Equity Trustees

Issue Date: 22 August 2022

APPENDIX 4E

EQT Holdings Limited ABN 22 607 797 615

RESULTS FOR ANNOUNCEMENT TO THE MARKET FOR THE FULL YEAR ENDED 30 JUNE 2022

PERFORMANCE	30 JUNE 2022 $'000		30 JUNE 2021 $'000
Revenue from ordinary activities	**111,513**	Up 10.4% from	101,040
Profit after tax from ordinary activities attributable to members	**24,228**	Up 12.5% from	21,528
Net profit (statutory) for the period attributable to members	**24,228**	Up 12.5% from	**21,528**
Net profit (underlying) for the period attributable to members	**24,411**	Up 9.0% from	22,399
Basic earnings per share (statutory) attributable to members (cents per share)	**115.07**	Up 11.7% from	**103.04**
Basic earnings per share (underlying) attributable to members (cents per share)	**115.94**	Up 8.1% from	107.21

DIVIDENDS	30 JUNE 2022 CENTS PER SHARE	30 JUNE 2021 CENTS PER SHARE
Interim Dividend (fully franked)	**48**	44
Final Dividend (fully franked)	**49**	47

KEY DATES	
Record date for determining entitlements to the final dividend	Friday, 16 September 2022
Last date for the receipt of an election notice for participation in the DRP	Thursday, 15 September 2022
Payment date for final dividend	Monday, 10 October 2022

The Directors have declared a fully franked final dividend of 49 cents per share. The Directors have also declared that the Dividend Reinvestment Plan (DRP) will operate for this dividend. The share price to be used for the DRP will be calculated based on the volume weighted average market price of EQT traded shares on the first five days of EQT share trading after Record Date. A 1.25% discount will be applied.

The 2022 Annual General Meeting is to be held at 11.00 am Thursday, 20 October 2022.

Details shall be provided nearer to the time of the AGM.

ASX ADDITIONAL INFORMATION

Additional information, current as at 30 June 2022, and not shown elsewhere in this report, follows:

NET TANGIBLE ASSET BACKING PER SHARE

NET TANGIBLE ASSET BACKING / PER SHARE[1]	30 JUNE 2022	30 JUNE 2021
Net tangible asset backing per share	3.39	2.98

[1]Based on shares on issue of 21,125,581 (2021: 20,979,239). The calculation of NTA backing includes right of use assets recognised under AASB 16 *Leases* relating to the Group's premises leases.

CONTROL GAINED OR LOST OVER ENTITIES DURING THE FINANCIAL YEAR

YEAR ENDED 30 JUNE 2022

There were no material entities for which control was gained or lost during the financial year.

YEAR ENDED 30 JUNE 2021

There were no material entities for which control was gained or lost during the financial year.

AUDIT

The Financial Statements for the year ended 30 June 2022 have been audited and an unqualified opinion has been issued by the auditors.

COMMENTARY

Additional Appendix 4E disclosure requirements can be found in the Annual Report, which contains the Directors' Report and the 30 June 2022 Financial Statements and accompanying notes.

For a comprehensive overview of the 2022 results, please refer to the separate ASX release covering the Announcement of Results and Shareholder Presentation.

22 August 2022

Equity Trustees

FROM THE CHAIR
CAROL SCHWARTZ AO

RESILIENCE SHINES THROUGH

I'm delighted to report that Equity Trustees has achieved excellent results for the 2022 financial year, once again demonstrating its resilience in challenging and uncertain times.

It was another testing year in so many aspects of our lives, with the continuation of Covid-19, volatile financial markets, rising interest rates, disrupted working patterns and a tighter labour market placing pressure on all our communities.

Our priority again during the year was to ensure that our employees remained safe and well, and that our clients and community were well serviced and supported during these difficult times. It is a credit to our hard working team that we were able to do so on an uninterrupted basis.

Our philanthropy team continued their great work improving the lives of others, using their expertise and experience to make a positive difference. Their impact was particularly profound in those areas where the Australian community experienced continuing challenges from natural disasters such as the east coast floods earlier this year.

Our leading position in many parts of the market continues to validate our strategy of focusing on specialist trustee services, and our services and expertise have never been in more demand.

THE BUSINESS OF TRUSTEESHIP

Strong governance and good judgement are at the heart of our business. This requires tried and tested approaches and people with skills, experience and character who can apply the highest standards of ethics and integrity in overseeing the business. We are fortunate that our people have these qualities and this is reflected in the strong culture of Equity Trustees.

I would also like to highlight my fellow directors' contributions - and take the opportunity to thank Anne O'Donnell, who will retire from our Board after 12 years at this year's AGM. It is the combination of the valuable perspectives of all of my fellow directors, based on our insights drawn from our own experience that has provided a secure foundation for the business and enabled us to operate with a real clarity of purpose. The Board continues to have a well-calibrated balance of skills, experience and tenure, and we are reaping the benefits of the diversity we have around the Board table.

ALL ROUND RESULTS DELIVERED

The financial returns for shareholders increased materially on the previous financial year. In tough times and against a backdrop of volatile equity markets, Equity Trustees has again performed with excellence and proved its resilience.

Earnings were up more than double digit, enabling the Board to declare an increased final dividend of 49 cents per share. Equity Trustees has now delivered higher dividends in five of the last six years, after maintaining the dividend in the 2020 Covid-impacted year.

At the same time, our client satisfaction ratings have improved, indicating that clients are recognising our efforts to look after their needs.

None of the above can be achieved without the dedication of our employees. These results are due in no small part to their flexibility and continued commitment to serving clients and the company as a whole. We have successfully shifted to a hybrid office/work-from-home model, adapting to the needs of our clients and employees without compromising service and efficiency. Our people should be proud of their efforts and contribution.

COMMUNITY FOCUS

A trustee company is, by its very nature, focused on protecting the interests of others, and this responsibility sits very comfortably with supporting the community where we can make a positive difference.

We have the unique privilege of stewarding many important legacies, contributing $92m to many for-purpose organisations during the financial year. We were able to do this thanks to the incredible generosity of current and past clients.

Our employees also participated in volunteering programs, workplace giving and providing pro-bono services to many important causes, not least our efforts in managing the Community Rebuilding Trust and Australian Volunteer Support Trust that have provided much-needed support in recent years.

TRUST

Equity Trustees is unique in the Australian financial services market. We are the only company focusing exclusively on being the leading trustee in Australia. We are well on our way to achieving this goal. It's a privilege to be a trustee, something we all take very seriously, and we are firm believers in our approach to trusteeship and the benefits it can provide.

On behalf of the Board, I thank all of our clients for their trust in us, our people for their dedication and commitment, and our shareholders and other partners for their ongoing support. Equity Trustees is strongly positioned for the future and I look forward to capitalising on the opportunities ahead.

Equity Trustees

22 August 2022

FROM THE MANAGING DIRECTOR, MICK O'BRIEN

ROBUST GROWTH

It was a very good year for Equity Trustees, despite a challenging backdrop of volatile markets and the ongoing impact of Covid. Our position as the leading trustee in Australia continued to strengthen, and our financial results improved on all key metrics.

Funds under supervision, a key revenue driver, ended the year at $148.9 billion, a 3.3% increase on the previous 12 months, and a new record as at 30 June, despite falling equity markets in the last quarter.

Revenue increased by 10.4% to $111.5 million, and we managed expenses tightly. This saw our Net Profit After Tax increase by 12.5% to 24.2 million.

On a longer-term basis we have recorded a compound annual growth rate in net profit after tax of 9.4% over the past five years, an impressive achievement in what has been a challenging period.

All three of our businesses recorded good growth and have strong pipelines going forward.

The Board declared a final dividend of 49 cents, bringing the total dividend for the year to 97 cents, compared with 91 cents last year – a 6.6% increase

The positive results validate our strategy of focusing on specialist trustee services. They reflect our strong culture, our robust resilience, and the high quality of our services in all our markets.

TRUSTEE AND WEALTH SERVICES

Business growth was excellent, particularly in Health and Personal Injury, and Philanthropy. Revenue was $51.0m, a 7.8% increase on last year.

Our Asset Management team delivered another outstanding year of performance. The flagship Australian Equity Fund recorded a total return for the year 5% above the market ASX200 benchmark. The return over three years was excellent at 6.4% per annum and 3.1% above benchmark. This places the fund well inside the top quartile of the market over 1 and 3 year periods.

The outlook for this business remains positive, and we will soon launch a new online platform for active philanthropists, something never seen before in Australia, and which will make philanthropy more affordable and accessible.

SUPERANNUATION

We continue to lead the market in providing specialised independent trustee services to superannuation originators. Through the year we were appointed as trustee for the Aracon and Centric superannuation funds. The portfolio of funds is now $34.7 billion, covering 13 funds.

Superannuation has the most significant workload in managing regulatory change and the business has delivered well. Our independent specialised trustee services are attracting increasing interest from major providers in the superannuation industry.

CORPORATE TRUSTEE SERVICES

We continue to lead the market in providing Responsible Entity and trustee services to the funds management industry. The number of clients increased 7.3% to 132, and the business is now overseeing $105.1 billion of funds in 354 schemes.

We've grown our portfolio of listed schemes (LITs and active ETFs) and we remain at the forefront of scheme design.

We continued to build our corporate business for debt loan and securitisation programs. The team now numbers 4 and we have 48 appointments on our books. Funds in our custody and real asset business increased from $6.0 billion to $8.7 billion, an area of key focus for 2023.

In the UK and Ireland we have also made progress, despite a challenging regulatory environment, and we now have 11 clients and oversee £3.3 billion of funds.

PEOPLE HAVE DELIVERED TO OUR CLIENTS

A committed workforce is critical to delivering to our clients. Our people have been our priority, and I'm proud we've kept them safe and well.

Despite a tightening labour market, we have improved our staff engagement rating from 68% to 71% and our staff enablement rating from 70% to 73%. We are rated above the financial services norm for engagement, and high performing on enablement.

We survey our clients each year regarding our services. I'm pleased to report that all the key metrics improved, with Satisfaction increasing from 79% to 83%, the Net Promoter Score from +16 to +28 and the Net Loyalty Score from +12 to +41.

COMMUNITY

Our Chair has commented on our impact on the community and I would like to emphasise our focus and efforts in looking after those who can't look after themselves and helping out when Australia faces crises. We look forward to increasing our volunteering next year when we can get out more easily.

OUTLOOK

Equity market levels impact Equity Trustees' revenue, and markets have begun the year at significantly lower levels than 6 months earlier.

However, in the areas under our control, we are buoyant in relation to the size of the opportunities. We have confidence in the capability of our team and in our ability to leverage our specialist trustee skills and market leading position.

The outlook for the 2023 financial year is positive. I would like to thank the Board for their support and all our employees for their loyalty, flexibility and ongoing commitment to our clients.

2022 ANNUAL FINANCIAL REPORT

Equity Trustees

Issue Date: 22 August 2022
EQT Holdings Limited and Controlled Entities

Equity Trustees acknowledges Aboriginal and Torres Strait Islander people as the First Australians and respects their long and enduring connection to their land.

We pay our respects to all Elders past and present.

CONTENTS

DIRECTORS' REPORT

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

The Directors of EQT Holdings Limited (Equity Trustees, or the Company) present the annual financial report for EQT Holdings Limited and its subsidiaries (the Group) for the financial year ended 30 June 2022, and the independent auditor's report.

BOARD OF DIRECTORS

The Directors of the Company during or since the end of the financial year are:

CAROL SCHWARTZ AO	Independent Director	Appointed Director in March 2020, Chair in October 2020.
ANNE O'DONNELL	Independent Director	Appointed in September 2010.
KEVIN ELEY	Independent Director	Appointed Director in November 2011.
D GLENN SEDGWICK	Independent Director	Appointed Director in August 2016.
TIMOTHY (TIM) HAMMON	Independent Director	Appointed Director in December 2018.
CATHERINE ROBSON	Independent Director	Appointed Director in February 2020.
THE HON. KELLY O'DWYER	Independent Director	Appointed Director in March 2021.
MICHAEL (MICK) O'BRIEN	Managing Director	Appointed Director in July 2014, Executive Director in April 2016, Managing Director in July 2016.

See page 6 for detailed biography.

COMPANY SECRETARIES

SAMANTHA EINHART	Company Secretary	Appointed Company Secretary in January 2022.
PHILIP GENTRY	Company Secretary	Appointed Company Secretary in April 2021, Resigned as Company Secretary January 2022.

BOARD MEMBERS

CAROL SCHWARTZ AO

BA, LLB (Monash), MBA, FAICD, AO

Chair, Independent Director

Appointed Director in March 2020;
Chair in October 2020.

Ms Schwartz is a Non-Executive Director of the Reserve Bank of Australia and Trawalla Group. Ms Schwartz is also the founding Chair of the Women's Leadership Institute Australia and Our Community, and remains Chair of both Boards.

Ms Schwartz was previously Chair of Industry Superannuation Property Trust, one of Australia's largest superannuation property groups, a Non-Executive Director of Stockland Group Limited, National President of the Property Council of Australia and a Member of the Advisory Board of Qualitas Property Partners.

Ms Schwartz was awarded the Leading Philanthropist Award by Philanthropy Australia in 2020, was recognised in the 2019 Queen's Birthday Honours List for her service to the community as a supporter of women in leadership, and social justice advocacy, as well as to business. She has an Honorary Doctorate from Monash University, has been inducted into the Australian Property Hall of Fame, was made an Honorary Life Member of the Property Council of Australia, was recognised by Ernst & Young as the 2018 Champion of Entrepreneurship, Southern Region, and was inducted into the Victorian Women's Honour Roll.

Listed company Directorships held during the past three financial years:

- Stockland Group Limited (from July 2010 to October 2019).

ANNE O'DONNELL

BA (Bkg & Fin.), MBA, FAICD, SF Fin

Independent Director

Appointed Director in September 2010.

Ms O'Donnell has extensive experience in the finance sector and is an experienced Executive and Non-Executive Director in the listed, not-for-profit and mutual sectors.

Ms O'Donnell is currently Chair of the ACT Long Service Leave Authority, Director of the Spirit Superannuation Fund Pty Ltd, the Winston Churchill Memorial Trust and Agricultural Innovation Australia Ltd. She is also a member of the National Capital Authority Audit Committee, UBS Global Asset Management (Australia) Ltd Compliance Committee, the Australian Banking Association representative on the Banking Code Compliance Committee, as well as Chair of the IP Australia Audit Committee and the Winston Churchill Memorial Trust Investment, Audit & Risk Committee.

A former Managing Director of Australian Ethical Investment Ltd, Ms O'Donnell has also previously been a Director of the Financial Services Council, the Centre for Australian Ethical Research Pty Ltd, the ANZ Staff Superannuation Fund, the Grain Growers Association Ltd, the Australian Institute of Company Directors, Beyond Bank Ltd and Eastwoods Pty Ltd. Ms O'Donnell brings to the Board extensive knowledge of the banking and wealth management industry.

Ms O'Donnell is a member of the Board Risk Committee, the Remuneration, Human Resources and Nominations Committee and Chair of Equity Trustees' Responsible Entity Compliance Committee.

KEVIN ELEY

CA, F.FIN, FAICD

Independent Director

Appointed Director in November 2011.

Mr Eley is a Chartered Accountant with experience in management, finance and investment. He was Chief Executive Officer of listed diversified investment company Hancock & Gore Limited for 20 years, where he remains as a Non-Executive Director. Previously he worked in Australia and overseas for a major international accounting firm and in the corporate finance divisions of a local and international investment bank.

Mr Eley is also a Director of Hancock & Gore Limited and Pengana Capital Group Limited.

Mr Eley brings to the Board extensive experience in the areas of managing businesses, strategic development, finance and investment.

Mr Eley is Chair of the Board Audit Committee and is a member of the Board Risk Committee.

Listed company Directorships held during the past three financial years:

- Hancock & Gore Limited (from October 1985 to present)
- Pengana Capital Group Limited (from June 2017 to present)
- Milton Corporation Limited (from November 2011 to October 2021).

D GLENN SEDGWICK

B.Comm., FAICD, FCA

Independent Director

Appointed Director in August 2016.

Mr Sedgwick has over 35 years' commercial experience, including 20 years as a Partner in Accenture.

Mr Sedgwick is a Director of the Victorian Managed Insurance Authority, MSO Holdings Ltd and the Melbourne Symphony Orchestra, where he is also Chair of its Foundation Committee and a member of its Advancement Committee. He is a Director of Queen's College (University of Melbourne), and Chair of the Queen's College Trust Corporation.

He was previously Managing Director of Accenture's Asia Pacific Insurance and Wealth Management business, and has consulted to listed and unlisted Australian, Asian, Chinese and European enterprises across financial services and information technology. He brings an international perspective, having lived in China and the UK over the course of his career.

With strengths in financial reporting and risk management, Mr Sedgwick also brings to the Board extensive knowledge in strategy development, and international operations.

Mr Sedgwick is Chair of the Board Strategy Committee and a member of the Board Audit Committee and Equity Trustees' Responsible Entity Compliance Committee.

TIMOTHY (TIM) HAMMON

B.Comm., LLB (Melbourne University), AICD Member

Independent Director

Appointed Director in December 2018.

Mr Hammon is a Non-Executive Director of Vicinity Centres, Chair of its Risk & Compliance Committee, as well as a member of its Remuneration and Human Resources Committee and its Nominations Committee.

He is also a member of the advisory boards of two privately-owned businesses.

Mr Hammon was CEO of Mutual Trust Pty Ltd, from 2007–2017, a leading Australian multi-family office. Beforehand, Mr Hammon held senior leadership positions with Coles Myer Ltd over an 11-year period.

He began his career in law with Mallesons Stephen Jacques in 1977 and was a partner at the firm for 12 years, including four years in senior leadership positions.

Mr Hammon has also undertaken roles with numerous not-for-profit organisations, including the Abbotsford Convent Foundation, St Catherine's School and the Aikenhead Centre for Medical Discovery.

Mr Hammon is Chair of the Remuneration, Human Resources and Nominations Committee and a member of the Strategy Committee.

Listed company Directorships held during the past three financial years:

- Vicinity Centres (from 2011 to present).

CATHERINE ROBSON

BA (Asian Studies), LLB (Hons), Grad Dip (Applied Finance), LLM (Tax), GAICD

Independent Director

Appointed Director in February 2020.

Ms Robson is a highly skilled wealth strategist with over 20 years' experience advising sophisticated high net worth individuals and family groups.

Ms Robson is a Director of Greater Bank Limited and Lumos Diagnostics Holdings Ltd, as well as Chair of Scale Investors. She is a member of the Cancer Council Victoria's Investment Committee, and a member of the Korowa Anglican Girls' School Council.

Ms Robson founded successful financial services firm Affinity Private. She commenced her career at Macquarie Bank, before spending 11 years as a senior adviser with NAB Private Wealth.

Ms Robson is Chair of the Board Risk Committee and member of the Remuneration, Human Resources and Nominations Committee, Board Audit Committee and Board Strategy Committee. She is also a Director of Equity Trustees Superannuation Limited and HTFS Nominees Pty Ltd.

Listed company Directorships held during the past three financial years:

- Lumos Diagnostics Holdings (from January 2021 to present).

THE HON. KELLY O'DWYER

LLB (Hons) / BA

Independent Director

Appointed Director in March 2021.

Ms O'Dwyer is a Non-Executive Director of Home Consortium Limited (trading as HMC Capital) HCW Funds Management Limited as Responsible Entity of HealthCo Healthcare and Wellness REIT, and Barrenjoey Capital Partners Group Holdings Pty Ltd. She is also a member of the School Council of Caulfield Grammar School.

Ms O'Dwyer previously served in the Australian Parliament as a Senior Cabinet Minister holding several key economic portfolios including Minister for Jobs and Industrial Relations; Minister for Revenue and Financial Services; Minister for Small Business; and Assistant Treasurer.

She also served on the Cabinet's Budget Committee (the Expenditure Review Committee) and held the portfolios of Minister for Women; as well as Minister Assisting the Prime Minister with the Public Service.

Prior to entering Parliament, Ms O'Dwyer worked in law, government and finance.

Ms O'Dwyer is a member of the Board Risk Committee and Equity Trustees' Responsible Entity Compliance Committee.

Listed company Directorships held during the past three financial years:

- Home Consortium Limited (from November 2020 to present).
- HealthCo Healthcare and Wellness REIT (from August 2021 to present).

MICHAEL (MICK) O'BRIEN

CFA, GAICD

Managing Director

Appointed Director in July 2014;
Executive Director in April 2016;
Managing Director in July 2016.

Mr O'Brien was admitted as a Fellow of the Institute of Actuaries of Australia in 1989 and holds the Chartered Financial Analyst designation. He was formerly CEO and Director of Invesco Australia Limited, Director of Alliance Capital Management Australia and Chief Investment Officer of AXA Australia and New Zealand, where he was also a Director of AXA's Responsible Entities and RSE Licensees.

With 40 years in both retail and institutional markets, Mr O'Brien brings to the Board wealth management experience in superannuation, investment management, insurance and advice.

Mr O'Brien is a member of the Board Risk Committee and Strategy Committee and a Director of several of the Group's subsidiary companies.

Listed company Directorships held during the past three financial years:

- Templeton Global Growth Fund Limited (from August 2014 to February 2020).

COMPANY SECRETARIES

CURRENT

SAMANTHA EINHART

LLB, GDLP, FGIA

Company Secretary

Joined January 2022.

Ms Einhart is an experienced governance professional who has worked at several Australian listed companies.

Prior to joining Equity Trustees Limited, Ms Einhart held positions at Maurice Blackburn and REA Group Limited.

Ms Einhart holds a Bachelor of Laws and a Graduate Diploma in Applied Corporate Governance. She is also a Fellow of the Governance Institute of Australia.

FORMER

PHILIP GENTRY

BSc, MBA, GAICD

Current Chief Financial Officer and Chief Operating Officer

Appointed Company Secretary in April 2021.
Resigned as Company Secretary in January 2022.
Joined January 2016.

Mr Gentry has more than 25 years' experience in leadership positions within financial services, property, agribusiness, international trade, commodities and logistics.

Mr Gentry's previous roles have included Managing Director of Agrium Asia Pacific, and the CFO of AWB. He has also, held a variety of senior roles at ANZ Bank ranging from Corporate Banking, Strategic Development and Investor Relations to Global Head of Commodity and Trade Finance.

Mr Gentry received an MBA from IMD in Switzerland in 1991 and completed the Stanford Executive Program in 2010. He is a member of the Financial Services Institute of Australasia, and the Australian Institute of Company Directors. He graduated from the Royal Military College, Duntroon in 1983 with a Bachelor of Science from the University of NSW.

DIRECTORS' MEETINGS

The following table sets out the number of Directors' Board and Committee meetings held during the financial year and the number of meetings attended by each Director (while they were a Director or member of the relevant Committee).

DIRECTORS	BOARD		REMUNERATION, HUMAN RESOURCES, NOMINATION COMMITTEE		BOARD AUDIT COMMITTEE		BOARD RISK COMMITTEE		BOARD STRATEGY COMMITTEE		SPECIAL PURPOSE	
CURRENT DIRECTORS	A	B	A	B	A	B	A	B	A	B	A	B
C Schwartz	9	9	n/a	5	n/a	5	n/a	4	n/a	4	n/a	n/a
A O'Donnell	9	9	7	7	n/a	n/a	4	4	n/a	n/a	n/a	n/a
K Eley	9	9	n/a	n/a	5	5	4	4	n/a	n/a	1	1
DG Sedgwick	9	9	n/a	n/a	5	4	n/a	n/a	4	4	n/a	n/a
T Hammon	9	9	7	7	n/a	n/a	n/a	n/a	4	4	1	1
C Robson	9	9	7	7	5	5	4	4	4	4	1	1
K O'Dwyer	9	9	n/a	n/a	n/a	n/a	4	4	n/a	n/a	n/a	n/a
M O'Brien	9	9	n/a	7	n/a	5	4	4	4	4	n/a	1

A = Meetings eligible to attend B = Meetings attended n/a = Not applicable

- The Board also convenes Special Purpose Board meetings from time to time as may be required.
- Two Board sub-committees convened during the period, with two meetings held. All eligible sub-committee members (Ms Schwartz, Mr Eley and Mr O'Brien), attended both meetings.
- Any Director may attend any Board Committee meeting.

EXECUTIVE LEADERSHIP TEAM

MICHAEL (MICK) O'BRIEN

CFA, GAICD

Managing Director

Joined April 2016.

See profile in the previous section.

PHILIP GENTRY

BSc, MBA, GAICD

Chief Financial Officer, Chief Operating Officer

Joined January 2016.

See profile in the previous section.

RUSSELL BEASLEY

Dip Fin Mkts, SA Fin

Executive General Manager, Corporate Trustee Services

Joined February 2005.

Mr Beasley has more than 40 years' experience in the financial services industry, holding senior funds management and retail banking roles with MLC, County Investment Management and National Australia Bank.

Mr Beasley is responsible for the Corporate Trustee Services business within Australia. He is a member of the Equity Trustees' Responsible Entity Compliance Committee.

IAN WESTLEY

BAgrSc, DipFinServ

Executive General Manager, Trustee and Wealth Services

Joined May 2007.

Mr Westley has more than 30 years' business development and sales experience in Australia and the United Kingdom across a range of different industries and is responsible for managing the Trustee and Wealth Services business. He holds a Bachelor of Agriculture Science degree from the University of Melbourne and a Diploma of Financial Services.

MARK BLAIR

BSc. (Hons), FIA, FIAA

Executive General Manager, Superannuation Trustee Services

Joined January 2016.

Mr Blair has over 30 years' experience in the financial services industry in the UK and Australia, including advisory, strategy and business development roles. Mr Blair leads the Superannuation Trustee Services business. He holds an honours degree in Mathematics from Nottingham University and has held senior roles with Russell Investments, Rice Warner and KPMG.

OWEN BRAILSFORD

BA (Hons) Manchester University, Associate of Chartered Insurance Institute (ACII) UK

Chief Risk Officer

Joined February 2019.

Mr. Brailsford has more than 20 years of international experience in risk management and regulatory roles in the superannuation, pensions, and insurance industries. He was previously Chief Risk Officer with responsibility for risk and compliance at Australia's largest corporate superannuation fund, TelstraSuper. His background includes roles at the Australian Prudential Regulation Authority (APRA), Prudential PLC and RSA Insurance (both UK) and a risk management advisory role at KPMG

FORMER

SHARNI REDENBACH

BAppSc (Psych), GradDip (AppPsych)

Executive General Manager, Human Resources

Joined August 2016.
Resigned June 2022.

Ms Redenbach has nearly 20 years' experience in the financial services industry. After graduating from university, Ms Redenbach commenced her career with the Link Group. Before joining Equity Trustees, she led the HR function in Australia for global FinTech company Fiserv.

OPERATING AND FINANCIAL REVIEW

OVERVIEW OF EQUITY TRUSTEES

INTRODUCTION

Established in 1888, EQT Holdings Limited and its controlled entities (Equity Trustees or the Group), is an Australian independent financial services organisation operating in Australia, the United Kingdom and Ireland providing trustee and related services to a variety of corporate and private clients.

PURPOSE

Equity Trustees is a company founded on trust and has acted in a trusted role for individuals, trusts and corporations for over 130 years.

Its purpose is to help people take care of their future through:

- Safeguarding people's wealth now and for generations to come.
- Acting as a trusted, independent partner to grow and manage clients' wealth.
- Providing trustee services and fiduciary support to help to protect the interests of investors, members and beneficiaries.
- Empowering clients to improve the lives of others and support the community.

STRATEGY

Equity Trustees aims to be the pre-eminent independent specialist provider of trustee services in Australia. The Group's vision is to become Australia's leading trustee company, with a global presence in fund governance services. This vision is supported by the following key strategies:

GROUP STRATEGY

BUSINESS GROWTH

- Capture opportunities from market demand for fiduciary independence
- Compete in additional lines of trusteeship to maximise our opportunity set
- Scale up areas of business that show greatest scope for growth
- Disciplined acquisitions in areas with greatest growth and/or synergy opportunities
- Maintain balance sheet discipline

CLIENT SERVICE

- Deliver seamless, tailored client service across our B2B and B2C clients
- Leverage technology solutions to improve client offering and streamline operations
- Provide expert market leading advice to clients.

CAPABILITY

- Resource our businesses with the best technical professionals in fiduciary services
- Build teams of committed, caring, skilled, resilient people
- Build technology and systems to drive operational efficiency and enhance client experience

COMMUNITY

- Efficient and effective management of clients' philanthropic funds
- Responsible corporate citizen with strong ESG practices
- Contribute to improving social and economic outcomes for Aboriginal and Torres Strait Islander peoples and communities
- Volunteering and supporting for-purpose organisations

Key strategic objectives include:

- Consistent growth in shareholder value and returns.
- Market leadership in our specialist business areas.
- Reputation as a stable, trusted, and enduring corporation.

As an independent, specialist trustee, Equity Trustees aims to be a leading player in all aspects of trusteeship. Equity Trustees deploys its trustee capability through three core businesses complemented by shared technology and support services.

OPERATING BUSINESSES AND PRINCIPAL ACTIVITIES

The Group has three business units through which we offer our services to corporate and private clients:

Corporate Trustee Services (CTS) – provides a range of fund governance and trustee services for managed investment schemes on behalf of local and international fund managers and sponsors, as well as specialised trustee services for debt, securitisations, custody and real asset arrangements for corporates. CTS operates in Australia (CTS-A), the United Kingdom and the Republic of Ireland (collectively CTS-EU). CTS's strategy is to:

- Build on its Australian leadership position in trustee services for fund managers.
- Accelerate growth in its corporate trust business.
- Improve scale and profitability in UK/Ireland.

Trustee & Wealth Services (TWS) – provides a range of Private Client and Philanthropic Trustee Services including estate planning and management, charitable, compensation, community and personal trust services, and wealth management and advice. TWS operates within Australia, with a strategy to:

- Achieve a leadership position in additional states and more lines of business.
- Build on its strong presence in the not-for-profit market.
- Utilise technology to provide an enhanced client experience.

Superannuation Trustee Services (STS) – provides independent, outsourced Superannuation Trustee Services for corporate and retail superannuation funds. STS operates within Australia, with a strategy to:

- Achieve further scale by securing trustee appointments to large funds.
- Capitalise on industry and ownership changes to facilitate new appointments.

Revenues are predominantly earned from fees charged on assets under supervision, management, administration or advice. This revenue is influenced by net client asset flows and changes in underlying asset values. Client relationships and contracts are mainly long-term in nature, with the operating model typically providing relatively enduring revenue streams with leverage to movement in asset values.

The Group's vision is to become Australia's leading trustee company, with a global presence in fund governance services. The Group's strategy is underpinned by four key targets, known as the T4, summarised as follows:

T1
IMPROVING CLIENT SATISFACTION

T2
LIFTING EMPLOYEE ENGAGEMENT

T3
GROWING SHAREHOLDER VALUE

T4
DEEPENING COMMUNITY IMPACT

T1 IMPROVING CLIENT SATISFACTION

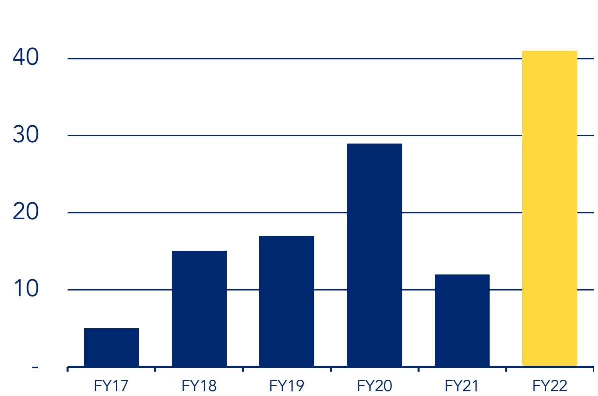
MEASURES

- Net Promoter Score (NPS): The likelihood of clients recommending Equity Trustees
- Net Loyalty Score (NLS): The likelihood of buying another product or service from Equity Trustees

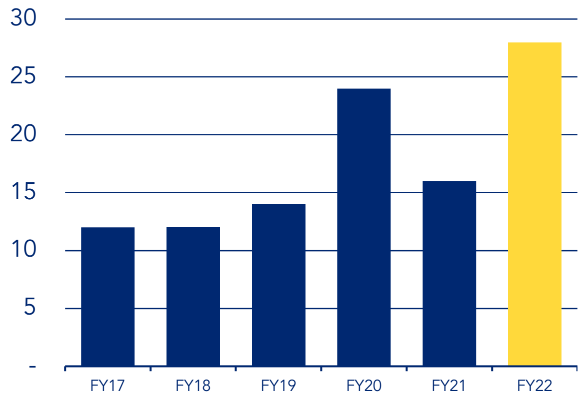
UPDATE AS AT 30 JUNE 2022

Improvement in our T1 client satisfaction measures over the year was very strong. Our Net Promoter Score (a client advocacy score which measures the likelihood clients will actively recommend (promote) Equity Trustees to others) increased by 12 points to +28, our Net Loyalty Score (a measure of how likely clients are to use more Equity Trustees products or services in future) was up 29 points to +41, and Satisfaction rose 4% to 83%.

NET LOYALTY SCORE (NLS)



NET PROMOTER SCORE (NPS)



COMMENTARY

The Group's first target relates to client satisfaction. The Group recognises the importance of trust in the relationship between client and company. As Australia's leading specialist trustee company, we are committed to acting in the best interests of our clients.

The Group measures the strength of its trusted relationships with clients with reference to client satisfaction surveys. Net promoter and net loyalty scores are specifically measured, widely accepted approaches to measuring client satisfaction. The NPS and NLS scores were most recently measured in April 2022. Pleasingly, both scores have increased substantially from the comparative period.

A Client Satisfaction Steering Committee oversees actions to further improve the client experience.

In the 6th annual survey, which saw material improvements on all three key measures across the business, there were some notable results achieved as a result of action taken in response to previous surveys. These included:

- Targeting of adjusting client interactions and communication in Trust Management and Estate Management in the Trustee and Wealth Services area of the business led to exceptional results for this division. For the first time in the six years of surveying trust management beneficiaries, promoters outweighed detractors; the NPS increased by 30 points to +14, while satisfaction with their most recent experience increased by 7% to 78%. One activity included the introduction of a survey at the point of onboarding for estates, which has shown that incoming clients feel well informed about the process, with dissatisfaction primarily focused on fees.
- More 'point in time' surveying will be implemented across the business in FY23 to enable better monitoring and early detection of solvable issues for our clients and beneficiaries.
- A new member survey tool was developed for superannuation fund members and piloted in FY22. It will be expanded across funds in FY23 to a much broader range of members.
- Spontaneous brand associations – that is, the attributes survey respondents noted as part of the Equity Trustees brand, were very positive. 18% cited trustworthy, honest, and integrity, while a further 18% listed professional, knowledgeable, and expert.
- Communication preferences continue to grow for digital and electronic information delivery and interaction, including a preference for more.

The Group has invested, and will continue investing, in initiatives to further strengthen client satisfaction in the period ahead.

T2 LIFTING EMPLOYEE ENGAGEMENT

MEASURES

Each year, Equity Trustees conducts an employee engagement survey looking at two measures: employee engagement and employee enablement. Employee engagement is the 'want to' of work and refers to having committed and loyal employees who are willing to go the extra mile. Employee enablement is the 'can do' of work and is about having the right people in the right roles, in an enabling work environment.

Together, these measures produce engaged performance and lead to operational excellence, client loyalty, strong financial performance, a trusted employer brand and the ability to attract and retain talent.

ENGAGED PERFORMANCE AS AT 30 JUNE 2022

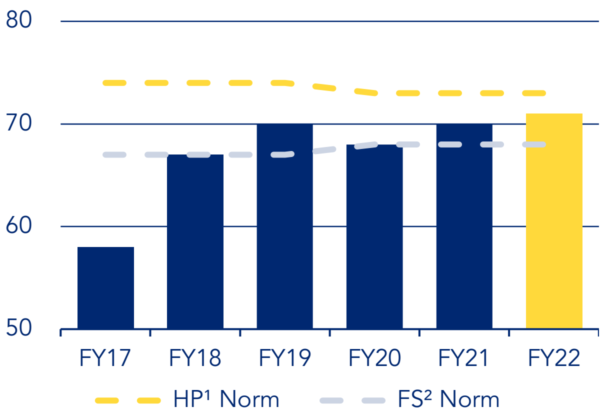
92% of our employees participated in the survey this year, which ensured meaningful results. Equity Trustees increased its strong levels of employee engagement (71%) and enablement (73%). We are very pleased with these results, which are above the Financial Services Industry norm in both measures.

Some of the initiatives introduced in FY22 which helped produce these good results were:

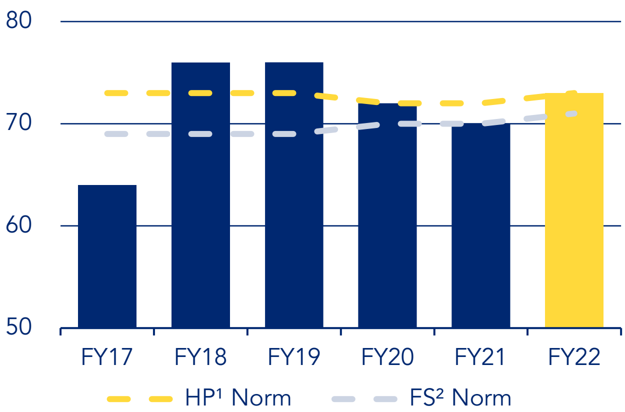
- We introduced a new Workplace Flexibility Policy, creating a hybrid working model, including days for the whole workforce to be together to ensure effective communication, collaboration and innovation.
- We conducted a comprehensive risk and consultation process with employees regarding COVID-19 safety measures.
- Working with leaders we developed 'engagement interviews' to better understand retention and how we can improve the employee experience.
- All our people leaders completed a five-month 'Leader Extension' program in addition to 'Managing a Hybrid Workforce' and 'Developing Yourself and Others' training programs to provide them with the training, tools and support they need to be the best they can be.
- We introduced a 'Chair's Award for Innovation' to further encourage innovation throughout the Company.
- We consulted with several of our business units to assist and improve work design within their area.
- We reviewed and updated our health & wellbeing program for employees.
- We increased the frequency of our employee communications through "Equity Express", a weekly internal Group circular designed to keep employees informed and connected.

Equity Trustees is above the High-Performing norm on several survey dimensions, including Authority & Empowerment, Clear & Promising Direction, Collaboration, Confidence in Leaders, Development Opportunities and Performance Management.

EMPLOYEE ENGAGEMENT



EMPLOYEE ENABLEMENT



[1] HP: The High Performing Norm shows the average survey scores from over 700,000 employees in 55 high performing organisations, which are defined as those organisations that exceed their industry peer group on the majority of financial key performance indicators, and meet a minimum threshold on employee engagement and enablement.
[2] FS: The Financial Services Norm is based on average survey scores from over 140,000 employees in 65 organisations operating in the Financial Services Industry.

NEXT STEPS

We have developed a 2022/23 Employee Engagement Action Plan to help the Group reach our aspiration of achieving a high-performing level of engagement and enablement.

T3 GROWING SHAREHOLDER VALUE

KEY MEASURES

- Net Profit Before Tax
- Earnings per share
- Dividends
- Growth in funds under management, administration, advice, and supervision (FUMAS)

UPDATE AS AT 30 JUNE 2022

Refer to the *Group Financial Performance* section of this Directors' Report.

T4 DEEPENING COMMUNITY IMPACT

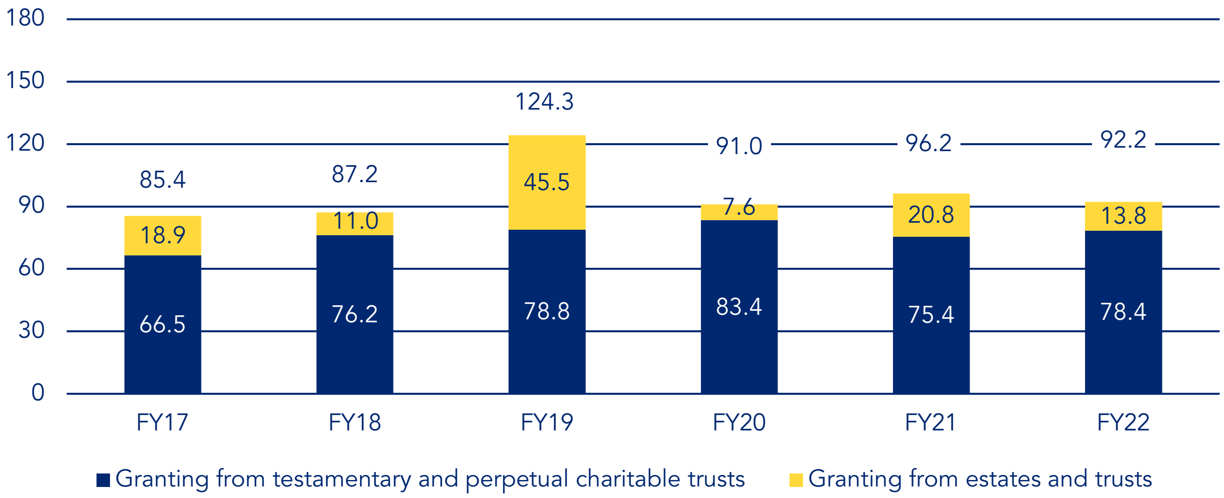
MEASURES

- The value and impact of grants distributed
- Employee volunteering, workplace giving, and other employee-related community impact initiatives

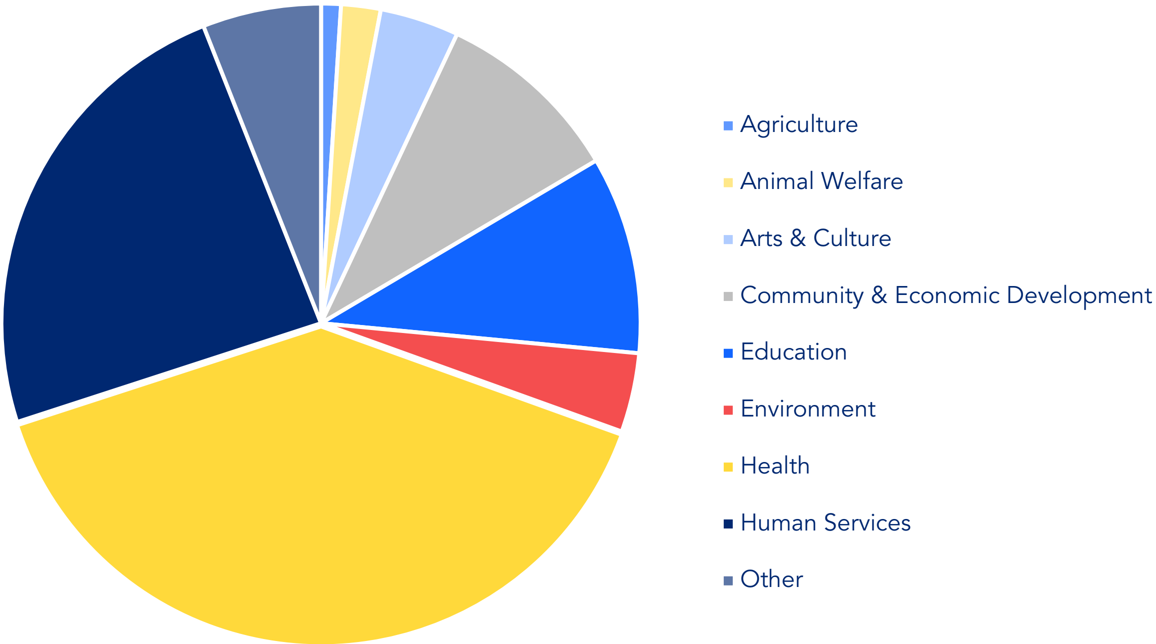
UPDATE AS AT 30 JUNE 2022

For the 30 June 2022 financial year, the Group supported the granting of $92.2m for charitable purposes. Included within this amount is $13.8m of one-off bequests. Our regular annual granting of $78.4m is above the prior corresponding period of $75.4m.

GRANTING



CHARITABLE TRUSTS BY FOCUS AREA



COMMENTARY

The T4 target relates to the Group's activities in philanthropy and helping the community. The Group undertakes several roles relating to philanthropy, including:

- Acting as trustee or co-trustee for Perpetual Charitable Trusts and other structured giving vehicles.
- Granting support and administration services to philanthropic individuals and organisations.
- Investment management of funds in philanthropic trusts as well as not-for-profit organisations.
- Acting as a trustee to two specialist trusts in a bid to capture and distribute key funding to areas impacted by the 2019-2020 Black Summer bushfires. The establishment of these trusts leveraged over 1200 pro bono hours of dedicated EQT specialists time including legal, marketing, fundraising, and trust management support.

The Group is proud to support the philanthropic pursuits of our clients, including those who practice philanthropy through their lifetimes and those who have left lasting philanthropic legacies.

Some of the key initiatives undertaken during the past year that demonstrate how we are continuing to deepen our impact are:

- We published our Fourth Annual Giving Review, reflecting our philanthropic commitments, actions and focus on collaboratively responding to the needs of the social sector.
- We released our second Snapshot publication showcasing the work we do in supporting First Nations communities through our trustee and philanthropic work, and our corporate commitment to reconciliation through our Reconciliation Action Plan.
- We continue to work with for-purpose organisations and thought leaders to build an impact measurement framework to help us improve the work we are doing. By understanding what's going well, and learning from what's not, we can take steps to better serve the people and causes we support via our role as a funder and partner.
- We support the charitable interests of our staff by providing volunteer leave and donation-matching through the Group Workplace Giving Program.
- We act as trustee for ten community trusts that protect and grow the wealth of Indigenous communities.

GROUP FINANCIAL PERFORMANCE

Summary Financial Results and Value Creation Measures

FINANCIAL SUMMARY	FY22 $'000	FY21 $'000	FY22 v FY21 $'000	FY22 v FY21 %
Revenue	**111,513**	101,040	10,473	10.4%
Total expenses	**(74,310)**	(70,729)	(3,581)	(5.1%)
Net Profit Before Tax (NPBT)	**37,203**	30,311	6,892	22.7%
Reconciliation to Underlying NPBT (UNPBT) [1]				
M&A Project costs	**184**	1,827	(1,643)	89.9%
Underlying NPBT	**37,387**	32,138	5,249	16.3%
Net Profit After Tax (NPAT)	**22,669**	20,508	2,161	10.5%
Loss attributable to non-controlling interest	**(1,559)**	(1,020)	(539)	(52.8%)
NPAT attributable to equity holders of the Company	**24,228**	21,528	2,700	12.5%
Reconciliation to Underlying NPAT (UNPAT) [1]				
M&A project costs	**183**	1,717		
Settlement of ATO dispute	**-**	(846)		
Underlying NPAT	**24,411**	22,399	2,012	9.0%
VALUE CREATION MEASURES				
Earnings Per Share (EPS) (cents) [2]	**115.07**	103.04	12.03	11.7%
Underlying Earnings Per Share (EPS) (cents) [2]	**115.94**	107.21	8.73	8.1%
Dividends per share (cents) (paid and proposed)	**97**	91	6	6.6%
Return on equity using NPAT	**8.1%**	7.5%	-	N/A
FUMAS ($b)	**148.9**	**144.2**	**4.7**	**3.3%**

[1] Underlying net profit after tax (UNPAT) excludes significant items. For FY22, adjustments relate to M&A costs incurred during the period. For FY21, adjustments have been made to reflect the impact of a settlement reached with the Australian Taxation Office (ATO) in relation to a disputed rights to future income (RTFI) deduction on an acquisition that occurred in 2010, as well as for M&A project costs during the FY21 year for M&A activity that ultimately did not proceed.
[2] The weighted average shares on issue during the period of 21,054,938 (year ended 30 June 2021: 20,893,718).

The Directors of Equity Trustees are pleased to present the results of the Group for the year ended 30 June 2022. The key themes for the results for the year are:

- Strong organic growth in all three revenue-generating businesses.
- FUMAS up 3.3% to a record year end position.
- Improvement in financial markets following the lows associated with the COVID-19 pandemic.
- Selective investment in growth areas along with operating cost containment.
- Further significant improvement in client satisfaction and employee engagement.

The above table describes the key financial performance and financial value creation metrics of the Group for the year ended 30 June 2022. Of particular focus are net profit before tax (NPBT), earnings per share, dividends and funds under management, administration, advice and supervision (FUMAS).

Net profit before tax of $37.2m was up 22.7% on the prior year on a statutory basis and up 16.3% on an underlying basis. Underlying NPBT (UNPBT) adjusts for M&A project costs. In FY22 there was $184k of M&A project costs, and in FY21 there was $1.83m relating to M&A initiatives that ultimately did not proceed.

FY22 NPAT was $24.2m (up 12.5% on the prior year), and Underlying NPAT (UNPAT) was $24.4m (up 9% on the previous year). The growth in NPAT for the year is not as significant as the growth in NBPT – this difference predominantly relates to the derecognition of previously recognised deferred tax assets, associated with accrued tax losses, in the Group's UK and Irish operations. There is some ongoing uncertainty around the timing of the recovery of these losses, hence the Group has made the decision to derecognise these amounts. These adjustments are one-off in nature and will not reoccur.

UNPAT adjusts for M&A projects costs (post-tax) in both the current and prior corresponding period, and additionally for FY21, also adjusts for an $846k settlement with the ATO in relation to a longstanding tax matter.

The improvement in UNPAT reflects:

- Good organic growth contributions from all three revenue business units.
- Improved dividend distribution revenue due to generally higher dividend yields over the past 12 months.
- Volatile, though on average, positive equity markets during the year.
- Targeted investment in growth areas and related technology, risk management and support.
- Offset by continued lower earnings on cash management accounts in the lower interest rate environment.

Underlying NPBT and Underlying NPAT are intended to provide readers with a normalised view of performance of the Group, adjusting for amounts that are material, but are not necessarily expected to reoccur, and don't relate directly to the operating performance of the business.

REVENUE

The main driver of Group revenue is the value of funds under management, administration and supervision (FUMAS), as fees are typically charged in basis points or as a percentage of FUMAS. The value of FUMAS is influenced by the level of the Australian and global equity markets along with net organic growth.

The TWS Private Client revenue is 60%-70% linked to markets, as measured by the average daily performance of the ASX 200 Index. The Corporate Trustee Services revenue is 40%-50% linked to markets, as primarily measured by the performance of the average daily All-World MSCI Index. The Superannuation Trustee Services business has lower leverage to markets, at 20%-30% of the performance of the average daily ASX 200 Index, as its business model has a higher proportion of fixed fees.

For the year ending 30 June 2022, FUMAS was up 3.3% to $148.9b. This was a significant achievement in a year in which the continuing COVID-19 pandemic and Ukraine crisis have contributed to market volatility, and largely reflects significant new client wins in Superannuation Trustee Services, good growth in Corporate Trustee Services and on average, positive equity markets.

Total revenue for FY22 of $111.5m was up 10.4% on the prior year reflecting on average, positive equity markets and good organic growth, particularly in Corporate Trustee Services which has had an exceptional year. An improvement in dividend distribution revenue flowing from higher investment market dividend yields was offset by lower margins on cash management accounts in a continued low interest rate environment.

EXPENSES

Total expenses for the year were up 5.1% on FY21 to $74.3m. Total expenses include both operating and non-operating expenses. During the period, the Group incurred costs of $184k in respect of M&A project costs. The Group continues to search for and assess high-quality businesses to complement our longer-term strategic aspirations.

Adjusting total expenses for the M&A project costs in each financial year results in normalised total expenses increasing by 7.6% on the prior year. This increase reflects several factors including:

- Continued investment in resources for CTS Australia where there are particularly elevated levels of new business activity, along with continuing investments to support the growth and increasing regulatory requirements in Superannuation Trustee Services and CTS Europe.
- An increase in technology investment across the Group to support the continued evolution of digital platforms.
- A material increase in insurance costs reflecting premium increases more broadly across the industry.

MARGINS

The Group's EBITDA margin, calculated as earnings before interest, tax, depreciation and amortisation, divided by total revenue, has significantly improved to 39.4% compared with 36.7% for FY21. However, on an underlying basis when adjusted for the M&A project costs, the EBITDA margin is up more moderately from 38.5% to 39.6%.

The Group's NPBT margin is similarly improved, increasing to 33.4% in FY22 from 30% in FY21, and on an underlying basis from 31.8% to 33.5%.

	FY22	FY21
EBITDA margin	**39.4%**	36.7%
Underlying EBITDA margin	**39.6%**	38.5%
NPBT margin	**33.4%**	30.0%
Underlying NPBT margin	**33.5%**	31.8%

SHAREHOLDER RETURNS AND DIVIDENDS

SHAREHOLDER RETURNS FOR THE PERIOD	FY22	FY21	FY22 vs FY21 %
Earnings Per Share on NPAT (cents)	**115.07**	103.04	11.7%
Earnings Per Share (EPS) on Underlying NPAT (cents)	**115.94**	107.21	8.1%
Annualised ROE on NPAT (%)	**8.1**	7.5	7.8%
Dividends for the period			
Fully franked dividends paid/payable ($'000)	**20,461**	19,065	7.3%
Fully franked dividends per ordinary share (cents)	**97**	91	6.6%
Dividend payout ratio (%)	**84.3**	88.3	(4.5%)
Underlying dividend payout ratio (%)	**83.7**	84.9	(1.4%)

EARNINGS PER SHARE

The statutory earnings per share for FY22 was 115.07 cents, an 11.7% increase on the 103.04 cents per share for FY21. Underlying earnings per share for FY22 was 115.94 cents per share, compared with 107.21 cents per share for FY21. The key adjustments between statutory and underlying earnings per share relate to M&A project costs impacting both periods. Both statutory and underlying earnings per share have improved materially from FY21, due to organic growth and the improved operating performance of the business.

The weighted average shares on issue during the period of 21,054,938 (year ended 30 June 2021: 20,893,718), represents a 1% increase over the prior year. This increase arises from shares issued in relation to:

- Participation in the Dividend Reinvestment Plan (DRP) in relation to the 2022 interim and 2021 final dividends and;
- Participation in employee share acquisition plans, share-based remuneration and salary sacrifice share schemes.

DIVIDENDS

Subsequent to 30 June 2022, the Directors determined to pay a fully franked final dividend of 49 cents per share bringing the total dividends paid/payable for the year to 97 cents.

During the year, a fully franked dividend of 48 cents per share was paid to ordinary shareholders of the Company in respect of the half-year ended 31 December 2021.

The combined interim and final dividends represent a dividend payout ratio of 84.3% on a statutory basis, or 83.7% on an underlying basis, both within the Company's dividend policy payout range of 70-90%.

The Dividend Reinvestment Plan will continue operating for the 2022 final dividend, with a 1.25% discount. The 2022 final dividend will be fully franked and payable on 10 October 2022.

GROUP FINANCIAL POSITION

SUMMARY CONSOLIDATED BALANCE SHEET

AS AT 30 JUNE	FY22 $'000	FY21 $'000
Assets		
Cash and cash equivalents – corporate	**77,311**	68,925
Cash and cash equivalents – ORFR-related	**31,005**	23,250
Trade receivables and accrued income	**30,852**	34,615
Goodwill and intangible assets	**205,249**	206,404
Other assets (including managed fund investments)	**26,733**	20,640
Total Assets	**371,150**	353,834
Liabilities		
Trade payables and other current liabilities	**16,614**	14,758
Borrowings – corporate	**10,000**	10,000
Borrowings – ORFR-related	**31,005**	23,250
Other non-current liabilities	**32,196**	31,575
Total Liabilities	**89,815**	79,583
Equity		
Issued capital	**257,558**	253,621
Reserves	**2,028**	1,778
Retained earnings	**25,688**	21,407
Total Equity Attributable to Owners of the Company	**285,274**	276,806
Non-Controlling Interest	**(3,939)**	(2,555)
Total Equity	**281,335**	274,251

BALANCE SHEET ANALYSIS

Liquidity

The Group manages liquidity risk by:

- Preparing regular cash flow forecasts and reviewing and challenging them with management.
- Ensuring healthy liquidity buffers are available for regulatory capital and other purposes in each of the operating entities.
- Maintaining a committed credit facility with significant capacity.
- Engaging regularly with debt providers.

In FY22, cash and cash equivalents – corporate increased from $68.9m to $77.3m. During the same period corporate borrowings were stable at $10m. This reflected a combination of strong cash generation and an objective of maintaining a healthy level of liquidity.

Borrowings – Corporate

The Group has $30m of committed undrawn borrowing capacity under its $40m facility with ANZ Bank.

The facility is unsecured and subject to the Group meeting certain financial covenants including minimum NTA, a maximum ratio of gross debt to EBITDA and a minimum interest cover. The Group complied with all financial covenants during the period.

Borrowings – ORFR facility loans

ORFR RELATED ASSETS AND LIABILITIES	FY22 $'000	FY21 $'000
Assets		
Cash and cash equivalents	**31,005**	23,250
Liabilities		
Borrowings	**31,005**	23,250

The Group enters into borrowing arrangements in relation to certain superannuation trustee activities. Some superannuation funds are configured such that some or all of the Operational Risk Financial Requirements (ORFR, a superannuation prudential requirement) are held on the superannuation trustee balance sheets as Tier 1 Common Equity, rather than within the superannuation funds themselves. Where it has been determined that an ORFR will be met via capital held on the trustee balance sheet, the Group enters into special purpose, limited recourse borrowing arrangements (referred to herein as ORFR facility loans) to fund these requirements and appropriately capitalise the respective trustee entities.

The ORFR facility loans have increased in line with the increase in Superannuation Trustee Services business. The Group currently has five such loan facilities in place. The ORFR facility loans have differing maturities of between three and five years, and the arrangements provide for the replenishment of ORFR amounts in the case of an operational event resulting in a deduction to the reserves. Amounts borrowed are held as segregated cash in the respective trustee entities, the obligations are fully cash-backed, and the net interest cost is effectively neutral to Equity Trustees.

Net Assets and Net Tangible Assets

Overall, the Group's financial position has strengthened during the financial year. At 30 June 2022, net assets increased to $281.3m, up 2.6% from $274.3m at 30 June 2021. Net tangible asset backing per share has increased by 13.8% to $3.39 from $2.98 at 30 June 2021.

Issued Capital

Issued capital increased by $3.9m during the year, due primarily to the active Dividend Reinvestment Plan (DRP), with the remainder being shares issued under the Long-Term Incentive Plan, Employee Salary Sacrifice Share Plan and Employee Share Acquisition Plan.

Capital Management

Equity Trustees' overarching capital management objectives are as follows:

- The Group must have a clear and sustainable capital structure that reflects the size of the organisation and supports the Group's core strategic goals and objectives.
- The Group seeks to maximise returns to shareholders over the medium term.
- The capital structure should provide flexibility to comfortably meet regulatory capital requirements as well as the flexibility to take advantage of future opportunities.
- Capital must be managed prudently in line with the Group's risk appetite and to enable the Group to withstand adverse events.

Equity Trustees maintains a conservative balance sheet with low gearing. The Group's debt to equity ratio (excluding ORFR facility loans and their related cash) at 30 June 2022 is 3.6% (30 June 2021: 3.6%), or 14.6% including the ORFR facility loans (30 June 2021: 12.1%).

The Group continually reviews funding options to ensure it is optimising both the use and mix of its capital to achieve its capital management objectives. During the year the Group actively managed its cash and liquidity to ensure it had the resilience and flexibility to manage any unforeseen circumstances arising from the COVID-19 pandemic and the associated economic and social disruption.

CASH FLOW

Cash flow Analysis

The Group's capacity to generate cash continues to be strong with pre-tax operating cash flows of $47.2m, up significantly during the year from $30.4m in the prior comparative period. This increase was due in large part to the higher margins and improved profitability of the business along with improved working capital management.

The Group's total cash and cash equivalents have increased by $16.1m or 17.6% on the prior year. The increase reflects a combination of additional ORFR borrowings and associated cash on deposit, along with improved profitability and debtor management.

The Group is required to hold a certain amount of cash and liquidity to meet regulatory capital requirements in relation to its licenced activities, a portion of which may be held in schemes managed by the Group. This can enable the Group to achieve a better than cash return on a portion of its cash holdings.

Material non-operating cash flows during the year were:

- $7.8m increase in borrowings (and associated increase in liquidity) to facilitate the provision of ORFR capital associated with the appointment as Trustee to various superannuation funds.
- $16.7m of dividend payments (net of DRP of $3.3m) to shareholders.

FOR YEAR ENDED 30 JUNE	FY22 $'000	FY21 $'000
Cash from operating activities		
Receipts from customers	**126,532**	105,065
Payment to suppliers and employees	**(79,341)**	(74,637)
Operating cash flow before income tax	**47,191**	30,428
Income tax paid	**(13,597)**	(11,106)
Net cash from operating activities after income tax	**33,594**	19,322
Dividends paid in cash to members of the Company	**(16,685)**	(14,542)
Redemption of liquid investments	**(5,000)**	-
Net payments for assets and acquisitions	**(2,273)**	(691)
Repayment of borrowings – corporate facility	**-**	(10,000)
Proceeds from borrowings – ORFR facilities	**7,755**	14,250
Interest received	**535**	485
Other cash flows	**(1,603)**	(1,400)
Net increase in cash and cash equivalents	**16,323**	7,424
Cash and cash equivalents at the beginning of the financial year	**92,175**	84,738
Exchange fluctuations on foreign cash balances	**(182)**	13
Cash and cash equivalents at the end of the financial year	**108,316**	92,175
Additional liquid funds	**10,000**	5,000
Total liquid funds at the end of the financial year	**118,316**	97,175

REVIEW OF BUSINESSES

BUSINESS UNIT PERFORMANCE – CORPORATE TRUSTEE SERVICES (CTS)

Key products and services include:

AUSTRALIA (CTS-A)

- Provides a range of global fiduciary services for managed investment schemes on behalf of local and international fund managers and sponsors, as well as specialised trustee services for debt, securitisations, custody and real estate arrangements for corporates.

UNITED KINGDOM AND IRELAND (CTS-EU)

- Authorised Corporate Director (ACD) for UK-based Open-Ended Investment Companies (OEICs), and Management Company Services to Ireland-based Alternative Investment Funds (AIFs) and Undertakings in Collective Investment Transferrable Securities (UCITS) on behalf of local and international managers and sponsors.

Revenues for CTS are grouped together as a single category of services, named fund governance and trustee services.

CTS PERFORMANCE AND KEY DRIVERS FINANCIAL PERFORMANCE	FY22 $'000	FY21 $'000	FY22 v FY21 $'000	FY22 v FY21 %
Revenue	**38,931**	33,421	5,510	16.5%
Expenses	**(23,523)**	(20,485)	(3,038)	14.8%
Business unit net profit before tax	**15,408**	12,936	2,472	19.1%
Business unit profit margin (%)	**39.6%**	38.7%	-	2.3%
GROWTH IN KEY DRIVERS				
Funds under supervision (FUS) ($b)	**105.1**	100.8	4.3	4.3%
Funds Manager Clients				
No. Clients	**132**	123	9	7.3%
No. Funds	**354**	310	44	14.2%

Revenue

CTS revenues have increased by 16.5%, or $5.5m on the prior year. CTS revenues are 40%-50% linked to prevailing market levels, particularly global markets. This result reflects a combination of the continued recovery of investment markets for most of the year from the lows experienced in the second half of FY20, and good organic growth offset by a small number of fund closures and manager outflows along with weaker markets in the final quarter.

Funds under supervision (FUS) have increased by 4.3% on FY21 reflecting good organic growth offset by more volatile equity markets.

There has been a considerable amount of new fund establishment activity in FY22, causing the number of clients and associated funds supervised to increase by 7% and 14% respectively on the prior year. Most of this activity has related to CTS-A's Responsible Entity Services, with particularly strong growth in the second half. Accordingly, the full year impact of most of the new client activity is expected to be more evident in FY23.

CTS-A's Custody and Debt & Securitisation Services (formerly known as Corporate Trust Services) teams continue to grow strongly with revenues up approximately 31.7% on the prior year, to $3.8m in FY22. The Debt & Securitisation Services (DSS) team now has 48 appointments and the Custody Team now supervises approximately $8.7b of assets. During the period the team's capability was further enhanced by new resources, including dedicated business development resources, to further support their growing presence and service offering.

The CTS-EU team has continued to pursue and win several opportunities in FY22. The team has expanded, providing increased capacity to grow and onboard new funds. The business now supervises 32 funds with approximately £3.3b worth of funds under supervision. The pipeline of opportunities remains healthy for the Group's overseas operations; however, the impact of the pandemic and associated lockdowns has slowed fund establishments while also limiting fund managers' ability to market and distribute their products.

The regulatory environment continues to intensify, particularly in the UK where the FCA has set higher expectations for the Authorised Corporate Director (ACD) industry. This requires increased investment in resourcing and capability over time, representing both an opportunity and a challenge for industry participants as well as an increasing need for scale.

Expenses

CTS expenses have increased by 14.8% or $3.03m on the prior year. This reflects significant increases in resourcing to support the high levels of activity for each of the CTS-A Custody and Debt & Securitisation Services team, the CTS-EU team and CTS-A Responsible Entity Services. A project to redesign and reengineer key CTS business processes is underway and is expected to materially improve productivity and enhance scale, although the benefits will not be seen until the second half of the year and into FY24.

Outlook

The outlook for CTS is positive with strong organic client and fund growth activity during the year, which looks set to continue in the period ahead. Key hires made are expected to support continued growth in new fund openings in Australia, Ireland and the United Kingdom, along with increased transaction activity in the Australian Custody and Debt & Securitisation business.

In the period ahead, the business will further assess the regulatory developments and market dynamics in the Australian, UK and Ireland markets while considering how best to optimise its business model. In particular, we plan to explore strategic options for the CTS-EU business with the objective of improving profitability.

While equity markets remain volatile, the funds' management industry is highly innovative and new fund activity continues to be strong. Rising interest rates and downward pressure on equity markets are seeing interest in fixed income, private equity and infrastructure products continuing to grow.

Notwithstanding more volatile markets and a less certain economic outlook, government-mandated superannuation, ongoing fund innovation and a leading CTS client proposition support an encouraging outlook over the medium to long term.

BUSINESS UNIT PERFORMANCE – TRUSTEE & WEALTH SERVICES (TWS)

Key products and services include:

- Philanthropy services, including perpetual charitable trusts, living donors and investment management for not-for-profit organisations.
- Wealth and asset management advice and services.
- Estate planning advice and the management of deceased estates.
- Trustee administration and services including personal, compensation and Indigenous trusts.

Revenues for TWS are grouped into the following categories of services:

- Private client trustee services.
- Other services.

Within each category, services with similar performance obligations have been grouped; the basis upon which revenues are measured is also similar.

TWS PERFORMANCE AND KEY DRIVERS FINANCIAL PERFORMANCE	FY22 $'000	FY21 $'000	FY22 v FY21 $'000	FY22 v FY21 %
Private Client Trustee Services revenue	**46,766**	42,172	4,594	10.9%
Other services revenue	**4,203**	5,102	(899)	(17.6%)
Total TWS revenue	**50,969**	47,274	3,695	7.8%
Expenses	**(34,271)**	(34,209)	(62)	0.2%
Business unit net profit before tax	**16,698**	13,065	3,633	27.8%
Business unit profit margin (%)	**32.8%**	27.6%	-	18.5%
GROWTH IN KEY DRIVERS	**FY22 $b**	**FY21 $b**	**FY22 v FY21 $b**	**FY22 v FY21 %**
Funds under management, advice, administration and supervision (FUMAS)	**9.1**	9.8	(0.7)	(7.1%)
Philanthropy	**2.5**	2.5	-	-
Asset Management	**4.3**	4.6	(0.3)	(6.5%)
Trusts & Estates	**1.5**	2.1	(0.6)	(28.6%)
Wealth Advice	**0.8**	0.6	0.2	33.3%

Revenue

Equity Trustees is a leader in the provision of philanthropic, trustee executor and investment services. The TWS business unit contains the Group's foundational services and has been trusted by Australians to provide these services for over 140 years.

TWS revenues increased by 7.8% to $51.0m during the year. This above trend growth was attributable to a range of factors including:

- Good underlying organic growth across all product lines except Estate Management, Estate Planning and Tax.
- Private Client Trustee Services revenues which include Trusts, Philanthropy, Advice and Investment Mandates were up 10.9% reflecting strong organic growth and on average positive markets.
- Revenues from other services, which include Estate Management, Estate Planning and Tax services decreased by 17.6% on FY21. This decrease reflects the predominantly transactional nature of these services; business development was also impacted by the pandemic, where client-facing activity was restricted. While Estate Planning and Taxation Services are not exposed to equity markets, Estate Management can be. The size and nature of estates is also difficult to predict, leading to some inherent variability in revenues from year to year.
- TWS is 60%-70% exposed to markets, as measured by the average daily performance of the ASX 200 index. During the FY22 year the average daily ASX 200 was up 11% compared to the average daily ASX 200 for the prior year, providing a significant benefit.

FUMAS decreased 7.1% to $9.1b principally reflecting lower equity markets as at 30 June 2022 compared with 30 June 2021.

Expenses

Expenses were well-managed and relatively flat, only increasing by $62k or 0.2% on the prior year. A moderate investment in technology was offset by productivity improvements in the business and at times higher than usual vacancy levels.

Outlook

The outlook for TWS in the period ahead is positive. The impacts of reduced cash management returns have bottomed out and are now starting to improve. Dividend distribution fees are returning to more normal levels as market dividend yields improve.

A substantial investment in a new TWS platform and digital solutions including client portals is underway over the next 18 months. This is aimed at significantly enhancing the client and employee experience, while improving operational efficiency.

The pipeline of new business activity remains healthy, with the enhanced client experience from the new digital solutions expected to further support organic growth momentum over time.

While equity markets remain under some downward pressure, on a longer-term basis, the fundamentals underpinning the TWS business remain positive. We expect traditional trustee services will continue to benefit from an ageing demographic and increasing levels of intergenerational wealth transfer.

BUSINESS UNIT PERFORMANCE – SUPERANNUATION TRUSTEE SERVICES (STS)

Key products and services include:

- Superannuation Trustee Services to superannuation funds and members.

STS PERFORMANCE AND KEY DRIVERS	FY22	FY21	FY22 v FY21	FY22 v FY21
FINANCIAL PERFORMANCE	**$'000**	**$'000**	**$'000**	**%**
Revenue	**20,659**	18,916	1,743	9.2%
Expenses	**(15,564)**	(13,914)	(1,650)	11.9%
Business unit net profit before tax	**5,095**	5,002	93	1.9%
Business unit profit margin (%)	**24.7%**	26.4%	-	(6.7%)
	FY22	**FY21**	**FY22 v FY21**	**FY22 v FY21**
GROWTH IN KEY DRIVERS	**$b**	**$b**	**$b**	**%**
Funds under supervision (FUS)	**34.7**	33.6	1.1	3.3%

Revenue

Superannuation Trustee Services has had a solid year with revenue growth up 9.2% to $20.7m. This was primarily driven by new appointments as trustee, the full-year effect of earlier appointments and growth particularly in the HUB24 Super Fund. Most recently, STS has been appointed as trustee for the Infocus Super Fund. STS now acts as trustee for the benefit of approximately 570,000 members.

Total FUS was up 3.3% to $34.7b. This figure reflected these new appointments along with net fund inflows and a mixed impact of equity markets which had a weaker final quarter. The STS business has achieved a material improvement in size and scale, and there remains an opportunity to grow further.

Expenses

Expenses were up 11.9% to $15.6m. This increase reflected the material investment made in STS to ensure it was appropriately resourced to undertake its fiduciary activities.

To support this growth, significant investment in people and technology has been made to provide the business with the resources and capability required to sustainably manage its new clients and pipeline of opportunities.

Outlook

The superannuation industry has historically seen remarkable growth underpinned by its compulsory nature and the rising rate of contributions. While these drivers will continue, there is also increasing regulatory intensity and scrutiny, along with significant pressure on fees across the industry.

STS is Australia's leading specialist, independent superannuation trustee, and its unconflicted, specialist proposition is seeing increasing interest from a variety of participants across the industry. The pipeline of new opportunities remains healthy, although long lead times are typically required for due diligence and to finalise appointments, and the regulatory load is expected to continue to increase.

BUSINESS RISKS

The primary risks facing the EQT Group relate to the appropriate execution of our fiduciary responsibilities in the various contexts in which we act. Central to this is ensuring the interests of our investors, members and beneficiaries are put before all other interests. Failure to do so may lead to financial loss but much more damaging will be the reputational impact and erosion of trust and confidence that is at the heart of the Trustee role and the success of Equity Trustees' business.

The contexts in which we act can be complex. These typically involve the application of judgement, within the bounds of the governing documents, while balancing the needs of investors, members or beneficiaries, both current and future. As a result, there are times when the decisions made may be unpopular for some beneficiaries today. This is an inherent part of the role, but can increase the potential for reputational risk.

To ensure the application of trustee judgement in a considered and consistent manner requires strong governance processes, which are at the heart of Equity Trustees operating model. A core element of these governance processes is the Risk Management Framework (RMF), comprising the totality of systems, processes, structures, polices and people involved in identifying, assessing, mitigating and monitoring risks. The key elements of the RMF are set out below.

RISK AND COMPLIANCE CULTURE

Our Risk Culture is the system of values and behaviours that supports good risk and compliance management and determines our collective ability and commitment to identify, understand, openly discuss and act on our current, emerging and future risks and obligations whilst operating consistently within our Risk Appetite.

The Group strives to foster a Risk Culture aligned to its Values:

- We make risk-informed decisions in line with our risk appetite (Trusted).
- Everyone feels safe to raise issues and incidents and ask for help if they don't know (Trusted and Empowering).
- We are accountable and identify, address and learn from breaches and incidents rather than hiding them (Accountable).
- We are pragmatic in our approach to identifying and managing risk rather than ticking a box (Accountable).

SUPPORT AND MONITORING OF THE RISK CULTURE

The EQT Group assesses and monitors its Risk Culture through:

- An annual Risk Culture Survey.
- Key Risk Indicator monitoring and reporting to Management and Board Committees.
- The development of a range of governance, risk and compliance frameworks, policies and procedures that clearly define risk and compliance responsibilities and expectations.
- Ongoing mandatory compliance training.
- Several governance committees to oversee risk and compliance matters and practices.

THREE LINES OF DEFENCE

Equity Trustees operates the three lines of defence governance model to ensure clear accountability and responsibility for governance, risk management and compliance. The model ensures appropriate structures are in place for:

- Taking and managing risk.
- Meeting compliance obligations.
- Provision of advice accompanied by challenge and oversight in the risk management process.
- Assurance in control design and operating effectiveness.

The three lines of defence also have independent reporting lines running through Executive Management and into Group Boards and Sub-Committees, with unfettered access to Directors to ensure appropriate checks and balances are built into our operating model.

EQT GROUP BOARDS
Business Strategy, Risk Culture and Risk Appetite

Board Audit, Risk & Compliance Committees

Management Audit Risk and Compliance Committee

1ST LINE OF DEFENCE
OWNERSHIP

BUSINESS OPERATIONS

- Risk and compliance ownership
- Identify and assess risks
- Own and operate controls
- Day to day responsibility
- Ongoing testing
- Incident and complaints management

2ND LINE OF DEFENCE
OVERSIGHT, MONITOR & SUPPORT

ENTERPRISE RISK TEAM

- Risk and compliance advice
- Risk and compliance policies and frameworks
- Independent oversight of 1^{st} Line
- Incident review and reporting
- Report trends and themes

3RD LINE OF DEFENCE
INDEPENDENT ASSURANCE

INTERNAL AUDIT

- Independent assurance to the Board in relation to the internal control environment
- Assurance over 1^{st} and 2^{nd} Lines activities

BUSINESS RISKS AND COVID-19

Following the navigation of the acute impact of COVID-19 in FY20 and 21 Equity Trustees has continued to manage its people, financial, investment and operational risks throughout FY22. The period has incorporated lockdowns across the Eastern States of Australia and working from home directives in the UK and Ireland. This was followed by an emergence into a hybrid working environment as our staff, alongside the community adapt to and settle into new working patterns after two years of disruption.

The safety of our people in all jurisdictions has remained the key focus for the organisation along with ensuring our service to clients and appropriate discharge of our obligations to clients, members, investors and beneficiaries of our trusts and funds.

REGULATORY DEVELOPMENTS

FY22 has seen a significant body of regulatory reform navigated including:

- The changes to fee disclosure in ASIC's Regulatory Guide RG97.
- The introduction of the Design and Distribution obligations.
- The changes to APRA's data and reporting regime.
- The introduction of APRA's Choice Heatmap and MySuper performance reporting regimes.
- ASIC's breach reporting reforms.
- ASIC's changes to internal dispute resolution in Regulatory Guide 271.
- The UK Financial Conduct Authority's thematic review of host Authorised Fund Management firms.
- The Central Bank of Ireland's review of Fund management effectiveness framework (CP86).

Further to the introduction of these changes the focus of both the organisation and the regulators will now turn to ensuring the changes are effectively implemented and embedded within our operations on an ongoing basis.

There remain substantial future changes that will impact Equity Trustees business including:

- The introduction of the Financial Accountability Regime (FAR) and the attendant APRA remuneration standard.
- Proposed changes to APRA's prudential standard SPS250 Insurance in Superannuation.
- Proposed changed to ASIC's Derivative Transaction Rules (Reporting) in CP334.
- The introduction of APRA's strengthening crisis preparedness reforms including the proposed CPS190 Financial Contingency Planning and CPS900 Resolution Planning.

Recent regulatory changes have been accompanied by a significant increase in supervisory intensity from regulators in all jurisdictions in which Equity Trustees operates. This is likely to be a consistent theme in coming years representing a barrier to entry for potential competitors, an incentive to potential clients to considering an independent trustee model and an escalating cost environment for Equity Trustees.

While Equity Trustees is supportive of measures designed to improve governance, and the outcomes for members, investors and beneficiaries, these reforms represent a complex and substantive body of work, which is a significant impost leading to higher industry costs to be borne by clients and shareholders.

KEY RISKS

Key risks faced by the Group are categorised with reference to the Group's risk management framework (RMF), as follows:

RISK CATEGORY	DESCRIPTION	KEY CONTROLS AND MITIGANTS
Strategic	There is a risk that the assumptions underlying the Group's strategic decisions are (or prove to be) incorrect or that the conditions underpinning those decisions may change. Also, one or more of the Group's strategic initiatives may prove to be too difficult or costly to execute. Opportunities that are pursued may change the Group's risk profile and/or capital structure.	• Articulated Group strategy. • Dedicated Group Strategy Committee. • Regular reviews of the Group's business model. • Executive KPIs aligned to Group strategic objectives. • Dedicated business development and referral channels. • Review of the risk profile following new or changed strategic initiatives.
Operational	Operational risks are a core component of doing business, arising from the day-to-day operational activities of the Group as well as projects and business change activities. A substantial operational risk event may give rise to losses, including financial losses, fines, penalties, personal injuries, reputational damage, loss of market share, theft of property, customer redress and litigation.	• Detailed policies and procedures. • Defined roles and responsibilities for staff. • Information security policy and Group privacy framework. • Incident and breach management policy. • Business continuity management policy and annual testing program. • A Group controls-monitoring program, which includes quarterly attestations from external service providers, and targeted testing.
Financial	Financial risks encompass liquidity, foreign exchange, interest rate, credit and balance sheet management risks, which, if not managed well, could have a significant adverse impact on the Group. Financial risks also encompass the preparation of financial statements for the Group and the entities for which the Group acts as Responsible Entity or Trustee. Should the estimates and assumptions adopted in preparation of the financial statements be found to be incorrect, there could be an impact on the Group's performance, reputation and position.	• Forecasting and budgeting process. • Oversight by Board Audit Committees. • Annual business unit strategy and plan reviews. • Regular cost control and improvement initiatives. • Group capital management policy. • Detailed financial policies and procedures. • Independent audits by reputable accounting firms.
People	The success of Equity Trustees relies on its ability to attract, motivate and retain people who have the necessary skills and experience to help achieve the Group's goals. The loss of key personnel could disrupt our operations in the short term. While our incentives program is designed to align key personnel interests with the Group's goals, there is no guarantee of their continued employment.	• Succession planning for key roles. • Employee engagement monitoring and action plans. • Wellness program. • Remuneration benchmarking. • Risk Culture training and annual Risk Culture surveys. • Clearly articulated corporate values.

RISK CATEGORY	DESCRIPTION	KEY CONTROLS AND MITIGANTS
Outsourcing	Equity Trustees relies on several third-party service providers for various fund administration, investment management, accounting, custody, market data, market indices, promotion and other distribution and operational needs. The failure of one or more of those service providers to fulfil its obligations could lead to operational and regulatory impacts to the Group. Equity Trustees actively manages its key third-party service providers and vendor relationships.	• Outsourcing and vendor management framework. • Monitoring of third-party performance against service level agreements. • Use of standardised contracts wherever possible. • Partnering with reputable organisations. • Thorough legal and due diligence processes.
Investment	Equity Trustees' and its clients' investment portfolios are subject to normal market risks, such as interest rates and equity market volatility. These risks can affect investment valuations and income volatility. Equity Trustees actively manages its clients' investments and capital in line with our and their risk appetites, and Equity Trustees' investment and capital management policies.	• Oversight by management and Board sub-committees. • Detailed investment governance and selection frameworks. • Regular monitoring of mandate limits and investment performance.
Governance and Compliance	Entities controlled by Equity Trustees hold several licences and operate in a highly regulated environment. If the entities that hold those licences fail to comply with the general obligations and conditions, this could impact the ability to operate key parts of the Company's business, which could potentially lead to a material adverse effect on either business or financial performance.	• Maintenance of a Group obligations register. • Governance and compliance frameworks. • A Group controls-monitoring program, which includes quarterly attestations from external service providers, and targeted testing. • Regular compliance reporting to management and Board sub-committees. • Three lines of defence model.

OUTLOOK

The FY22 financial year has seen a record performance across a variety of both financial and non-financial measures. Revenues, profits, client satisfaction and staff engagement are all strong and with positive and improving trends. The benefits of our specialist, independent trustee model along with the deep experience and capability of our staff are increasingly evident to clients and we are well positioned to pursue growth opportunities in all segments of our business.

We are grateful for how positively and constructively our staff responded in the context of the COVID-19 challenges over the past year. Client service levels have been maintained to a high standard and we are pleased to be largely operating on a face to face basis now as far as possible. This is particularly important given the high reliance placed on Equity Trustees by so many of our many clients, investors and beneficiaries.

With a predominance of asset-based fees our revenues are approximately 50-60% correlated with Australian and global equity markets. With inflationary pressures building, heightened geo-political tensions and increasing economic uncertainty, equity market volatility has increased in recent months.

Notwithstanding this less certain and more challenging economic outlook, the fundamentals of the Group's business are solid. Our balance sheet is strong, our client proposition is attractive, and we continue to see opportunities to grow across the broad spectrum of our trustee services. We are also undertaking a substantial program of investment in technology to improve productivity and enhance the customer experience across each of our revenue generating businesses.

In the period ahead, the Equity Trustees proposition is supported by the long-term structural dynamics of an ageing demographic, combined with government-mandated superannuation and an unprecedented intergenerational wealth transfer. In addition, there is both a regulatory and industry focus on improved governance. Equity Trustees independent, unconflicted specialist trustee model is well placed to provide clients with products and services that are highly valued in this environment.

Industry restructuring may enable corporate opportunities to arise as companies review their strategies and place renewed focus on their core capability while exiting or out-sourcing other components. Opportunities that are a good strategic fit for Equity Trustees include those that enable our core trustee capability to be deployed more broadly.

Over the medium to longer term, Equity Trustees' 140-plus year fiduciary heritage, well capitalised balance sheet, favourable industry position, combined with a market-leading, specialist focus on trusteeship and targeted further investment in our core trustee capabilities is expected to underpin a positive outlook for the year ahead, and beyond.

ENVIRONMENTAL REGULATION

The activities of the consolidated entity are not subject to any particular environmental regulation by authorities in Australia or in other jurisdictions within which the Group operates.

EVENTS SUBSEQUENT TO BALANCE DATE

On 22 August 2022, the Group announced that it had been successful in bidding for the acquisition of Australian Executors and Trustees Limited (AETL). The acquisition of AETL is subject to a number of customary conditions precedent, as well as ministerial approval, and is not expected to complete until at least 30 November 2022. As part of the acquisition, the Company intends to raise $125m of ordinary share capital, and to extend its corporate borrowing facilities with ANZ from the current $40m limit to $80m. These proceeds will be used for the acquisition, and to meet transaction and integration costs. Shareholders will be invited to participate in the equity capital raising, and further details will be made available on our website in the near future.

Other than as described above, there has not been any matter or circumstance that has arisen since the end of the financial year 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.

CHANGES IN THE STATE OF AFFAIRS

During the financial year there was no significant change in the state of affairs of the consolidated entity other than as previously described in this Directors' Report.

FUTURE DEVELOPMENTS

Apart from matters disclosed elsewhere in this Directors' Report, disclosure of information regarding likely developments in the operations of the Group in future financial years, and the expected results of those operations is likely to result in unreasonable prejudice to the Group. Accordingly, this information has not been disclosed in this report.

FROM THE CHAIR REMUNERATION, HUMAN RESOURCES & NOMINATIONS COMMITTEE

Dear Shareholders,

On behalf of the Remuneration, Human Resources & Nominations Committee ("Remuneration Committee") I am pleased to present Equity Trustees' Remuneration Report for the 2022 financial year (FY22).

OUR APPROACH

The Remuneration Committee's overarching aim is to ensure our remuneration framework provides remuneration outcomes with a clear link to company and individual performance, as well as our long-term strategy and values.

Like most companies, Equity Trustees experienced some remuneration pressure in FY22, as a result of the shortage of experienced workers in Australia. I am pleased to advise that we responded appropriately, making targeted and nuanced adjustments that enabled us (for the most part) to continue to attract, engage and retain a talented team capable of continuing to grow the business and meet our fiduciary obligations.

STABLE TEAM

With the exception of the departure of Sharni Redenbach, Executive General Manager, Human Resources, who resigned on 24 June 2022 after five and a half years to take on her next challenge, the Board and Executive Key Management Personnel ("Executive KMP") has remained stable.

HYBRID WORKFORCE

We safely returned our workforce to the office from 1 March 2022 under our new *Workplace Flexibility Policy* which allows employees to work from home up to two days per week. All employees are in the office on a Monday and Thursday to enable effective communication, collaboration and innovation across the company. This balanced approach has worked well for both the company and employees, with strong financial and non-financial (i.e. staff engagement and client satisfaction) results achieved.

RESULTS AT A GLANCE

The results of the Group for the FY22 financial year have been strong, with revenues up 10.4%, and NPBT up 22.7% on the prior comparative period. Earnings per share (EPS) for the FY22 year are 115.07 cents per share, up 11.7% on FY21, while total returns to shareholders (TSR) over a five-year period, extending to before the COVID-19 pandemic, are up a solid 73.3%. More details of the Group's performance for the year are contained within the *Operating and Financial Review* section of the Directors' Report.

WE'VE ALIGNED EXECUTIVE REWARD WITH SHAREHOLDER RETURNS

The Managing Director and Executive KMP continued to grow the business in FY22 while managing expenses well, despite the pressure on remuneration and retention, and delivered a strong financial performance.

Group Profit Before Tax reached $37.2m, and the dividend for the year has increased to 97 cents. Dividends have grown at a compound annual rate of 6.1% p/a over the past six-years.

Fixed remuneration increased by a modest extent for Executives to align with the market.

Short-term incentives for the Managing Director and Executives appropriately reflect the result for the FY22 year and are aligned with the shareholder experience. Approximately 92% of the target short-term incentive opportunity has been awarded, compared to 75% in FY21.

Series 15 of the Long-Term Incentive Plan ended on 30 June 2022. The Group achieved EPS growth of 1.9% per annum during the three-year measurement period. This fell short of the hurdle for minimum vesting and no shares were awarded to Executive KMP.

EMPLOYEE SHARE ACQUISITION PLAN

The Employee Share Acquisition Plan ("ESAP") is a highly valued benefit by employees and, like the Executive Performance Share Plan, is designed to align their interests with shareholders. Under the ESAP, eligible employees can acquire $1,000 worth of Equity Trustees shares at no cost to them. Pleasingly, given the strong financial performance of the business, the Board effected the ESAP in 2022.

UPCOMING REGULATORY CHANGES

At the time of writing, CPS-511, the new remuneration standard for APRA-regulated entities, and FAR, the Financial Accountability Regime for banking, insurance and superannuation industries, both come into effect for Equity Trustees from 1 July 2023. Together, these regulatory changes will require some changes to our remuneration framework and processes. Equity Trustees is in the process of working with an external provider to assess the impact of the regulatory changes, and we will provide a further update to shareholders at the appropriate time.

In closing, the Board believes our remuneration framework has again produced the appropriate balance between fixed remuneration and variable remuneration, and ensured an important alignment between Executive reward and shareholder returns.

Thank you for taking the time to read our Remuneration Report. We welcome your feedback.

Yours faithfully,

Tim Hammon

The Chair Remuneration, Human Resources
& Nominations Committee

REMUNERATION REPORT

This report details the remuneration framework and outcomes for Key Management Personnel of Equity Trustees for the year ended 30 June 2022. It aims to communicate our remuneration practices and their link to the creation of shareholder value in a concise and transparent way.

The information in this Remuneration Report has been audited in accordance with Section *308(3C) of the Corporations Act 2001*.

REMUNERATION OVERVIEW

WHO IS COVERED BY THIS REPORT?

This report covers Equity Trustees' Key Management Personnel (KMP). KMP are the people who have authority and responsibility for the planning, directing and controlling of the Company's activities, and includes all Non-Executive Directors, the Managing Director and Executives.

NAME	POSITION	TERM AS KMP
NON-EXECUTIVE DIRECTORS		
C Schwartz	Chair	Full year
A O'Donnell	Independent Non-Executive Director	Full year
K Eley	Independent Non-Executive Director	Full year
DG Sedgwick	Independent Non-Executive Director	Full year
T Hammon	Independent Non-Executive Director	Full year
C Robson	Independent Non-Executive Director	Full year
K O'Dwyer	Independent Non-Executive Director	Full year
EXECUTIVES		
M O'Brien	Managing Director	Full year
M Blair	Executive General Manager, Superannuation Trustee Services	Full year
P Gentry	Chief Financial Officer and Chief Operating Officer	Full year
I Westley	Executive General Manager, TWS Private Clients	Full year
O Brailsford	Chief Risk Officer	Full year
R Beasley	Executive General Manager, Corporate Trustee Services	Full year
FORMER EXECUTIVES		
S Redenbach	Executive General Manager, Human Resources	Part-year (Resigned 24 June 2022)

SUMMARY – EXECUTIVE REMUNERATION

The following table shows the Executives of the Company during the year, together with their remuneration entitlements. Unless otherwise stated, the Executives held their position for the whole of the financial year.

Remuneration entitlements of the Executives during the year consist of cash components as well as an accounting-based accrual for such items as long-term employee benefits and share-based payments shown in the following table:

EXECUTIVE	SHORT-TERM EMPLOYEE BENEFITS		POST-EMPLOYMENT BENEFITS	TOTAL EMPLOYMENT COST (TEC)	SHORT-TERM BONUS/ INCENTIVE	LONG-TERM EMPLOYEE BENEFITS	SHARE-BASED PAYMENTS[3]	TOTAL
	Salary $	Non-monetary[1] $	Superannuation[2] $	$	$	Long Service Leave $	$	$
CURRENT EXECUTIVES								
M O'Brien, Managing Director								
2022	730,841	15,591	23,568	770,000	450,000	5,790	219,602	1,445,392
2021	712,701	15,605	21,694	750,000	330,000	19,766	189,808	1,289,574
M Blair, Executive General Manager, Superannuation Trustee Services								
2022	336,432	-	23,568	360,000	145,000	4,978	95,722	605,700
2021	330,306	-	21,694	352,000	130,000	7,649	66,822	556,471
P Gentry, Chief Financial Officer and Chief Operating Officer								
2022	419,307	10,125	23,568	453,000	195,000	5,958	120,642	774,600
2021	413,181	10,125	21,694	445,000	160,000	9,774	100,157	714,931
I Westley, Executive General Manager, TWS Private Clients								
2022	384,432	-	23,568	408,000	240,000	(3,251)	130,303	775,052
2021	378,306	-	21,694	400,000	185,000	6,146	108,031	699,177
O Brailsford, Chief Risk Officer								
2022	313,058	3,374	23,568	340,000	110,000[4]	1,704	53,802	505,506
2021	298,306	5,000	21,694	325,000	72,000	2,391	18,690	418,081
R Beasley, Executive General Manager, Corporate Trustee Services								
2022	296,432	-	23,568	320,000	125,000	(5,516)	75,019	514,503
2021	203,854	-	18,248	222,102	95,000	29,849	19,936	366,887

EXECUTIVE	SHORT-TERM EMPLOYEE BENEFITS		POST-EMPLOYMENT BENEFITS	TOTAL EMPLOYMENT COST (TEC)	SHORT-TERM BONUS/ INCENTIVE	LONG-TERM EMPLOYEE BENEFITS	SHARE-BASED PAYMENTS[3]	TOTAL
	Salary $	Non-monetary[1] $	Superannuation[2] $	$	$	Long Service Leave $	$	$
FORMER EXECUTIVES								
S Redenbach, Executive General Manager, Human Resources[5]								
2022	295,856	3,964	23,568	323,388	-	(14,320)	(23,778)	285,290
2021	283,066	5,240	21,694	310,000	100,000	6,265	54,772	471,037

[1]Non-monetary items include eligible salary-sacrificed items and any FBT. This includes any sacrificed amounts into EQT shares in accordance with the EQT Salary Sacrifice Share Plan plus any sacrificed amounts into the EQT Workplace Volunteering and Giving Program.
[2]Superannuation includes the SGC and, in some cases, additional superannuation payments that have been sacrificed from salary.
[3]Share-based payments relate to the value of Long-Term Incentive (LTI) Awards. The value attributable to Awards is based on the accounting cost, using the fair value at grant date. For the EPS criterion, an assessment is made of the likely achievement of performance hurdles over the three-year measurement period and the accounting cost is adjusted accordingly. The EPS criteria for Series 15 which ended on 30 June 2022 was not achieved (refer *Company Performance and Reward* section for further information). Where an Executive ceases employment during the year, there is a write-back of some prior year accounting costs, which can result in a negative figure in the year. A negative figure can also occur where the accounting estimate of the proportion of an EPS-based award that will be earned is revised downwards.
[4]O Brailsford was awarded $85,000 as a Short-Term Incentive plus $25,000 in higher duties for being the Executive responsible for overseeing the European business.
[5]S Redenbach resigned on 24 June 2022 and her remuneration reflects the period 1 July 2021 – 24 June 2022.

SUMMARY – NON-EXECUTIVE DIRECTORS' REMUNERATION

Non-Executive Director fees are reviewed every two years by the Remuneration, Human Resources and Nominations Committee (the Remuneration Committee), having regard to market analysis and industry-based data and trends. Fees are set to attract and retain high-calibre Directors and reflect the workload and contribution required due to the scale and complexity of the Group. A market review of Non-Executive Director fees is not due until 2023.

To ensure that independence and impartiality are maintained, Non-Executive Directors' remuneration consists of a fixed annual fee, with no element of performance-related pay. The following table shows the Non-Executive Directors of EQT Holdings Limited during the year, together with their remuneration entitlements:

DIRECTORS	SHORT-TERM BENEFITS		POST-EMPLOYMENT BENEFITS		LONG-TERM EMPLOYEE BENEFITS	SHARE-BASED PAYMENTS	TOTAL
	FEE	BONUS	NON-MONETARY[1]	SUPERANNUATION			
	$	$	$	$	$	$	$
CURRENT DIRECTORS							
C Schwartz, Chair							
2022	200,000	-	-	20,000	-	-	220,000
2021	165,238	-	-	15,698	-	-	180,936
A O'Donnell							
2022	122,281	-	4,992	12,727	-	-	140,000
2021	118,592	-	5,000	11,741	-	-	135,333
K Eley							
2022	117,741	-	4,986	12,273	-	-	135,000
2021	114,178	-	5,000	11,322	-	-	130,500
DG Sedgwick							
2022	123,489	-	6,056	12,955	-	-	142,500
2021	123,823	-	-	11,763	-	-	135,586
T Hammon							
2022	117,755	-	4,972	12,273	-	-	135,000
2021	112,861	-	5,000	11,197	-	-	129,058
C Robson							
2022	130,618	-	1,200	13,182	-	-	145,000
2021	118,511	-	1,200	11,373	-	-	131,084
K O'Dwyer[2]							
2022	105,241	-	4,986	11,023	-	-	121,250
2021	28,662	-	-	2,723	-	-	31,385

[1]Non-monetary items include eligible salary-sacrificed items and any FBT. This includes any sacrificed amounts into EQT shares in accordance with the EQT Salary Sacrifice Share Plan, plus any sacrificed amounts into the EQT Workplace Volunteering and Giving Program.
[2]K O'Dwyer was appointed as a Member of the RE Compliance Committee on 1 May 2022 and received an additional $7,500 per annum pro-rated.

REMUNERATION FRAMEWORK

GOVERNANCE AND OBJECTIVES

The role of the Remuneration Committee is to assist the Board of Directors of the Group in fulfilling its responsibilities regarding human resources matters, including remuneration, and to seek and nominate qualified candidates for election or appointment to the Holding Company's Board of Directors.

The Remuneration Committee acts on behalf of the Board and shareholders to provide non-executive oversight of the Company's remuneration and human resource policies and practices in the following areas:

REMUNERATION

- Reviews and recommends the Group's remuneration framework and policies to the Board to ensure effectiveness and compliance.
- Oversees superannuation arrangements of all employees and equity-based remuneration plans.
- Ensures remuneration information meets public disclosure requirements.
- Reviews and recommends a process for evaluating the performance of employees.

NOMINATION

- Reviews Board and Executive succession planning.
- Establishes the process for recruiting a new Director and the appointment and re-election of Directors.
- Ensures induction and continued professional development of Directors.
- Develops and implements a process for evaluating the performance of the Board, its Committees and Directors.

HUMAN RESOURCES

- Oversees and reviews the Group's people strategy.
- Oversees equal employment opportunity and diversity and inclusion policies.
- Oversees and reviews health and safety matters, as well as incidents and breaches of the Group's Code of Conduct.
- Oversees and reviews the adequacy of the Group's training arrangements.

At the Remuneration Committee's invitation, the Managing Director and Executive General Manager, Human Resources attend Committee meetings, except where matters associated with their own performance evaluation, development and remuneration are considered.

To assist in performing its duties and making recommendations to the Board, the Remuneration Committee seeks and considers advice from independent, external remuneration consultants on various remuneration-related matters and annually considers market-related comparator remuneration information. The Committee also considers input from the Chairs of the Board Audit Committee, Board Risk Committee and Responsibility Entity Compliance Committee, where appropriate, or other advisers as needed.

REMUNERATION POLICY

Unless otherwise stated in this section, reference to remuneration includes remuneration for Executives and the Managing Director. The Board's policy on Executive remuneration is designed to attract and retain high-calibre staff and to reward Executives for achieving financial and other business goals which, in turn, increases shareholder value.

The Executive remuneration structure comprises fixed salary and short-term and long-term variable components. The table below illustrates the remuneration objectives and approach. Executive remuneration package components are reviewed and structured annually to focus individuals on, and reward achievement of, specific measures and targets with both short-term and long-term horizons. Regard is also given to additional responsibilities (higher duties) that Executives may take on from time to time, when determining remuneration package components.

REMUNERATION OBJECTIVES

- Align with EQT Holdings Limited's strategy and performance.
- Align rewards to building shareholder value over the long-term.
- Ensure appropriate focus on leadership, culture, values, compliance and trustee decision-making.
- Assess rewards against short and long-term Company targets.
- Ensure short-and long-term components of remuneration are 'at risk'.
- Attract and retain high-calibre Executives.
- Be market-competitive with rewards and remuneration.

REMUNERATION COMPONENTS

Fixed Total Employment Costs (TEC)

Based on employee's level of responsibility, experience, skills and performance. Includes:

- Salary: fixed annual remuneration.
- Non-monetary: eligible salary sacrifice items and Fringe Benefits Tax (FBT), where applicable.
- Long-term employee benefits: long service leave.
- Post-employment: Superannuation Guarantee Charge (SGC).

Short-Term Incentive (STI)

- Annual 'at risk' component based on Group, Business Unit and individual performance.
- Range: 30% to 60% of TEC.
- Settlement: Normally paid as cash through the payroll system.
- Remuneration Committee considers and recommends STI participation to the Board.

Long-Term Incentive (LTI)

- Delivered in equity awards (and shares at vesting) based on prescribed performance hurdles.
- Range: 30% to 60% of TEC.
- Applied over three-year measurement period.
- Aligned to long-term growth strategy.
- Remuneration Committee considers and recommends LTI participation to the Board.

Executives continue to have a significant portion of their remuneration linked to performance and at risk. The diagrams below show the remuneration mix if target variable elements are fully achieved for the Managing Director and current Executives.

MANAGING DIRECTOR

Fixed (cash)	46%
STI (cash)	27%
LTI (equity)	27%

EXECUTIVES

Fixed (cash)	46-63%
STI (cash)	19-27%
LTI (equity)	19-27%

COMPANY PERFORMANCE AND REWARD

A core component of the Group's strategy is to generate sustainable profits and maximise value to shareholders over the long term. The following table summarises the key value creation measures relevant to shareholders for the year ended 30 June 2022, along with comparative information covering the previous four years.

	30 JUNE 2022 $'000	30 JUNE 2021 $'000	30 JUNE 2020 $'000	30 JUNE 2019 $'000	30 JUNE 2018 $'000	30 JUNE 2017 $'000
Revenue	**111,513**	101,040	95,430	92,499	88,456	79,928
Net profit before tax (NPBT)	**37,203**	30,311	30,313	31,336	28,731	22,266
Net profit after tax (NPAT) statutory	**24,228**	21,528	19,212	22,194	19,696	15,437
Net profit after tax (NPAT) underlying[1]	**24,411**	22,399	21,234	n/a	n/a	n/a

[1] Refer to the *Operating and Financial Review* of the Directors' Report where underlying measures are described in further detail.

	30 JUNE 2022 $	30 JUNE 2021 $	30 JUNE 2020 $	30 JUNE 2019 $	30 JUNE 2018 $	30 JUNE 2017 $
Share price at start of year	**27.40**	24.75	29.60	20.80	17.71	16.44
Share price at end of year	**26.20**	27.40	24.75	29.60	20.80	17.71

	30 JUNE 2022 CPS	30 JUNE 2021 CPS	30 JUNE 2020 CPS	30 JUNE 2019 CPS	30 JUNE 2018 CPS	30 JUNE 2017 CPS
Interim dividend[1]	**48**	44	47	44	40	35
Final dividend (paid or payable)[1, 2]	**49**	47	43	46	42	36
Total dividends for the year [1]	**97**	91	90	90	82	71
Earnings per share (statutory)	**115.07**	103.04	92.95	108.61	97.27	77.00
Earnings per share (underlying)[3]	**115.94**	107.21	102.73	-	-	-

[1] All dividends are fully franked at the 30% corporate income tax rate.
[2] The final dividend was declared after balance date and is not reflected in the financial statements as at 30 June for each year.
[3] Refer to the *Operating and Financial Review* of the Directors' Report where underlying measures are described in further detail.

FY22 has been a strong year for the Company, with revenues up 10.4% and NPBT up a strong 22.7% on FY21. The year saw the COVID-19 pandemic recede somewhat with lockdowns largely only impacting the first few months of the FY22 financial year. Despite this, market volatility has continued to be a factor in the Group's performance, particularly in the second half of the financial year, where investment markets have fallen from the highs of the first half of the financial year.

In respect of shareholder returns, earnings per share (EPS) are 11.7% on FY21, an uplift of 12 cents. Total shareholder return (TSR) on a shorter-term basis has been impacted by stock price volatility through the pandemic, however on a longer-term basis has been strong. The Group's five-year TSR is 73.3% is on a dividends accrued basis.

A final declared dividend of 49 cents per share (CPS) brings the total dividends for the year to 97 CPS, up 6.6% on the prior comparative period reflecting the Group's largest annual dividend payout over the past 10 years. The financial performance of the Group, including details of individual business unit performance, and other key measures, is described more fully in the *Operating and Financial Review* section of the Directors' Report.

Short-term incentives awarded to the Managing Director and Executives during FY22 appropriately reflect the result for the year and are aligned with the shareholder FY22 experience. Approximately 92% (2021: 75%) of the target short-term incentive opportunity has been awarded to the Managing Director and eligible Executives, with a range of 80% to 98%. The amounts awarded to individuals gave consideration to a range of Group, Business Unit and personal measures, which are described in further detail below.

Series 15 of the Long-Term Incentive Plan ended on 30 June 2022. The Group achieved 1.9% EPS growth per annum over the three-year measurement period, impacted by significant disruptions related to the COVID-19 pandemic. As this fell short of the hurdle for minimum vesting, no shares were awarded to eligible Key Management Personnel.

EXECUTIVE REMUNERATION INCENTIVE PLANS

Executive Short-Term Performance Incentives

At the beginning of each financial year, the Board agrees on the balanced scorecard goals for Equity Trustees and each Business Unit for the coming year. The scorecard is considered "balanced" because it includes a range of financial and non-financial measures. In FY22, these measures included Group and Business Unit Profit Before Tax (PBT), new business, expense control, client satisfaction, member outcomes, employee engagement, service delivery, leadership and compliance (including trustee decision making for the Revenue Business Units). The weightings varied according to the specific responsibilities of the Executives. Each Executive has a maximum STI opportunity set according to their employment contract.

MEASURE	MANAGING DIRECTOR FY22 KPIs % WEIGHTING	REVENUE BU FY22 KPIs % WEIGHTING	SUPPORT BU FY22 KPIs % WEIGHTING	RANGE OF RESULTS AGAINST KPIs
ALL				
Group PBT[1]	35	20	20 – 30	Exceeded
BUSINESS UNIT				
Business Unit PBT[1]	-	15–20	-	Exceeded
New Business[1]	15	15	0–10	Not Met – Exceeded
Expenses[1]	-	-	10	Met – Exceeded
Staff engagement	10	10–15	10–20	Not met – Exceeded
Service delivery (internal)	-		10–20	Not Met – Met
Client satisfaction (external)	10	0–5	-	Not Met – Exceeded
Project delivery	-	0–10	0–5	Met
Member outcomes	-	0–15	-	Exceeded
PERSONAL				
Leadership	20	10	10	Met
Compliance (and trustee decision-making)[2]	10	10	10–30	Partially Met – Met
	100	100	100	

[1] Measure is assessed against budget. An acceptable result for PBT (allowing for all non-operating expenses) is a gate to eligibility for a short-term performance incentive.
[2] An acceptable standard of Compliance is a gate to eligibility for a short-term performance incentive.

These performance criteria were chosen to provide a suitable incentive for Executive performance for the benefit of shareholders and other stakeholders. Each criterion is given a threshold eligibility target for the minimum incentive and a stretch threshold representing an excellent achievement, for which the target incentive is paid. In all cases, the Remuneration Committee confirms the appropriateness of the criteria and thresholds and, at the conclusion of the measurement period, the level of achievement. Short-term incentives are normally paid in cash through the payroll system.

At the end of the performance period, Short-Term Incentive targets were assessed by the Board in respect of the Managing Director and the Managing Director assessed the performance of the Executives. The Remuneration Committee (with input from the Board Risk, Board Audit and Compliance Committees) and the Board considered and approved these incentives. The outcome of each assessment is set out below:

EXECUTIVES	2022 TEC $	2022 STI OPPORTUNITY $	2022 STI AWARDED $	PERCENTAGE OF OPPORTUNITY AWARDED %
M O'Brien	770,000	462,000	450,000	97
M Blair	360,000	180,000	145,000	81
P Gentry	453,000	226,500	195,000	86
I Westley	408,000	244,800	240,000	98
O Brailsford	340,000	102,000	85,000	83[1]
R Beasley	320,000	128,000	125,000	98

[1] O Brailsford also received $25,000 in higher duties for being the Executive responsible for overseeing the European business.

Executive Long-Term Performance Incentives

Long-Term Incentives (LTI) provide Executives with remuneration delivered in equity if conditions are met over a three-year period. LTI awards are granted annually, which provides ongoing benefits to Executives for increasing shareholder value and is also a retention mechanism. The LTI awards (Awards) confer the right to acquire shares at no cost, subject to meeting prescribed performance hurdles. The accounting cost of long-term performance incentives is spread over the measurement (or vesting) period. The first issue of Awards commenced with the 2005/06 Series and has continued in each subsequent year. The structure of the Plan, approved by the Remuneration Committee, forms part of the remuneration structure of eligible Executives, in particular the Long-Term Incentive component of remuneration. The following is an overview of the key features of the Plan as determined by the Remuneration Committee, approved by the Board and communicated to shareholders in this Annual Report.

KEY TERMS AND CONDITIONS

The value of the Award is determined by the Remuneration Committee, and the number of share entitlements issued to each participant for a particular Series is calculated by dividing the value of the Award by the volume-weighted average price of EQT Holdings shares (EQT) traded during the three-month period to 30 June of each year.

The following table shows the basis of measurement, hurdle(s) and vesting schedule for the LTI Series ending 30 June 2022, as well as the current active series:

		TERMS OF AWARD	
SERIES (YEAR OF AWARD)	BASIS OF MEASUREMENT	HURDLE	VESTING SCHEDULE
Series 15 (1 July 2019 – 30 June 2022)	EPS	5% 5% to 12% p.a >12% p.a	25% Pro Rata 100%
Series 16 (1 July 2020 – 30 June 2023)	EPS	5% 5% to 12% p.a >12% p.a	25% Pro Rata 100%
Series 17 (1 July 2021 – 30 June 2024)	EPS	4% 4% to 10% p.a >10% p.a	20% Pro Rata 100%

OTHER TERMS AND CONDITIONS

Share entitlements

- Each share entitlement converts to one ordinary share of EQT on exercise.
- No amounts are paid or payable by participants on receipt of the share entitlements.
- The number of share entitlements on issue is adjusted for any capital reconstructions during the measurement period.
- Holders of share entitlements do not have a right, by virtue of the entitlements held, to participate in any new share issue of the Company.
- Other than in exceptional circumstances, the participant must be employed within the Group for the duration of the measurement period to exercise any share entitlements.

Dividends and voting rights

- The share entitlements carry neither rights to dividends nor voting rights.
- Dividends are received by participants once Awards are issued into shares.

Forfeiture and disposal

- Shares are subject to forfeiture conditions during the three-year measurement period.
- Participants are able to nominate a disposal restriction period of up to 12 years from the issue date of the shares following the initial three-year measurement period. The use of hedging or derivative techniques is not permitted until shares are released from the forfeiture condition. If hedging or derivative techniques are used during the period when there is still a forfeiture condition in place, then the shares are forfeited.
- The Group Securities Dealing Policy also makes reference to the prohibition on hedging or derivative techniques and applies to all Group employees.

Board discretion

- The Board have absolute and unfettered discretion under the Plan, including in a change of control situation.

In accordance with the Plan, variations to the above features may apply, where approved by the Board.

The following unvested share-based payment arrangements under the LTI were in existence during the period:

AWARD SERIES[1]	ISSUED AT GRANT DATE	EXERCISED	FORFEITED/ LAPSED	NUMBER OUTSTANDING AT 30 JUNE 2022	GRANT DATE	EXPIRY DATE	EXERCISE PRICE $	FAIR VALUE AT GRANT DATE $	MAXIMUM POTENTIAL ACCOUNTING VALUE OF GRANT[2] $
2021/22 Series 17 EPS (MD only)	18,750	-	-	**18,750**	15/11/2021	30/06/2024	Nil	22.67	425,063
2021/22 Series 17 EPS (Executives)	58,052	-	5,324	**52,728**	15/10/2021	30/06/2024	Nil	25.45	1,477,423
2020/21 Series 16 EPS (MD only)	20,352	-	-	**20,352**	28/10/2020	30/06/2023	Nil	22.97	467,485
2020/21 Series 16 EPS (Executives)	70,959	-	15,784	**55,175**	8/09/2020	30/06/2023	Nil	25.44	1,805,197
2019/20 Series 15 EPS (MD only)	16,562	-	16,562	-	25/10/2019	30/06/2022	Nil	28.22	467,380
2019/20 Series 15 EPS (Executives)	51,817	-	38,937	**12,880**	2/10/2019	30/06/2022	Nil	26.73	1,385,068
2019/20 Series 15 EBIT (EGM CTS only)	2,429	-	2,429	-	2/10/2019	30/06/2022	Nil	26.73	64,927
2018/19 Series 14 EPS (MD only)	21,940	5,485	16,455	-	19/10/2018	30/06/2021	Nil	20.40	447,576
2018/19 Series 14 EPS (Executives)	55,820	11,541	44,279	-	7/09/2018	30/06/2021	Nil	21.20	1,183,384
2018/19 Series 14 EBIT (EGM CTS only)	3,218	-	3,218	-	7/09/2018	30/06/2021	Nil	21.20	68,222
2018/19 Series ex-gratia (Executives)	5,955	5,955	-	-	1/02/2019	30/06/2020	Nil	24.39	145,242
Totals	**325,854**	**22,981**	**142,988**	**159,885**					**6,092,544**

[1] The difference between the number of awards outstanding at 30 June 2022 and the balance of awards outstanding for KMP at 30 June 2022 relates to awards issued to Group Executives not deemed to be KMP.
[2] The potential minimum accounting value of each grant series is nil.

The following is a summary of movements in Awards in respect of Executives:

2022	BALANCE OF AWARDS AT 1 JULY 2021 NO.	AWARDS GRANTED AS COMPENSATION NO.	AWARDS EXERCISED INTO SHARES NO.	AWARDS FORFEITED NO.	BALANCE OF AWARDS AT 30 JUNE 2022 NO.	AWARDS VESTED & EXERCISABLE (EXCLUDING THOSE ALREADY EXERCISED) NO.	BALANCE OF AWARDS NOT VESTED AT 30 JUNE 2022[1] NO.	VESTED DURING FY22 YEAR NO.
CURRENT EXECUTIVES								
M O'Brien	42,399	18,750	5,485	16,562	39,102	-	39,102	-
M Blair	15,997	7,305	1,560	6,477	15,265	-	15,265	-
P Gentry	20,964	9,192	2,712	8,189	19,255	-	19,255	-
I Westley	22,612	9,935	2,925	8,833	20,789	-	20,789	-
O Brailsford	7,997	4,139	-	3,588	8,548	-	8,548	-
R Beasley	4,703	6,493	-	-	11,196	-	11,196	-
FORMER EXECUTIVES								
S Redenbach	11,633	5,324	1,462	15,495	-	-	-	-
Totals	**126,305**	**61,138**	**14,144**	**59,144**	**114,155**	**-**	**114,155**	**-**

[1] The balance of Awards not vested at 30 June 2022 does not necessarily represent Awards that will be vested in the future. The balance will remain until the respective measurement periods have been completed and a final assessment is made.

2021	BALANCE OF AWARDS AT 1 JULY 2020 NO.	AWARDS GRANTED AS COMPENSATION NO.	AWARDS EXERCISED INTO SHARES NO.	AWARDS FORFEITED NO.	BALANCE OF AWARDS AT 30 JUNE 2021 NO.	AWARDS VESTED & EXERCISABLE (EXCLUDING THOSE ALREADY EXERCISED) NO.	BALANCE OF AWARDS NOT VESTED AT 30 JUNE 2021[1] NO.	VESTED DURING FY21 YEAR NO.
CURRENT EXECUTIVES								
M O'Brien	58,131	20,352	19,629	16,455	42,399	5,485	36,914	5,485
M Blair	17,009	7,960	4,292	4,680	15,997	1,560	14,437	1,560
P Gentry	26,818	10,063	7,781	8,136	20,964	2,712	18,252	2,712
S Redenbach	14,133	5,608	3,720	4,388	11,633	1,462	10,171	1,462
I Westley	28,476	10,854	7,942	8,776	22,612	2,925	19,687	2,925
O Brailsford	3,588	4,409	-	-	7,997	-	7,997	-
R Beasley	-	4,703	-	-	4,703	-	4,703	-
FORMER EXECUTIVES								
H Kalman	28,124	10,176	5,537	32,763	-	-	-	-
Totals	**176,279**	**74,125**	**48,901**	**75,198**	**126,305**	**14,144**	**112,161**	**14,144**

[1] The balance of Awards not vested at 30 June 2021 does not necessarily represent Awards that will be vested in the future. The balance will remain until the respective measurement periods have been completed and a final

EMPLOYMENT AGREEMENTS

The employment agreements for the Managing Director and Executives are ongoing, permanent, full-time agreements that do not have a stipulated fixed term.

The designated notice period for the Managing Director is six months. For the Executives, the designated notice period ranges between three and six months.

Director and Executive equity holdings

Director and Executive relevant interests in fully paid ordinary shares of EQT Holdings Limited for the financial year are as follows:

DIRECTORS	BALANCE AT 1 JULY 2021 NO.	RECEIVED ON EXERCISE OF SHARE RIGHT NO.	NET OTHER CHANGE[1] NO.	BALANCE AT 30 JUNE 2022 NO.
CURRENT DIRECTORS				
C Schwartz	9,480	-	152	**9,632**
A O'Donnell	12,754	-	629	**13,383**
K Eley	126,738	-	172	**126,910**
DG Sedgwick	15,521	-	536	**16,057**
T Hammon	2,500	-	1,672	**4,172**
C Robson	4,250	-	-	**4,250**
K O'Dwyer	-	-	172	**172**
M O'Brien	75,854	5,485	4,172	**85,511**

EXECUTIVES	BALANCE AT 1 JULY 2021 NO.	RECEIVED ON EXERCISE OF SHARE RIGHT NO.	NET OTHER CHANGE[1] NO.	BALANCE AT 30 JUNE 2022 NO.
CURRENT EXECUTIVES				
M Blair	9,348	1,560	-	**10,908**
P Gentry	19,418	2,712	99	**22,229**
I Westley	13,232	2,925	-	**16,157**
O Brailsford	376	-	209	**585**
R Beasley	2,278	-	78	**2,356**
FORMER EXECUTIVES				
S Redenbach	8,495	1,462	184	**10,141**
Totals	**300,244**	**14,144**	**8,075**	**322,463**

[1]Net Other Change refers to additions or reductions in shareholdings.

DIRECTORS	BALANCE AT 1 JULY 2020 NO.	RECEIVED ON EXERCISE OF SHARE RIGHT NO.	NET OTHER CHANGE[1] NO.	BALANCE AT 30 JUNE 2021 NO.
CURRENT DIRECTORS				
C Schwartz	-	-	9,480	**9,480**
A O'Donnell	12,134	-	620	**12,754**
K Eley	124,554	-	2,184	**126,738**
DG Sedgwick	15,000	-	521	**15,521**
T Hammon	2,316	-	184	**2,500**
C Robson	4,250	-	-	**4,250**
K O'Dwyer	-	-	-	**-**
M O'Brien	51,041	19,629	5,184	**75,854**

EXECUTIVES	BALANCE AT 1 JULY 2020 NO.	RECEIVED ON EXERCISE OF SHARE RIGHT NO.	NET OTHER CHANGE[1] NO.	BALANCE AT 30 JUNE 2021 NO.
CURRENT EXECUTIVES				
M Blair	5,056	4,292	-	**9,348**
P Gentry	11,540	7,781	97	**19,418**
S Redenbach	4,579	3,720	196	**8,495**
I Westley	5,290	7,942	-	**13,232**
O Brailsford	221	-	155	**376**
R Beasley	2,165	-	113	**2,278**
FORMER EXECUTIVES				
H Kalman	43,778	5,537	-	**49,315**
Totals	**362,288**	**48,901**	**20,688**	**431,877**

[1]Net Other Change refers to additions or reductions in shareholdings.

Employee Share Acquisition Plan

The Employee Share Acquisition Plan ("ESAP") is a taxed up-front plan. That is, a participant is required to declare the difference between the market value of the shares issued and the price paid by the participant ("the discount") in his or her current year tax return. As the shares are issued at no cost to the participant, the discount is equal to the market value of the shares issued.

Where a participant's adjusted taxable income is $180,000 or less (including the full market value of the shares issued) the taxable discount is reduced by up to $1,000 per year per employee. Where a participant's adjusted taxable income is over $180,000 (including the full market value of the shares issued) the taxable discount is not eligible for reduction and the full value of the shares will be included as taxable income.

Excluding KMP, only permanent staff members who have been employed for at least six months and are not undergoing formal performance management when invitations are issued are eligible to participate.

The ESAP is a highly valued benefit by employees and, like the *Executive Performance Share Plan*, is designed to align their interests with shareholders.

ADDITIONAL INFORMATION

INDEMNIFICATION OF DIRECTORS, OFFICERS AND AUDITORS

During the financial year, the Company paid a premium in respect of a contract insuring the Directors, Company Secretaries and Officers of the Group against a liability incurred as a Director, Company Secretary or Officer to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of the coverage and the amount of the premium.

The Company has not otherwise, during or since the financial year, indemnified or agreed to indemnify a Director, a Company Secretary, an Officer or Auditor of the Company or any related body corporate against a liability incurred as such a Director, Company Secretary, Officer or Auditor.

ROUNDING-OFF OF AMOUNTS

The Company is a company of the kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* dated 24 March 2016 and, in accordance with the Corporations Instrument, amounts in the Directors' Report and the Financial Statements are rounded off to the nearest thousand dollars unless otherwise indicated.

NON-AUDIT SERVICES

The Directors are satisfied that the provision of non-audit services during the year by the auditor (or by another person or firm on the auditor's behalf) is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*.

Details of amounts paid or payable to the auditor for non-audit services provided during the year by the auditor are outlined in Note 33 to the Financial Statements.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration is included on page 56 of the Financial Report.

On behalf of the Directors

Carol Schwartz AO
Chair

Dated 22 August 2022

Deloitte.

Deloitte Touche Tohmatsu
ABN 74 490 121 060

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22 August 2022

The Board of Directors
EQT Holdings Limited
Level 1, 575 Bourke Street
MELBOURNE VIC 3000

Dear Board Members

Auditor's Independence Declaration to EQT Holdings Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of EQT Holdings Limited.

As lead audit partner for the audit of the financial statements of EQT Holdings Limited for the financial year ended 30 June 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) The auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

(ii) Any applicable code of professional conduct in relation to the audit.

Yours sincerely

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Mark Stretton
Partner
Chartered Accountants

DIRECTORS' DECLARATION

EQT Holdings Limited
ABN 22 607 797 615

DIRECTORS' DECLARATION FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

The Directors declare that:

a) In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

b) The attached financial statements are in compliance with International Financial Reporting Standards, as stated in the statement of compliance to the financial statements.

c) In the Directors' opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the Company and the Group.

d) The Directors have received from the Managing Director and the Chief Financial Officer the declarations required by Section 295A of the *Corporations Act 2001*.

At the date of this declaration, the Company is within the class of companies affected by *ASIC Corporations (Wholly-Owned Companies) Instrument 2016/785*. The nature of the deed of cross guarantee is such that each company which is party to the deed guarantees to each creditor payment in full of any debt in accordance with the deed of cross guarantee.

In the Directors' opinion, there are reasonable grounds to believe that the Company and the companies to which *ASIC Corporations (Wholly-Owned Companies) Instrument 2016/785* applies, as detailed in Note 32 to the financial statements will, as a group, be able to meet any liabilities to which they are, or may become, subject because of the deed of cross guarantee.

Signed in accordance with a resolution of the Directors made pursuant to Section 295(5) of the *Corporations Act 2001*.

On behalf of the Directors

Carol Schwartz AO
Chair

Dated 22 August 2022

FINANCIAL REPORT

FOR THE FINANCIAL YEAR
ENDED 30 JUNE 2022

CONTENTS

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

	NOTE	2022 $'000	2021 $'000
Revenue and other income	1	**111,513**	101,040
Expenses	2	**(67,579)**	(63,918)
Finance costs	2	**(2,335)**	(1,546)
Depreciation and amortisation	7, 9	**(4,396)**	(5,265)
Profit before income tax expense		**37,203**	30,311
Income tax expense	4	**(14,534)**	(9,803)
Profit for the year		**22,669**	20,508
Other comprehensive income			
Items that may be reclassified subsequently to profit and loss:			
Foreign exchange translation differences for foreign operations		**(238)**	(149)
Total comprehensive income for the year		**22,431**	20,359
Profit for the year attributable to:			
Equity holders of the Company		**24,228**	21,528
Non-controlling interests		**(1,559)**	(1,020)
Profit for the year		**22,669**	20,508
Total comprehensive income attributable to:			
Equity holders of the Company		**23,822**	21,450
Non-controlling interests		**(1,391)**	(1,091)
Total comprehensive income for the year		**22,431**	20,359
Earnings per share			
Basic (cents per share)	5	**115.07**	103.04
Diluted (cents per share)	5	**114.73**	102.89

The above statement should be read in conjunction with the accompanying notes to the financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2022

	NOTE	2022 $'000	2021 $'000
Current assets			
Cash and cash equivalents	18	**108,316**	92,175
Trade and other receivables	19	**15,036**	19,478
Prepayments		**3,139**	2,827
Accrued income		**11,908**	11,911
Other financial assets	20	**10,000**	5,000
Total current assets		**148,399**	131,391
Non-current assets			
Trade and other receivables	19	**769**	399
Furniture, equipment and leasehold	9	**5,440**	4,943
Deferred tax assets	4	**4,504**	5,376
Right-of-use assets	10	**6,789**	5,321
Intangible assets	7	**77,708**	78,782
Goodwill	8	**127,541**	127,622
Total non-current assets		**222,751**	222,443
Total assets		**371,150**	353,834
Current liabilities			
Trade and other payables	21	**2,442**	2,478
Provisions	11	**9,579**	8,013
Other current liabilities	12	**2,828**	2,548
Current tax payable	4	**1,765**	1,719
Total current liabilities		**16,614**	14,758
Non-current liabilities			
Provisions	11	**3,113**	3,483
Borrowings	14	**41,005**	33,250
Other non-current liabilities	12	**7,778**	6,810
Deferred tax liabilities	4	**21,305**	21,282
Total non-current liabilities		**73,201**	64,825
Total liabilities		**89,815**	79,583
Net assets		**281,335**	274,251
Equity			
Issued capital	15	**257,558**	253,621
Reserves	16	**2,028**	1,778
Retained earnings		**25,688**	21,407
Equity attributable to owners of the Company		**285,274**	276,806
Non-controlling interest		**(3,939)**	(2,555)
Total equity		**281,335**	274,251

The above statement should be read in conjunction with the accompanying notes to the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

	FULLY PAID ORDINARY SHARES	RETAINED EARNINGS	OTHER RESERVES	CURRENCY TRANSLATION	ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	NON-CONTROLLING INTEREST	TOTAL EQUITY
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Balance as at 1 July 2020	248,862	18,009	1,695	254	268,820	(1,462)	267,358
Profit/(loss) for the year	-	21,528	-	-	21,528	(1,020)	20,508
Foreign exchange translation differences for foreign operations	-	-	-	(78)	(78)	(71)	(149)
Total comprehensive income for the year	-	21,528	-	(78)	21,450	(1,091)	20,359
Foreign exchange translation differences for foreign operations	-	24	-	1	25	(2)	23
Shares issued under Employee Salary Sacrifice Share Plan	103	-	-	-	103	-	103
Shares issued under Dividend Reinvestment Plan	3,609	-	-	-	3,609	-	3,609
Shares issued under Employee Share Acquisition Plan	211	-	(211)	-	-	-	-
Shares issued under Executive Share Scheme	855	-	(855)	-	-	-	-
Share issue costs	(27)	-	-	-	(27)	-	(27)
Related income tax	8	-	-	-	8	-	8
Provision for Executive share entitlements	-	-	762	-	762	-	762
Provision for Employee Share Acquisition Plan	-	-	210	-	210	-	210
Payment of dividends	-	(18,154)	-	-	(18,154)	-	(18,154)
Balance at 30 June 2021	**253,621**	**21,407**	**1,601**	**177**	**276,806**	**(2,555)**	**274,251**

The above statement should be read in conjunction with the accompanying notes to the financial statements
*Continued on the next page.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONT'D)

	FULLY PAID ORDINARY SHARES $'000	RETAINED EARNINGS $'000	OTHER RESERVES $'000	CURRENCY TRANSLATION $'000	ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY $'000	NON-CONTROLLING INTEREST $'000	TOTAL EQUITY $'000
Balance as at 1 July 2021	253,621	21,407	1,601	177	276,806	(2,555)	274,251
Profit/(loss) for the year	-	24,228	-	-	24,228	(1,559)	22,669
Foreign exchange translation differences for foreign operations	-	-	-	(406)	(406)	168	(238)
Total comprehensive income for the year	-	24,228	-	(406)	23,822	(1,391)	22,431
Foreign exchange translation differences for foreign operations	-	31	-	(8)	23	7	30
Shares issued under Employee Salary Sacrifice Share Plan	98	-	-	-	98	-	98
Shares issued under Dividend Reinvestment Plan	3,292	-	-	-	3,292	-	3,292
Shares issued under Employee Share Acquisition Plan	209	-	(209)	-	-	-	-
Shares issued under Executive Share Scheme	357	-	(357)	-	-	-	-
Share issue costs	(25)	-	-	-	(25)	-	(25)
Related income tax	6	-	-	-	6	-	6
Provision for Executive share entitlements	-	-	1,021	-	1,021	-	1,021
Provision for Employee Share Acquisition Plan	-	-	209	-	209	-	209
Payment of dividends	-	(19,978)	-	-	(19,978)	-	(19,978)
Balance at 30 June 2022	**257,558**	**25,688**	**2,265**	**(237)**	**285,274**	**(3,939)**	**281,335**

The above statement should be read in conjunction with the accompanying notes to the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

	NOTE	2022 $'000	2021 $'000
Cash flows from operating activities			
Receipts from customers		**126,532**	105,065
Payments to suppliers and employees		**(79,341)**	(74,637)
Income tax paid		**(13,597)**	(11,106)
Net cash provided by operating activities	6	**33,594**	19,322
Cash flows from investing activities			
Investment in managed investment schemes		**(5,000)**	-
Interest and managed fund distributions received		**535**	485
Payment for furniture, equipment, leasehold and right-of-use assets		**(1,621)**	(349)
Payment for intangible assets		**(652)**	(342)
Net cash used in investing activities		**(6,738)**	(206)
Cash flows from financing activities			
Repayment of borrowings – corporate facility		**-**	(10,000)
Proceeds from borrowings – operational risk financial requirement facilities		**7,755**	14,250
Repayment of lease liabilities		**(1,578)**	(1,373)
Payment for share issue cost		**(25)**	(27)
Dividend paid to members of the parent entity (net of shares issued under dividend reinvestment plan)		**(16,685)**	(14,542)
Net cash used in financing activities		**(10,533)**	(11,692)
Net increase in cash and cash equivalents		**16,323**	7,424
Cash and cash equivalents at beginning of the financial year		**92,175**	84,738
Exchange fluctuations on foreign cash balances		**(182)**	13
Cash and cash equivalents at end of the financial year	18	**108,316**	92,175

The above statement should be read in conjunction with the accompanying notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

GENERAL INFORMATION

EQT Holdings Limited (the Company) is a public company listed on the Australian Securities Exchange (trading under the symbol "EQT"), incorporated in Australia, and operating in Australia, the United Kingdom and Ireland.

The Company's registered office and its principal place of business is Level 1, 575 Bourke Street, Melbourne, Victoria. EQT Holdings Limited and its subsidiaries (refer to Note 31) are referred to as 'the Group' in the notes to the financial statements. The principal activities of the Group are described in Note 3.

STATEMENT OF COMPLIANCE

These financial statements are general purpose financial statements, which have been prepared in accordance with the *Corporations Act 2001*, Accounting Standards and Interpretations, and comply with other requirements of the law. The financial statements comprise the consolidated financial statements of the Group. For the purposes of preparing the consolidated financial statements, the Group is a for-profit entity. Accounting Standards include Australian Accounting Standards. Compliance with Australian Accounting Standards ensures that the financial statements and notes of the Group and the Company comply with International Financial Reporting Standards (IFRS).

The financial statements were authorised for issue by the Directors on 22 August 2022.

GOING CONCERN

The Directors have, at the time of approving the financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, and accordingly, have adopted the going concern basis of accounting in preparing the financial statements.

BASIS OF PREPARATION

The consolidated financial statements have been prepared based on historical cost, except for the revaluation of certain financial instruments that are measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets. All amounts are presented in Australian dollars unless otherwise noted. Details of functional currencies within the Group are set out in Note 31.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group considers the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of AASB 2 *Share-Based Payments*, leasing transactions that are within the scope of AASB 16 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as for value in use calculations per AASB 136 *Impairment of Assets.*

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Company is a company of the kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument (Corporations Instrument)*, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in the financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, the Directors are required to make judgements, estimates, and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements and key sources of estimation uncertainty used in preparing the financial statements that significantly impact the amounts recognised in the consolidated financial statements.

Impairment of goodwill, indefinite life management rights and customer contract intangibles (notes 7 & 8)

Determining whether goodwill or indefinite life management rights/customer contracts are impaired requires an estimation of the value in use of the cash-generating units to which goodwill and indefinite life management rights have been allocated. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating unit, revenue, expense, terminal growth rates and an appropriate discount rate in order to calculate present value.

The Group is required to test impairment annually for goodwill and indefinite life management rights, irrespective of whether indicators of impairment are present. The Group has also considered the increase in market and economic volatility where relevant in selecting the discount rate to be applied for impairment testing, and in the stress testing of the model on an overall basis.

At 30 June 2022 the carrying amount of goodwill is $127,541,000 and $76,629,000 for management rights and customer contract intangibles (2021: $127,622,000 goodwill and $77,663,000 management rights and customer contract intangibles). No impairment has been identified (2021: nil).

PERFORMANCE

1 REVENUE AND OTHER INCOME

The following is an analysis of the Group's income and revenue for the year:

	2022 $'000	2021 $'000
Revenue		
Private Client Trustee Services	**46,766**	42,172
Superannuation Trustee Services	**20,659**	18,916
Fund Governance and Trustee Services	**38,931**	33,421
Other services	**4,203**	5,102
Revenue from service activities	**110,559**	99,611
Interest and managed fund distributions	**643**	463
	111,202	100,074
Other income		
Recoveries	**396**	786
Foreign currency gain/(loss)	**(85)**	180
Total revenue and other income	**111,513**	101,040
The following is an analysis of investment revenue earned on financial assets by category of asset:		
At fair value through profit or loss (FVTPL) – managed funds	**428**	218
At amortised cost – cash and cash equivalents	**215**	245
Total investment income for financial assets not designated as at fair value through profit or loss	**643**	463

Accounting Policies

Revenue is recognised on an accrual's basis, as a service is transferred to a customer or a performance obligation is satisfied (if it is highly probable that a significant reversal is unlikely to occur), at the fair value of the consideration specified in the contract.

Revenue recognition for each of the Group's revenue streams is as follows:

REVENUE STREAM	INCLUDES	PERFORMANCE OBLIGATION	TIMING OF RECOGNITION
Private Client Trustee Services	Traditional trustee services for philanthropy, testamentary, indigenous and compensation trusts, and investment mandates	Governance and oversight of trusts, portfolios, mandates and their related investments	Over time as the relevant services are provided. Revenues are determined with reference to funds under management, administration and supervision
Superannuation Trustee Services	Trustee services for superannuation funds	Governance and oversight of funds and their related investments	Over time as the relevant services are provided. Revenues are predominantly determined with reference to funds under management and supervision
Fund Governance and Trustee Services	Fund governance and corporate trustee services	Governance and oversight of registered and unregistered schemes, trusts and other structured vehicles	Over time as the relevant services are provided. Revenues are determined with reference to funds under supervision
Other services (this category includes all residual services that do not fall into one of the above categories)	Estate administration fees	Estate administration and distribution	Over time as the relevant services are provided. Revenues are determined with reference to funds under administration during the estate administration process
	Estate planning fees Tax fees	Preparation of estate plans and tax returns	On completion of the provision of the relevant service. Revenues are determined with respect to the complexity of client arrangements

Revenue earned for Private Client, Superannuation and Fund Governance and Trustee Services is generally provided under contracts that do not contemplate an end date. Notwithstanding this, the performance obligations associated with the services provided are met continuously over time, and accordingly, there are no unsatisfied performance obligations as at 30 June 2022.

For estate administration services (a component of other services) there are estates for which some of the performance obligations remain unsatisfied, to which a portion of the transaction price is allocated. Notwithstanding this, the Group's general expectation is that the administration process will have a duration of less than 12 months for all estates. In some circumstances – and in particular for estates where litigation takes place – the duration may exceed 12 months; however, this is generally not known at the time of inception. For those estates where the duration of the administration process will exceed 12 months, the amount not recognised at 30 June 2022 is insignificant.

For tax and estate planning fees (both of which are components of other services) the related performance obligations are satisfied when the work is concluded, and the services have been delivered to the client. The transaction price is realised at this point in time.

Interest and managed fund distributions

Interest and managed fund distribution revenue is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably. Distribution revenue from investments is recognised when the Group's right to receive payment has been established. Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Recoveries

From time to time, the Group may earn income when expenses paid are subsequently recovered, such as for insurance claims, legal settlements or other cost recoveries. Income earned in such cases is recognised when the Group's right to receive payment has been established.

2 EXPENSES

	2022 $'000	2021 $'000
Salaries and related employee expenses:		
Wages and salaries	**42,782**	41,168
Post-employment benefits	**3,361**	2,995
Equity-settled share-based payments	**1,328**	1,075
Other employment related expenses	**1,832**	1,414
Administrative and general expenses:		
Loss on disposal of plant and equipment and software	**-**	2
Other administrative and general expenses	**3,117**	2,864
Information technology expenses	**6,262**	5,403
Occupancy expenses:		
Minimum lease payments (short-term and low-value leases)	**398**	264
Outgoings and other occupancy expenses	**826**	790
Legal, consulting and regulatory expenses	**4,393**	5,073
Audit and tax advice expenses	**1,155**	1,109
Insurance expenses	**2,125**	1,761
Total expenses	**67,579**	63,918

Finance costs

Finance costs stated on the face of the profit or loss statement consist of $252k interest expense from lease liabilities (2021: $192k), $29k interest expense of lease makegood (2021: $28k), $70k of bank fees, $290k of financing costs (2021: Nil) and $1,694k interest expense from borrowings (2021: $1,326k).

Accounting policies

Expenses are measured at the fair value of the consideration paid or payable on an accrual basis, net of goods and services tax.

Borrowing costs

Borrowing costs are recognised in profit or loss in the period in which they are incurred, unless they relate to acquisition, construction or production of qualifying assets, in which case the costs are capitalised.

Share-based payments

Equity-settled share-based payments to employees are measured at the fair value of the equity instrument at the grant date. The Group has two types of equity-settled share-based payments: The Long-term Incentive Awards (LTI) and the Employee Share Acquisition Plan (ESAP).

Fair value of the LTI is measured by using an adjusted form of the Black-Scholes option pricing model that incorporates a Monte Carlo simulation analysis. The model has been modified to incorporate an estimate of the probability of achieving the performance hurdle and the number of Awards vesting. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

Shares issued under the ESAP are valued at fair value determined at the date of issue to employees, this amount is expensed in the income statement with a corresponding entry in issued capital.

3 SEGMENT PERFORMANCE

Information reported to the Group's Managing Director (chief operating decision maker) for the purpose of resource allocation and assessment of performance is focused on the categories of services provided to customers. The principal categories of services are Trustee & Wealth Services, Superannuation Trustee Services, Corporate Trustee Services – Australia and Corporate Trustee Services – Europe. No operating segments have been aggregated in arriving at the reportable segments of the Group.

Information historically provided for the TWS and STS segments has been re-presented to reflect a client account moved in the current financial year from STS to TWS. The prior year amounts have been amended to enhance comparability.

The Group's reportable segments, as determined in accordance with AASB 8 *Operating Segments*, are as follows:

Trustee & Wealth Services (TWS)

Provides a range of private client and philanthropic services including estate planning and management, charitable, compensation, community and personal trust services, and wealth management and advice. TWS operates within Australia.

Superannuation Trustee Services (STS)

Provides trustee, custody and investment management services for superannuation funds. STS operates within Australia.

Corporate Trustee Services – Australia (CTS-A)

Provides a range of global fiduciary services for managed investment schemes on behalf of local and international fund managers and sponsors, as well as specialised trustee services for debt, securitisations, custody and real estate arrangements for corporates.

Corporate Trustee Services –UK/Ireland (CTS-EU)

Provides Authorised Corporate Director (ACD), Alternative Investment Fund Manager (AIFM) and Undertakings for the Collective Investment in Transferable Securities (UCITS) Management Company services for funds on behalf of local and international managers and sponsors. CTS-EU operates within the United Kingdom and the Republic of Ireland.

The following is an analysis of the Group's revenue and results from continuing operations by reportable segment. These operating segments also constitute the major categories of services offered by the Group.

	2022 $'000	2021 $'000
Segment revenue		
Trustee & Wealth Services		
Private Client trustee services	**46,766**	42,172
Other services	**4,203**	5,102
	50,969	47,274
Superannuation Trustee Services	**20,659**	18,916
Corporate Trustee Services – Australia – Fund governance and trustee services	**36,078**	31,138
Corporate Trustee Services – UK/Ireland – Fund governance and trustee services	**2,853**	2,283
	110,559	99,611
Unallocated	**954**	1,429
Total revenue and other income per statement of profit or loss	**111,513**	101,040

The revenue reported above represents revenue generated from external customers. There were no inter-segment sales (2021: nil).

There were no discontinued operations (2021: nil).

No single customer accounts for 10% or more of the Group's revenue.

	2022 $'000	2021 $'000
Segment net profit/(loss) before tax		
Trustee & Wealth Services	**16,698**	13,065
Superannuation Trustee Services	**5,095**	5,002
Corporate Trustee Services – Australia	**19,155**	16,157
Corporate Trustee Services – UK/Ireland	**(3,747)**	(3,221)
	37,201	31,003
Unallocated	**2**	(692)
Total net profit before tax per statement of profit or loss	**37,203**	30,311

The accounting policies of the reportable segments are the same as the Group's accounting policies. Segment profit represents the contribution earned by each segment without the allocation of non-operating expenditure (including projects and acquisition-related expenditure) or income tax. This is the measure used by the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

For monitoring performance, the chief operating decision maker reviews balance sheet items for the Group as a whole. The Group's assets and liabilities are not allocated to the reportable segments for management reporting purposes.

4 INCOME TAXES

	2022 $'000	2021 $'000
Income tax expense comprises:		
Current income tax expense	**12,607**	9,265
Prior period adjustments and other deferred tax adjustments relating to the origination and reversal of temporary differences	**1,927**	538
Total income tax expense	**14,534**	9,803
The income tax expense for the year can be reconciled to accounting profit as follows:		
Profit before tax from continuing operations	**37,203**	30,311
Income tax expense calculated at 30%	**11,161**	9,093
Effect of different tax rates of subsidiaries operating in other jurisdictions	**1,458**	1,080
Non-deductible expenses	**432**	513
Non-assessable income	**18**	(306)
	13,069	10,380
Prior period adjustments and other deferred tax adjustments relating to the origination and reversal of temporary differences	**1,465**	(577)
Total income tax expense	**14,534**	9,803

The tax rate used in the above 2022 and 2021 reconciliations is the corporate tax rate of 30% payable by Australian corporate entities on taxable profits under Australian tax law. The Group's UK operations are subject to a corporate tax rate of 19%. The Group's Irish operations are subject to a corporate tax rate of 12.5%. There has been no change in the corporate tax rates applied when compared with the prior financial year.

During the year, the Group derecognised previously recognised deferred tax assets totalling $1,269k relating to the accrued tax losses of the Group's UK and Irish operations, increasing income tax expense by the same amount (2021: the Group recognised an income tax benefit of $215k in relation to accrued tax losses). Noting that there is some ongoing uncertainty around the timing of the recovery of these losses, a decision was made to derecognise this amount in the current year.

In 2022 the UK and Irish operations generated a combined total comprehensive loss of $3,764k (2021: $3,027k) before tax. No deferred tax assets have been recognised in relation to unused tax losses (2021: $1,279k deferred tax asset).

	2022 $'000	2021 $'000
Income tax expense/(credit) recognised directly in equity:		
Current tax:		
Share issue expenses deductible over 5 years	**(8)**	(8)
Deferred tax:		
Arising on transactions with equity participants:		
Share issue expenses deductible over 5 years	**2**	-
Total income tax recognised directly in equity	**(6)**	(8)
Current tax liabilities:		
Income tax payable	**1,765**	1,719
Deferred tax balances are presented in the statement of financial position as follows:		
Deferred tax assets	**4,504**	5,376
Deferred tax liabilities	**(21,305)**	(21,282)

DEFERRED TAX ASSETS	OPENING BALANCE $'000	CHARGED TO INCOME $'000	CHARGED TO EQUITY $'000	OTHER $'000	CLOSING BALANCE $'000
2022					
Temporary differences					
Provisions	3,383	485	-	-	3,868
Expenditure deductible over 5 years	491	62	(2)	-	551
Furniture, equipment, leasehold and right-of-use assets	223	(138)	-	-	85
Tax losses	1,279	(1,269)	-	(10)	-
	5,376	**(860)**	**(2)**	**(10)**	**4,504**
2021					
Temporary differences					
Provisions	2,996	387	-	-	3,383
Expenditure deductible over 5 years	54	437	-	-	491
Furniture, equipment and leasehold	117	130	-	(24)	223
Tax losses	1,089	215	-	(25)	1,279
	4,256	1,169	-	(49)	5,376

DEFERRED TAX LIABILITIES	OPENING BALANCE $'000	CHARGED TO INCOME $'000	CHARGED TO EQUITY $'000	OTHER $'000	CLOSING BALANCE $'000
2022					
Temporary differences					
Intangible assets	(21,282)	(23)	-	-	(21,305)
	(21,282)	**(23)**	**-**	**-**	**(21,305)**
2021					
Temporary differences					
Intangible assets	(21,457)	175	-	-	(21,282)
	(21,457)	175	-	-	(21,282)

Accounting Policies

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on the Group's taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used to compute taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither taxable profit nor accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group can control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from how the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Tax consolidation

The Company and all its wholly-owned Australian resident entities are part of a tax-consolidated group under Australian taxation law. EQT Holdings Limited is the head entity in the tax-consolidated group and the other members are identified in Note 31. Tax expense/income, deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the tax-consolidated group are recognised in the separate financial statements of the members of the tax-consolidated group using the 'separate taxpayer within group' approach by reference to the carrying amounts in the separate financial statements of each entity and the tax values applying under tax consolidation. Current tax liabilities and assets and deferred tax assets arising from unused tax losses and tax credits of the members of the tax-consolidated group are recognised by the Company (as head entity in the tax-consolidated group).

Due to the existence of a tax funding arrangement between the entities in the tax-consolidated group, amounts are recognised as payable to or receivable by each member of the tax-consolidated group in relation to the tax contribution amounts paid or payable between the parent entity and the other members of the tax-consolidated group in accordance with the arrangement.

Entities within the tax-consolidated group have entered into a tax funding arrangement and a tax sharing agreement with the head entity. The Company and each of the entities in the tax-consolidated group have agreed to pay a tax equivalent payment to or from the head entity, based on the current tax liability or current tax asset of the entity. The tax sharing agreement entered into between members of the tax-consolidated group provides for the determination of the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations or if an entity should leave the tax-consolidated group. The effect of the tax sharing agreement is that each member's liability for the tax payable by the tax-consolidated group is limited to the amount payable to the head entity under the tax funding arrangement.

Subsidiaries operating in the United Kingdom and Ireland do not consolidate into a tax-consolidated group.

Investment in tax-consolidated group

Under Australian tax law, the taxable profit made by a tax-consolidated group in relation to an entity leaving the Group depends on a range of factors, including the tax values and/or carrying values of assets and liabilities of the leaving entity, which vary in line with the transactions and events recognised in each entity. The taxable profit or loss ultimately made on any disposal of the investments within the tax-consolidated group will therefore depend upon when each entity leaves the tax-consolidated group and the assets and liabilities that the leaving entity holds at that time.

Because the consolidated entity has no current intention to dispose of any subsidiaries within the Group, a deferred tax liability has not been recognised in relation to investments within the tax-consolidated group. Furthermore, temporary differences that might arise on disposal of the entities in the tax-consolidated group cannot be reliably measured because of the inherent uncertainties surrounding the nature of any future disposal that might occur.

5 EARNINGS PER SHARE

The Company has one class of ordinary shares.

ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	2022 CENTS PER SHARE	2021 CENTS PER SHARE
Basic earnings per share	**115.07**	103.04
Diluted earnings per share	**114.73**	102.89

ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	2022 $'000	2021 $'000
Net profit after tax attributable to equity holders of the Company	**24,228**	21,528

	2022 NO. '000	2021 NO. '000
Weighted average number of ordinary shares for the purposes of basic earnings per share	**21,055**	20,894
Shares deemed to be issued for no consideration in respect to employee share entitlements	**63**	30
Weighted average number of ordinary shares for the purposes of diluted earnings per share	**21,118**	20,924

Accounting Policies

Basic earnings per share is calculated by dividing the net profit after tax attributable to the equity holders of the Company by the weighted average number of ordinary shares outstanding for the year.

Diluted earnings per share is calculated by dividing the net profit after tax attributable to the equity holders of the Company by the weighted average number of ordinary shares outstanding for the year, adjusted for shares deemed to be issued for no consideration, in respect to employee share entitlements.

6 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

Reconciliation of profit for the year to net cash flows from operating activities

	2022 $'000	2021 $'000
Profit for the year	**22,669**	20,508
Income tax expense recognised in profit and loss	**14,534**	9,803
Depreciation of non-current assets	**2,648**	2,901
Amortisation of non-current assets	**1,748**	2,364
(Profit)/loss on disposal of plant and equipment	**-**	2
Equity-settled share-based payments	**1,328**	1,075
Interest income received and receivable	**(643)**	(463)
Foreign currency (gain)/loss	**85**	(180)
	42,369	36,010
Movements in working capital		
(Increase)/decrease in trade and other receivables	**4,180**	(4,344)
(Increase)/decrease in other assets	**(309)**	(3,178)
Increase/(decrease) in trade and other payables	**(36)**	(127)
Increase/(decrease) in other provisions	**987**	2,067
Cash generated from operations	**47,191**	30,428
Income taxes paid	**(13,597)**	(11,106)
Net cash generated by operating activities	**33,594**	19,322

Non-cash financing activities

Non-cash financing activity during the year were dividend reinvestments of $3,292k (2021: $3,609k).

Accounting Policies

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

During the current period, the Group has presented certain financing and operating cash flows differently to the way they were presented in the comparative period. Prior year comparatives have not been reclassified, as the effect on the prior year is not considered to be significant.

OPERATING ASSETS AND LIABILITIES

7 INTANGIBLE ASSETS

	COMPUTER SOFTWARE $'000	MANAGEMENT RIGHTS $'000	TOTAL $'000
Gross carrying amount			
Balance at 1 July 2020	9,042	88,918	97,960
Additions	369	-	369
Effect of foreign currency exchange differences	-	5	5
Disposals	(28)	-	(28)
Balance at 30 June 2021	9,383	88,923	98,306
Additions	680	-	680
Effect of foreign currency exchange differences	3	(9)	(6)
Balance at 30 June 2022	**10,066**	**88,914**	**98,980**
Accumulated amortisation and impairment			
Balance at 1 July 2020	7,375	9,813	17,188
Disposals	(28)	-	(28)
Amortisation expense	917	1,447	2,364
Balance at 30 June 2021	8,264	11,260	19,524
Amortisation expense	723	1,025	1,748
Balance at 30 June 2022	**8,987**	**12,285**	**21,272**
Net book value			
As at 30 June 2021	1,119	77,663	78,782
As at 30 June 2022	**1,079**	**76,629**	**77,708**

	2022 $'000	2021 $'000
Aggregate amortisation recognised as an expense during the year:		
Amortisation of computer software	**723**	917
Amortisation of management rights	**1,025**	1,447
Total amortisation expense	**1,748**	2,364

Amortisation expense is included in the line item 'depreciation and amortisation expenses' in the consolidated statement of profit or loss and other comprehensive income.

SIGNIFICANT INTANGIBLE ASSETS

The Group holds the following significant management rights and customer contract intangibles. All of these are externally generated intangible assets.

	2022 $'000	2021 $'000
Indefinite life	**73,014**	73,022
Fixed life	**3,615**	4,641
	76,629	77,663

The indefinite and fixed life intangibles in the above table have been allocated for impairment testing purposes to the TWS, STS, CTS-A and CTS-EU cash-generating units. Details of cash-generating units, the value-in-use calculation of the recoverable amounts and key assumptions are contained in Note 8. Management has reviewed the useful life of the intangibles and has determined that these indefinite life intangibles continue to have indefinite lives.

In undertaking this review, management has considered the economic, competitor and regulatory environment in relation to the Group, the contractual rights and contractual relationships in relation to these indefinite life intangibles, and the ability of the indefinite life intangibles to continue to have value into the foreseeable future.

Accounting Policies

Intangible assets acquired separately

Intangible assets with finite lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Internally generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

After initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost). After initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation (for finite life intangibles) and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Management rights and customer contract intangibles

Management rights and customer contract intangibles arising in relation to acquisitions are carried at cost as non-current intangible assets. Where the management rights and customer contract intangibles have an indefinite useful life, they are not amortised but are subject to an ongoing impairment test. Where the management rights and customer contract intangibles have a finite useful life, they are recorded at cost less accumulated amortisation and accumulated impairment. Amortisation is charged on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method is reviewed at the end of each annual reporting period, with any changes in these accounting estimates being accounted for on a prospective basis.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Useful lives of finite life intangible assets

The following useful lives are used in the calculation of amortisation expense:

Software	1 - 10 years
Management rights and customer contract intangibles	1 - 16 years

Impairment

At each reporting date, the Group reviews the carrying amounts of its intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the asset's recoverable amount is estimated to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units. Otherwise, they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are required to be tested for impairment annually and whenever there is an indication that the asset may be impaired. Recoverable amount is the higher 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 asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at fair value, in which case the reversal of the impairment loss is treated as a revaluation increase.

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8 GOODWILL

	2022 $'000	2021 $'000
Cost	**127,541**	127,622
Accumulated impairment losses	**-**	-
	127,541	127,622
Balance at beginning of the financial year	**127,622**	127,573
Amounts recognised during the year	**-**	-
Effect of foreign currency exchange differences	**(81)**	49
	127,541	127,622

There are no accumulated impairment losses (2021: nil).

During 2022, the Group assessed the recoverable amount of goodwill and determined that no impairment had occurred (2021: nil).

Allocation of goodwill to cash-generating units

The carrying amount of goodwill was allocated to the following cash-generating units:

	2022 $'000	2021 $'000
Corporate Trustee Services – Australia (CTS-A)	**3,680**	3,680
Corporate Trustee Services – UK/Ireland (CTS-EU)	**1,798**	1,879
Trustee & Wealth Services (TWS)	**108,939**	108,939
Superannuation Trustee Services (STS)	**13,124**	13,124
	127,541	127,622

Corporate Trustee Services – Australia (CTS-A)

The recoverable amount of the CTS-A cash-generating unit is determined based on a value-in-use calculation which uses cash flow projections based on management's forecast covering a five-year period, together with a terminal value based on management's view of an appropriate rate of growth. These cash flows are discounted using a pre-tax rate of 13.56% (2021: 10.10%). Management believes that any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the CTS-A cash-generating unit.

The key assumptions used in the value-in-use calculations are the growth rate of funds under supervision, basis point fee levels, and expense growth rate. These assumptions are evaluated each year to ensure their ongoing appropriateness.

Corporate Trustee Services – UK/Ireland (CTS-EU)

The recoverable amount of the CTS-EU cash-generating unit is determined based on a value-in-use calculation which uses cash flow projections based on management's forecast covering a five-year period, together with a terminal value based on a rate of growth appropriate for a business in this stage of its operating cycle. These cash flows are discounted using a pre-tax rate of 20.76% (2021: 19.27%). Management believes that any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the CTS-EU cash-generating unit.

The key assumptions used in the value-in-use calculations are the growth rate of funds under management, basis point fee levels, and expense growth rate. These assumptions are evaluated each year to ensure their ongoing appropriateness.

Trustee & Wealth Services (TWS)

The recoverable amount of the TWS cash-generating unit is determined based on a value-in-use calculation which uses cash flow projections based on management's forecast covering a five-year period, together with a terminal value based on management's view of an appropriate rate of growth. These cash flows are discounted using a pre-tax rate of 13.56% (2021: 10.10%). Management believes that any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the TWS cash-generating unit.

The key assumptions used in the value-in-use calculations are the growth rate of funds under management, advice, administration and supervision, and growth in ongoing services revenue, growth in one-off advisory services and expense growth rate. These assumptions are evaluated each year to ensure their ongoing appropriateness.

Superannuation Trustees Services (STS)

The recoverable amount of the STS cash-generating unit is determined based on a value-in-use calculation which uses cash flow projections based on management's forecast covering a five-year period, together with a terminal value based on management's view of an appropriate rate of growth. These cash flows are discounted using a pre-tax rate of 13.56% (2021: 10.10%). Management believes that any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the STS cash-generating unit.

The key assumptions used in the value-in-use calculations are the growth rate of funds under supervision and growth in ongoing services revenue, growth in one-off advisory services and expense growth rate. These assumptions are evaluated each year to ensure their ongoing appropriateness.

Sensitivity to changes in key assumptions

All CGUs have been assessed as having no impairment in the current and prior years. The Group has evaluated the sensitivity of cash-generating unit recoverable amounts, and their related headroom over the carrying value of cash-generating unit assets, to consider reasonably possible changes in key assumptions.

Consideration has been given to current economic and market conditions, and the Group's view of future cash flows and growth rates. Adjustments have been made to recoverable amount calculations where appropriate to take these factors into account.

The following changes to headroom are reasonably possible, while holding all other assumptions constant:

INPUT	REASONABLY POSSIBLE MOVEMENT	TWS	STS	CTS-A	CTS-EU
WACC	+50 basis points	Reduces headroom by $14,731k, no impairment	Reduces headroom by $4,715k, no impairment	Reduces headroom by $14,159k, no impairment	Reduces headroom by $405k, no impairment
Terminal growth rate	-50 basis points	Reduces headroom by $11,721k, no impairment	Reduces headroom by $3,760k, no impairment	Reduces headroom by $11,083k, no impairment	Reduces headroom by $277k, no impairment
Revenue growth rate	-100 basis points	Reduces headroom by $18,945k, no impairment	Reduces headroom by $7,351k, no impairment	Reduces headroom by $12,946k, no impairment	Reduces headroom by $1,396k, no impairment

The combined effect of the above reasonably possible changes results in a further reduction of headroom, but does not result in the carrying amount of any cash-generating unit exceeding its recoverable amount.

Accounting Policies

Goodwill arising on an acquisition of a business is carried at cost as established at the date of the acquisition of the business (Note 13) less accumulated impairment losses, if any. For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss in the consolidated income statement. An impairment loss recognised for goodwill is not reversed in subsequent periods. On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

9 FURNITURE, EQUIPMENT AND LEASEHOLD

	COMPUTER HARDWARE & EQUIPMENT AT COST $'000	LEASEHOLD IMPROVEMENTS AT COST $'000	OFFICE FURNITURE & EQUIPMENT AT COST $'000	TOTAL $'000
Gross carrying amount				
Balance at 1 July 2020	2,496	6,564	1,052	10,112
Additions	332	-	9	341
Disposals	(457)	(43)	(9)	(509)
Balance at 30 June 2021	2,371	6,521	1,052	9,944
Additions	202	1,514	166	1,882
Balance at 30 June 2022	**2,573**	**8,035**	**1,218**	**11,826**
Accumulated depreciation and impairment				
Balance at 1 July 2020	1,508	2,159	435	4,102
Disposals	(455)	(43)	(9)	(507)
Effect of foreign currency exchange differences	(14)	-	-	(14)
Depreciation expense	499	789	132	1,420
Balance at 30 June 2021	1,538	2,905	558	5,001
Effect of foreign currency exchange differences	(3)	-	-	(3)
Depreciation expense	505	775	108	1,388
Balance at 30 June 2022	**2,040**	**3,680**	**666**	**6,386**
Net book value				
As at 30 June 2021	833	3,616	494	4,943
As at 30 June 2022	**533**	**4,355**	**552**	**5,440**

	2022 $'000	2021 $'000
Aggregate depreciation recognised as an expense during the year:		
Computer hardware and equipment	**505**	499
Leasehold improvements	**775**	789
Office furniture and equipment	**108**	132
Right-of-use assets (Note 10)	**1,260**	1,481
Total depreciation expense	**2,648**	2,901

No depreciation was capitalised.

Depreciation expense is included in the line item 'depreciation and amortisation' of the statement of profit or loss and other comprehensive income.

Accounting Policies

Furniture, equipment and leasehold improvements are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation on furniture and equipment is recognised so as to write off the cost or valuation of the assets less their residual values over their useful lives, using the straight-line method. Leasehold improvements are depreciated over the period of the lease or estimated useful life (whichever is shorter), using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, with the effect of any changes recognised on a prospective basis.

An item of furniture, equipment or leasehold improvement is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on disposal or retirement of an item of furniture, equipment or leasehold improvement is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Useful lives used in the calculation of depreciation

The following useful lives are used in the calculation of depreciation:

Computer hardware and equipment	1 – 6 years
Office furniture and equipment	1 – 10 years
Leasehold improvements	2 – 10 years
Right-of-use assets (Note 10)	2 – 10 years

Impairment

At each reporting date, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units. Otherwise, they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at fair value, in which case the reversal of the impairment loss is treated as a revaluation increase.

10 LEASES

The Group's material lease arrangements relate predominantly to its operating premises throughout Australia and in London, United Kingdom, and Dublin, Ireland.

Right-of-use assets

The carrying amount of assets acquired under lease arrangements is as follows:

	RIGHT-OF-USE ASSETS AT COST $'000
Gross carrying amount	
Balance at 1 July 2020	12,040
Effect of foreign currency exchange differences	3
Balance at 30 June 2021	12,043
Additions	3,007
Lease modifications	(349)
Concluded leases	(2,075)
Effect of foreign currency exchange differences	(29)
Balance at 30 June 2022	**12,597**
Accumulated depreciation and impairment	
Balance at 1 July 2020	5,241
Depreciation expense	1,481
Balance at 30 June 2021	6,722
Concluded leases	(2,075)
Lease modifications	(83)
Effect of foreign currency exchange differences	(16)
Depreciation expense	1,260
Balance at 30 June 2022	**5,808**
Net book value	
As at 30 June 2021	5,321
As at 30 June 2022	**6,789**

Lease related liabilities

Liabilities recognised as a result of the Group's lease arrangements are as follows:

	2022 $'000	2021 $'000
Current		
Lease-related liabilities (Note 12)	**1,698**	1,237
Non-current		
Lease-related liabilities (Note 12)	**7,743**	6,775
	9,441	8,012

The following table details the Group's maturities for its lease arrangements.

	LESS THAN 1 MONTH $'000	1-3 MONTHS $'000	3 MONTHS TO 1 YEAR $'000	1-5 YEARS $'000	5+ YEARS $'000
2022					
Interest expense on lease liabilities	107	253	1,338	6,558	1,185
	107	**253**	**1,338**	**6,558**	**1,185**
2021					
Interest expense on lease liabilities	121	248	868	6,485	290
	121	248	868	6,485	290

Amounts recognised in the profit or loss for leases in the current and prior year are:

	2022 $'000	2021 $'000
Depreciation expense on right-of-use assets	**1,260**	1,481
Interest expense on lease liabilities	**281**	220
Expense relating to short-term leases	**229**	200
Expense relating to leases of low-value assets	**175**	57
	1,945	1,958

The total cash outflow for leases amounted to $2,074k (2021: $1,930k).

Accounting Policy

The Group assesses whether a contract is or contains a lease at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low-value assets (such as personal computers, office furniture and printing equipment). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the lessee uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable.
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date.
- The amount expected to be payable by the lessee under residual value guarantees.
- The exercise price of purchase options if the lessee is reasonably certain to exercise the options.
- Payments of penalties for terminating the lease if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented in the consolidated statement of financial position within the line items: 'other current liabilities' and 'other non-current liabilities.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

In the current year, a change in circumstances for a lease has resulted in the Group derecognising a right-of-use asset and associated lease liability. The right-of-use asset was valued at $350k. Other than this derecognition, the Group did not make any other adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost, less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under AASB 137. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of the lease term and the useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented separately in the consolidated statement of financial position.

The Group applies AASB 136 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

As a practical expedient, AASB 16 permits a lessee to not separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has not used this practical expedient. For contracts containing a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component based on the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

11 PROVISIONS

	2022 $'000	2021 $'000
Current		
Employee benefits (Note 24)	**7,864**	6,802
Other provisions	**1,715**	1,211
	9,579	8,013
Non-current		
Employee benefits (Note 24)	**2,206**	2,604
Leasehold makegood	**907**	879
	3,113	3,483

	MAKEGOOD $'000	OTHER PROVISIONS $'000	EMPLOYEE BENEFITS (NOTE 24) $'000	TOTAL $'000
Balance at 1 July 2021	879	1,211	9,406	11,496
Net additional provisions recognised	28	504	5,200	5,732
Decrease arising from payments	-	-	(4,536)	(4,536)
Balance at 30 June 2022	**907**	**1,715**	**10,070**	**12,692**

The leasehold makegood provision represents the present value of the Directors' best estimate of the future outflow of economic benefits that will be required to settle the Group's obligations to make good its leased premises at the end of the leases.

Other provisions includes the Directors' best estimate of amounts required to meet employee, fringe benefit tax and other trade payment obligations owing.

Employee benefits includes provisions for annual leave, long service leave and bonuses.

Accounting Policies

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material). When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

12 OTHER LIABILITIES

	2022 $'000	2021 $'000
At amortised cost		
Current		
Corpus commission collected but not earned	**2**	2
Lease-related liabilities	**1,698**	1,237
Other liabilities	**1,128**	1,309
	2,828	2,548
Non-current		
Lease-related liabilities	**7,743**	6,775
Corpus commission collected but not earned	**35**	35
	7,778	6,810

13 BUSINESS COMBINATIONS

Acquisition of businesses

YEAR ENDED 30 JUNE 2022
No acquisitions were made in the year ended 30 June 2022.

YEAR ENDED 30 JUNE 2021
No acquisitions were made in the year ended 30 June 2021.

Accounting Policies

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- Deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with AASB 112 *Income Taxes* and AASB 119 *Employee Benefits respectively*.
- Liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with AASB 2 *Share-based Payments* at the acquisition date.

* Assets (or disposal groups) that are classified as held for sale in accordance with AASB 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another Standard.

Where the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition date fair value. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates, and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or liability is remeasured at subsequent reporting dates in accordance with AASB 9 *Financial Instruments*, or AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

Where a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree before the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

CAPITAL STRUCTURE

14 BORROWINGS

	2022 $'000	2021 $'000
Unsecured, at amortised cost		
Corporate facility	**10,000**	10,000
Operational Risk Financial Requirement (ORFR) facilities	**31,005**	23,250
	41,005	33,250

Corporate Facility

The Group has a $40m facility with Australia and New Zealand Banking Group Limited (ANZ). The facility has a three-year term and was renewed in the 2022 financial year.

The facility is drawn down as needed and the drawn tranches bear interest at variable market rates. The facility is drawn down to $10m as at 30 June 2022 (2021: $10m). The weighted average effective interest rate on the corporate facility drawn down loans is 2.6% per annum (2021: 1.6%).

Operational Risk Financial Requirement (ORFR) facilities

The Group enters into borrowing arrangements in relation to certain superannuation trustee activities. Some superannuation funds are configured such that some or all of the Operational Risk Financial Requirements (ORFR) (a superannuation prudential requirement) are held on the superannuation trustee balance sheets as Tier 1 common equity, rather than within the superannuation funds themselves.

Where it has been determined that an ORFR will be met via capital held on the trustee balance sheet, the Group may enter into special purpose, limited recourse borrowing arrangements to fund these requirements and appropriately capitalise the respective trustee entities. At 30 June 2022, of the total cash held of $108,316k, $31,005k was held for ORFR-related purposes (30 June 2021: total cash of $92,175k, $23,250k held for ORFR purposes).

LENDER	FACILITY TERM	FACILITY LIMIT $'000	AMOUNT USED $'000
2022			
Aracon	3 Years	1,000	405
AMP Life	5 Years	6,600	6,600
Centric	5 Years	5,000	1,000
Colonial Mutual Life Assurance Society Limited (CMLA)	5 Years	9,000[1]	8,000
HUB24	3 Years	15,000	15,000
		36,600	**31,005**
2021			
AMP Life	5 Years	7,700	7,700
Colonial Mutual Life Assurance Society Limited (CMLA)	5 Years	9,000[1]	8,000
HUB24	3 Years	15,000	7,550
		31,700	23,250

[1]Amounts repaid in relation to this facility cannot be reborrowed.

The weighted average effective interest rate on all drawn down loans is 6.6% per annum (2021: 5.5%).

Reconciliation of liabilities arising from financing activities

	2021 $'000	CASH FLOWS $'000	NON-CASH CHANGES $'000	2022 $'000
Corporate facility	10,000	-	-	**10,000**
Operational Risk Financial Requirement (ORFR) facilities	23,250	7,755	-	**31,005**
Total liabilities from financing activities	33,250	7,755	-	**41,005**

15 ISSUED CAPITAL

	2022 $'000	2021 $'000
21,125,581 fully paid ordinary shares (2021: 20,979,239)	**257,558**	253,621

Changes to the then-Corporations Law abolished the authorised capital and par value concept in relation to share capital from 1 July 1998. Therefore, the Company does not have a limited amount of authorised capital and issued shares do not have a par value.

	2022 NO. '000	2022 $'000	2021 NO. '000	2021 $'000
Fully paid ordinary shares				
Balance at beginning of financial year	**20,980**	**253,621**	20,776	248,862
Shares issued under employee share scheme	**7**	**209**	8	211
Shares issued under executive share scheme	**16**	**357**	49	855
Shares issued under employee salary sacrifice	**4**	**98**	4	103
Shares issued under dividend reinvestment plan	**119**	**3,292**	143	3,609
Share issue costs net of tax	**-**	**(19)**	-	(19)
Balance at end of financial year	**21,126**	**257,558**	20,980	253,621

Fully paid ordinary shares carry one vote per share and carry the right to dividends.

Share awards

In accordance with the provisions of the EQT Holdings Limited Executive Performance Share Plan 1999 (the Plan), as at 30 June 2022, eligible executives have share entitlements over 159,885 ordinary shares (2021: 243,097) in aggregate. Further details of the Plan are contained in the Remuneration Report within the Directors' Report.

16 RESERVES

	EMPLOYEE EQUITY-SETTLED BENEFITS RESERVE $'000	CAPITAL RESERVE $'000	CURRENCY TRANSLATION $'000	TOTAL $'000
Balance at 1 July 2021	1,251	350	177	1,778
Shares issued	(566)	-	-	(566)
Movement in reserve	1,230	-	(414)	816
Balance at 30 June 2022	**1,915**	**350**	**(237)**	**2,028**

Employee equity-settled benefits reserve

The employee equity-settled benefits reserve arises on the granting of share entitlements to eligible employees under the EQT Holdings Limited Executive Performance Share Plan 1999 (the Plan — refer to the Remuneration Report in the Directors' Report for details) and on the provision for shares to be issued to staff under the Employee Share Acquisition Plan (ESAP). The ESAP is in place to allow eligible employees to participate in share allotments as approved by the Board on an ongoing basis as deemed appropriate. There is $250,000 provided for ESAP in 2022 (2021: $250,000). The balance of the reserve relates to entitlements under the LTI plan.

Capital reserve

Certain entities within the Group hold capital reserves, which were formerly required in relation to their Registrable Superannuation Entity (RSE) licence requirements. These capital reserves were an interim measure until the superannuation funds for which these entities act as RSE had fully established their Operational Risk Financial Requirement reserves. These reserves are no longer separately required and accordingly, the Group intends to transfer the balance out and close this reserve during the 2023 financial year.

17 DIVIDENDS

FULLY PAID ORDINARY SHARES	DATE OF PAYMENT	CENTS PER SHARE	TOTAL $'000
Recognised amounts			
2022			
Interim 2022 dividend (fully franked)	29 March 2022	48	10,109
2021			
Interim 2021 dividend (fully franked)	23 March 2021	44	9,196
Final 2021 dividend (fully franked)	5 October 2021	47	9,869
Unrecognised amounts			
2022			
Final 2022 dividend (fully franked)	10 October 2022	49	10,352

	2022 $'000	2021 $'000
Franking account balance at 1 July	**17,140**	13,815
Tax paid	**13,597**	11,106
Franking credits received	**-**	-
Franking credits attached to interim and final dividends	**(8,562)**	(7,781)
Franking account balance at 30 June	**22,175**	17,140
Franking credits that will arise from income tax payable at reporting date	**1,765**	1,719
Franking credits to be attached to dividends declared but not recognised	**(4,436)**	(4,226)
Adjusted franking account balance	**19,504**	14,633

CASH AND WORKING CAPITAL

18 CASH AND CASH EQUIVALENTS

For the purpose of the cash flow statement, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash at the end of the financial year as shown in the cash flow statement is reconciled to the related items in the consolidated statement of financial position as follows:

	2022 $'000	2021 $'000
Cash and cash equivalents	**108,316**	92,175

Operational Risk Financial Requirement (ORFR) Cash

Certain group subsidiaries are obliged to have, on issue, specified amounts of Common Equity Tier 1 (CET1), to meet a portion of the total operational risk financial requirement reserves of superannuation funds for which those subsidiaries act as the Registrable Superannuation Entity (RSE) Licensee. These issuances of CET1 capital are backed by equivalent cash holdings, which are held in segregated bank accounts and are solely for the purpose of meeting any operational risk events of those particular superannuation funds. CET1 issued for the purpose of meeting ORFR requirements at 30 June 2022 is $31,005k (2021: $23,250k). The cash amounts associated with this capital form part of the total cash and cash equivalents disclosed in this note.

Accounting Policies

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and have a maturity of three months or less at the date of acquisition.

19 TRADE AND OTHER RECEIVABLES

	2022 $'000	2021 $'000
Current		
Trade receivables	**7,288**	8,535
Loss allowance on trade receivables	**(16)**	(21)
Other receivables	**7,764**	10,964
	15,036	19,478
Non-current		
Other receivables	**769**	399
	769	399
Trade receivables - ageing of past due receivables		
Under 30 days	**1,665**	1,708
30-60 days	**491**	671
Over 60 days	**1,870**	885
	4,026	3,264

The following table sets out the movement in lifetime expected credit losses (ECL) that has been recognised for trade receivables in accordance with the simplified approach adopted under AASB 9.

	2022 $'000	2021 $'000
Movement in the allowance for doubtful debts		
Balance at beginning of the year	**(21)**	(37)
Change in loss allowance due to new trade receivables originated net of those derecognised due to settlement (collectively assessed)	**(16)**	(21)
Amounts written off (individually assessed)	**3**	1
Amounts subsequently recovered (individually assessed)	**18**	36
Balance at end of year	**(16)**	(21)

Accounting Policies

Trade receivables are classified as at amortised cost and include any attributable goods and services tax (GST). The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables as appropriate.

The terms of payment for all trade receivables is 14 days from invoice date. All accounts receivable outstanding more than 30 days are monitored and actively managed. No interest is charged on trade receivables.

Before accepting significant new clients, the credit worthiness of these clients is assessed by either Executive management, the Due Diligence Committee (DDC), and/or the board of the subsidiary entity intended to provide the service, depending on the type of client. Other new client credit worthiness is assessed by business managers as is appropriate to the size and nature of those clients and whether the client has funds deposited with the Group from which the Group is permitted to withdraw payment of its fees.

The Group always measures the loss allowance for trade receivables at an amount equal to lifetime expected credit loss (ECL). The Group has recognised a loss allowance of 100% against all receivables over 90 days past due, because historical experience has indicated that these receivables are generally not recoverable. There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

Other receivables include corpus commission, managed scheme distributions and interest receivable. These receivables are with Australian banks, Australian managed investment schemes and client accounts administered by the Group. These amounts are all considered recoverable.

The concentration of credit risk is generally considered to be limited due to the customer base being large and unrelated. Accounting policies relating to impairment of financial assets are further described in Note 22.

20 OTHER FINANCIAL ASSETS

	2022 $'000	2021 $'000
Classified as at fair value through profit or loss (FVTPL):		
Managed investment schemes	**10,000**	5,000
	10,000	5,000

As at 30 June 2022 and 30 June 2021 the Group held investments in the EQT Wholesale Mortgage Income Fund, which is managed by the Group. The investments are held to allow the Group to obtain a more competitive rate of return on excess cash held for regulatory capital requirements.

21 CURRENT TRADE AND OTHER PAYABLES

	2022 $'000	2021 $'000
Trade payables	**680**	525
Goods and services tax payable	**724**	448
Other payables	**1,038**	1,505
	2,442	2,478

Accounting Policies

Trade payables are initially recognised at fair value, inclusive of any attributable GST.

The Group's policy regarding trade payables is to pay all invoices by the due date. No interest charges have been incurred on trade payables.

RISK MANAGEMENT

22 FINANCIAL RISK MANAGEMENT

a) Capital risk management

The Group manages its capital to ensure that entities within the Group will be able to continue on a going concern basis while balancing the achievement of shareholder returns with prudent management of resources, achieving its long-term strategy, meeting the financial requirements imposed by regulatory authorities and maintaining financial covenants required by lenders.

Entities in the Group hold Australian Financial Services Licences (AFSL) and Registrable Superannuation Entity (RSE) Licences, as well as authorisations from the Financial Conduct Authority in the UK and the Central Bank of Ireland in Ireland ('the Licenced Entities'). Licenced Entities are subject to regulatory financial requirements in relation to their licenses and authorisations. The Group is also subject to financial covenants in relation to its borrowings. Apart from the foregoing, there are no other externally imposed capital requirements for the Group. The Group has met its regulatory financial requirements and debt covenants throughout FY22, as well as its regulatory financial requirements and debt covenants throughout FY21.

For the 2022 financial year, the Licenced Entities must maintain minimum levels of capital in accordance with the conditions that apply under their individual licenses. In Australia, these requirements include minimum net tangible asset (NTA) requirements; in the UK and Ireland, these requirements include minimum levels of capital adequacy. All capital requirements also contain a minimum requirement for liquidity. The Group continuously monitors the capital position of each Licenced Entity and has ensured that each entity maintains sufficient capital to meet its license requirements during the year.

The Group's capital management strategy generally is to maintain a conservative balance sheet with low gearing. The Group continually reviews funding options to ensure it is optimising both the use and mix of its capital to achieve its capital management objectives. As at 30 June 2022, the gearing percentage (debt to equity), excluding Operational Risk Financial Requirement (ORFR) facility borrowings, was 3.6% (2021: 3.6%). Including ORFR facility borrowings, the gearing percentage (debt to equity) was 14.6% (2021: 12.1%).

The Group's policy is to fund its normal activities from operating cash flows. Any substantial requirements such as a major business acquisition shall be funded using a suitable mix of accumulated cash surpluses, debt facilities, and equity funding raised through the issue of ordinary shares in the listed holding company, EQT Holdings Limited. This policy is regularly reviewed considering the Group's long-term strategy, prudent management of resources, dividend policy, market conditions, changing regulatory requirements in relation to its regulatory licences, and achieving shareholder returns.

b) Categories of financial instruments

	2022 $'000	2021 $'000
Financial assets		
Cash and cash equivalents	**108,316**	92,175
At amortised cost – trade receivables	**7,272**	8,514
At fair value through profit or loss (FVTPL) – managed funds	**10,000**	5,000
	125,588	105,689
Financial liabilities		
At amortised cost – trade payables	**680**	525
At amortised cost – borrowings	**41,005**	33,250
	41,685	33,775

During the 2022 financial year, there were no financial assets or liabilities designated as at fair value through other comprehensive income for either the Group or the Company (2021: nil). No financial assets have been pledged as collateral for either liabilities or contingent liabilities (2021: nil). No assets are held as collateral (2021: nil).

(c) Financial risk management objectives

The Group's main financial instrument risk exposures relate to market risk (including interest rate risk and currency risk), credit risk and liquidity risk. The Group manages financial instrument risk through a combination of Executive management monitoring key financial risks and the use of management and Board committees that manage and monitor particular activities and their related financial risks. The Board Risk Committee is responsible for overseeing the risk profile and risk management of the Group. The Board is ultimately responsible for the Group's Risk Management Framework (RMF), and overall risk management within the Group.

Executive management and management committees report to the Board on a regular basis regarding their activities and the related financial risks. The Group committees include a Management Audit Risk and Compliance Committee (MARCC), Due Diligence Committee (DDC) and Management Investment Committee (MIC). The MARCC reviews audit, risk and compliance issues across the business, with the other committees, DDC and MIC, having a more specialised focus. The DDC reviews new business proposals including the risks associated with counterparties. The MIC responsibilities include reviewing and managing the Group's investment portfolio and its associated financial risks. Boards of Group subsidiary companies also escalate issues to the Group Board as required.

The liquidity position of the Group and Company are continuously monitored by Executive management and the impact on liquidity of any significant transaction, such as payment of a dividend, acquisition of a new business, and purchase of capital assets is considered before the transaction being approved.

The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes. The Group's investment policy is to hold financial instruments for the long-term to support capital and NTA requirements. The asset allocation of the portfolio is conservative and complies with regulatory requirements. The AFSL conditions include holding a required minimum level of NTA in liquid assets, with 50% of this amount in cash or cash equivalents. The Group does not use hedging to manage its financial risks.

(d) Market risk management

The Group's primary risk exposure in relation to financial instruments is to interest rate risk. The exposure primarily arises in relation to the Group's investment portfolio (held to support NTA requirements) and borrowings. The Group has a modest exposure to currency risk via its UK- and Irish-based subsidiaries. The Group does not currently use derivatives to manage market risks, as Executive management do not believe these risks currently warrant the use of derivatives due to their nature and relatively low level of risk.

The Group's market risks in relation to financial instruments are managed by Executive management and the MIC. In relation to interest rate risk, the MIC provides guidance regarding the management of the Group's investment portfolio. In relation to currency risk, the Group continuously monitors the balance sheets of entities whose functional currency is not the Australian Dollar, along with the value of foreign currency intercompany loans and receivables to manage overall foreign currency exposure.

There has been no significant change from the previous year to the Group's exposure to market risk or the way these risks are managed.

(d)(i) Interest rate risk management

The Group is exposed to interest rate risk in relation to its financial instruments as funds are invested at variable interest rates. The Group's borrowings are at fixed interest rates. The Group has a policy of placing interest-bearing investments with Australian banks and other counterparties with strong credit ratings. This minimises the risk of default and also ensures that the Group continues to meet its capital adequacy requirements. Within these parameters, the Group seeks to make interest-bearing investments at the best available rates with Australian banks and other counterparties that meet its credit rating and security criteria. These investment processes and reviews are overseen by the MIC.

Interest rate sensitivity analysis

A sensitivity analysis in relation to the Group's exposure to interest rate movements is set out below. Management have assessed the reasonably possible change in interest rates to be plus/minus 100 basis points for 2022 (2021: plus/minus 15 basis points) based on a review of market conditions. This assumes both long- and short-term interest rates will have the same basis point movement.

The sensitivity analysis is calculated using the end of year balance of the financial instrument where this balance is representative of the balance throughout the year. If the end of year balance is not representative of the balance throughout the year, then the sensitivity analysis is calculated using the average balance (calculated on a quarterly basis) held throughout the year.

	CARRYING AMOUNT AT 30 JUNE 2022	INTEREST RATE RISK			
		-1%		+1%	
		PROFIT	EQUITY	PROFIT	EQUITY
	$'000	$'000	$'000	$'000	$'000
Cash and cash equivalents	108,316	(1,083)	-	1,083	-
At amortised cost – borrowings	(41,005)	410	-	(410)	-
At FVTPL – managed funds	10,000	(100)	-	100	-
	77,311	**(773)**	**-**	**773**	**-**

	CARRYING AMOUNT AT 30 JUNE 2021	INTEREST RATE RISK			
		-0.15%		+0.15%	
		PROFIT	EQUITY	PROFIT	EQUITY
	$'000	$'000	$'000	$'000	$'000
Cash and cash equivalents	92,175	(138)	-	138	-
At amortised cost – borrowings	(33,250)	50	-	(50)	-
At FVTPL – managed funds	5,000	(8)	-	8	-
	63,925	(96)	-	96	-

(d)(ii) Currency risk

The Group is exposed to currency risk arising from its UK- and Irish-based subsidiaries (Note 31). The operations of the Group's overseas businesses are predominantly denominated in British Pounds (GBP) and Euros (EUR). As a result, the Group has some exposure to currency risk arising from:

- fluctuations in future cash flows relating to the foreign currency-denominated operations of the Group's overseas-based subsidiaries; and
- fluctuations in the fair value of financial assets and liabilities held by the Group's UK-based subsidiaries.

Currency risk also arises on intercompany loans and receivables owing between the Australian Group and overseas-based subsidiaries.

As the Group's overseas-based operations currently contribute a non-significant amount to the Group's financial results and balance sheet, no currency hedging is currently used to manage these risks. Executive management continue to monitor the Group's overall exposure to foreign currency and should the need arise, will consider the modest use of derivatives to manage the Group's currency exposure.

Foreign currency sensitivity analysis

A sensitivity analysis in relation to the Group's exposure to foreign exchange rate movements is set out below. Management have assessed the reasonably possible change in foreign exchange rates to be plus/minus 10% for 2022 (2021: plus/minus 10%) based on a review of market conditions.

The sensitivity analysis is calculated using the end of year balance of each financial instrument where this balance is representative of the balance throughout the year. If the end of year balance is not representative of the balance throughout the year, then the sensitivity analysis is calculated using the average balance (calculated on a quarterly basis) held throughout the year.

	CARRYING AMOUNT AT 30 JUNE 2022 $'000	FOREIGN CURRENCY RISK -10% PROFIT $'000	-10% EQUITY $'000	+10% PROFIT $'000	+10% EQUITY $'000
Cash and cash equivalents	5,298	-	(530)	-	530
Trade receivables	472	-	(47)	-	47
Trade payables	(318)	-	32	-	(32)
	5,452	**-**	**(545)**	**-**	**545**

	CARRYING AMOUNT AT 30 JUNE 2021 $'000	FOREIGN CURRENCY RISK -10% PROFIT $'000	-10% EQUITY $'000	+10% PROFIT $'000	+10% EQUITY $'000
Cash and cash equivalents	3,350	-	(335)	-	335
Trade receivables	567	-	(57)	-	57
Trade payables	(54)	-	5	-	(5)
	3,863	-	(387)	-	387

(d)(iii) Other price risk management

As outlined in Note 29, included in the investment portfolio of the Company and Group are investments in a managed investment scheme where a Group subsidiary acts as the responsible entity. Although the Company has a prima facie price risk exposure from these investments, this risk is not significant due to the existence of suitable controls including monitoring by the MIC of the quality and security of these investments (2021: nil).

Other than as described above, as at 30 June 2022, the Group had no exposure to other price risk (2021: no exposure to other price risk).

(e) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations, resulting in financial loss to the Group. The Group and the Company have adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The main source of credit risk in financial instruments is from outstanding accounts receivable, and deposits and fixed interest investments with banks, borrowings from banks and investments in managed investment schemes (2021: same).

Executive management and, where applicable, the DDC reviews significant new clients before the take on of these clients is approved. The review process includes establishing the credit-worthiness of the client. Other new clients are reviewed by business managers for credit-worthiness as is appropriate to the size and nature of the client. The MIC reviews and monitors the deposits and fixed interest investments with counterparties and borrowings from banks including any credit risk issues.

Accounts receivable consists of a large and diverse number of customers. Ongoing evaluation is performed on the financial condition of outstanding accounts receivable by the applicable business managers.

The Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics (2021: nil). The credit risk on liquid funds is limited because the Group holds its liquid funds with counterparties that have high credit ratings assigned by international credit rating agencies and in managed investment schemes that have a low risk of default.

The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the Group's maximum exposure to credit risk without taking account of any collateral obtained.

(f) Fair value of financial instruments

This note provides information about how the Group determines fair values of various financial assets and financial liabilities.

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

FINANCIAL ASSETS	FAIR VALUE AS AT		FAIR VALUE HIERARCHY	VALUATION TECHNIQUE
	2022 $'000	2021 $'000		
EQT Wholesale Mortgage Income Fund	**10,000**	5,000	Level 2	Daily published prices

There were no significant unobservable inputs in relation to the fair value of the EQT Wholesale Mortgage Income Fund in 2022 (2021: same).

Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis

The Directors consider that the carrying amount of financial assets and financial liabilities recorded in the financial statements approximates their fair values.

(g) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, who have put in place a suitable risk management framework to manage the Group's short-, medium- and long-term funding and liquidity management requirements.

The Group manages liquidity risk by maintaining adequate reserves and banking facilities. The liquidity position of the Group is continuously monitored by Executive management and the impact on liquidity of any significant transaction, such as payment of a dividend, acquisition of a new business, and purchase of capital assets, is considered before the transaction being approved.

The Group does not currently have any derivative financial instruments.

Liquidity risk table

The following tables detail the Group's remaining contractual maturities for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

	EFFECTIVE INTEREST RATE %	LESS THAN 1 MONTH $'000	1-3 MONTHS $'000	3 MONTHS TO 1 YEAR $'000	1-5 YEARS $'000	5+ YEARS $'000
2022						
Non-interest-bearing – trade creditors	nil	680	-	-	-	-
Borrowings – Corporate facility	2.6%	-	-	-	10,000	-
Borrowings – Operational Risk Financial Requirement (ORFR) facilities	6.6%	-	-	-	31,005	-
		680	**-**	**-**	**41,005**	**-**
2021						
Non-interest-bearing – trade creditors	nil	525	-	-	-	-
Borrowings – Corporate facility	1.6%	-	-	-	10,000	-
Borrowings – Operational Risk Financial Requirement (ORFR) facilities	5.5%	-	-	-	23,250	-
		525	-	-	33,250	-

The Group has financial guarantee contracts in place relating to its lease obligations. At the year-end it was not probable that the counterparty to the financial guarantee contracts will claim under the contracts. Consequently, the amount included in the above table is nil (2021: nil). The maximum amount payable under these guarantees is $910,000 (2021: $1,814,000).

(h) Financing facilities

	2022 $'000	2021 $'000
Committed loan facilities		
Amount used		
Corporate facility	**10,000**	10,000
ORFR facilities	**31,005**	23,250
	41,005	33,250
Amount unused		
Corporate facility	**30,000**	30,000
ORFR facilities	**5,595**	2,450
	76,600	65,700

Accounting Policies

Financial assets and financial liabilities are recognised when a Group entity becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss', 'fair value through other comprehensive income' and 'at amortised cost'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time-frame established by regulation or convention in the marketplace.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or (where appropriate) a shorter period, to the net carrying amount on initial recognition. Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at fair value through profit or loss.

Financial assets classified as at fair value through profit or loss (FVTPL)

Equities and investments in managed investment schemes held by the Group are classified as at FVTPL and are stated at fair value. Fair value is determined in the manner described in the *Basis of Preparation* to these financial statements. Gains and losses arising from changes in fair value are recognised in profit or loss. Dividends and distributions on FVTPL instruments are recognised in profit and loss when the Group's right to receive payments is established.

Financial assets classified as at amortised cost

Trade receivables, loans, and other receivables that are held under a business model whose objective is to collect the contractual cash flows, and comprise solely of payments of principal and interest, are classified as at amortised cost. Financial assets classified as at amortised cost are measured using the effective interest method less impairment. Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Impairment of financial assets

Financial assets, other than those classified as at fair value through profit or loss, are assessed for indicators of impairment at each reporting period. Financial assets are considered to be impaired when there is an increase in credit risk since the initial recognition of the financial asset.

Objective evidence of impairment could include:

- Significant financial difficulty of the issuer or counterparty.
- Default or delinquency in interest or principal payments.
- It becomes probable that the borrower will enter bankruptcy or financial re-organisation.
- The disappearance of an active market for that financial asset because of financial difficulties.

The Group recognises a loss allowance for expected credit losses on financial assets classified as at amortised cost, which includes trade receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime expected credit losses (ECL) for its trade and other receivables. The expected credit losses on these financial assets are estimated using the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets except for trade receivables, where the carrying amount is reduced using an allowance account. When a trade receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

On derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset or retains a residual interest that does not result in the retention of substantially all the risks and rewards of ownership and the Group retains control), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises based on the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised based on the relative fair values of those parts.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments are classified as either liabilities or as equity in accordance with the substance of the contractual arrangement.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial guarantee contract liabilities

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contract liabilities are measured initially at their fair values and, if not designated at fair value through the profit and loss, are subsequently at the higher of:

- the amount of the obligation under the contract, as determined under AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*; and
- the amount initially recognised less, where appropriate, cumulative amortisation in accordance with the revenue recognition policies.

Other financial liabilities

The financial liabilities of the Group are classified as other financial liabilities. Other financial liabilities are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability (or where appropriate, a shorter period), to the net carrying amount on initial recognition.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged or cancelled, or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

EMPLOYEE-RELATED DISCLOSURES

23 KEY MANAGEMENT PERSONNEL REMUNERATION

	2022 $	2021 $
The aggregate compensation made to key management personnel of the Company and the Group is set out below:		
Short-term employee benefits	**5,018,729**	4,789,075
Post-employment benefits (Superannuation)	**259,409**	246,510
Other long-term benefits	**(4,657)**	83,734
Share awards	**671,312**	558,216
	5,944,793	5,677,535

Full details of the remuneration of key management personnel for the year ended 30 June 2022 are outlined in the Directors' Report. The share awards of key management personnel for the year ended 30 June 2022 are outlined in the Directors' Report.

24 EMPLOYEE BENEFITS

The aggregate employee benefits liability (provision) recognised and included in the financial statements is as follows:

	2022 $'000	2021 $'000
Current (Note 11)		
Annual leave	**2,506**	2,635
Long service leave	**401**	421
Bonus	**4,957**	3,746
	7,864	6,802
Non-current (Note 11)		
Long service leave	**2,206**	2,604
	10,070	9,406

The above employee benefit provisions are the Directors' best estimate of the future outflow of economic benefits that will be required to settle these future payment obligations.

Accounting Policies

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave when it is probable that settlement will be required, and they are capable of being measured reliably.

Liabilities recognised in respect of short-term employee benefits, are measured at their nominal values using the remuneration rates expected to apply at the time of settlement. Liabilities recognised in respect of long-term employee benefits are measured at the present value of the estimated future cash outflows to be made by the Group in respect of services provided by employees up to reporting date.

Payments to defined contribution superannuation plans are expensed when employees have rendered service entitling them to the contributions.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

25 EMPLOYEES

Average number of Group employees for the year was 264 (2021: 251).

COMMITMENTS, CONTINGENCIES AND SUBSEQUENT EVENTS

26 COMMITMENTS FOR EXPENDITURE

	2022 $'000	2021 $'000
Intangible assets		
Not longer than 1 year	**529**	-
Plant and equipment		
Not longer than 1 year	**57**	-

27 CONTINGENT LIABILITIES AND ASSETS

There are a small number of past matters that relate to third party fund service providers. It is possible that the Group may need to make payments in relation to these matters, but expects to recover these costs.

There are no other contingent liabilities (2021: nil).

There are no contingent assets (2021: nil).

28 SUBSEQUENT EVENTS

On 22 August 2022, the Group announced that it had been successful in bidding for the acquisition of Australian Executors and Trustees Limited (AETL). The acquisition of AETL is subject to a number of customary conditions precedent, as well as ministerial approval, and is not expected to complete until at least 30 November 2022. As part of the acquisition, the Company intends to raise $125m of ordinary share capital, and to increase its corporate borrowing facilities from the current $40m limit to $80m. These proceeds will be used for the acquisition, and to meet transaction and integration costs. Shareholders will be invited to participate in the equity capital raising, and further details will be made available on our website in the near future.

Other than as described above, there has not been any matter or circumstance that has arisen since the end of the financial year 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.

OTHER DISCLOSURES

29 RELATED PARTY DISCLOSURES

Parent Entity

The parent entity, ultimate Australian parent entity and ultimate parent entity is EQT Holdings Limited.

Equity interests in related parties

Details of the percentage of ordinary shares held in subsidiaries are disclosed in Note 31 to the financial statements.

The Company does not hold any interests in associates, joint ventures or other related parties.

Transactions with key management personnel

(a) Key management personnel remuneration

Details of key management personnel remuneration are disclosed in Note 23 to the financial statements and in the Directors' Report.

(b) Loans to key management personnel

The Group had nil key management personnel loans as at 30 June 2022 (2021: nil).

(c) Director and key management personnel equity holdings

Director and key management personnel relevant interests in fully paid ordinary shares of EQT Holdings Limited are disclosed in the Directors' Report.

(d) Entitlements to shares of EQT Holdings Limited issued under the Executive Performance Share Plan 1999.

Details of entitlements to EQT Holdings Limited shares issued under the Executive Performance Share Plan 1999 are disclosed in the Directors' Report.

(e) Vested shares awards

Details of vested share awards are disclosed in the Directors' Report.

(f) Other transactions with key management personnel

There are no other transactions with key management personnel that meet the definition of related party transactions during the year (2021: nil).

The following arrangements in relation to some Directors and KMP are in place as at 30 June 2022, but do not meet the definition of related party transactions.

- Some Directors, key management personnel and their associates have investments in managed investment schemes (which may include listed investment trusts) for which a Group subsidiary acts as responsible entity.
- Independent Director Anne O'Donnell is a Director and is Chair of the Investment, Audit and Risk Committee of the Winston Churchill Memorial Trust, which invests in managed investment schemes where a Group subsidiary company acts as responsible entity. The Trust is advised by an independent investment manager. Ms O'Donnell does not participate in investment decisions relating to the managed investment schemes and was not actively involved in the appointment of the subsidiary company as responsible entity to these managed investment schemes.
- Independent Director Kelly O'Dwyer is a Director of HMC Capital (ASX: HMC) and other companies in the HMC Capital Group. Companies in the HMC Capital Group have appointed Equity Trustees Limited to act as custodian for two registered managed investment schemes for arm's length market-based fees. Ms O'Dwyer did not participate in the decision to appoint an Equity Trustees subsidiary as custodian to the registered managed investment schemes. In addition, another subsidiary of EQT is assisting HMC Capital on taking steps to advance the establishment of the HMC Capital Foundation for arm's length market-based fees. Again, Ms O'Dwyer did not participate in the decision to engage an Equity Trustees subsidiary.
- Independent Director Kelly O'Dwyer is a Director of Barrenjoey Capital Partners Group Holdings Pty Ltd (Barrenjoey). Barrenjoey has been appointed as a Joint Lead Manager (JLM) to assist the Group with its equity capital raise in relation to the acquisition of AETL (refer to Note 28). Ms O'Dwyer did not participate in the decision to appoint Barrenjoey as a JLM to the Group.

Transactions with subsidiaries

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed below.

	RELATIONSHIP TO THE COMPANY	2022 $	2021 $
Owed to the Company			
EQT Services Limited	Subsidiary	**6,436,000**	2,245,399
EQT International Holdings Ltd	Subsidiary	**1,520,487**	1,520,487

The Company and its Australian resident-controlled entities have entered a tax sharing arrangement, as disclosed in Note 4.

All transactions between the Company and its controlled entities took place on normal commercial terms and conditions.

Investments in Managed Investment Schemes

As at 30 June 2022 and 30 June 2021, the Group had investments in a managed investment scheme where a Group subsidiary acts as responsible entity. These investments were on an arms' length basis (Note 20).

Apart from the above, there were no other transactions with related parties.

30 PARENT ENTITY INFORMATION

The accounting policies of the parent entity, which have been applied in determining the financial information shown below, are the same as those applied in the consolidated financial statements except as follows:

Investments in subsidiaries are accounted for at cost. Dividends received from subsidiaries are recognised in profit or loss when the right to receive the dividend is established (and it is probable that the economic benefits will flow to the parent and the amount of income can be measured reliably).

Details regarding the tax-consolidated group and tax sharing arrangements are in Note 4.

FINANCIAL POSITION	2022 $'000	2021 $'000
Assets		
Current assets	**20,328**	13,557
Non-current assets	**267,191**	271,099
Total assets	**287,519**	284,656
Liabilities		
Current liabilities	**1,854**	1,794
Non-current liabilities	**26,005**	25,318
Total liabilities	**27,859**	27,112
Net assets	**259,660**	257,544
Equity		
Issued capital	**257,558**	253,621
Other reserves	**1,880**	1,216
Retained earnings	**222**	2,707
Total equity	**259,660**	257,544
FINANCIAL PERFORMANCE		
Profit for the year	**17,493**	9,246
Other comprehensive income	**-**	-
Total comprehensive income	**17,493**	9,246

Contingent liabilities of the Parent entity

There are no contingent liabilities (2021: nil).

There are no contingent assets (2021: nil).

Commitments of the Parent entity

The parent entity has no commitments for capital expenditure (2021: nil).

31 SUBSIDIARIES

NAME OF ENTITY	PRINCIPAL ACTIVITY	PLACE OF INCORPORATION AND OPERATION	PROPORTION OF OWNERSHIP INTEREST AND VOTING POWER HELD BY THE GROUP 2022	2021
Parent entity				
EQT Holdings Limited	Holding Company	Australia		
Subsidiaries				
Equity Trustees Limited	Financial services	Australia	100%	100%
Equity Trustees Wealth Services Limited	Financial services	Australia	100%	100%
Equity Trustees Superannuation Limited	Financial services	Australia	100%	100%
EQT Responsible Entity Services Ltd	Financial services	Australia	100%	100%
EQT International Holdings Ltd	Financial services	Australia	100%	100%
EQT International Holdings (UK) Ltd	Financial services	United Kingdom	100%	100%
Equity Trustees (UK & Europe) Ltd	Financial services	United Kingdom	76%	76%
Equity Trustees Fund Services Ltd	Financial services	United Kingdom	76%	76%
Equity Trustees Fund Services (Ireland) Limited	Financial services	Ireland	76%	76%
EQT Corporate Securities Limited	Financial services	Australia	100%	100%
EQT Securitisation Services Pty Ltd	Financial services	Australia	100%	100%
EQT Australia Pty Ltd	Financial services	Australia	100%	100%
EQT Structured Finance Services Pty Ltd	Financial services	Australia	100%	100%
Equity Nominees Limited	Financial services	Australia	100%	100%
HTFS Holdings Pty Ltd	Financial services	Australia	100%	100%
HTFS Nominees Pty Ltd	Financial services	Australia	100%	100%
EQT Services Pty Ltd	Corporate services	Australia	100%	100%
EQT Legal Services Pty Ltd	Incorporated legal practice	Australia	100%	100%
Non-trading subsidiaries				
Equity Superannuation Management Pty Ltd	Non-trading	Australia	100%	100%
Equity Superannuation Administration Pty Ltd	Non-trading	Australia	100%	100%
Super.com Pty Ltd	Non-trading	Australia	100%	100%
Super.com.au Pty Limited	Non-trading	Australia	100%	100%
Apex Super Pty Ltd	Non-trading	Australia	100%	100%
Simple Wrap Pty Ltd	Non-trading	Australia	100%	100%

EQT Holdings Limited is the head entity within the tax-consolidated group.

All the above Australian incorporated subsidiaries are members of the tax-consolidated group.

Information about the composition of the group at the end of the year is as follows:

PRINCIPAL ACTIVITY	PLACE OF INCORPORATION AND OPERATION	NUMBER OF SUBSIDIARIES 2022	NUMBER OF SUBSIDIARIES 2021
Holding Company	Australia	1	1
Financial services	Australia, United Kingdom, Ireland	16	16
Corporate services	Australia	1	1
Incorporated legal practice	Australia	1	1
Non-trading	Australia	6	6

Functional currencies

The functional currencies of Group entities are as follows:

LOCATION	FUNCTIONAL CURRENCY
Australian domiciled entities	Australian Dollar
UK domiciled entities	British Pound
Irish domiciled entity	Euro

Accounting Policies

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights to variable returns from its involvement with the investee; and
- can use its power to affect its returns.

The Company reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote-holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable Australian Accounting Standards).

32 DEED OF CROSS GUARANTEE

EQT Holdings Limited and certain wholly owned entities as listed below, have entered a Deed of Cross Guarantee, effective 27 June 2018. The effect of the Deed of Cross Guarantee is that EQT Holdings Limited has certain obligations in relation to the debts of any of the wholly owned entities in the event of a wind up of any of those subsidiaries, in accordance with the *Corporations Act 2001*. Each of the wholly owned entities have provided a corresponding guarantee to EQT Holdings Limited, in the event of that Company's winding up.

By entering the Deed of Cross Guarantee, the wholly owned entities have been relieved from the requirement to prepare a financial report and Directors' Report under *ASIC Corporations (Wholly-Owned Companies) Instrument 2016/785*.

The wholly owned entities subject to the Deed of Cross Guarantee are as follows:

- EQT International Holdings Limited
- EQT Services Pty Limited
- Equity Nominees Limited

A consolidated statement of financial position and consolidated statement of profit or loss and other comprehensive income, for each of the entities that is party to the Deed of Cross Guarantee, is as follows:

CONSOLIDATED STATEMENT OF FINANCIAL POSITION	2022 $'000	2021 $'000
Current assets		
Cash and cash equivalents	**6,837**	5,378
Trade and other receivables	**1,207**	1,937
Prepayments	**2,915**	2,715
Other financial assets	**9,324**	7,998
Total current assets	**20,283**	18,028
Non-current assets		
Other financial assets	**7,273**	10,722
Intangible assets	**-**	34
Right-of-use assets	**6,529**	4,936
Deferred tax assets	**4,414**	4,084
Investments in subsidiaries	**266,443**	271,033
Total non-current assets	**284,659**	290,809
Total assets	**304,942**	308,837
Current liabilities		
Trade and other payables	**881**	863
Provisions	**9,019**	7,511
Other current liabilities	**1,885**	1,493
Current tax payable	**1,765**	1,719
Total current liabilities	**13,550**	11,586
Non-current liabilities		
Provisions	**3,113**	3,483
Borrowings	**26,005**	25,700
Other non-current liabilities	**7,548**	6,431
Total non-current liabilities	**36,666**	35,614
Total liabilities	**50,216**	47,200
Net assets	**254,726**	261,637
Equity		
Issued capital	**257,558**	253,621
Other reserves	**1,202**	1,216
Retained earnings	**(4,034)**	6,800
Equity attributable to owners of the Company	**254,726**	261,637
Non-controlling interest	**-**	-
Total equity	**254,726**	261,637

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	2022 $'000	2021 $'000
Revenue	**87,898**	73,572
Expenses	**(75,924)**	(58,359)
Finance costs	**(999)**	(854)
Depreciation and amortisation	**(1,234)**	(1,355)
Profit before income tax expense	**9,741**	13,004
Income tax expense	**(604)**	(700)
Profit for the period	**9,137**	12,304
Other comprehensive income	**9,137**	12,304

33 AUDITORS' REMUNERATION

AUDITORS – DELOITTE TOUCHE TOHMATSU	2022 $	2021 $
Corporate entities		
Fees for the audit and review of financial statements		
Group	**99,134**	93,522
Subsidiaries	**448,204**	335,929
	547,388	429,451
Fees for other services		
Statutory assurance services	**62,215**	58,793
Corporation tax compliance services in respect of Group corporate entities	**43,464**	55,109
Other tax and assurance services	**156,753**	146,971
	262,432	260,873
Total remuneration for corporate entities	**711,770**	690,324

The 'Other services' amounts paid to Deloitte Touche Tohmatsu are in accordance with the Company's auditor independence policy as outlined in the Corporate Governance Statement.

34 NEW AND AMENDED ACCOUNTING STANDARDS

Amendments to Australian Accounting Standards that are mandatorily effective for the current year

In the current year, the Group has adopted all of the new Accounting Standards and amendments to Australian Accounting Standards issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and mandatorily effective for accounting periods beginning on or after 1 July 2021 and are relevant for the current year end.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

No new and revised Standards, amendments and Interpretations have been adopted in the current year end.

Standards and Interpretations in issue not yet adopted

At the date of authorisation of the financial statements, there were a number of Standards and Interpretations that were issued but not yet effective. The Standards and Interpretations issued but not yet effective that are relevant to the Group are listed below.

STANDARD/INTERPRETATION	EFFECTIVE FOR ANNUAL REPORTING PERIODS BEGINNING ON OR AFTER	EXPECTED TO BE INITIALLY APPLIED IN THE FINANCIAL YEAR ENDING
AASB 2020-1 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current*	1 January 2023	30 June 2024
AASB 2020-3 *Amendments to Australian Accounting Standards – Annual Improvements 2018–2020 and Other Amendments*	1 January 2022	30 June 2023
AASB 2021-2 *Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates*	1 January 2023	30 June 2024
AASB 2021-5 *Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction*	1 January 2023	30 June 2024

Impact of changes to Australian Accounting Standards and Interpretations

A number of Australian Accounting Standards and Interpretations are issued but are not effective for the current year end. The following existing Group accounting policies will change on adoption of these pronouncements:

AASB 2020-1 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current*

This Standard amends AASB 101 *Presentation of Financial Statements* to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. For example, the amendments clarify that a liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. The meaning of settlement of a liability is also clarified.

This Standard applies to annual reporting periods beginning on or after 1 January 2022. The Directors of the Company do not anticipate that the application of the Amendment in the future will have an impact on the Group's consolidated financial statements.

AASB 2020-3 *Amendments to Australian Accounting Standards – Annual Improvements 2018–2020 and Other Amendments*

This Standard amends:

- AASB 1 *First-time Adoption of Australian Accounting Standards* to simplify the application of AASB 1 by a subsidiary that becomes a first-time adopter after its parent in relation to the measurement of cumulative translation differences.
- AASB 3 *Business Combinations* to update a reference to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.
- AASB 9 *Financial Instruments* to clarify the fees an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability.
- AASB 116 *Property, Plant and Equipment* to require an entity to recognise the sales proceeds from selling items produced while preparing property, plant and equipment for its intended use and the related cost in profit or loss, instead of deducting the amounts received from the cost of the asset.
- AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* to specify the costs that an entity includes when assessing whether a contract will be loss-making.
- AASB 141 *Agriculture* to remove the requirement to exclude cash flows from taxation when measuring fair value, thereby aligning the fair value measurement requirements in AASB 141 with those in other Australian Accounting Standards.

This Standard applies to annual periods beginning on or after 1 January 2022. The Directors of the Company do not anticipate that the application of the Amendments in the future will have an impact on the Group's consolidated financial statements.

AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates

This Standard amends:

- AASB 7 *Financial Instruments: Disclosures*, to clarify that information about measurement bases for financial instruments is expected to be material to an entity's financial statements;
- AASB 101 *Presentation of Financial Statements*, to require entities to disclose their material accounting policy information rather than their significant accounting policies;
- AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*, to clarify how entities should distinguish changes in accounting policies and changes in accounting estimates;
- AASB 134 *Interim Financial Reporting*, to identify material accounting policy information as a component of a complete set of financial statements; and
- AASB Practice Statement 2, to provide guidance on how to apply the concept of materiality to accounting policy disclosures.

This Standard applies to annual periods beginning on or after 1 January 2023, with earlier application permitted.

The Directors of the Company do not anticipate that the application of the Amendment in the future will have an impact on the Group's consolidated financial statements.

AASB 2021-5 Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction.

This Standard makes amendments to introduce a further exception from the initial recognition exemption. Under the amendments, the Group does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences.

Depending on the applicable tax law, equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting nor taxable profit. For example, this may arise upon recognition of a lease liability and the corresponding right-of-use asset applying AASB 16 at the commencement date of a lease.

Following the amendments to AASB 112, the Group is required to recognise the related deferred tax asset and liability, with the recognition of any deferred tax asset being subject to the recoverability criteria in AASB 112.

The amending standards also adds an illustrative example to AASB 112 that explains how the amendments are applied.

The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period an entity recognises:

- A deferred tax asset (to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised) and a deferred tax liability for all deductible and taxable temporary differences associated with:
  - Right-of-use assets and lease liabilities
  - Decommissioning, restoration and similar liabilities and the corresponding amounts recognised as part of the cost of the related asset

  The cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at that date.

This Standard applies to annual periods beginning on or after 1 January 2023, with earlier application permitted.

The Directors of the Company do not anticipate that the application of the Amendment in the future will have an impact on the Group's consolidated financial statements.

Deloitte.

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Independent Auditor's Report to the Members of EQT Holdings Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of EQT Holdings Limited (the "Company") and its subsidiaries (the "Group") which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

- Giving a true and fair view of the Group's financial position as at 30 June 2022 and of their financial performance for the year then ended; and
- 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 & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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 judgement, were of most significance in our audit of the financial report for the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Key Audit Matter	How the scope of our audit responded to the Key Audit Matter
Valuation of Goodwill and Intangible assets As at 30 June 2022, goodwill and intangible assets, including management rights, with a carrying value totaling $205m, represent around 55% of the total assets of the Group (2021: totaling $206m, 58% of the total assets of the Group). Note 8 describes how the goodwill is allocated across the four cash generating units ("CGUs"), which are tested separately for impairment. At 30 June 2022, management has allocated 85% of the goodwill to the Trustee and Wealth Services ("TWS") CGU (2021: 85%). Management conducts an annual impairment test to assess the recoverability of the carrying value of CGU, including goodwill and intangible assets. This is performed using discounted cash flow models. There are a number of significant judgements made in determining the inputs into these impairment models including: • Revenue, expenses and terminal growth rates; • operating margins; and, • discount rates.	In conjunction with our valuation specialists, our procedures relating to the carrying value of TWS CGU included, but were not limited to: • challenging management's allocation of assets and liabilities to the determine the carrying value of each CGU subject to impairment assessment; • obtaining an understanding of the key control associated with the preparation of the discounted cash flow model used for the TWS CGU, and testing the design, implementation and operating effectiveness of this control; • evaluating management's methodologies and their documented basis for key assumptions utilised in the discounted cash flow models; • challenging the key assumptions utilised in the discounted cash flow models including the revenue and expense growth rates, the terminal growth rate, EBTIDA margins and the discount rate by comparing them to historical results and current economic conditions; • testing the mathematical accuracy of the discounted cash flow models; • agreeing budgeted cash flows to the latest board approved budget and assessing the performance against budget/forecasts in prior periods; • performing sensitivity analysis on key assumptions including revenue growth, operating margins and expense growth rates; and • assessing the appropriateness of the disclosures included in the Notes to the financial statements.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2022, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

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.

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Responsibilities of the Directors for the Financial Report

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

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related 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 has 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 judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group's 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.

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From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period 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 Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 39 to 54 of the Directors' Report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of the Group, for the year ended 30 June 2022, 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.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

M Stretton

Mark Stretton
Partner
Chartered Accountants

Melbourne, 22 August 2022

ADDITIONAL SHAREHOLDER INFORMATION

The following information was applicable as at 5 August 2022.

SUBSTANTIAL SHAREHOLDERS

The substantial shareholders in the Company, as disclosed in substantial shareholding notices given to the Company are:

	DATE OF LAST NOTICE	SHAREHOLDING	% OF ISSUED CAPITAL SHOWN IN NOTICE
Australian Foundation Investment Company Limited	29/04/2016	1,303,232	6.53
Paradice Investment Management Pty Ltd	21/09/2018	1,298,252	6.38
Washington H. Soul Pattinson and Company Limited	15/03/2022	1,742,522	8.27

CLASS OF SHARES AND VOTING RIGHTS

As at 5 August 2022, there were **3,246** holders of the ordinary shares of the Company.

The voting rights attaching to the ordinary shares are set out in clause 41 of the Company's constitution. Voting at the Company's general meetings is now conducted by a poll. Upon a poll, every member present in person or by attorney or by proxy or by representative shall have one vote for every share held by the member.

For completeness, if voting were to occur on a show of hands, the constitution provides that every member present in person or by attorney or by proxy or by representative shall have one vote. Where more than one proxy, representative or attorney is appointed, none may vote on a show of hands. Where a person is entitled to vote in more than one capacity, that person is entitled only to one vote.

At 5 August 2022, there were share entitlements over 203,534 unissued ordinary shares. There were nine holders of share entitlements. There are no voting rights attached to the unissued ordinary shares.

DISTRIBUTION OF SHARES

SIZE OF HOLDING	NO. OF HOLDERS OF ORDINARY SHARES	%
100,001 and over	18	.55
10,001 to 100,000	121	3.73
5,001 to 10,000	191	5.88
1,001 to 5,000	1037	31.95
1 to 1,000	1879	57.89

*There were 106 shareholders holding less than a marketable parcel ($500) of ordinary shares based on the closing market price of $26.11 at 5 August 2022.

20 LARGEST SECURITY HOLDERS AS AT 5 AUGUST 2022

20 LARGEST SHAREHOLDERS		NO. OF SHARES	%
1	Citicorp Nominees Pty Limited	2,249,825	10.65
2	HSBC Custody Nominees (Australia) Limited	1,988,784	9.41
3	National Nominees Limited	1,436,635	6.80
4	J P Morgan Nominees Australia Pty Limited	1,341,967	6.35
5	Australian Foundation Investment Company Limited	1,321,612	6.26
6	BNP Paribas Noms Pty Ltd	900,201	4.26
7	Washington H Soul Pattinson And Company Limited	872,130	4.13
8	Djerriwarrh Investments Limited	804,082	3.81
9	BNP Paribas Nominees Pty Ltd	586,862	2.78
10	HSBC Custody Nominees (Australia) Limited	442,576	2.09
11	Mirrabooka Investments Limited	426,857	2.02
12	BKI Investment Company Limited	383,942	1.82
13	Superdeck Pty Ltd	281,383	1.33
14	AMCIL Limited	259,324	1.23
15	Mr James Gordon Moffatt	113,612	0.54
16	Pacific Custodians Pty Limited	108,363	0.51
17	KJE Superannuation Pty Ltd	104,114	0.49
18	Neweconomy Com Au Nominees Pty Limited	102,457	0.48
19	Jeff Kennett Pty Ltd	90,000	0.43
20	Ms Glenys Ruth Crutch	80,403	0.38
Totals: Top 20 Holders of Ordinary Fully Paid Shares (Total)		13,895,129	65.77
Total Remaining Holders Balance		7,230,899	34.23

UNQUOTED SECURITIES

The share rights on issue were issued as part of an employee awards plan and are unquoted.

RESTRICTED SECURITIES

There were no restricted securities as at 5 August 2022.

ON-MARKET BUY-BACK

There is no current on-market buy-back.

10-YEAR FINANCIAL PERFORMANCE SUMMARY

The following table summarises the key financial performance metrics and value drivers of the Group over the past 10-years:

FINANCIAL SUMMARY	FY13 $'000	FY14 $'000	FY15 $'000	FY16 $'000	FY17 $'000	FY18 $'000	FY19 $'000	FY20 $'000	FY21 $'000	FY22 $'000
Revenue	47,482	54,935	84,857	83,696	79,928	88,456	92,499	95,430	101,040	**111,513**
Total expenses	(34,964)	(41,529)	(60,699)	(64,783)	(57,662)	(59,725)	(61,163)	(65,117)	(70,729)	**(74,310)**
Net Profit Before Tax (NPBT)	12,518	13,406	24,158	18,913	22,266	28,731	31,336	30,313	30,311	**37,203**
Reconciliation to Underlying NPBT (UNPBT)[1]										
M&A Project costs	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	1,827	**184**
Underlying NPBT	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	32,138	**37,387**
Net Profit After Tax (NPAT)	8,671	9,713	16,959	13,288	15,437	19,696	21,369	18,487	20,508	**22,669**
Loss attributable to non-controlling interest						(263)	(825)	(725)	(1,020)	**(1,559)**
NPAT attributable to equity holders of the Company	8,671	9,713	16,959	13,288	15,437	19,959	22,194	19,212	21,528	**24,228**
Reconciliation to Underlying NPAT (UNPAT)[1]										
M&A and/or project costs	673	681	2,900	5,477	2,271	567			1,717	**183**
Settlement of ATO dispute								2,006	(846)	
Underlying NPAT	9,344	10,394	19,859	18,765	17,708	20,526	22,194	21,218	22,399	**24,411**
VALUE CREATION MEASURES										
Earnings Per Share (EPS) (cents)	87.58	88.64	87.80	66.98	77.00	97.27	108.61	92.95	103.04	**115.07**
Underlying Earnings Per Share (EPS) (cents)	n/a	n/a	101.90	93.90	n/a	n/a	108.61	102.66	107.21	**115.94**
Dividends per share (cents) (paid and proposed)	92	94	94	68	71	82	90	90	91	**97**
Return on equity using NPAT	13.9%	4.2%	7.0%	5.5%	6.3%	7.7%	8.1%	6.9%	7.5%	**8.1%**
FUMAS ($b)	32.3	39.9	56.3	66.9	71.4	86.2	84.9	101.0	144.2	**148.9**

[1] Underlying measures are used in some financial years to highlight the impact of one-off or significant transactions impacting financial results. Further information on these adjustments can be found in the EQT Holdings Limited Annual Report for the relevant financial year

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CORPORATE GOVERNANCE STATEMENT
Our Corporate Governance Statement is available on our website:
www.eqt.com.au/investor-centre/corporate-governance

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