



FY24 results

for the financial year ended
31 July 2024

26 September 2024

[SoulPatts.com.au](https://www.SoulPatts.com.au)

Presenters



Todd Barlow

Managing Director &
Chief Executive Officer



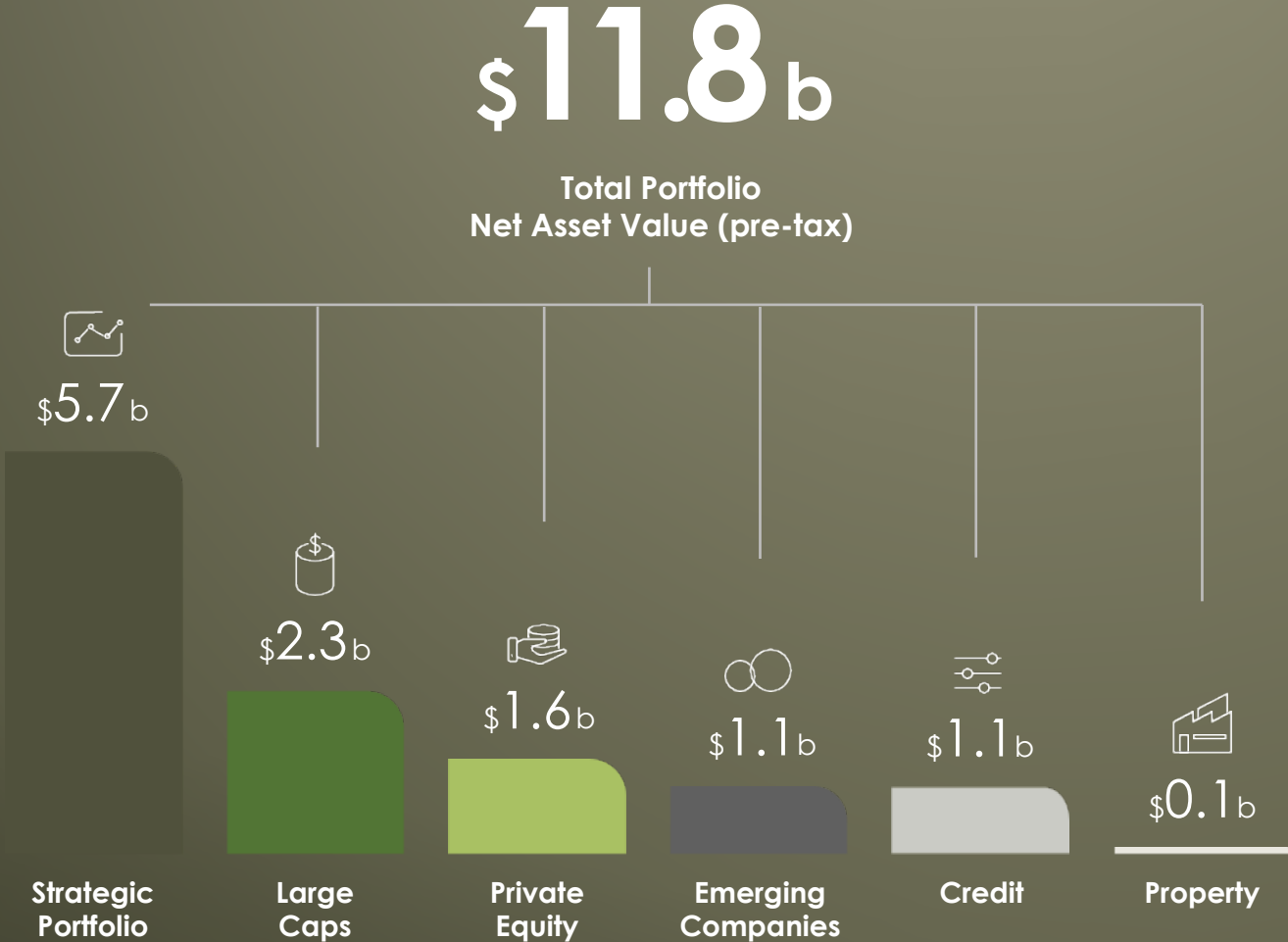
Brendan O'Dea

Chief Investment Officer

A diversified investment house that is unique in Australia

Our aim is to grow shareholder wealth through a diversified range of investments that perform throughout market cycles.

- 200+ actively managed investments
- Targeting high quality risk-adjusted returns
- 121 years of consistent dividend payments
- 24 years of consecutive dividend increases
- 20-year Total Shareholder Return of 11.7% p.a.
- ASX top 50 by market capitalisation




Group performance highlights

FY24 highlights

- **Strong performance, strategy continues to deliver**
 - growth in cash flows
 - increased portfolio value
 - well-managed investment risk
- **Long-term value creation**
 - smart portfolio allocation choices
 - momentum in investment activity
 - strong performance across portfolios
- **Continuing track record of generating enduring returns**
 - 24 years consecutive dividend growth
 - 20-year TSR outperformance

Shareholders



Total ordinary dividends fully franked

95c
▲ up 9.2% on FY23


Compound dividend growth

15%
3-year compound annual growth

Dividend reinvestment plan
introduced for the first time in September 2024

20-year Total Shareholder Return

+820%
Soul Patts



+434% All Ordinaries Accumulation Index

People



Engagement outperformed the financial services industry benchmark by 11%
90% employee participation

95%
of employees proud to work for Soul Patts

Paid intern program
investing in the future leaders of the financial services sector

48%
women employed with

43% represented on the Board **43%** in senior management roles

Industry leadership
Soul Patts CFO recognised in the AFR Top 25 CFO Index and COO winner of the AFR Women in Leadership Awards (Financial Services Non-banking)

Communities



\$735k
raised and donated to Royal Flying Doctor Service to improve rural, regional and remote primary healthcare services

84-year
partnership with Royal Flying Doctor Service

Soul Patts Foundation refreshed strategy
supporting mental health, communities, and breaking down barriers for women

Partnerships established with

Black Dog Institute and The George Institute

Volunteer paid leave introduced

Delivering against strategy

Long-term commitment, strength of conviction and unconstrained mandate creating value

1 Increase cash generation

Net Cash Flow From Investments

 **10.3%** vs pcp
to \$468.0 million

FY24 dividends (fully franked) of 95 cps

 **9.2%** vs pcp
ordinary dividend growth

2 Grow the portfolio

Net Asset Value (pre-tax) per share

 **12.0%** performance
Portfolio underperformed Index¹
by 1.4% in FY24

Net Asset Value (pre-tax)

 **\$0.9b** vs pcp
to \$11.8 billion

3 Manage investment risk

Transaction activity

\$4.7b
\$2.8 billion invested into public equities
and private investments

Cash deployed in FY24

\$0.8b
available cash \$664 million
post raise August 2024

1. All Ordinaries Accumulation Index (which includes dividend reinvestment) delivered returns of 13.4% for the 12 month period to 31 July 2024.
Portfolio performance (Net Asset Value) includes reinvestment of dividends paid by SOL.

Generating enduring value: 3-year performance

Milton acquisition transformative, delivered significant strategic and financial momentum

1 Increase cash generation

Net Cash Flow From Investments

 **20.0%** p.a. over 3 years
supporting sustainable dividend growth

Dividends (fully franked) of 95cps

 **15.3%** p.a. over 3 years
ordinary dividend growth

2 Grow the portfolio

Net Asset Value (pre-tax) per share

 **13.5%** p.a. performance
over 3 years
outperformed Index¹ by 6.4% p.a.

Outperformance increased NAV by

 **\$2.0b** over 3 years
or +\$5.58 per share

3 Manage investment risk

Transaction activity

\$10.7b over 3 years
total acquisitions and divestments

Private asset portfolios 3-year growth

Credit	4.4x
Private Equity	2.4x

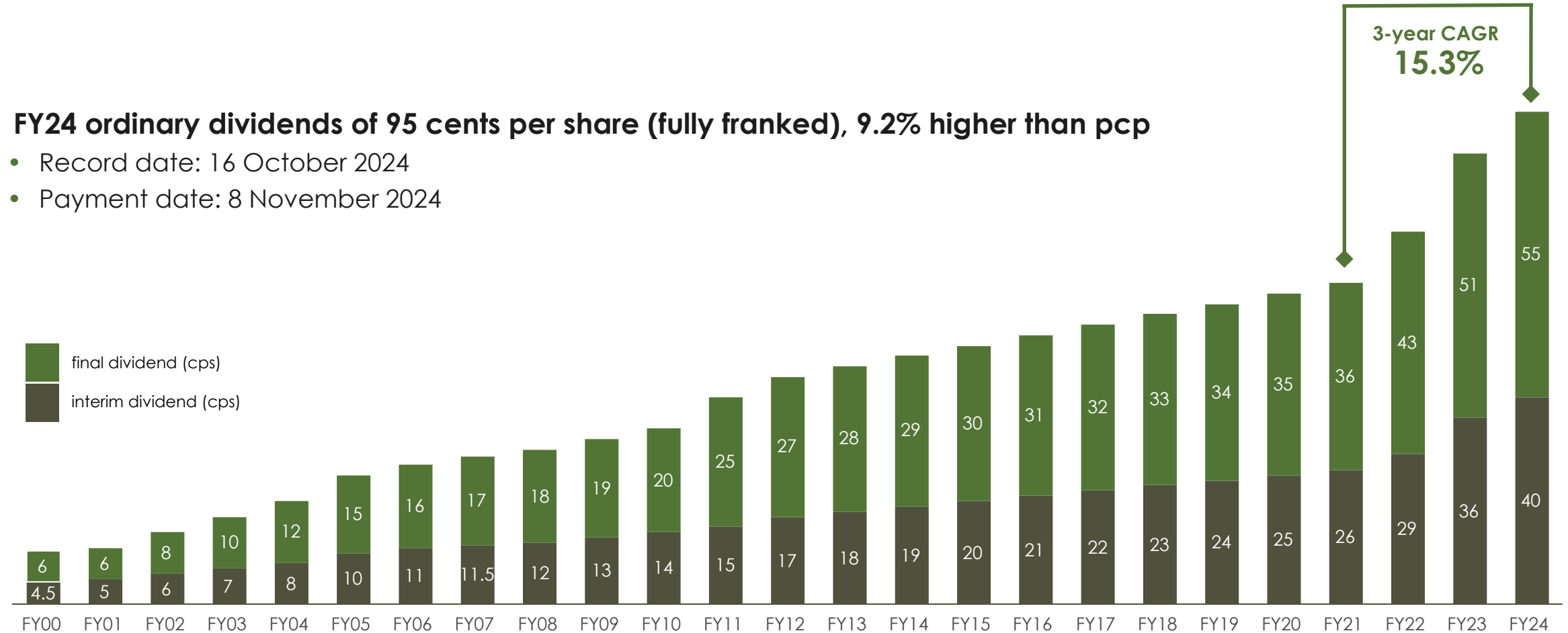
1. All Ordinaries Accumulation Index (which includes dividend reinvestment) delivered returns of 7.1% p.a. for the 3-year period to 31 July 2024.
Portfolio performance (Net Asset Value) includes reinvestment of dividends paid by SOL.

24 years consecutive dividend growth

Ordinary interim and final dividend increases at a CAGR of 9.6%

FY24 ordinary dividends of 95 cents per share (fully franked), 9.2% higher than pcp

- Record date: 16 October 2024
- Payment date: 8 November 2024



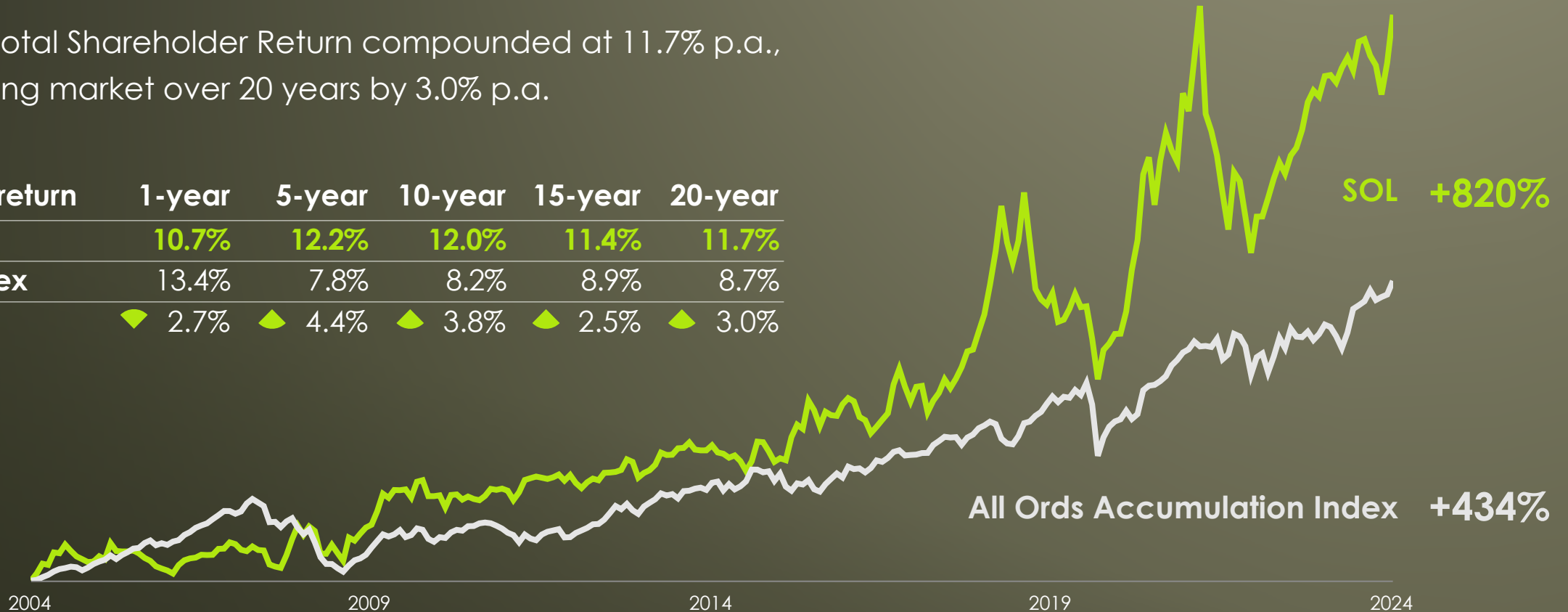
Sustainable long-term performance

Capital and income growth through share price and dividends

Cumulative performance to 31 July 2024 (including reinvestment of dividends)

Soul Patts' Total Shareholder Return compounded at 11.7% p.a.,
outperforming market over 20 years by 3.0% p.a.

Annualised return	1-year	5-year	10-year	15-year	20-year
Soul Patts	10.7%	12.2%	12.0%	11.4%	11.7%
All Ords Index	13.4%	7.8%	8.2%	8.9%	8.7%
	▼ 2.7%	▲ 4.4%	▲ 3.8%	▲ 2.5%	▲ 3.0%



Group financial results

Statutory NPAT

FY24	\$498.8m
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↓ 27.8% vs pcp

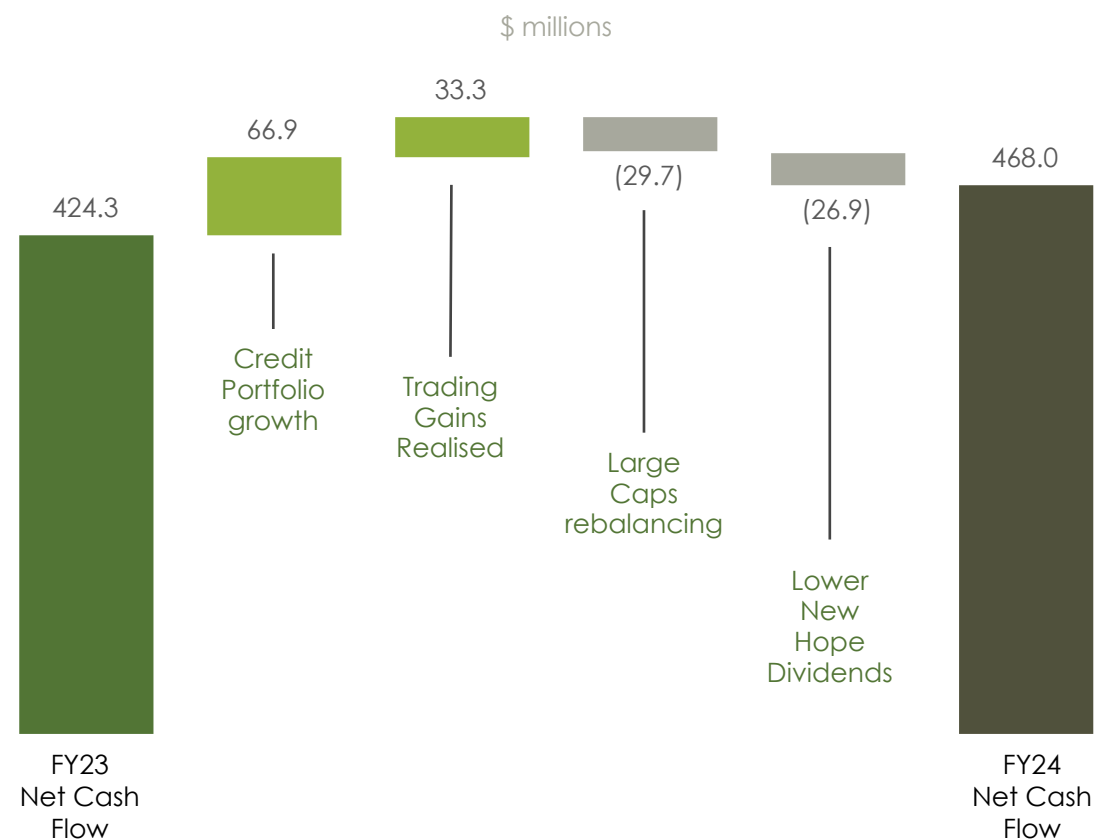
FY23	\$690.7m
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- Statutory NPAT reflects lower profit contributions from Strategic Portfolio investments
 - Brickworks: impairments in building products business and property devaluations
 - New Hope: coal prices coming off record highs
- Result offset by higher trading income and interest income
- Regular NPAT materially in line with Statutory NPAT

Net Cash Flow From Investments

Net Cash Flow From Investments	
FY24	\$468.0m
	↑ 10.3% vs pcp
FY23	\$424.3m

Increase driven by Credit and Emerging Companies Portfolios



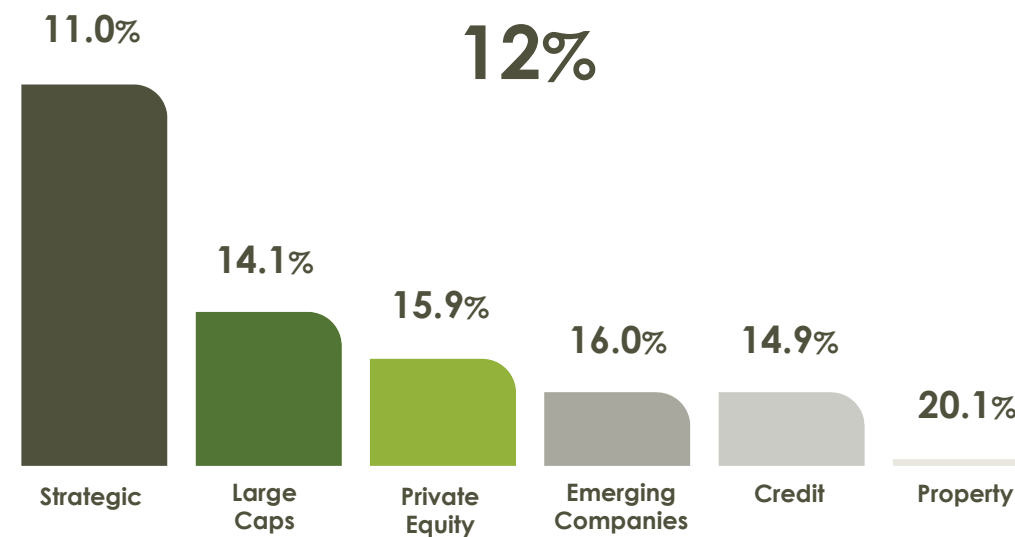
Net Asset Value

Net Asset Value (pre-tax)

FY24	\$11.8b ¹
	↑ 8.7% vs pcp
FY23	\$10.8b

- NAV increase of 8.7% to \$11.8 billion in FY24
- Adjusted for dividends, this represents a return of 12%
- Strong performance across all portfolios reflects active capital allocation to new investments

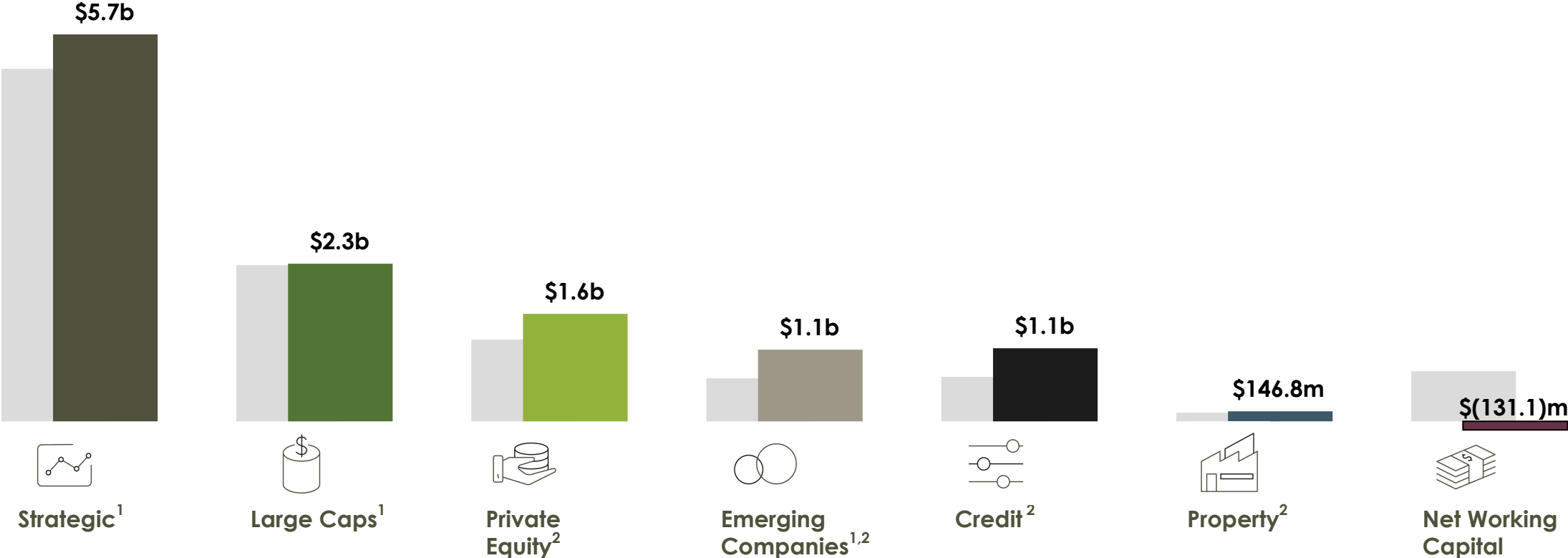
FY24 Portfolio Total Return



Portfolio performance

Portfolio composition

\$11.8b actively managed diverse portfolio



1. At Market Value
2. At Cost, Directors' Fair Value or External Fair Value

 FY23 portfolio size

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

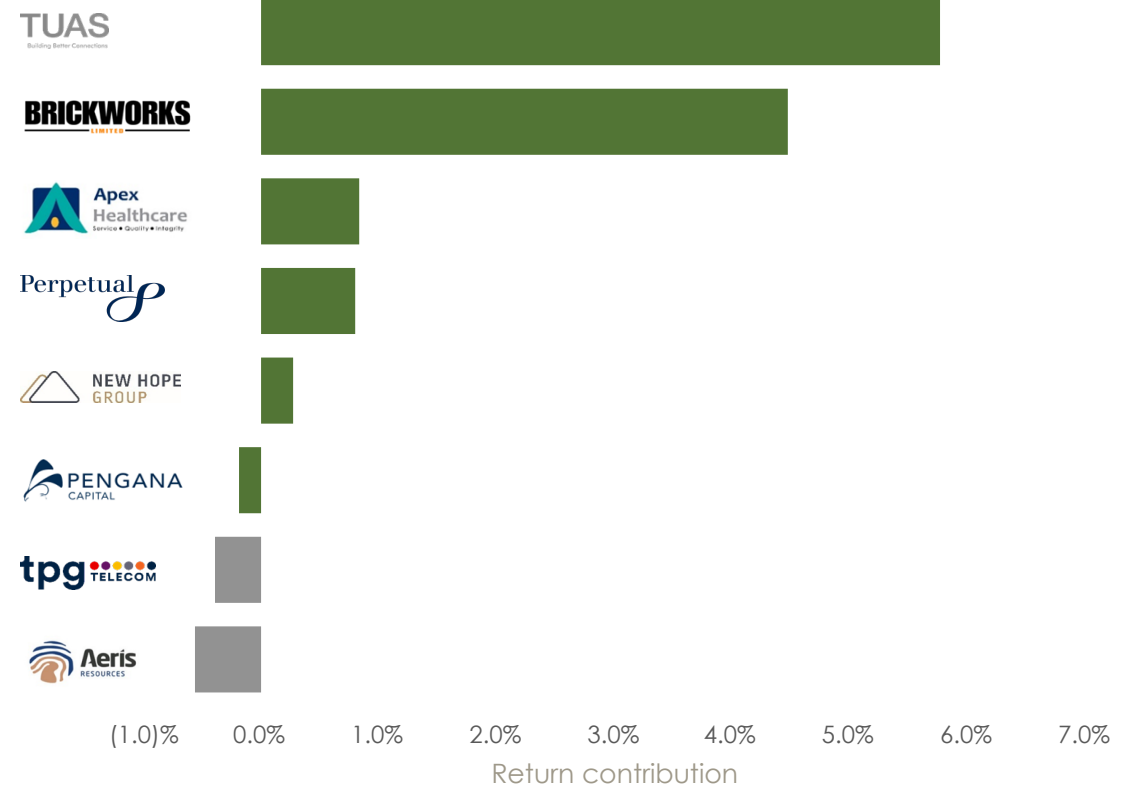
49% of total portfolio (vs 48% in FY23)

	FY24	FY23
Portfolio Value	\$5.7b	\$5.2b
Net Cash Flow From Investments	\$269.0m	\$295.9m

- Portfolio strong contributor to cash generation, Group performance and long-term returns
- Net Cash Flow \$269.0m down 9.1% on pcp reflects reduced income from New Hope
- Portfolio delivered total return of 11.0%¹

1. All Ordinaries Accumulation Index (which includes dividend reinvestment) delivered returns of 13.4% for the 12-month period to 31 July 2024.

Portfolio delivered total return of 11.0%



Large Caps

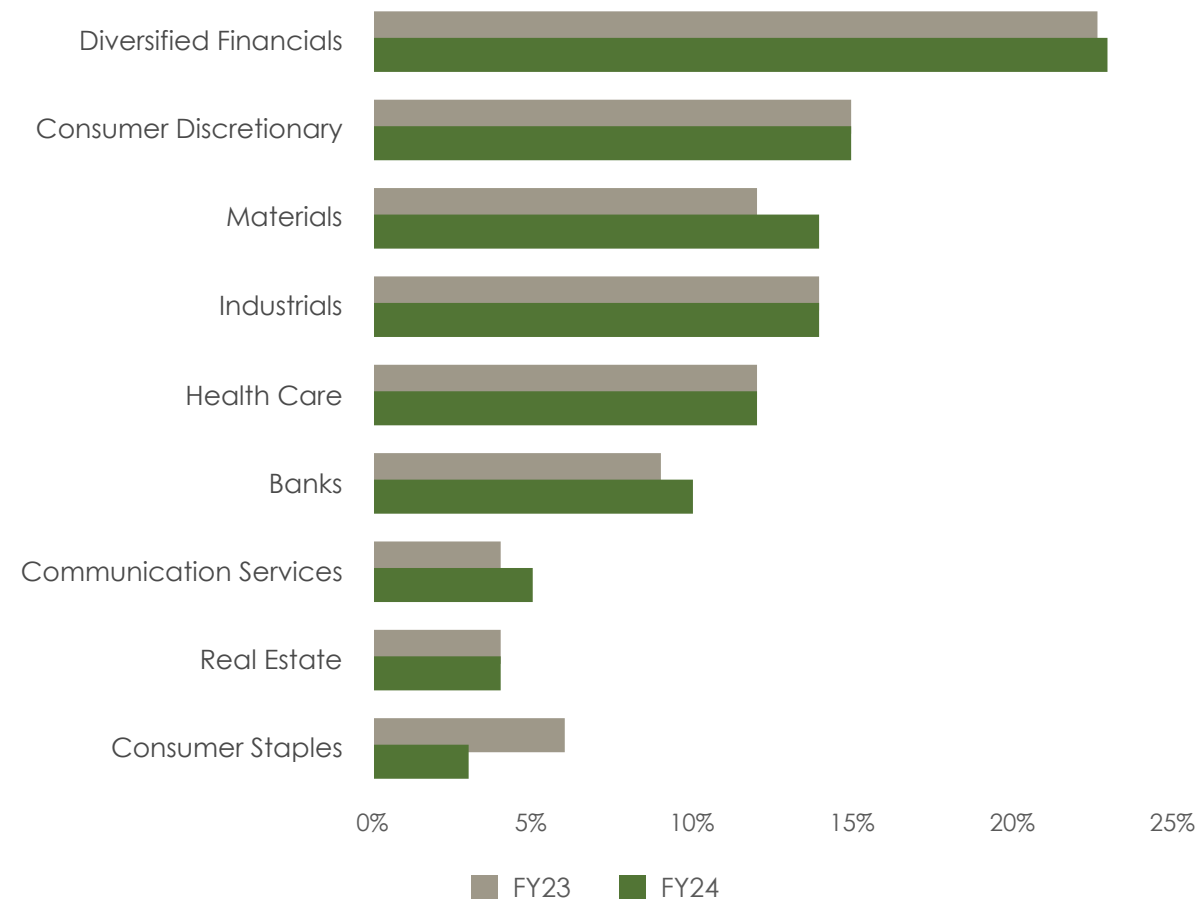
Actively managed listed equities generating long-term total returns

20% of total portfolio (vs 21% in FY23)

	FY24	FY23
Portfolio Value	\$2.3b	\$2.3b
Net Cash Flow From Investments	\$88.8m	\$118.5m

- Strong portfolio performance, total return of 14.1% outperforming Index¹ by 0.6%
- Net sales of \$207m, providing capital for other investment opportunities
- Net Cash Flow down 25.0% vs pcp reflects significant net selling in late FY23

1. ASX200 Accumulation Index (XJO Total Return) returned 13.5%. Total return defined on slide 24.







Private Equity

Long-term investments in unlisted companies with growth opportunities

13% of total portfolio (vs 11% in FY23)

	FY24	FY23
Portfolio Value	\$1.6b	\$1.2b
Net Cash Flow From Investments	\$29.7m	\$15.0m

- Portfolio value grew 32.2% vs pcp supported by strategic acquisitions and portfolio growth
- Net Cash Flow was up 97.9% vs pcp reflecting improved cash generation and maturity of investments
- Performance strong across the portfolio with a return of 15.9% in FY24, and 3 year returns of 20.3% p.a.

	FY24 IRR	FY24 Additional Investment
 Ironbark	32%	nil
 AMPCONTROL®	27%	\$1m
 aquatic achievers swim schools	26%	\$12m
Agriculture Portfolio 	11%	\$140m

Emerging Companies

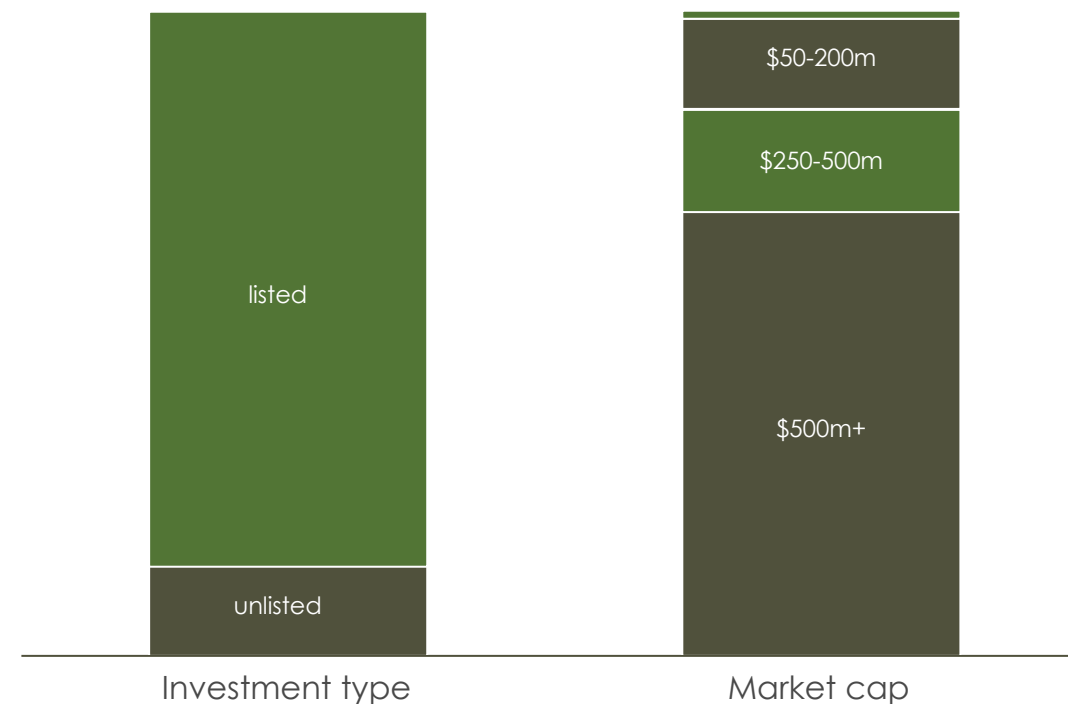
Exposure to fast growing companies leveraging structural changes and global trends

9% of total portfolio (vs 6% in FY23)

	FY24	FY23
Portfolio Value	\$1.1b	\$0.6b ¹
Net Cash Flow From Investments	\$46.4m	\$15.9m

- Portfolio value grew 68.2% vs pcp supported by new investments in energy sector
- Net Cash Flow up 192.3% vs pcp reflects higher realised trading gains
- Total return of 16.0% outperforming the Index¹ by 6.7%

1. Total portfolio return in the period was 16.0% versus return of 9.3% for the Small Ords Accumulation Index (XSO Total Return). Total return defined in Glossary on slide 24.



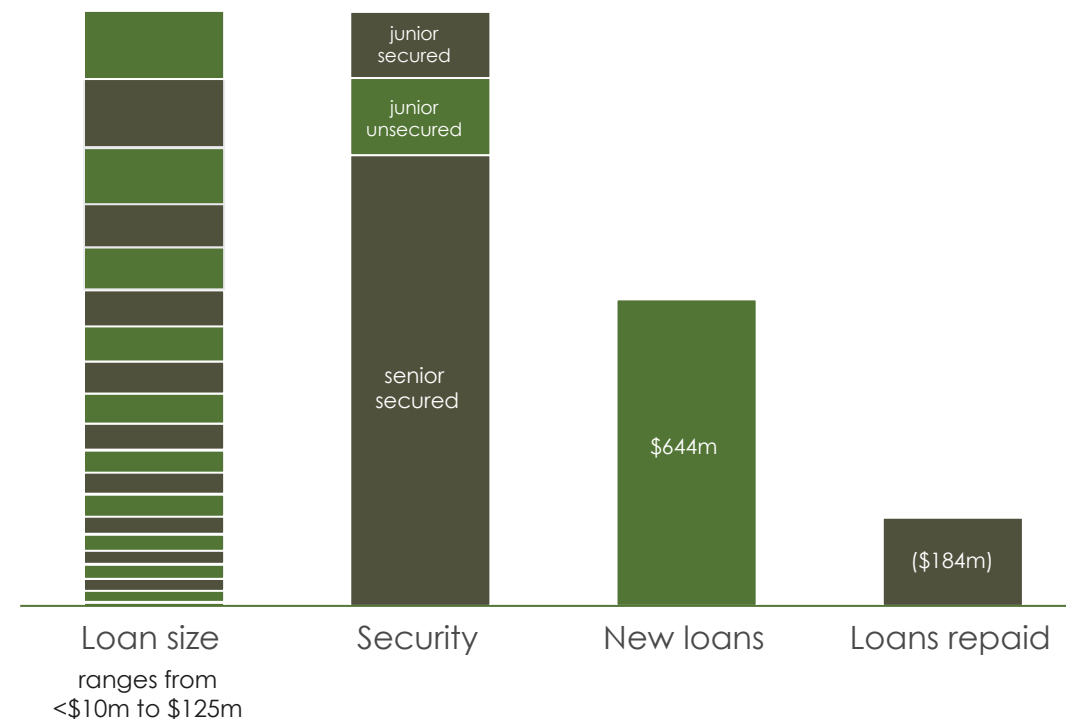
Credit

Growing portfolio targeting income and strong risk-adjusted returns

9% of total portfolio (vs 6% in FY23)

	FY24	FY23
Portfolio Value	\$1.1b	\$0.7b
Net Cash Flow From Investments	\$108.4m	\$41.5m

- Portfolio value grew 65.1% vs pcp, with a return of 14.9%
- \$644m of additional capital deployed into new loans and \$184m of loans repaid across the portfolio
- Net Cash Flow up 161.3% vs pcp reflecting the growth of the portfolio over the past 18 months
- Strong pipeline of opportunities with undrawn but committed funds of \$269m
- Loan book widely spread, senior secured, industry diverse



Strategic capital management

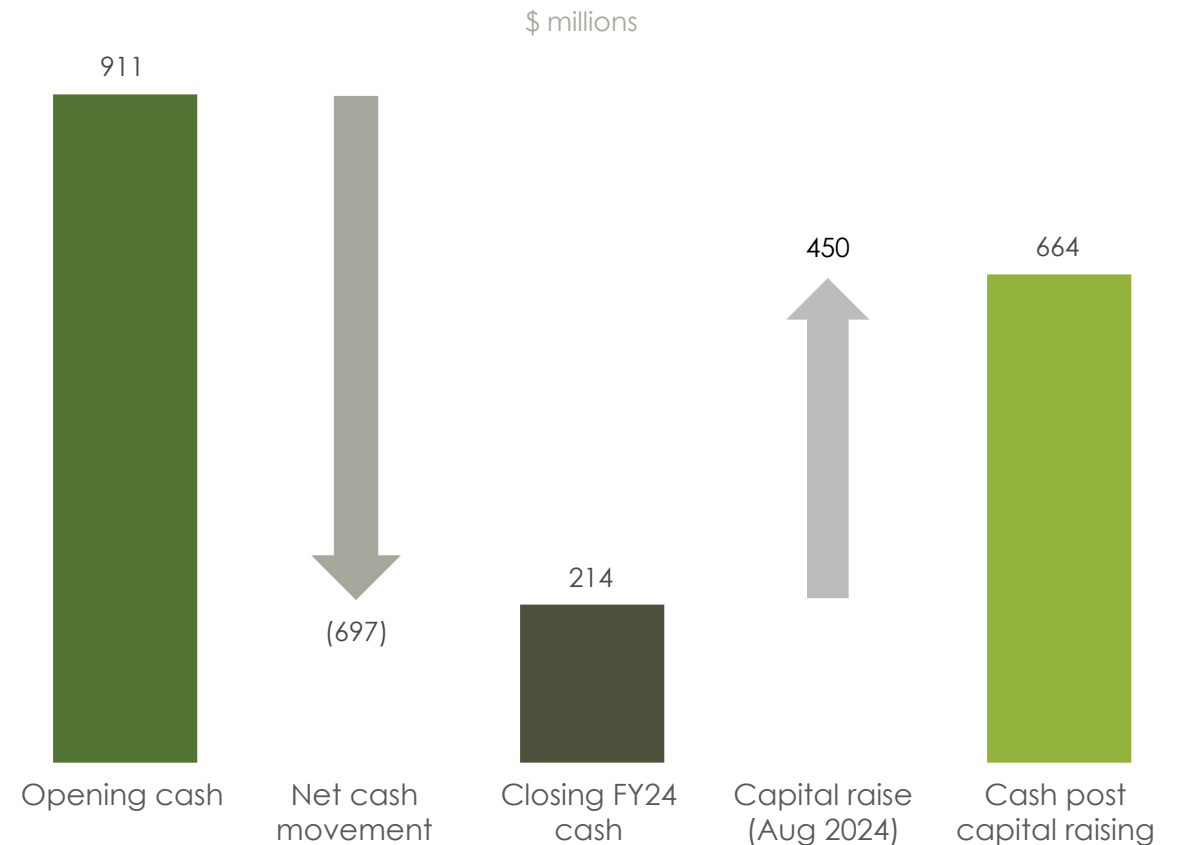
Cash deployed and capital raising (Aug 2024), positioned well for new investments

Net debt of \$160m after an active year

Parent	FY24	FY23
Cash	\$214.0m	\$911.0m
Borrowings	\$(373.8)m	\$(225.0)m

- \$0.8b deployed in FY24 funded by cash reserves and \$0.1b equity financing
- Successful capital raising completed in August 2024 provides significant cash for new investments:
 - \$450m raised through the issue of a new convertible bond
 - \$225m raised through an institutional equity placement
 - \$225m repayment of existing convertible bond

Capital raise replenishes cash after active FY24 of investing



Outlook

1 Increase cash generation from our portfolio of investments and underpin dividend growth

- Cash generation continues to grow due to ongoing investments in the Private Equity and Credit Portfolios

2 Grow the portfolio and outperform the market over the long term

- Capital raising creates strong cash position for new investments
- Strong organic growth opportunities across private markets
- Leverage our competitive advantage of long-term commitment, strength of conviction and unconstrained mandate

3 Manage investment risk and protect shareholder capital

- Diversified, resilient, less correlated portfolio
- Well positioned to be opportunistic and withstand market volatility

Soul Patts presents certain alternative performance measures, which are used by management to assess the performance of the business against its principal objective of maximising capital and income returns over the long term. They are not a substitute for Australian Accounting Standard measures and should be considered supplementary to those measures.

Alternative performance measures

Group Statutory Net Profit After Tax (NPAT)	Refers to the IFRS measure, consolidated Net Profit After Tax attributable to the shareholders of Soul Patts.
Group Regular Net Profit After Tax (NPAT)	A non-statutory profit measure which represents the consolidated profit after tax attributable to shareholders of Soul Patts, before Non-Regular items.
NAV, or Net Asset Value (pre-tax)	The value of all Soul Patts' assets less all liabilities, excluding any capital gains tax payable upon the sale of its assets. Assets may be valued at Cost, Directors' Fair Value, External Fair Value, or Market Value.
Net Cash Flow From Investments	Represents the cash flows generated by Soul Patts, as Parent Entity, from its investment portfolio, after deducting corporate costs, income tax, and Non-Regular cash flows. Includes dividends and distributions from investments, interest income and realised gains on assets held for trading. The Directors determine interim and final dividends based on Soul Patts' Net Cash Flow From Investments.
Non-Regular	Refers to items of income, expense, or cash flow, which by nature are outside the ordinary course of business or are part of ordinary activities but are unusual due to their size (such as disposals of investments in subsidiaries and associates).

Portfolio return metrics

Total Shareholder Return (TSR) or Total Return	A performance measure that combines capital appreciation (e.g. market price changes or revaluation) with all income distributed by the investment over the period, excluding the benefit of any franking credits distributed. It is expressed as a percentage by referencing the value of the investment at the beginning of the period.
Internal Rate of Return (IRR)	The annual rate of growth calculated as the discount rate where the present value of all cash flows during the period equals zero, including the opening and closing NAV (including unrealised valuation gains) as the first and last cash flow.



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