219,600	55,540	59,161	944,301	(33,617)
Gavin Lechem		655,200	206,388	59,722	109,357	1,030,667	(114,608)



REMUNERATION REPORT

5. REMUNERATION GOVERNANCE AND FRAMEWORK

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

VISION

TO CREATE EXCEPTIONAL VALUE FOR OUR CUSTOMERS AND STAKEHOLDERS
THROUGH THE IDENTIFICATION, OWNERSHIP AND MANAGEMENT OF A PORTFOLIO
OF REAL ESTATE INVESTMENTS.

VALUES

ENTREPRENEURIAL

RESPONSIBLE

ACCOUNTABLE

AREAS OF FOCUS AND OPPORTUNITY



REWARD

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



BALANCE

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



ALIGNMENT

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



REMUNERATION REPORT

The Group's remuneration governance

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

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

Remuneration framework

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



REMUNERATION REPORT

Short Term Incentive (STI)			
What is the purpose of the short-term incentive (STI) plan?	The STI provides an incentive to deliver annual business plans that will lead to sustainable returns for securityholders. We strive to set a series of financial and non-financial targets that are appropriately ambitious in the context of our strategy, and which drive the right long term behaviours. 25% of any STI awarded to Executive KMP is deferred in the form of Rights with a 12-month vesting period to provide increased alignment with securityholders.		
What is the performance period?	1 July 2025 to 30 June 2026.		
What is the award opportunity?	For FY26 the target and maximum STI opportunity for Executive KMP as a percentage of FR were:		
	% of FR	MD	Other Executive KMP
	Target	75%	60%
	Maximum	150%	100%
What key performance indicators are measured for STI to be paid?	The following factors are among those considered by the Board in making its assessment on the achievement of the STI opportunity: • Unifying Financial performance - FFO • Strategic Objectives • Unifying ESG performance – Customer, People, Safety and Risk		
Why were these measures chosen?	An FFO profit target range was chosen by the Board because FFO demonstrates the closest correlation to securityholder value creation (measured by total securityholder return). FFO profit reflects the statutory profit as adjusted by adding back tenant incentive amortisation, depreciation on owner occupied property, plant & equipment (PP&E), change in fair value of investment properties derecognised, certain transaction costs, unrealised fair value gains / losses on investment properties, adjustments arising from the effect of revaluing assets / liabilities carried at fair value (such as derivatives, financial instruments and investments), and other non-recurring adjustments deemed significant on account of their nature and non-FFO tax benefit/expense. This measure, although underlying, is consistent with the Property Council of Australia guidelines, is derived from financial disclosures and is hence transparent. It reflects the Directors' assessment of the result for the ongoing business activities of Abacus, in accordance with the Property Council guidelines for reporting FFO profit. The other financial and non-financial KPIs were chosen as they represent the key drivers for the short-term success of the business and provide a framework for long term securityholder value.		
How is performance assessed?	The People Performance and Nomination Committee considers the performance of the Executive KMP against their KPIs considering a range of factors to ensure outcomes align to overall business performance and investor outcomes. The Committee then recommends current variable remuneration payments, if any, to the Board for its approval.		



REMUNERATION REPORT

Short Term Incentive (STI)		
What is the relationship between performance scales and outcomes?	Performance Scales	STI Outcome
	Below threshold	0% paid
	Between threshold and maximum	25% - 100% of maximum incentive paid
	Maximum	100% of maximum incentive paid
Are any STI awards deferred?	25% of STI awarded to Executive KMP is delivered in the form of rights with a one year deferral period. As a result of the internalisation of the business during FY26, the Board determined that STI deferral would not apply to Evan Goodridge and Nikki Lawson. This determination reflected the timing of the internalisation and the consequent changes to remuneration structures and incentive participation. The Board considers this outcome to be appropriate in the context of the transition.	
How is the number of rights determined?	The number of rights to be granted will be calculated by dividing the deferred STI amount by the 10-day volume-weighted average price of the ABG securities on the ASX for the period commencing on the second trading day after the full year's financial results announcement for the year in which the STI award is made were released to the market, rounded to the nearest whole number.	
Are distributions paid on deferred STI awards?	No distributions are paid to participants during the vesting period. Participants receive an entitlement equal to accrued and reinvested distributions only on performance rights that vest.	
Are there any disqualification provisions?	All STI incentive payouts are subject to annual 'good behaviour' and conduct checks, as determined by the Board (or its delegate) in its absolute discretion. Failure to demonstrate good behaviour and conduct may result in a reduction to or forfeiture of the STI payment for the Performance Period. Examples include: - the participant resigns; - the participant has breached the Company Code of Conduct or core company policies; and - the participant's action/s led to a material WHS incident, material compliance issue, material Corporate Social Responsibility (CSR) issue or material reputation issue. The Board has discretion to delay the payment dates set out above, for example to allow time for it to determine the appropriate outcome if there is an investigation underway by the Group or an external third party. The Group reserves the right to suspend or alter STI payments to any participant due to any action which has caused the Group loss or reputational damage. This includes any deferred STI (in the form of rights) in the event of fraud, malfeasance, dismissal for cause, or other misconduct.	
How is STI treated on cessation of employment?	Unless the Board determines otherwise, an Executive will forfeit their STI award and unvested deferred awards if they resign or if their employment is terminated with cause.	



REMUNERATION REPORT

Long Term Incentive (LTI)

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

Who participates in the LTI plan?	Participation is limited to Executive KMP and selected senior management positions by invitation and as approved by the Board.
What is the payment vehicle?	LTI awards are granted in the form of performance rights. Performance rights that vest subject to ABG performance conditions entitle executives to receive Abacus Group securities or, at the discretion of the Board, cash of equivalent value at exercise. Performance rights that vest subject to ASK performance conditions will be settled in cash of equivalent value. The original terms stated that the cash received was to be invested in ASK securities within 12 months of vesting. Following the internalisation of ASK, the Board determined that the need to purchase Storage King securities and within 12 months of vesting is no longer required. This determination reflected the timing of the internalisation and the consequent changes to remuneration structures and incentive participation. The Board considers this outcome to be appropriate in the context of the transition.
What is the maximum opportunity?	The maximum opportunity for the MD is 120% of FR and for other Executive KMP it ranges from 75% to 100% of FR.
How are the grants calculated?	The number of performance rights that are granted to each participant is calculated by dividing the maximum LTI opportunity (face value) by the face value of an Abacus security. The face value is based on the 10-day VWAP for Abacus securities measured from the second trading day after the full year results announcement for the year ended 30 June 2026 were released to the market.
What are the performance periods, vesting periods, and exercise periods?	The performance rights will be tested against the relevant Performance Conditions following release of audited financial results for the final year of the relevant Performance Period. For the Executive KMP, 50% of the performance rights are tested on the third anniversary of the grant date and 50% on the fourth anniversary of the grant date. Rights that vest subject to ABG performance conditions can be exercised up to 15 years from the grant date.
What are the performance conditions for FY26?	The performance rights are subject to the following three independent performance conditions (with a percentage of total performance rights granted to be separately tested against each performance condition) that will be tested separately at the end of each of the applicable performance periods:



REMUNERATION REPORT

Long Term Incentive (LTI)

Performance Condition	Weight (MD grant)
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ABG EBIT per security CAGR	41.67%
ABG Relative TSR	41.67%
⁸ ASK Relative TSR	16.66%

ABG EBIT per security CAGR is measured based on the compound annual growth rate in earnings before interest and tax (EBIT) configured on a per security basis. The FY25 base year EBIT per security for performance measurement is 15.1 cps.

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

The performance requirements for each measure are as follows:

ABG EBIT per Security CAGR

Percentage % of Rights that vest

Less than 2%	0%
2%	50%
2 - 6%	Pro rata vesting from 50% to 100%
6%	100%

ABG / ASK Relative TSR percentile rank

Percentage % of Rights that vest

< 50 th	0%
50 th	50%
> 50 th to 75 th	Pro rata vesting from 50% to 100%
75 th and above	100%

Why were these measures chosen?

- Growth in EBIT per security reflects management operational performance.
- Relative TSR provides alignment with outcomes for securityholders that invest in the A-REIT sector.

The comparator group for both the Abacus Group and Abacus Storage King Relative TSR conditions is outlined below and has been derived from the ASX A-REIT's.

Who is the comparator group for FY26?

The Board has the discretion to adjust the comparator group to take into account events including, but not limited to, de-listings, takeovers, and mergers or de-mergers that might occur during the Performance Period, or where it is no longer meaningful to include a company within the comparator group

The Board has determined the following expanded comparator group for the FY26 LTI for the Relative TSR test for each of Abacus Group and Abacus Storage King to be:

⁸ This performance condition does not apply to the Group General Manager, Commercial and Fund Manager.



REMUNERATION REPORT

Long Term Incentive (LTI)		
	- BWP Trust (BWP) - Charter Hall Retail REIT (CQR) - Cromwell Property Group (CMW) - Dexus Property Group (DXS) - GPT Group (GPT) - Growthpoint Properties (GOZ) - Charter Hall Long WALE REIT (CLW) - Homeco Daily Needs REIT (HDN) - Ingenia Communities Group (INA) - Centuria Industrial REIT (CIP) - DigiCo Infrastructure REIT (DGT) - Healthco Healthcare and Wellness REIT (HCW)	- Mirvac Group (MGR) - Scentre Group Limited (SCG) - Region Group (RGN) - Stockland (SGP) - Vicinity Centres (VCX) - Waypoint REIT (WPR) - Arena REIT (ARF) - Charter Hall Social Infrastructure REIT (CQE) - Dexus Industria REIT (DXI) - Centuria Office REIT (COF) - Rural Funds Group (RFF)
Do we allow for re-testing?	No.	
Additional conditions relating to the ASK related rights?	On vesting, the ASK Related Rights which are tested against the Abacus Storage King Relative TSR will be automatically exercised and converted to a cash equivalent amount (including distributions). The original terms stated that this amount (net of tax) must be applied by relevant KMP to purchase Abacus Storage King securities within 12 months of vesting. Following the internalisation of ASK, the Board determined that the need to purchase Storage King securities and within 12 months of vesting is no longer required. This determination reflected the timing of the internalisation and the consequent changes to remuneration structures and incentive participation. The Board considers this outcome to be appropriate in the context of the transition.	
Are there distributions or voting rights?	Rights do not carry any voting rights. No distributions are paid to Participants during the vesting period. Participants receive an entitlement to securities equal to accrued and reinvested distributions only on performance rights that vest.	
What happens with cessation of employment?	The treatment of any unvested Performance Rights at the time of termination depends upon the nature of the termination. If the participant's employment is terminated for cause or for any other reason determined by the Board not to be a 'good leaver' circumstance, any unvested Performance Rights will lapse (unless the Board determine otherwise). If the participant is a good leaver (e.g. the termination is due to death, disability, termination without cause or genuine retirement), the unvested Performance Rights will remain on foot, subject to the original performance conditions as though employment had not ceased and will vest on the original vesting dates. However, the Board retain the discretion to lapse all or any part of unvested Performance Rights on cessation of employment.	
What happens if a change in control occurs?	The Board may in its absolute discretion, accelerate vesting on some or all of any unvested securities taking into consideration service and performance prior to a change in control.	
Forfeiture for Fraud, Dishonesty or Misstatement	The Board has discretion to determine that a participants Rights lapse in certain circumstances, including where they act fraudulently or dishonestly, or they are in breach of their obligations of the Group.	



REMUNERATION REPORT

Long Term Incentive (LTI)

When is Board discretion used?	Discretion can be applied to the proportion that may vest, taking into account behaviour inconsistent with our Code of Conduct, reputational damage, and having regard to any matters that it considers relevant (including any adjustments for unusual or non-recurring items that the Board considers appropriate). The extent and reasons for any discretion will be disclosed.
Abacus Security Trading Policy	In accordance with Abacus' Trading Policy, no director, employee, or associate may trade in ABG securities at any time if they are in possession of unpublished information which, if generally available, might materially affect the price or value of ABG securities. They may only trade within specified trading windows.

Security based payments

The tables below provide the grant date fair value and the maximum potential value of all outstanding LTI grants at grant date for the Executive KMP. If the performance conditions are not met, the minimum value of the LTI will be nil.

The table below shows LTI grants made during FY26, subject to performance conditions over the performance period 1 July 2025 to 30 June 2029. They were granted 28 November 2025.

Participant	LTI max as a % of FR	Performance measure	Number of performance rights granted	Grant date fair value per performance right	Total estimated fair value
Steven Sewell	50	EBIT ps ¹	533,564	1.20	640,283
	50	ABG TSR ²	533,565	0.62	333,250
	20	ASK TSR ³	213,426	0.66	141,288
Total	120		1,280,555		1,114,821
Kevin George	37.5	EBIT ps	187,773	1.20	225,330
	37.5	ABG TSR	187,774	0.62	117,279
Total	75		375,547		342,609
Evan Goodridge	40	EBIT ps	205,216	1.20	246,261
	40	ABG TSR	205,218	0.62	128,174
	20	ASK TSR	102,609	0.66	67,927
Total	100		513,043		442,362
Nikki Lawson	18.75	EBIT ps	93,886	1.20	112,664
	18.75	ABG TSR	93,888	0.62	58,640
	37.5	ASK TSR	187,774	0.66	124,306
Total	75		375,548		295,610
Gavin Lechem	40	EBIT ps	215,132	1.20	258,161
	40	ABG TSR	215,134	0.62	134,367
	20	ASK TSR	107,567	0.66	71,209
Total	100		537,833		463,737

¹EBITps is Underlying Earnings before Interest and Tax Compound Annual Growth Rate per security.

²ABG TSR is Relative Total Securityholder Return.

³ASK TSR will be cash settled.

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Movements in LTI holdings of key management personnel during the year

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

KMP	BALANCE 1 JULY 2025 ¹	GRANTED AS REMUNERATION	NO. LAPSED DURING THE YEAR ¹	LTIS EXERCISED	BALANCE 30 JUNE 2026 ¹	VESTED/ EXERCISEABLE 30 JUNE 2026
Steven Sewell	3,032,857	1,105,953	(726,177)	(544,435)	2,868,198	743,739
Kevin George	386,823	389,211	-	-	776,034	-
Evan Goodridge	963,757	425,366	(89,910)	-	1,299,213	92,738
Nikki Lawson	576,158	194,606	(66,616)	-	704,148	86,171
Gavin Lechem	1,079,594	445,918	(132,448)	-	1,393,064	155,520
Total	6,039,189	2,561,054	(1,015,151)	(544,435)	7,040,657	1,078,168

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

Movements in STI holdings of key management personnel during the year

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

KMP	BALANCE 1 JULY 2025 ¹	GRANTED AS REMUNERATION	NO. LAPSED DURING THE YEAR ¹	STIS EXERCISED	BALANCE 30 JUNE 2026 ¹	VESTED/ EXERCISEABLE 30 JUNE 2026
Steven Sewell	619,418	252,157	-	(619,418)	252,157	1,000,094
Kevin George	345,742	81,060	-	(112,612)	314,190	193,672
Evan Goodridge	178,419	96,027	-	-	274,446	274,446
Nikki Lawson	99,729	92,840	-	-	192,569	192,569
Gavin Lechem	255,225	99,831	-	-	355,056	355,056
Total	1,498,533	621,915	-	(732,030)	1,388,418	2,015,837

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

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

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

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KMP	BALANCE 1 JULY 2025 ¹	GRANTED AS REMUNERATION	NO. LAPSED DURING THE YEAR ¹	LTIS EXERCISED	BALANCE 30 JUNE 2026 ¹
Steven Sewell	461,403	221,190		-	682,593
Evan Goodridge	207,434	106,343	-	-	313,777
Nikki Lawson	296,830	194,606	-	-	491,436
Gavin Lechem	232,599	111,481	-	-	344,080
Total	1,198,266	633,620	-	-	1,831,886

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

Vesting Outcome for Managing Director and other Executive KMP

In August 2026 the following was tested for the Managing Director:

- the second tranche of the FY23 LTI Plan, and
- the first tranche of the FY24 LTI Plan.

In August 2026 the following was tested for the other Executive KMP:

- the second tranche of the FY23 LTI plan,
- the first tranche of the FY24 LTI Plan, and
- the first tranche of the FY25 LTI Plan.

FY23 LTI Vesting Outcome – Combined ABG and ASK August 2026

PERFORMANCE MEASURE	WEIGHTING	MINIMUM	MAXIMUM	GROUP RESULT	VESTING OUTCOME
Combined EBIT CAGR	50%	3%	8%	4.5%	67.2%
Combined Relative TSR	50%	50 th percentile	75 th percentile	Not met	0%
Vesting Outcome % of maximum					33.6%

FY24 LTI Vesting Outcome – ABG August 2026

PERFORMANCE MEASURE	WEIGHTING	MINIMUM	MAXIMUM	GROUP RESULT	VESTING OUTCOME
ABG EBIT CAGR	41.67%	3%	8%	4.0%	75.0%
ABG Relative TSR	41.67%	50 th percentile	75 th percentile	Not met	0%
Vesting Outcome % of maximum					37.5%

FY24 LTI Vesting Outcome – ASK August 2026

PERFORMANCE MEASURE	WEIGHTING	MINIMUM	MAXIMUM	GROUP RESULT	VESTING OUTCOME
ASK Relative TSR	16.66%	50 th percentile	75 th percentile	73 rd percentile	77.3%
Vesting Outcome % of maximum					77.3%



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FY25 LTI Vesting Outcome⁹ – August 2026

PERFORMANCE MEASURE	WEIGHTING	MINIMUM	MAXIMUM	GROUP RESULT	VESTING OUTCOME
ABG EBIT CAGR	50%	3%	8%	3.2%	65.2%
ABG Relative TSR	50%	50 th percentile	75 th percentile	50 th percentile not met	0%
Vesting Outcome % of maximum					32.6%

ASK Relative TSR Cash Settled Rights

The inclusion of the ASK RTSR performance measure was introduced post de stapling to recognise Abacus Group's role in managing Abacus Storage King. This was introduced to drive the growth and performance of ASK in the medium to long term. Specifically, this would include working with the ASK Board to develop the strategic options regarding the future state of the Self Storage business.

The component was worth 20% of FR for KMP with dual ABG / ASK roles.

ASK rights that met vesting conditions entitle the participant to receive a cash equivalent amount based on the latest traded price for ASK securities. The amount received net of tax is to be applied to purchase ASK securities to be held for 12 months.

Following the internalisation of ASK as at 30 June 2026, the Board determined that purchasing ASK securities is no longer required.

Legacy Plans

a) LTI rights (Corrective Rights)

Background of modification of LTI rights (Corrective Rights)

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

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

Each of these Corrective Rights are tested against a Relative TSR performance condition consistent with the LTIs issued in November 2024 detailed on page 31, and will, on vesting and exercise, entitle each holder to receive an ABG Security.

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

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

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

⁹ Kevin George was the only Executive KMP with an FY25 LTI grant tested on 30 June 2026. Grant was made prior to becoming KMP

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REMUNERATION REPORT

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

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

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

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

Grant	Relative TSR starting and ending VWAP period of Existing LTI Rights	Relative TSR starting and ending VWAP period of modified LTI Rights	Date of Modification	Difference in Fair Value of LTI Rights due to modification \$
Steven Sewell				
FY24 LTI rights	30 days	90 days	10 December 2024	38,178
FY24 ASK LTI rights	30 days	90 days	10 December 2024	-
FY23 LTI rights	30 days	90 days	10 December 2024	7,632



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

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

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

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

The Abacus Group Board determined the treatments set out in the following table in order to preserve the overall value of the Abacus Property Group Incentive Awards following the de-stapling, and to ensure that participants do not receive a benefit that they would not have received before the de-stapling and are not disadvantaged by the de-stapling. This applies to the FY23 LTI Grant only.

What are the performance conditions for the FY23 grant?

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

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

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



REMUNERATION REPORT

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

Who is the comparator group?

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

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

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

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

FY23 Grant date fair value and maximum value for existing LTI grants

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

¹ The FY23 grant was issued on 23 December 2022 (FY22: November 2021).

² Remuneration reflects period of service as Executive KMP.



REMUNERATION REPORT

Minimum securityholding requirement for Executive KMP

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

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

Executive KMP ownership – securityholdings detail as of 30 June 2026

EXECUTIVE KMP	BALANCE 1 JULY 2025	VESTED/ EXERCISED ¹	PURCHASED / (SOLD)	BALANCE 30 JUNE 2026
Steven Sewell	2,497,291	858,308	-	3,355,599
Kevin George	-	193,672	-	193,672
Evan Goodridge	370,407	168,201	-	538,608
Nikki Lawson	175,821	154,146	-	360,981
Gavin Lechem	806,440	213,154	(202,129)	817,465

¹Includes securities that were tested on 30 June 2026 and will vest in August 2026

Executive KMP ownership – Minimum securityholding detail as at 30 June 2026

EXECUTIVE KMP	BALANCE 30 JUNE 2026	MSH REQUIREMENT	MSHR ASSESSMENT DATE
Steven Sewell	4,450,333	\$1,300,000	Aug-27
Kevin George	212,794	\$305,000	Sep-28
Evan Goodridge	647,993	\$312,500	Aug-27
Nikki Lawson	228,828	\$305,000	Aug-27
Gavin Lechem	1,218,047	\$327,600	Aug-27

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

6. NON-EXECUTIVE DIRECTOR REMUNERATION

Objective

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



REMUNERATION REPORT

Fee Structure and Policy

The following table outlines the Non-Executive Directors (NEDs) fee policy and any changes introduced for FY26.

Maximum aggregate fees approved by securityholders	Abacus' constituent documents and the ASX Listing Rules specify that the maximum aggregate remuneration of Non-Executive directors must be approved by securityholders. The last determination was at the annual general meeting held on 14 November 2022 when securityholders approved an aggregate remuneration limit of \$1,250,000 per year.
Contracts	Upon appointment to the Board, all NEDs receive a letter of appointment which summarises the Board policies and terms, including compensation, relevant to the office of Director.
Non-Executive Director fees reviews	The Board reviews NED fees on an annual basis in line with general industry practice. This ensures fees are appropriately positioned in the market to attract and retain high calibre individuals. The current fees were last increased in July 2021. NEDs are entitled to be reimbursed for all reasonable costs and expenses incurred by them in performing their duties. There were no changes to the Board base fees and committee fees in FY26. Refer to the below table for details of FY26 fees. The aggregation of all Board and committee fees for FY26, remains below the current pool limit. NED fee changes FY27 During FY26, the Committee commissioned and reviewed independent benchmarking to assess the appropriateness of Non-Executive Director fees following internalisation. The following changes will be made to the Board base fees and committee in FY27. — The Board Chair has slightly reduced — The Audit and Risk Committee Chair has been reduced to align with the People Performance and Nomination Committee New Board Appointment Mr Philip Lewis was appointed as a Non-Executive Director of the Company effective 30 June 2026. Mr Lewis will not receive any director's fees, salary or other remuneration for his services as a Non-Executive Director. Mr Lewis, based in London, has been at Ki Corporation since May 2010 and heads the Group's property investment division. Ki Corporation is a significant securityholder in ABG and has a substantial portfolio of real estate investments across the United Kingdom, United States and Australia. The Board considers the arrangement to be appropriate and consistent with market practice for Non-Executive Directors serving in a shareholder representative capacity.

DIRECTORS' REPORT

30 JUNE 2026



REMUNERATION REPORT

Superannuation	The fees set out below include superannuation contributions in accordance with relevant statutory requirements.
Post-employment benefits	The Non-Executive directors do not receive retirement benefits. Nor do they participate in any incentive programs.

FY26 Non-Executive Director fee levels (inclusive of superannuation) – Abacus Group

BOARD /COMMITTEE	ROLE	PER ROLE \$	FY26 TOTAL
Board	Chair	\$252,000	\$252,000
	Non-Executive Director	\$113,000	\$339,000
Audit and Risk Committee	Chair	\$27,300	\$27,300
	Non-Executive Director	\$12,285	\$24,750
Work, Health Safety and Sustainability Committee	Chair	\$21,000	\$21,000
	Non-Executive Director	\$10,500	\$10,500
People Performance and Nomination Committee	Chair	\$23,000	\$23,000
	Non-Executive Director	\$11,250	\$11,250
Total			\$719,870

FY27 Non-Executive Director fee levels (inclusive of superannuation) – Abacus Group

BOARD /COMMITTEE	ROLE	PER ROLE \$	FY27 TOTAL
Board	Chair	\$247,000	\$247,000
	Non-Executive Director	\$113,000	\$226,000
Audit and Risk Committee	Chair	\$23,000	\$23,000
	Non-Executive Director	\$12,285	\$12,285
People Performance and Nomination Committee	Chair	\$23,000	\$23,000
	Non-Executive Director	\$11,250	\$11,250
Total			\$542,535

DIRECTORS' REPORT

30 JUNE 2026



REMUNERATION REPORT

Non-Executive Directors' remuneration details – Abacus Group

NON-EXECUTIVE DIRECTOR	FY	BASE FEES	NON-MONETARY BENEFITS	TOTAL CASH PAYMENTS AND SHORT-TERM BENEFITS	SUPER	\$
Myra Salkinder (Chair) ¹	FY26	252,000	-	252,000	-	252,000
	FY25	252,000	-	252,000	-	252,000
Trent Alston	FY26	141,772	-	141,772	17,014	158,785
	FY25	140,054	-	140,054	16,106	156,160
Mark Haberlin	FY26	135,312	-	135,312	16,238	151,550
	FY25	135,919	-	135,919	15,631	151,550
Sally Herman ²	FY26	-	-	-	-	-
	FY25	30,224	-	30,224	3,476	33,700
Philip Lewis ³	FY26	-	-	-	-	-
	FY25	-	-	-	-	-
Jingmin Qian	FY26	140,656	-	140,656	16,880	157,535
	FY25	138,764	-	138,764	15,958	154,722

¹Myra Salkinder as Chair does not receive any fees for other sub-committees.

²Sally Herman ceased as a director 30 September 2024.

³Philip Lewis is a nominee of and remunerated by Ki Corporation and does not receive any payment from ABG. Assuming Mr Lewis's role was paid by ABG, the amount that would be attributed has been assessed as the annual Non-Executive Director fee rate of \$113,000 for FY26, pro-rated to reflect his period of service during the reporting period, being \$452.

Minimum securityholding requirement for Non-Executive Directors FY26

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

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

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

DIRECTORS' REPORT

30 JUNE 2026



REMUNERATION REPORT

NON-EXECUTIVE DIRECTOR	BALANCE 1 JULY 2025	PURCHASE / SALE	BALANCE 30 JUNE 2026	MSHR ASSESSMENT	MSHR POLICY	MSHR ASSESSMENT DATE
Myra Salkinder (Chair)	14,802,171	-	14,802,171	\$23,572,839	\$252,000	Aug-27
Trent Alston	87,225	-	87,225	\$166,078	\$113,000	Aug-27
Mark Haberlin	42,292	-	42,292	\$107,928	\$113,000	Aug-27
Jingmin Qian	45,167	-	45,167	\$102,517	\$113,000	Aug-27

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

All equity transactions with Non-Executive Directors have been entered into under terms and conditions no more favourable than those that Abacus would have adopted if dealing at arm's length. There have been no movements in holdings since 30 June 2026.

7. ADDITIONAL REQUIRED DISCLOSURES

Executive KMP employment terms

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

KMP	TERM OF AGREEMENT	NOTICE PERIOD (BY COMPANY OR BY EMPLOYEE)	POST-EMPLOYMENT RESTRAINTS	TERMINATION BENEFITS
Steven Sewell, Managing Director	No expiry date	9 months	12 months	No redundancy payment entitlements. If there are any termination entitlements to be paid, they will be limited by the current Corporations Act 2001 (Cth) or the ASX Listing Rules or both.
Other Executive KMP	No expiry date	Between 3 and 6 months	Between 3 and 6 months	Covered by National Employment Standards (NES).

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



REMUNERATION REPORT

Executive KMP remuneration details – Employment Arrangements

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

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

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

Use of Remuneration advisors

The People and Performance and Nomination Committee engages external remuneration consultants from time to time to provide independent benchmarking data and information on best practice. This ensures the Company continually reviews assesses and adapts the remuneration governance functions to assist the Board and Committee in making informed remuneration decisions. No remuneration recommendations as defined under the Corporations Act 2001 (Cth) were provided to the Committee by remuneration consultants in FY26.

Loans to Key Management Personnel

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

Other transactions with Key Management Personnel

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

Directors and Officers Insurance

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

DIRECTORS' REPORT

30 JUNE 2026



ENVIRONMENTAL REGULATION AND PERFORMANCE

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

ROUNDING

The amounts contained in this report and in the annual financial report have been rounded to the nearest \$1,000 (where rounding is applicable) under the option available to the Group under ASIC Corporations Instrument 2026/183. The Group is an entity to which the instrument applies.

AUDITOR'S INDEPENDENCE DECLARATION

We have obtained an independence declaration from our auditor, Ernst & Young, and such declaration is set out on page 48.

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

Mark Haberlin
Chair

Sydney, 25 August 2026

Steven Sewell
Managing Director



**Shape the future
with confidence**

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

As lead auditor for the audit of the financial report of Abacus Group Holdings Limited for the financial year ended 30 June 2026, I declare to the best of my knowledge and belief, there have been:

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

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

A handwritten signature in cursive script that reads 'Ernst & Young'.

Ernst & Young

A handwritten signature in cursive script that reads 'J Inglis'.

Jodie Inglis
Partner
25 August 2026

CONSOLIDATED INCOME STATEMENT

30 JUNE 2026



	Notes	2026 \$'000	2025 \$'000
REVENUE			
Rental income		145,616	152,621
Finance income	1(a)	1,008	4,106
Fee income	1(b)	20,327	19,566
Total Revenue		166,951	176,293
OTHER INCOME			
Net change in fair value of investments and derivatives derecognised		1,527	1,007
Share of profit/(loss) from equity accounted investments	7(a)	26,574	74,638
Net change in fair value of derivatives		11,710	(13,895)
Net change in fair value of investment properties derecognised		-	40
Other income		307	115
Total Revenue and Other Income		207,069	238,198
Net change in fair value of investment properties held at balance date		(16,712)	(72,173)
Net change in fair value of investments held at balance date	3(a)	(727)	(330)
Net change on remeasurement of investments held	21	(122,069)	-
Property expenses and outgoings		(43,574)	(44,497)
Depreciation and amortisation expense	3(b)	(5,275)	(4,491)
Finance costs	3(c)	(42,582)	(46,724)
Impairment charges	20	(13,394)	-
Administrative and other expenses	3(d)	(36,178)	(36,057)
PROFIT/(LOSS) BEFORE TAX		(73,442)	33,926
Income tax expense	4(a)	(1,053)	(7,016)
NET PROFIT/(LOSS) AFTER TAX		(74,495)	26,910
PROFIT/(LOSS) ATTRIBUTABLE TO:			
Equity holders of the parent entity (AGHL)		(44,134)	(9,950)
<i>Equity holders of other stapled entities</i>			
AT members		(18,646)	38,702
AGPL members		(26,918)	(4,033)
AIT members		15,203	2,191
NET PROFIT/(LOSS) AFTER TAX		(74,495)	26,910
Basic and diluted (loss)/earnings per stapled security (cents)	2	(8.34)	3.01

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME



30 JUNE 2026

	2026 \$'000	2025 \$'000
NET PROFIT/(LOSS) AFTER TAX	(74,495)	26,910
OTHER COMPREHENSIVE INCOME		
<i>Items that may be reclassified subsequently to the income statement</i>		
Share of other comprehensive income of an associate	(1,091)	1,582
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD	(75,586)	28,492
Total comprehensive income attributable to:		
Members of the Group	(75,586)	28,492
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD	(75,586)	28,492
Total comprehensive income/ (loss) attributable to members of the Group analysed by amounts attributable to:		
AGHL members	(44,134)	(9,950)
AT members	(19,574)	40,047
AGPL members	(27,081)	(3,796)
AIT members	15,203	2,191
TOTAL COMPREHENSIVE INCOME/(LOSS) AFTER TAX ATTRIBUTABLE TO MEMBERS OF THE GROUP	(75,586)	28,492

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 JUNE 2026



	Notes	2026 \$'000	2025 \$'000
CURRENT ASSETS			
Investment properties held for sale	5	55,000	194,000
Cash and cash equivalents	9	46,016	23,946
Trade and other receivables	8(a)	39,662	42,057
Other financial assets	6(a)	348,471	-
Derivatives at fair value		5,709	1,279
Other		6,304	5,954
TOTAL CURRENT ASSETS		501,162	267,236
NON-CURRENT ASSETS			
Investment properties	5	1,770,540	1,607,800
Property loans	6(b)	49,106	55,944
Equity accounted investments	7(b)	123,562	610,185
Deferred tax assets	4(c)	2,180	2,900
Property, plant and equipment		192	168
Other financial assets	6(c)	5,869	6,523
Intangible assets and goodwill	20	-	32,403
Derivatives at fair value		4,995	730
Other		-	4,500
TOTAL NON-CURRENT ASSETS		1,956,444	2,321,153
TOTAL ASSETS		2,457,606	2,588,389
CURRENT LIABILITIES			
Trade and other payables	8(b)	69,549	60,516
Derivatives at fair value		-	538
Income tax payable		1,918	679
Employee liabilities		5,263	6,626
TOTAL CURRENT LIABILITIES		76,730	68,359
NON-CURRENT LIABILITIES			
Interest-bearing loans and borrowings	11(a)	955,969	942,099
Derivatives at fair value		-	3,250
Deferred tax liabilities	4(c)	8,186	9,729
Other		1,276	1,623
TOTAL NON-CURRENT LIABILITIES		965,431	956,701
TOTAL LIABILITIES		1,042,161	1,025,060
NET ASSETS		1,415,445	1,563,329
TOTAL EQUITY		1,415,445	1,563,329

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)



30 JUNE 2026

	Notes	2026 \$'000	2025 \$'000
Equity attributable to members of AGHL:			
Contributed equity		568,862	568,862
Treasury shares		(2,239)	(4,284)
Reserves		11,801	9,635
Retained earnings/(accumulated losses)		(33,163)	45,394
Total equity attributable to members of AGHL:		545,261	619,607
Equity attributable to unitholders of AT:			
Contributed equity		1,373,217	1,373,217
Reserves		-	928
Accumulated losses		(615,475)	(554,745)
Total equity attributable to unitholders of AT:		757,742	819,400
Equity attributable to members of AGPL:			
Contributed equity		47,064	47,064
Reserves		-	163
Retained earnings		34,330	61,248
Total equity attributable to members of AGPL:		81,394	108,475
Equity attributable to unitholders of AIT:			
Contributed equity		188,472	188,472
Accumulated losses		(157,424)	(172,625)
Total equity attributable to unitholders of AIT:		31,048	15,847
TOTAL EQUITY			
		1,415,445	1,563,329
Contributed equity			
	13	2,177,615	2,177,615
Treasury shares		(2,239)	(4,284)
Reserves		11,801	10,726
Retained earnings/(accumulated losses)		(771,732)	(620,728)
TOTAL EQUITY		1,415,445	1,563,329

CONSOLIDATED STATEMENT OF CASH FLOW

30 JUNE 2026



	Notes	2026 \$'000	2025 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Income receipts		196,604	187,394
Interest received		898	1,006
Income tax paid		(444)	(272)
Finance costs paid		(39,386)	(48,441)
Operating payments		(72,982)	(74,344)
NET CASH FLOWS FROM OPERATING ACTIVITIES	9	84,690	65,343
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for investments and funds advanced		(735)	(2,041)
Proceeds from sale of investments and funds repaid		42,067	7,631
Purchase of property, plant and equipment		(144)	(7)
Payments for investment properties and capital expenditure		(39,462)	(55,531)
Proceeds from disposal of investment properties		-	58,549
NET CASH FLOWS FROM INVESTING ACTIVITIES		1,726	8,601
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of borrowing costs		(1,806)	(2,191)
Repayment of borrowings and derivatives		(146,373)	(91,341)
Proceeds from borrowings		159,793	95,938
Distributions paid		(75,960)	(75,960)
NET CASH FLOWS (USED IN) FINANCING ACTIVITIES		(64,346)	(73,554)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		22,070	390
Cash and cash equivalents at beginning of period		23,946	23,556
CASH AND CASH EQUIVALENTS AT END OF PERIOD	9	46,016	23,946

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

30 JUNE 2026



	Attributable to the stapled securityholders					
	Issued capital	Share of reserves*	Employee equity benefits	Treasury shares	Retained earnings	Total equity
CONSOLIDATED	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 July 2025	2,177,615	1,091	9,635	(4,284)	(620,728)	1,563,329
Other comprehensive income/(loss)		(1,091)				(1,091)
Net income/(loss) for the period	-	-	-	-	(74,495)	(74,495)
Total comprehensive income/(loss) for the period	-	(1,091)	-	-	(74,495)	(75,586)
Performance rights	-	-	4,211	-	-	4,211
Treasury shares exercised	-	-	(2,045)	2,045	-	-
Distribution to security holders	-	-	-	-	(76,509)	(76,509)
At 30 June 2026	2,177,615	-	11,801	(2,239)	(771,732)	1,415,445

	Attributable to the stapled securityholders					
	Issued capital	Share of reserves*	Employee equity benefits	Treasury shares	Retained earnings	Total equity
CONSOLIDATED	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 July 2024	2,177,615	(491)	6,045	(4,358)	(571,678)	1,607,133
Other comprehensive income/(loss)	-	1,582	-	-	-	1,582
Net income/(loss) for the period	-	-	-	-	26,910	26,910
Total comprehensive income/(loss) for the period	-	1,582	-	-	26,910	28,492
Performance rights	-	-	3,664	-	-	3,664
Treasury shares exercised	-	-	(74)	74	-	-
Distribution to security holders	-	-	-	-	(75,960)	(75,960)
At 30 June 2025	2,177,615	1,091	9,635	(4,284)	(620,728)	1,563,329

*The share of reserves are from equity accounted investments.

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30 JUNE 2026



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

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2026



Abacus Group ("Abacus" or the "Group") is comprised of Abacus Group Holdings Limited ("AGHL") (the nominated parent entity), Abacus Trust ("AT"), Abacus Income Trust ("AIT") and Abacus Group Projects Limited ("AGPL"). Shares in AGHL and AGPL, and units in AT and AIT, have been stapled together so that none can be dealt without the other. The securities trade as one security on the Australian Securities Exchange (the "ASX") under the code ABG.

The financial report of the Group for the year ended 30 June 2026 was authorised for issue in accordance with a resolution of the directors on 25 August 2026.

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

MATERIAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

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

(a) Material accounting judgements

Control and significant influence

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

(b) Material accounting estimates and assumptions

Valuation of investment properties

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

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

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

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



MATERIAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

(b) Material accounting estimates and assumptions (continued)

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

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

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

Fair value of derivatives

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

Fair value of financial assets

The Group holds investments in listed securities which are held at fair value and based upon the quoted market price, and unlisted securities which are held at fair value based on valuation of underlying asset values

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

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

Taxes

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

NOTES TO THE FINANCIAL STATEMENTS – SEGMENT INFORMATION

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2026



1. REVENUE

	2026 \$'000	2025 \$'000
(a) Finance income		
Interest on secured loans - amortised cost	3,013	3,104
Gain/(loss) on modification of secured loans	(2,903)	-
Bank interest	898	1,002
Total finance income	1,008	4,106
(b) Fee Income		
Asset management fees	14,856	13,065
Property management fees	744	764
Development management fees	4,727	5,737
Total funds management income	20,327	19,566

2. EARNINGS PER STAPLED SECURITY

	2026	2025
Basic and diluted earnings per stapled security (cents)	(8.34)	3.01
Reconciliation of earnings used in calculating earnings per stapled security		
<i>Basic and diluted earnings per stapled security</i>		
Net profit / (loss) (\$'000)	(74,495)	26,910
Weighted average number of securities:		
Weighted average number of stapled securities for basic earning per security ('000)	893,658	893,658

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2026



3. EXPENSES

	2026 \$'000	2025 \$'000
(a) Net change in fair value of investments held at balance date		
Net change in fair value of unlisted property securities held at balance date	443	(20)
Net change in fair value of other investments held at balance date	284	350
Total change in fair value of investments held at balance date	727	330
(b) Depreciation and amortisation expenses		
Depreciation and amortisation of property, plant and equipment and intangible assets	129	150
Amortisation - leasing costs	5,146	4,341
Total depreciation and amortisation expenses	5,275	4,491
(c) Finance costs		
Interest on loans and derivatives	41,377	46,230
Amortisation of finance costs	1,205	494
Total finance costs	42,582	46,724
(d) Administrative and other expenses		
Wages and salaries	24,536	26,114
Contributions to defined contribution plans	1,581	1,571
Administrative expenses	9,869	7,847
Restructuring cost	192	525
Total administrative and other expenses	36,178	36,057

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2026



4. INCOME TAX

	2026 \$'000	2025 \$'000
(a) Income tax expense		
The major components of income tax expense are:		
Income Statement		
<i>Current income tax</i>		
Current income tax charge	3,197	4,446
Adjustments in respect of current income tax of previous years	(280)	(166)
<i>Deferred income tax</i>		
Relating to origination and reversal of temporary differences	(1,864)	2,736
Total income tax expense	1,053	7,016

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

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

Profit/(loss) before income tax expense	(73,442)	33,926
Prima facie income tax expense/(benefit) calculated at 30% (2025: 30%)	(22,033)	10,178
Less prima facie income tax expense/(benefit) on profit from Trusts	16,371	(8,535)
Prima Facie income tax of entities subject to income tax	(5,662)	1,643
Adjustment of prior year tax applied	(280)	(166)
Share of results of joint ventures and associates	232	5,094
Security acquisition rights	975	(1,105)
Recognition of loss on trading stock	(9,739)	-
Capital gains on transactions	6,381	-
Revaluation of investment properties	5,153	1,975
Impairment of goodwill	4,018	-
Other items (net)	(25)	(425)
Total income tax expense	1,053	7,016

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2026



4. INCOME TAX (CONTINUED)

	\$'000	\$'000
(c) Recognised deferred tax assets and liabilities		
Deferred income tax relates to the following:		
Deferred tax liabilities		
Revaluation of investment properties at fair value	5,212	5,106
Revaluation of investments and financial instruments at fair value	8,213	9,782
Other	-	69
Gross deferred income tax liabilities	13,425	14,957
Set off against deferred tax assets	(5,239)	(5,228)
Net deferred income tax liabilities	8,186	9,729
Deferred tax liabilities	8,186	9,729
Deferred tax assets		
Provisions - employee entitlements	6,279	6,451
Losses available for offset against future taxable income	-	756
Other	1,140	921
Gross deferred income tax assets	7,419	8,128
Set off of deferred tax liabilities	(5,239)	(5,228)
Net deferred income tax assets	2,180	2,900

TAX CONSOLIDATION

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

Nature of the tax funding agreement

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

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

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2026



5. INVESTMENT PROPERTIES

	2026 \$'000	2025 \$'000
Freehold investment properties	1,825,540	1,801,800
Total investment properties	1,825,540	1,801,800
	2026 \$'000	2025 \$'000
Investment properties held for sale		
Commercial ¹	55,000	194,000
Total investment properties held for sale	55,000	194,000
Investment properties		
Commercial	1,770,540	1,607,800
Total investment properties	1,770,540	1,607,800
Total investment properties including held for sale	1,825,540	1,801,800

1 - Properties held for sale include 181 James Ruse Drive, Camellia as at 30 June 2026 and Oasis Shopping Centre as at 30 June 2025, however is no longer held for sale as at 30 June 2026.

RECONCILIATION

A reconciliation of the carrying amount of investment properties at the beginning and end of the period is as follows. All investment properties are classified as Level 3 in accordance with the fair value hierarchy outlined in Note 12 (d):

	Held for sale		Non-current	
	30 Jun 2026 \$'000	30 Jun 2025 \$'000	30 Jun 2026 \$'000	30 Jun 2025 \$'000
Freehold investment properties				
Carrying amount at beginning of the financial period	194,000	123,000	1,607,800	1,762,000
Additions	-	-	4,500	-
Capital expenditure	3,277	-	32,922	46,228
Net change in fair value as at balance date	(11,777)	-	(4,935)	(72,173)
Net change in fair value derecognised	-	40	-	-
Disposals*	-	(58,549)	-	-
Properties transferred to / (from) held for sale	(130,500)	129,509	130,500	(129,509)
Rental straightlining adjustment	-	-	(247)	1,254
Carrying amount at end of the period	55,000	194,000	1,770,540	1,607,800

* Market Central, Lutwyche was sold during FY25

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2026



5. INVESTMENT PROPERTIES (CONTINUED)

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

Sensitivity Information

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

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2026



5. INVESTMENT PROPERTIES (CONTINUED)

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

The weighted average capitalisation rate for Abacus is 6.70% (30 June 2025: 6.77%).

The current occupancy rate for the principal commercial portfolio excluding development assets is 91.2% (30 June 2025: 92.1%).

The key assumptions and estimates used in the valuations include:

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

The property valuations have been prepared based on the information that is available at 30 June 2026.

In the event that there are any unanticipated material circumstances, this may impact the fair value of the Group's investment property portfolio, and the future price achieved if a property is divested. The potential effect of a decrease / increase in weighted average capitalisation rate of 25 bps on property valuation would have the effect of increasing the fair value by up to \$70.7 million (2025: \$69.1 million) or decreasing the fair value by \$65.6 million (2025: \$64.2 million) respectively.

During the year ended 30 June 2026, 60% (2025: 67%) of the number of investment properties in the portfolio were subject to external valuations; the remaining 40% (2025: 33%) were subject to internal valuation.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2026



5. INVESTMENT PROPERTIES (CONTINUED)

	Ownership Interest %	Fair Value 2026 \$'000	Capitalisation Rate 2026 %	Fair Value 2025 \$'000	Capitalisation Rate 2025 %
Commercial					
Walker Street, North Sydney NSW ¹	100	226,500	7.16	225,500	6.92
314-336 Bourke Street, Melbourne VIC	50	213,500	6.00	225,000	6.00
77 Castlereagh St, Sydney NSW	100	216,000	6.13	206,000	6.25
201 Elizabeth Street, Sydney NSW	32	199,040	6.38	196,800	6.38
The Oasis, Broadbeach QLD	100	220,000	6.50	194,000	7.00
324 Queen Street, Brisbane QLD	100	160,000	7.50	141,000	7.75
452 Johnston Street, Abbotsford VIC	100	90,000	7.75	103,000	7.50
14 Martin Place, Sydney NSW	50	120,000	5.88	110,000	5.88
Industry Lanes, Richmond, VIC	50	95,000	6.25	89,500	6.25
Westpac House, Adelaide SA	50	85,000	7.50	81,000	7.50
Kingsgate, Fortitude Valley QLD	50	73,000	7.50	72,000	7.50
181 James Ruse Drive, Camellia NSW ²	100	55,000	N/A	63,500	N/A
Other Assets ³	100	72,500	N/A	94,500	N/A
Total Commercial		1,825,540	6.70	1,801,800	6.77

1. Includes both 83 and 99 Walker Street, North Sydney NSW.

2. Held for sale and classified as current. Valued in 2026 using contractual sale price and 2025 using direct comparison method.

3. Other Assets includes 3 assets (FY25: 3 assets) which have an individual value of below \$50m per asset.

6. PROPERTY LOANS AND OTHER FINANCIAL ASSETS

	2026 \$'000	2025 \$'000
(a) Current other financial assets		
Investment in listed securities - fair value*	348,471	-
	348,471	-
(b) Non-current property loans		
Secured loans - amortised cost	49,123	55,972
Provision for secured loans - amortised cost	(17)	(28)
	49,106	55,944
(c) Non-current other financial assets		
Investment in unlisted securities - fair value	5,869	6,523
	5,869	6,523

* As at 30 June 2026, SKG ceased to be accounted for using the equity method and is an investment held at fair value. For further detail refer to Note 21.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2026



7. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

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

	Storage King Group*		Fordtrans Pty Ltd ^		Other Joint Ventures		Total	
	2026	2025	2026	2025	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue	328,333	478,430	10,073	18,931	8,499	51,785	346,905	549,146
Expenses	(174,014)	(189,385)	(13,761)	(17,385)	(10,264)	(15,120)	(198,039)	(221,890)
Net profit / (loss)	154,319	289,045	(3,688)	1,546	(1,764)	36,665	148,866	327,256
Share of net profit / (loss)	29,672	56,149	(2,274)	353	(824)	18,136	26,574	74,638

* Abacus Group's share of profit from SKG includes the elimination of related party transactions. Interest income of \$0.6 million (2025: \$0.8 million) and interest expense of \$35.5 million (2025: \$36.2 million) were included in the net profit of ASK for the year ended 30 June 2026.

^Included in the net profit of Fordtrans Pty Ltd for the year ended 30 June 2026: interest income of \$2.9 million (2025: \$2.1 million) and interest expense of \$1.8 million (2025: \$3.6 million). Abacus Group's share of net profit from Fordtrans Pty Ltd includes additional costs related to the oversight of development activities.

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

	Storage King Group*		Fordtrans Pty Ltd^		Other Joint Ventures		Total	
	2026	2025	2026	2025	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Current assets	-	167,568	1,476	2,137	1,202	5,852	2,679	175,557
Non-current assets	-	3,446,425	205,212	217,704	132,337	202,035	337,548	3,866,164
	-	3,613,993	206,688	219,841	133,539	207,887	340,227	4,041,721
Current liabilities	-	95,677	26,187	35,291	1,790	5,440	27,977	136,408
Non-current liabilities	-	1,188,734	52,864	43,789	12,084	41,838	64,948	1,274,361
Net assets	-	2,329,582	127,636	140,761	119,665	160,609	247,301	2,630,952
Share of net assets	-	459,670	63,818	70,381	59,744	80,134	123,562	610,185

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

* The Group has recognised \$19.3 million (2025: \$18.1 million) of management fees as revenue (from Abacus Storage King for the management services provided during the period. Details on transactions with ASK are disclosed in Note 17(d).

Included in the net assets of SKG as at 30 June 2025: cash and cash equivalents \$119.5 million, non-current interest bearing loans and borrowings \$1,142.6 million, and deferred tax liability \$34.2 million.

^Included in the net assets of Fordtrans Pty Ltd as at 30 June 2026: cash and cash equivalents \$0.1 million (2025: \$0.5 million), current interest bearing loans and borrowings \$Nil (2025: \$Nil) and non-current interest bearing loans and borrowings \$21.9 million (2025: \$28.8 million).

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2026



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

1. Storage King Group ("SKG", formerly Abacus Storage King until 6 July 2026)

Abacus owns 19.7% (2025: 19.8%) of securities in SKG. Abacus' share of distributions (including capital distributions) which are exclusive of foreign tax credits, for the year ended 30 June 2026 was \$16.0 million (2025: \$16.1 million). As at 30 June 2026, SKG ceased to be accounted for using the equity method and is an investment held at fair value. For further detail refer to Note 21.

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

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

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

Abacus' share of distributions (including capital distributions) for the year ended 30 June 2026 was \$4.7 million (2025: \$14.3 million).

8. TRADE RECEIVABLES AND TRADE PAYABLES

	2026 \$'000	2025 \$'000
(a) Trade and other receivables		
Distribution receivable	26,571	23,234
Trade debtors	13,564	19,429
Expected credit loss	(473)	(606)
Total Trade and other receivables	39,662	42,057
(b) Trade and other payables		
Distribution payable	37,980	37,980
Trade payables and others	24,906	17,534
Unearned income	6,663	5,002
Total Trade and other payables	69,549	60,516

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME



30 JUNE 2026

9. CASH AND CASH EQUIVALENTS

	2026 \$'000	2025 \$'000
Reconciliation to Statement of Cash Flow		
For the purposes of the Statement of Cash Flow, cash and cash equivalents comprise the following:		
Cash at bank and in hand ¹	46,016	23,946
Cash and cash equivalents	46,016	23,946

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

Net profit	(74,495)	26,910
Adjustments for:		
Depreciation and amortisation of non-current assets	5,275	4,491
Impairment Charges	13,394	-
Net change in fair value of derivatives	(11,710)	13,895
Net change in fair value of investment properties held at balance date	16,712	72,173
Net change in fair value of investments held at balance date	727	330
Net change in fair value of investment properties derecognised	-	(40)
Net change in fair value of investment and financial instruments derecognised	(1,527)	(1,007)
Net change on remeasurement of investments held at balance date	122,069	-
Share of profit from equity accounted investments	(13,615)	(63,430)
Increase / (decrease) in payables	12,745	9,656
(Increase) / decrease in receivables and other assets	15,180	2,365
Net cash from operating activities	84,755	65,343

(a) Disclosure of financing facilities

Refer to Note 11.

(b) Disclosure of non-cash financing facilities

Non-cash financing activities include capital raised pursuant to the Abacus' distribution reinvestment plan. During the year no stapled securities were issued (2025: no stapled securities issued).



10. CAPITAL MANAGEMENT

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

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

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

During the year, Abacus successfully negotiated and agreed terms on its syndicated banking facility to extend the facility tranches tenor on average by a further 0.9 years and reduce the margin on average by a further 5 basis points. Abacus has no bank debt expiring in the financial year ending 30 June 2027, with the majority of debt expiring from the financial year ending 30 June 2028 onwards.

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

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2026



11. INTEREST BEARING LOANS AND BORROWINGS

	2026 \$'000	2025 \$'000
Non-current		
Bank loans - A\$	920,554	907,530
Loan from related party - A\$ ¹	38,015	36,543
Less: Unamortised borrowing costs	(2,600)	(1,974)
(a) Total non-current	955,969	942,099

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

	2026 \$'000	2025 \$'000
(b) Maturity profile of non-current interest bearing loans		
Due between one and five years	955,969	942,099
Due after five years	-	-
	955,969	942,099

	2026 \$'000	2025 \$'000
Available financing facility		
Total facilities - bank loans	1,136,000	1,136,000
Facilities used at reporting date - bank loans	(924,500)	(905,560)
	211,500	230,440

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

Bank loans are A\$ denominated and are provided by several banks at interest rates which are set periodically on a fixed or floating basis. The loan facilities term to maturity varies from July 2027 to May 2032. The bank loans are secured by charges over the investment properties and certain property, plant and equipment.

Approximately 81.1% (30 June 2025: 79.7%) of bank debt drawn was subject to fixed rate hedges and the drawn bank debt had a weighted average term to maturity of 3.2 years (30 June 2025: 3.3 years). Hedge cover as a percentage of available facilities at 30 June 2026 is 66.0% (30 June 2025: 63.8%).

Abacus' weighted average interest rate for the year ended 30 June 2026 was 4.54% (30 June 2025: 5.11%).

The weighted average interest rate included line fees on undrawn facilities.

(c) Assets pledged as security

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

	2026 \$'000	2025 \$'000
Non-current		
<i>First mortgage</i>		
Investment properties	1,758,040	1,510,300
Total non-current assets pledged as security	1,758,040	1,510,300
Total assets pledged as security	1,758,040	1,510,300



11. INTEREST BEARING LOANS AND BORROWINGS (CONTINUED)

(d) Defaults and breaches

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

12. FINANCIAL INSTRUMENTS

FINANCIAL RISK MANAGEMENT

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

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

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

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

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

(a) Credit Risk

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

The Group manages its exposure to risk by:

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

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2026



12. FINANCIAL INSTRUMENTS (CONTINUED)

(a) Credit Risk (continued)

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

Credit risk exposures

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

	Carrying Amount	
	2026 \$'000	2025 \$'000
Trade and other receivables	39,662	42,057
Other financial assets	5,869	6,523
Cash and cash equivalents	46,016	23,946
Derivatives at fair value	10,704	2,009
Cash and other financial assets	102,251	74,535
Secured property loans - amortised cost *	49,106	55,944
Secured property loans	49,106	55,944
Total credit risk exposure	151,357	130,479

* The secured property loan is with one borrower.

(b) Liquidity Risk

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

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12. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Liquidity Risk (continued)

	Carrying Amount \$'000	Contractual cash flows \$'000	1 Year or less \$'000	Over 1 year to 5 years \$'000	Over 5 years \$'000
30 June 2026					
Liabilities					
Trade and other payables	69,549	69,549	69,549	-	-
Interest bearing loans and borrowings incl derivatives#	955,969	1,137,670	51,480	1,085,701	488
Total liabilities	1,025,518	1,207,219	121,029	1,085,701	488

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

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

(c) Market Risk

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

Interest rate risk / Fair value interest rate risk

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

The Group hedges to minimise interest rate risk by entering into variable to fixed interest rate swaps which also helps deliver interest covenant compliance and positive carry (net rental income in excess of interest expense) on the property portfolio. Interest rate swaps have the economic effect of converting borrowings from variable rates to fixed rates. Under the interest rate swaps, the Group agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to the agreed notional principal amounts. At 30 June 2026, after taking into account the effect of interest rate swaps, approximately 81.1% (2025: 79.7%) of the Group's drawn debt is subject to fixed rate hedges. Hedge cover as a percentage of available facilities at 30 June 2026 is 66.0% (2025: 63.8%).

NOTES TO THE FINANCIAL STATEMENTS

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12. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Market Risk (continued)

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

	Floating interest rate	Fixed interest less than 1 year	Fixed interest 1 to 5 years	Fixed interest over 5 years	Non interest bearing	Total
30 June 2026	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets						
Cash and cash equivalents	46,016	-	-	-	-	46,016
Receivables	-	-	-	-	39,662	39,662
Secured loans	-	-	49,106	-	-	49,106
Derivatives	-	5,709	4,995	-	-	10,704
Other financial assets	-	-	-	-	354,340	354,340
Total financial assets	46,016	5,709	54,101	-	394,002	499,828
Weighted average interest rate*^	4.35%		5.50%			
Financial liabilities						
Interest bearing liabilities - bank	917,955	-	-	-	-	917,955
Interest bearing liabilities - other	-	-	38,015	-	-	38,015
Derivatives	-	-	-	-	-	-
Payables	-	-	-	-	69,549	69,549
Total financial liabilities	917,955	-	38,015	-	69,549	1,025,519
Notional principal swap balance maturities*	-	600,000	1,150,000	-	-	1,750,000
Weighted average interest rate on drawn bank debt*	4.54%					

* calculated for the year ended 30 June

^ weighted average interest rate excludes the impact of derivatives

NOTES TO THE FINANCIAL STATEMENTS

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12. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Market Risk (continued)

	Floating interest rate	Fixed interest less than 1 year	Fixed interest 1 to 5 years	Fixed interest over 5 years	Non interest bearing	Total
30 June 2025	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets						
Cash and cash equivalents	23,946	-	-	-	-	23,946
Receivables	-	-	-	-	42,057	42,057
Secured loans	-	-	55,944	-	-	55,944
Derivatives	-	1,279	730	-	-	2,009
Other financial assets	-	-	-	-	5,954	5,954
Total financial assets	23,946	1,279	56,674	-	48,011	129,910
Weighted average interest rate*^	3.85%		5.50%			
Financial liabilities						
Interest bearing liabilities - bank	905,556	-	-	-	-	905,556
Interest bearing liabilities - other	-	-	36,543	-	-	36,543
Derivatives	-	538	3,250	-	-	3,788
Payables	-	-	-	-	60,516	60,516
Total financial liabilities	905,556	538	39,793	-	60,516	1,006,403
Notional principal swap balance maturities*	-	325,000	1,250,000	-	-	1,575,000
Weighted average interest rate on	5.11%					

* calculated for the year ended 30 June

^ weighted average interest rate excludes the impact of derivatives

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

	Carrying amount	-1%	AUD	+1%	
	Floating	Profit	Equity	Profit	Equity
30 June 2026	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets	46,016	(460)	(460)	460	460
Financial liabilities	917,955	(5,880)	(5,880)	5,410	5,410

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

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2026



12. FINANCIAL INSTRUMENTS (CONTINUED)

(d) Fair Values

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

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

Class of assets / liabilities	Fair value hierarchy	Valuation technique	Inputs used to measure fair value
Investment properties	Level 3	Discounted Cash Flow ("DCF") Direct comparison Income capitalisation method	Net operating income Adopted capitalisation rate Rate per unit Optimal occupancy Adopted discount rate
Securities - listed	Level 1	Quoted prices (unadjusted) in active markets for identical assets or liabilities	Quoted security price
Securities – unlisted	Level 3	Pricing models	Security price Underlying net asset Property valuations
Derivative – financial instruments	Level 2	DCF (adjusted for counterparty credit worthiness)	Interest rates Consumer price index ("CPI") Volatility

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

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12. FINANCIAL INSTRUMENTS (CONTINUED)

(d) Fair Values (continued)

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

	Unlisted securities \$'000
Opening balance as at 30 June 2025	6,523
Fair value movement through the income statement	(725)
Additions	72
Closing balance as at 30 June 2026	5,869
	Unlisted securities \$'000
Opening balance as at 30 June 2024	4,938
Fair value movement through the income statement	(328)
Additions	1,913
Closing balance as at 30 June 2025	6,523

Sensitivity of Level 3 - unlisted securities and options

The potential effect of using reasonable possible alternative assumptions based on a decrease / increase in the property valuations by 5% would have the effect of reducing the fair value by up to \$0.1 million (30 June 2025: \$0.1 million) or increase the fair value by \$0.1 million (30 June 2025: \$0.1 million) respectively.

Sensitivity of Level 1 - listed securities

The Group is exposed to price risk arising from investments in listed securities. The key risk variable is the movement in security price. The Group manages its exposure through regularly monitoring the performance of the investment and conducts sensitivity analyses for fluctuations in the security price.

A fluctuation of 5% in the security price, based on an investment value of \$348.5 million as at 30 June 2026, would result in an increase/(decrease) to net profit after tax of \$16.8 million.

NOTES TO THE FINANCIAL STATEMENTS

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13. CONTRIBUTED EQUITY

	2026 \$'000	2025 \$'000
(a) Issued stapled securities		
Stapled securities	2,220,407	2,220,407
Issue costs	(42,792)	(42,792)
Total contributed equity	2,177,615	2,177,615

	Stapled securities	
	Number	Number
	2026 '000	2025 '000
(b) Movement in stapled securities on issue		
At beginning of financial period	893,658	893,658
- distribution reinvestment plan	-	-
Securities on issue at end of financial period	893,658	893,658

14. DISTRIBUTIONS PAID AND PROPOSED

	2026 \$'000	2025 \$'000
(a) Distributions paid during the period		
June 2025 half: 4.25 cents per stapled security (2024: 4.25 cents)	37,980	37,980
December 2025 half: 4.25 cents per stapled security (2024: 4.25 cents)	37,980	37,980
(b) Distributions declared and recognised as a liability[^]		
June 2026 half: 4.25 cents per stapled security (2025: 4.25 cents)	37,980	37,980

[^] The final distribution of 4.25 cents per stapled security was declared on 18 June 2026. The distribution will be paid on or around 31 August 2026 and will be approximately \$38 million.

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

The total amount of franking credits available for the subsequent financial years including franking credits that will arise from the payment of income tax payable at the end of the financial year, based on a tax rate of 30 per cent, is \$51.4 million (2025: \$67.7 million).

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2026



15. PARENT ENTITY FINANCIAL INFORMATION

	2026 \$'000	2025 \$'000
Results of the parent entity		
Profit / (loss) for the year	30,990	(1,641)
Total comprehensive income / (expense) for the year	30,990	(1,641)
Financial position of the parent entity at year end		
Current assets	645,076	630,870
Total assets	807,174	827,749
Current liabilities	19,648	19,413
Total liabilities	221,674	241,247
Net assets	585,500	586,502
Total equity of the parent entity comprising of:		
Issued capital	568,862	568,862
Accumulated profit/(losses)	(74,243)	(74,243)
Profit available for dividend distribution	81,319	86,532
Employee options reserve	11,801	9,635
Treasury shares	(2,239)	(4,284)
Total equity	585,500	586,502

(a) Parent entity contingencies

There are no contingencies of the parent entity as at 30 June 2026 (2025: Nil).

(b) Parent entity capital commitments

There are no capital commitments of the parent entity as at 30 June 2026 (2025: Nil).

In July 2026, AGHL has provided a letter of support to its subsidiaries who have entered into interest free inter-entity loans within the Group as the support for the subsidiaries to continue as a going concern.

NOTES TO THE FINANCIAL STATEMENTS

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16. COMMITMENTS AND CONTINGENCIES

(a) Operating lease commitments – Group as lessor

Future minimum rentals receivable under non-cancellable operating leases as at 30 June 2026 are as follows:

	2026 \$'000	2025 \$'000
Within one year	106,283	106,765
Within two years	91,182	91,200
Within three years	69,341	77,745
Within four years	56,655	60,453
Within five years	44,746	48,665
More than five years	57,464	81,617
	425,671	466,445

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

(b) Capital and other commitments

At 30 June 2026 the Group had numerous commitments which principally related to property and investment acquisition settlements, loan facility guarantees for the Group's interest in the jointly controlled property developments and funds management vehicles, and commitments relating to property refurbishing costs.

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

	2026 \$'000	2025 \$'000
Within one year		
- gross settlement of property and investment acquisitions	699	879
- property refurbishment costs	5,409	13,843
	6,108	14,722

(c) Contingencies

At 30 June 2026 the Group had a \$17.5 million bank guarantee facility which expires in June 2028 (2025: \$12.5 million) and \$5.0 million of bank guarantees had been issued from the facility (2025: \$10.0 million).

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

	2026 \$'000	2025 \$'000
Bank guarantees		
- Australian Financial Service Licences	5,000	10,000
- redevelopment of investment properties	1,005	1,005
	6,005	11,005

NOTES TO THE FINANCIAL STATEMENTS

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17. RELATED PARTY DISCLOSURES

(a) Subsidiaries

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

Entity	Equity interest	
	2026 %	2025 %
<i>Abacus Group Holdings Limited and its subsidiaries</i>		
Abacus Finance Pty Limited	100	100
Abacus Funds Management Limited	100	100
Abacus Investment Pty Ltd	100	100
Abacus Note Facilities Pty Ltd	100	100
Abacus Property Services Pty Ltd	100	100
Abacus Storage Funds Management Limited ¹	-	100
Abacus Camellia Investments Pty Limited	100	100
Abacus Riverlands Investments Pty Limited	100	100
Abacus 77 Castlereagh Street Pty Limited	100	100
Abacus Repository Pty Limited ¹	-	100
Abacus U Stow It A1 Pty Limited ¹	-	100
Abacus U Stow It B1 Pty Limited ¹	-	100
Abacus USI C Pty Limited ¹	-	100
Lutwyche City Shopping Centre Pty Limited	100	100
Oasis JV Pty Limited	100	100
<i>Abacus Group Projects Limited and its subsidiaries</i>		
Abacus Property Pty Ltd	100	100
Abacus Allara Street Trust*	74	74
Abacus Ventures Trust*	51	51
Abacus U Stow It A2 Pty Limited ¹	-	100
Sucaba UST Pty Limited ¹	-	100
<i>Abacus Trust and its subsidiaries:</i>		
Abacus Abbotsford Trust	100	100
Abacus Bowden Street Trust	100	100
Abacus K1 Property Trust	100	100
Abacus Lutwyche Trust ²	-	100
Abacus Oasis Trust	100	100
Abacus Richmond Trust	100	100
Abacus Virginia Trust	100	100
Abacus Westpac House Trust	100	100
Abacus Westpac House No. 2 Trust	100	100
Abacus 14 Martin Place Trust	100	100
Abacus 324 Queen Street Trust	100	100
Lutwyche City Shopping Centre Unit Trust ²	-	100
Oasis JV Unit Trust	100	100
<i>Abacus Income Trust and its subsidiaries:</i>		
Castlereagh Sub 1 Trust	100	100
Castlereagh FH Sub 1 Trust	100	100

¹ Entity was sold during the year. For details refer to Note 21

² Entities were wound up during the year

* These entities are wholly owned by Abacus

(b) Ultimate parent

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

(c) Key management personnel

Details of payments are disclosed in Note 18.

NOTES TO THE FINANCIAL STATEMENTS

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17. RELATED PARTY DISCLOSURES (CONTINUED)

(d) Transaction with related parties

	2026 \$'000	2025 \$'000
Transactions with related parties other than associates and joint ventures		
Revenues		
Property management fees received / receivable	475	408
Transactions with associates and joint ventures		
Revenues		
Management fees received / receivable from joint ventures and associates	19,915	18,828
Share of (loss)/profit from joint ventures and associates	30,924	74,638
Other transactions		
Loan advanced from joint ventures	1,745	1,685
Loan repayments to joint ventures	(279)	(434)
Sale of subsidiary to associate*	23,242	-
Distribution received / receivable	18,678	17,625

* The sale of a subsidiary represents proceeds received. For further detail regarding the transaction refer to Note 21.

Terms and conditions of transactions

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

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

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

The term to maturity of the loan facility from a related party is April 2030 with an interest rate of 4.70% (2025: 4.70%) with the balance disclosed in Note 11.

Ultimate controlling entity

Ki Corporation Limited ("Ki") is the ultimate controlling securityholder in the Group with a holding of approximately 50.0% of the ordinary securities of the Group.

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

Property	Relationship with Ki	Charge per annum	2026 \$	2025 \$
14 Martin Place	Tenants-in-common	3% of gross rental	332,174	285,111
4 Martin Place	100% owned by Ki	3% of gross rental	474,970	408,152

Mrs Myra Salkinder was the Chair of the Group (retired on 30 June 2026) and is a senior executive of Ki. Philip Lewis is a member of the Board of Directors of the Group and is a senior executive of Ki.

NOTES TO THE FINANCIAL STATEMENTS

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18. KEY MANAGEMENT PERSONNEL

(a) Compensation for key management personnel

	2026 \$	2025 \$
Short-term employee benefits	5,742,452	6,404,308
Post-employment benefits	200,132	193,417
Other long-term benefits	60,968	74,800
Security-based payments	3,142,280	2,910,039
	9,145,832	9,582,564

(b) Loans to key management personnel

There were no loans to key management personnel or their related parties at any time in 2026 or in the prior year.

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

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

19. SECURITY BASED PAYMENTS

(a) Recognised security payment expenses

	2026 \$'000	2025 \$'000
Expense arising from equity-settled payment transactions	5,258	4,089

Type of security – based payment plan

(i) Long Term Incentives (LTI)

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

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

The LTIs granted during the year vest as follows:

Executive KMP

Grant	Tranche	Vesting date	Potential number to vest
FY26 Grant	Tranche One – 50% of Grant	August 2028	1,235,575
	Tranche Two – 50% of Grant	August 2029	1,235,575

NOTES TO THE FINANCIAL STATEMENTS

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19. SECURITY BASED PAYMENTS (CONTINUED)

(a) Recognised security payment expenses (continued)

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

Other Executives

Grant	Tranche	Vesting date	Potential number to vest
FY26 Grant	Tranche One – 33% of Grant	August 2027	478,605
	Tranche Two – 33% of Grant	August 2028	478,605
	Tranche Three – 33% of Grant	August 2029	478,605

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

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

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

The ASK LTIs granted during the year vest as follows:

Grant	Tranche	Vesting date	Potential number to vest
FY26 Grant	Tranche One – 50% of Grant	August 2028	305,688
	Tranche Two – 50% of Grant	August 2029	305,688

(ii) Deferred Short Term Incentives (Deferred STI)

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

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

NOTES TO THE FINANCIAL STATEMENTS

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19. SECURITY BASED PAYMENTS (CONTINUED)

(b) Summary of Performance Rights Granted

(i) Long Term Incentives (LTI)

The following table illustrates movements in LTI during this year:

	2026 No.	2025 No.
Opening balance	12,025,115	6,067,109
Granted during the year	6,506,847	6,664,872
Forfeited during the year	(1,688,862)	(608,879)
Exercised during the year	(831,609)	(97,987)
Outstanding at the end of the year	16,011,491	12,025,115
Exercisable at the end of the year	854,835	2,637,761

The weighted average fair value of LTI granted during the year excluding modifications was \$0.91 (2025: \$0.89).

The fair value of LTI was calculated utilising the security price on grant date for non-market measures, and a valuation model for market measures.

The following table lists the inputs to the model used for the performance rights' plans for the year ended 30 June 2026 and 30 June 2025, in addition to share price as at grant date:

	2026	2025
Expected volatility (%)	23	24
Risk-free interest rate (%)	3.79-3.94	3.72-3.76
Life of instrument (years)	1.7 - 3.7	1.7 - 3.7
Model used	Monte Carlo	Monte Carlo

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

NOTES TO THE FINANCIAL STATEMENTS

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19. SECURITY BASED PAYMENTS (CONTINUED)

(b) Summary of Performance Rights Granted (continued)

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

	2026 No.	2025 No.
Opening balance	1,479,116	612,000
Granted during the year	734,436	867,116
Forfeited during the year	-	-
Exercised during the year	-	-
Outstanding at the end of the year	2,213,552	1,479,116
Exercisable at the end of the year	-	-

The weighted average fair value of ASK LTI granted during the year excluding modifications was \$0.66 (2025: \$0.61). The fair value of ASK LTI was calculated utilising a valuation model.

The following table lists the inputs to the model used for the performance rights' plans for the year ended 30 June 2026 and 30 June 2025, in addition to share price as at grant date:

	2026	2025
Expected volatility (%)	23	25
Risk-free interest rate (%)	3.85-3.94	3.72-3.73
Life of instrument (years)	2.7 - 3.7	2.7 - 3.7
Model used	Monte Carlo	Monte Carlo

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

(iii) Replacement Long Term Incentives (Replacement LTI)

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

	2026 No.	2025 No.
Opening balance	259,593	-
Granted during the year	23,196	403,721
Forfeited during the year	-	(144,128)
Exercised during the year	(29,752)	-
Outstanding at the end of the year	253,037	259,593
Exercisable at the end of the year	253,037	259,593

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME



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19. SECURITY BASED PAYMENTS (CONTINUED)

(b) Summary of Performance Rights Granted (continued)

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

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

	2026 No.	2025 No.
Opening balance	108,980	-
Granted during the year	9,476	169,487
Forfeited during the year	-	(60,507)
Exercised during the year	(37,874)	-
Outstanding at the end of the year	80,582	108,980
Exercisable at the end of the year	80,582	108,980

(iv) Deferred Short Term Incentives (Deferred STI)

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

	2026 No.	2025 No.
Opening balance	1,443,203	547,964
Granted during the year	699,684	931,368
Forfeited during the year	-	-
Exercised during the year	(790,598)	(36,129)
Outstanding at the end of the year	1,352,289	1,443,203
Exercisable at the end of the year	497,244	1,117,205

The weighted average fair value of Deferred STI was \$1.24 (2025: \$1.31). The fair value of STI is the security price on grant date.

The weighted average remaining life of the performance rights (all tranches of LTIs) at 30 June 2026 was 1.8 years (2025: 2.0 years).

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2026



20. INTANGIBLE ASSETS AND GOODWILL

Description of the Group's intangible assets

	2026 \$'000	2025 \$'000
Goodwill		
Balance at 1 July	32,394	32,394
Less: allocation upon sale of subsidiary	(19,000)	-
Less: Impairment	(13,394)	-
At the end of the year	-	32,394
Software		
At 1 July, net of accumulated amortisation	9	32
Amortisation charge for the year	(9)	(23)
At the end of the year, net of accumulated amortisation	-	9
Total goodwill and intangibles	-	32,403

Impairment tests for goodwill and intangible assets

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

Goodwill and intangible assets acquired through business combinations for the purposes of impairment testing are allocated to the respective Group's property / asset management businesses. The property / asset management business of the Group has been identified as a cash generating unit (CGU), as it generates cash flows that are independent from the cash flows of other assets or group of assets within the Group. Goodwill is subject to annual impairment testing with the recoverable amount of the CGU determined based on a fair value less cost to sell (FVLCS) calculation, followed by a value in use (VIU) calculation, as necessary, using cash flow projections as of 30 June 2026 covering a five-year period.

(ii) *Key assumptions used in valuation calculations*

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

- (a) Management and other fee income: based on market rates and revenue / funds under management within the financial year and the underlying growth rate of 3% (2025: 3%).
- (b) Discount rates: reflects management's estimate of the time value of money and the risks specific to each unit that are not reflected in the cash flows
- (c) Property values of the funds / properties under management for Abacus Funds Management Limited: based on the fair value of properties
- (d) Selling costs: management's estimate of costs to sell the funds / properties under management
- (e) For Abacus Funds Management Limited, a pre-tax discount rate of 9.56% (2025: 8.6%) and a terminal growth rate of 2.5% (2025: 3.0%) have been applied to the cash flow projections for goodwill.

(iii) *Events and circumstances regarding recognition of goodwill impairment*

The CGU historically earned management and development fees from managing Abacus Storage King (ASK). As disclosed in Note 21, the management rights of ASK were terminated on 30 June 2026, with \$19m of goodwill allocated to ASFML upon its sale. The reduction in fees applied within cash flow projections utilised for impairment testing resulted in an impairment of \$13.4m. The discounted cash flow model utilised for impairment testing contains inputs that are level 3 within the fair value hierarchy classification within Note 12(d).



21. DISPOSAL OF ABACUS STORAGE FUNDS MANAGEMENT LIMITED AND RELATED MATTERS

Background

On 30 June 2026, Abacus Storage Funds Management Limited ('ASFML') was sold to Abacus Storage King ('ASK', renamed Storage King Group on July 6, 2026). ASFML provided management services to ASK under a management agreement, which ceased on completion of the sale. Certain employees who provided services under the management agreement also transferred from the Group to ASK on this date.

Total consideration of \$23.2m comprised the net assets of ASFML of \$5.0m, plus a premium of \$19.0m, less \$0.8m in respect of employee liabilities assumed by ASK on transfer of the relevant employees.

The disposal, and the cessation of the management arrangement, gave rise to consequential impacts across the Group's investment in ASK, goodwill, and long-term incentive expense, as set out below.

Goodwill

As ASFML represented an operation disposed of within the property and asset management cash-generating unit that goodwill is allocated to, a portion of the goodwill previously allocated to the cash-generating unit relating to ASFML was calculated upon disposal. This was based on the relative value of ASFML compared to the value of the portion of the cash-generating unit retained by the Group. The amount of goodwill attributed to ASFML upon disposal was \$19m.

The goodwill amount attributed to the disposal has been presented net against the gain on sale of ASFML, reflecting the combined financial effect of the disposal transaction.

The remainder of the goodwill balance relating to the cash-generating unit retained by the Group was tested for impairment as at 30 June 2026, and was impaired to nil as a result of the reduction in cash flows following cessation of management of ASK.

Investment in ASK

The Group holds a 19.7% interest in ASK. Prior to 30 June 2026, this investment was equity accounted on the basis that the Group held significant influence over ASK, including through Abacus' role in managing ASK and Board representation. Following completion of the sale, the Group ceased to manage ASK and no longer holds a Director role on the ASK Board. Accordingly, the Group determined that it no longer holds significant influence over ASK from this date.

As a result, the investment was remeasured to fair value at 30 June 2026, with the difference between fair value and the previous equity accounted carrying amount recognised as a loss of \$122.1m in profit or loss. The loss includes reserves associated with the investment which have been recycled to the income statement. The investment is now carried at fair value, with movements in fair value recognised through profit or loss in future periods.

Fair value is determined by reference to the quoted market price of ASK units, representing a Level 1 input under the fair value hierarchy (see Note 6(a) for balance as at 30 June 2026).



21. DISPOSAL OF ABACUS STORAGE FUNDS MANAGEMENT LIMITED AND RELATED MATTERS (CONTINUED)

Long-Term Incentives ('LTIs')

Employees who transferred to ASK as part of the sale are treated as good leavers under the terms of the Group's long-term incentive plans. This resulted in a change in the expected vesting period for outstanding LTIs held by the transferring employees, with the revised period ending on the earlier of the original vesting date and the employees' date of transfer.

The change in expected vesting period was accounted for prospectively as a change in estimate, resulting in an acceleration of \$1.1m of LTI expense, recognised within Administrative and other expenses for the year ended 30 June 2026.

22. SUMMARY OF MATERIAL ACCOUNTING POLICIES

(a) Basis of Preparation

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

The financial report is presented in Australian dollars and all values are rounded to the nearest thousand dollars (\$'000) unless otherwise stated under the option available to the Group under ASIC Corporations Instrument 2026/183. The Group is an entity to which the instrument applies.

(b) Statement of Compliance

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

(c) New accounting standards and interpretations

(i) *Changes in accounting policy and disclosures*

The accounting policies adopted are consistent with those of the previous financial year except for the adoption of new standards and interpretations effective as of 1 July 2025.

There are no amendments and interpretations that were applied for the first time on 1 July 2025 that had a material impact on the consolidated financial statements of the Group.



22. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(c) New accounting standards and interpretations (continued)

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

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by ABG for the annual reporting period ended 30 June 2026. The amendments are effective for annual reporting periods beginning on or after 1 January 2026 and must be applied retrospectively. ABG is currently assessing the impact the amendments and standards will have on current practice and whether existing loan agreements may require amendments.

The significant new standards or amendments are outlined below:

- AASB 2024-2 Amendments to Australian Accounting Standards – Classification and Measurement of Financial Instruments (effective for annual reporting periods beginning on or after 1 January 2026)

These amendments to AASB 7 and AASB 9 Financial Instruments:

- Clarify the date of recognition and derecognition of some financial assets and liabilities;
- Clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest criterion;
- Add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
- Update the disclosure for equity instruments designated at fair value through other comprehensive income

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

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

- AASB 1 First-time Adoption of International Financial Reporting – to improve consistency between AASB 1 and AASB 9 in relation to the requirements for hedge accounting, and improve the understandability of AASB 1;
- AASB 7 Financial Instruments: Disclosures to improve consistency in the language used in AASB 7 with the language used in AASB 13 Fair Value Measurement;
- AASB 9 Financial Instruments – to clarify how a lessee accounts for the derecognition of a lease liability when it is extinguished and address an inconsistency between AASB 9 and AASB 15 Revenue from Contracts with Customers in relation to the term ‘transaction price’;
- AASB 10 Consolidated Financial Statements – to clarify the requirements in relation to determining de facto agents of an entity; and
- AASB 107 Statement of Cash Flows – to replace the term ‘cost method’ with ‘at cost’ as the term is no longer defined in Australian Accounting Standards



22. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(c) New accounting standards and interpretations (continued)

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

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

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

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

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

AASB 18 will replace AASB 101 Presentation of Financial Statements.

(d) Basis of consolidation

The consolidated financial statements comprise the financial statements of AGHL and its subsidiaries, AT and its subsidiaries, AIT and its subsidiaries, and AGPL and its subsidiaries collectively referred to as the Group.

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

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

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

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

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



22. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(e) Foreign currency translation

Functional and presentation currency

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

Transactions and balances

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

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

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

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

(f) Revenue recognition

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

Rental income

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

Finance income

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



22. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(f) Revenue recognition (continued)

Management and other fee income

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

Dividends and distributions

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

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

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

Net change in fair value of investments held at balance date

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

(g) Expenses

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

(h) Cash and cash equivalents

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

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

(i) Trade and other receivables

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

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



22. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(i) Trade and other receivables (continued)

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

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

(j) Derivative financial instruments and hedging

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

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

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

(k) Investments and other financial assets

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

Financial assets in the scope of AASB 9 *Financial Instruments* are classified as either financial assets at fair value through profit or loss or financial assets at amortised cost. At 30 June the Group's investments in unlisted securities have been classified as financial assets at fair value through profit or loss and property loans are classified as loans and receivables at amortised cost.

Financial assets at fair value through profit or loss

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

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

The Group holds investments in listed and unlisted securities.



22. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(k) Investments and other financial assets (continued)

Loans and receivables

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

Subsidiaries

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

(l) Interest in joint arrangements and associates

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

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

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

(m) Property, plant and equipment

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

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

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

Impairment

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

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

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

Impairment losses are recognised in the income statement.



22. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(m) Property, plant and equipment (continued)

Disposal

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

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

(n) Investment properties

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

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

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

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

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

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



22. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(n) Investment properties (continued)

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

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

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

(o) Leases

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

Group as lessee

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

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

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

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred; and
- any restoration costs.

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

Group as a lessor

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

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



22. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(p) Goodwill

Goodwill on acquisition is initially measured at cost being the excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses and is not amortised.

Goodwill is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

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

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

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

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

Impairment losses recognised for goodwill are not subsequently reversed.

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

Intangible assets that have an indefinite useful life are not subject to recognised in and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

Other non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are tested for possible reversal of the impairment whenever events or changes in circumstances indicate that the impairment may have reversed.



22. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTIUNED)

(r) Trade and other payables

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

(s) Provisions and employee leave benefits

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

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

Employee leave benefits

i) *Wages, salaries, annual leave and sick leave*

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

ii) *Long service leave*

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

(t) Distributions and dividends

Trusts generally distribute their distributable assessable income to their unitholders. Such distributions are determined by reference to the taxable income of the respective trusts. Distributable income may include capital gains arising from the disposal of investments and tax-deferred income. Unrealised gains and losses on investments that are recognised as income are usually retained and are generally not assessable or distributable until realised. Capital losses are not distributed to securityholders but are retained to be offset against any future realised capital gains.

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



22. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(u) Interest-bearing loans and borrowings

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

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

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

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

Borrowing Costs

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

(v) Contributed equity

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

(w) Taxation

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

Trust income tax

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

Company income tax

AGHL and its Australian resident wholly-owned subsidiaries have entered into tax funding agreements with their Australian resident wholly-owned subsidiaries, so that each subsidiary agrees to pay or receive its share of the allocated tax at the current tax rate. The head tax entity and the controlled entities in each tax consolidated group continue to account for their own current and deferred tax amounts.



22. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(w) Taxation (continued)

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

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

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

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

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

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; or
- when the deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

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

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

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

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



22. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(w) Taxation (continued)

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

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

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

Goods and services tax (GST)

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

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

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

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

(x) Earnings per stapled security (EPSS)

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

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

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

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



22. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(y) Security based payment plans

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

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

No expense is recognised for awards that do not ultimately vest, except for equity-settled transactions for which vesting is conditional upon a market or non-vesting condition. These are treated as vesting irrespective of whether or not the market or non-vesting conditions are satisfied, provided that all other performance and / or service conditions are satisfied. If an employee is considered a 'good leaver' any remaining expense relating to awards which have yet to vest, is recognised immediately.

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

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

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2026



22. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

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

A segment, entity or operation disposed of or wound up qualifies as discontinued operations if it is a component of the Group that represents a separate major line of business or geographical area of operations. Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit or loss.

23. AUDITOR'S REMUNERATION

	2026 \$	2025 \$
Amounts received or due and receivable by Ernst & Young Australia:		
- Fees for auditing the statutory financial report of the parent covering the Group and auditing the statutory financial reports of any controlled entities	724,784	704,465
- Services required by legislation to be provided by the auditor - compliance services	48,464	27,169
- Other assurance and agreed-upon-procedures services under other legislation or contractual arrangements where there is discretion as to whether the service is provided by the auditor or another firm	51,836	42,380
Total	825,084	774,014

24. EVENTS AFTER BALANCE SHEET DATE

On 23 June 2026, the Group announced the appointment of Lawrence Wong as Chief Financial Officer. Mr Wong commenced with the Group on 17 August 2026 and assumes the CFO role on 1 September 2026. Departing CFO Evan Goodridge, who transfers to ASK as part of the Internalisation, will ensure a smooth transition and handover.

Other than the matters noted above and elsewhere in this report, no other matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

30 JUNE 2026



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

DIRECTORS' DECLARATION

30 JUNE 2026



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

In the opinion of the directors:

- (a) the consolidated financial statements, notes and the additional disclosures included in the Directors' report designated as audited, are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Group's financial position as at 30 June 2026 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Regulations 2001*;
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 22(b); and
- (c) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.
- (d) The consolidated entity disclosure statement required by section 295(3A) of the *Corporations Act 2001* is true and correct.

This declaration has been made after receiving the declarations required to be made to the directors in accordance with sections 295A of the *Corporations Act 2001* for the financial year ended 30 June 2026.

On behalf of the Board.

Mark Haberlin
Chair

Sydney, 25 August 2026

Steven Sewell
Managing Director



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

Report on the audit of the financial report

Opinion

We have audited the financial report of Abacus Group Holdings Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated income statement, the consolidated statement of other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flow for the year then ended, notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

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

- a. Giving a true and fair view of the consolidated financial position of the Group as at 30 June 2026 and of its consolidated financial performance for the year ended on that date; and
- b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

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

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

Key audit matters

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

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



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Investment Properties

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



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Internalisation of Abacus Storage King Management Function

Why significant	How our audit addressed the key audit matter
During the year, the Group completed the sale of Abacus Storage Funds Management Limited (ASFML) and certain related entities to Storage King Group ('SKG', formerly known as Abacus Storage King) as part of SKG's internalisation of its management function. The transaction resulted in a nil gain on disposal. The transaction resulted in the termination of the existing management arrangements between the Group and SKG and the transfer of employees and related obligations to SKG. The transaction also resulted in the Group assessing that it ceased to have significant influence over SKG. Consequently, the Group derecognised its 19.72% equity-accounted investment in SKG and remeasured its retained interest at fair value through profit or loss. We considered this a key audit matter due to the significance of the transaction to the Group's financial performance and financial position, together with the extent of judgement involved in determining the related accounting outcomes. We draw attention to Note 21 of the financial report.	Our audit procedures included the following: • Evaluated the key terms of the share sale agreement and related transaction documents to assess the nature of the transaction and the assets, liabilities and obligations transferred as part of the internalisation. • Evaluated management's methodology for allocating goodwill to the disposal of ASFML and related entities. • Tested the mathematical accuracy of the nil gain on disposal calculation by agreeing the consideration received to the underlying share sale agreement and re-calculating the carrying value of the assets disposed including allocated goodwill. • Evaluated management's impairment assessment of the carrying value of the remaining funds management cash generating unit. • Assessed management's evaluation of whether significant influence over SKG continued following completion of the transaction, including consideration of the termination of management agreements and changes to governance arrangements. • Compared the fair value used to remeasure the Group's retained investment in SKG to observable market information and tested the mathematical accuracy of the resulting gain or loss recognised on the cessation of the equity accounting of SKG. • Assessed the taxation implications of the transaction. • Assessed the appropriateness of the related disclosures included in the financial report.

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

The directors are responsible for the other information. The other information comprises the information included in the Company's 2026 annual report, but does not include the financial report and our auditor's report thereon.



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

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

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

Responsibilities of the directors for the financial report

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

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

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

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

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

Auditor's responsibilities for the audit of the financial report

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

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

- ▶ Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from



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error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- ▶ Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- ▶ Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial report. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the Group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on the audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 16 to 46 of the directors' report for the year ended 30 June 2026.



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In our opinion, the Remuneration Report of Abacus Group Holdings Limited for the year ended 30 June 2026, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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

A stylized, handwritten signature of 'Ernst & Young' in dark blue ink.

Ernst & Young

A stylized, handwritten signature of 'J Inglis' in dark blue ink.

Jodie Inglis
Partner
Sydney
25 August 2026

ADDITIONAL INFORMATION

Number of holders of ordinary full paid securities	7,212
Number of holders holding less than a marketable parcel or ordinary fully paid stapled securities	1,032
Voting rights attached to ordinary fully paid stapled securities.	One vote per security

Top 20 largest security holdings as at 27 July 2026

HOLDER NAME	NUMBER OF SECURITIES	% ISSUED SECURITIES
Ki Corporation Limited	446,738,859	49.99%
J P Morgan Nominees Australia Pty Limited	125,497,454	14.04%
Citicorp Nominees Pty Limited	80,341,116	8.99%
HSBC Custody Nominees (Australia) Limited	75,976,148	8.50%
Arym Investment Holdings Pty Ltd	14,600,000	1.63%
BNP Paribas Noms Pty Ltd	14,380,815	1.61%
BNP Paribas Nominees Pty Ltd	7,305,375	0.82%
BNP Paribas Nominees Pty Ltd	3,532,296	0.40%
Mr Dale Christian Clarke	1,943,456	0.22%
Solium Nominees (Aus) Pty Ltd	1,663,638	0.19%
Quixley Finance Pty Limited	1,625,492	0.18%
Solium Nominees (Australia) Pty Ltd	1,481,034	0.17%
Netwealth Investments Limited	1,458,896	0.16%
Certane Ct Pty Ltd	1,291,508	0.14%
IOOF Investment Services Limited	1,222,110	0.14%
Gil Investment Company Pty Ltd	1,118,541	0.13%
Mr Peter Edward Morgan & Mr Robert Scott Morgan	960,810	0.11%
Mr Simon Robert Evans	865,000	0.10%
Mr Carlos Gil	842,754	0.09%

Bodyelectric Pty Ltd	800,000	0.09%
Total Securities of Top 20 Holdings	783,645,302	87.69%
Total of securities	893,657,633	

Spread of securities as at 27 July 2026

RANGE	HOLDERS	NUMBER OF SECURITIES	% ISSUED SECURITIES
1-1,000	1,650	644,487	0.07%
1,001-5,000	2,085	5,944,986	0.67%
5,001-10,000	1,261	9,439,218	1.06%
10,001-100,000	2,029	57,370,599	6.42%
100,001-9,999,999,999	187	820,258,343	91.79%
Totals	7,212	893,657,633	100%

Substantial security holders

SECURITYHOLDER	NUMBER OF SECURITIES
Ki Group Entities	446,738,859
Charter Hall Limited	62,922,366