

# FY24 Reporting Season Wrap

Research and Insights

September 2024

Ausbil Investment  
Management Limited  
ABN 26 076 316 473  
AFSL 229722  
Level 27  
225 George Street  
Sydney NSW 2000  
GPO Box 2525  
Sydney NSW 2001  
Phone 61 2 9259 0200

## Ausbil FY24 reporting season wrap and equity market outlook

### Key observations

- The August 2024 reporting period has been a weak one.
- Overall, for the S&P/ASX 300, 30% of companies beat consensus earnings expectations by >5%, 27% missed by >5%, with 43% in-line.<sup>1</sup>
- Growth stocks performed on better interest rate dynamics, achieving more beats (48%) than other sectors. Domestic cyclicals largely met (63%) or beat (23%) expectations on more positive trading conditions for consumers than was expected. Resources missed on 40% of reports, and global cyclicals missed on 50% reflecting tougher conditions for these segments of the market.<sup>1</sup>
- Of 34 Ausbil GICS sectors, 7 sectors were upgraded for FY25 earnings, 27 were downgraded. 25 sectors are still expected to deliver positive earnings growth in FY25.<sup>2</sup>
- Market expectations for FY25 earning growth fell across reporting season, relative to Ausbil's view. We believe the difference in outlooks is based on divergent views on the economic outlook.
- Headline inflation has likely peaked across Australia and other developed countries. We are entering a new phase of the normalisation with the first-rate cuts in developed markets in Canada, Sweden, New Zealand and the ECB. The US is expected to begin cutting rates this month.
- Australia's GDP is expected to rise in the second half of 2024 and move higher through 2025.
- In this environment, we believe earnings growth will recover more than the market expects, broadening across sectors, and moving down the market cap spectrum.

### FY24 reports and FY25 outlook

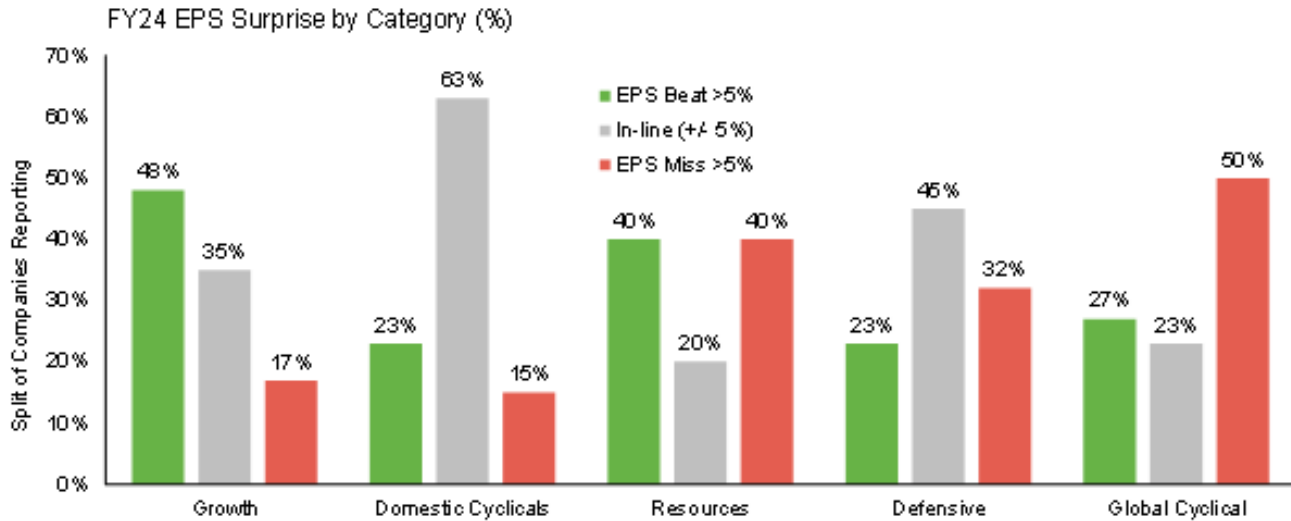
The August 2024 reporting period has been a weak one, with many companies reporting higher operating costs and margin pressure, and caution around issuing guidance for FY25. This was understandable to some extent given the uncertainty around when rates will fall and help relieve some of these pressures. Moreover, a clear outlook on the direction of rates would help with projects and capex for many of the companies that reported this cycle.

Overall, for the S&P/ASX 300, 30% of companies beat consensus expectations by more than 5%, while 27% missed by more than 5%, with 43% delivering earnings in line with expectations<sup>1</sup>. This reporting season, growth stocks performed on better interest rate dynamics, achieving more beats than other sectors, as illustrated in Figure 1. Domestic cyclicals largely met or beat expectations on more positive trading conditions for consumers. Resources missed on 40% of reports, and global cyclicals on 50% reflecting tougher conditions for these sectors.<sup>1</sup>

1. Macquarie Research, 2024.

2. FactSet, 2024.

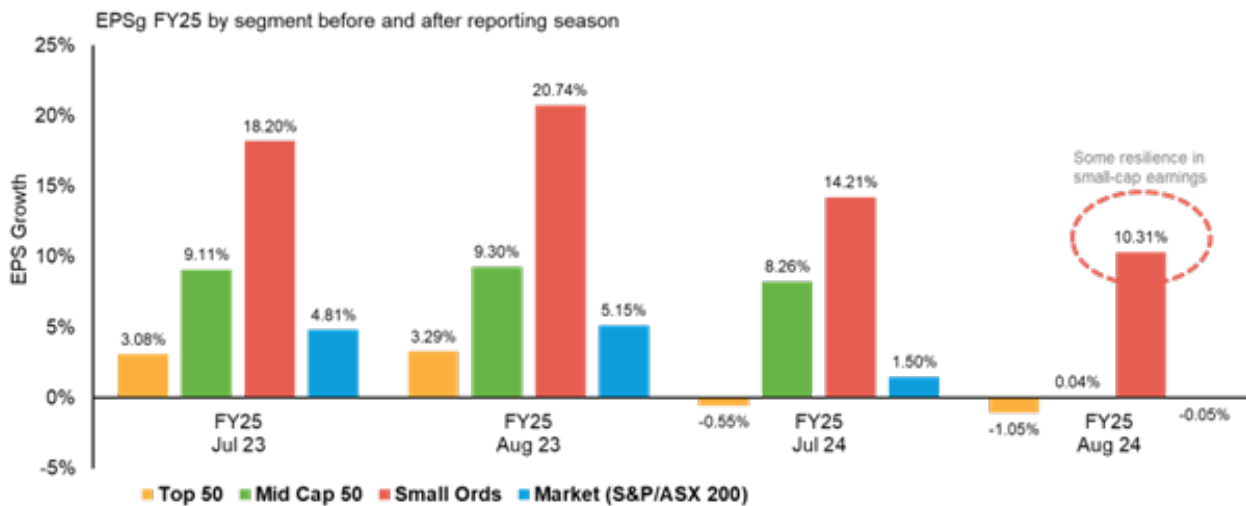
Figure 1: Beats and misses



Source: Macquarie Research, September 2024. Data presented for the S&P/ASX 300 Accumulation Index

Across the reporting season there was a marked shift in the expectations for earnings in FY25, as illustrated in Figure 2, though it should be noted that different sources for consensus outlook data do differ given the different composition of analysts providing input (Visible Alpha, Bloomberg, etc) – in this case, we have used FactSet data.

Figure 2: Large, mid and small-cap earnings growth shift across reporting season



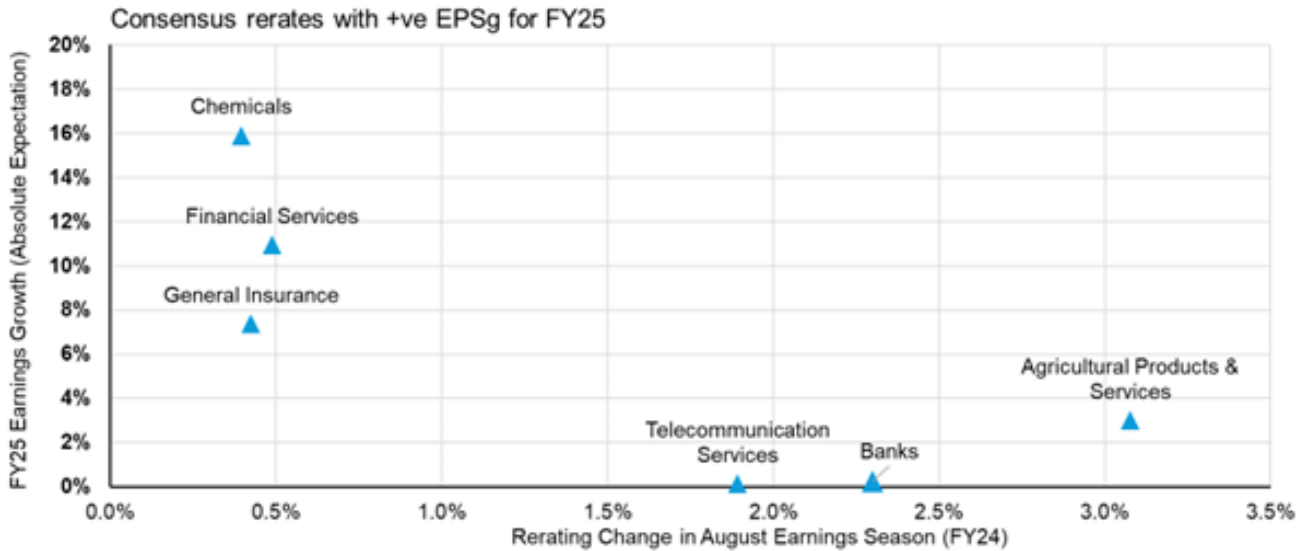
Source: Ausbil, FactSet, as at end August 2024.

At the end of reporting season, the market EPSg outlook for FY25 had fallen to -0.05%, with EPSg for FY26 now at 5.84%. Given Ausbil's macro view of the market, our view on earnings growth for FY25 is more positive, especially as we see better economic growth and lower rates in calendar 2025.

In terms of segments, the market has shifted from a view of positive EPSg before and after reporting season in FY23 to a post-FY24 reporting season outlook of negligible growth for all segments other than small caps (Figure 2). This does not accord with Ausbil's outlook for ASX 200 and large-cap earnings growth, as noted above, as we believe EPSg for FY25 should exceed that expected by the market given the better environment we see in 2025.

Figure 3 outlines the sectors where the consensus outlook has improved across reporting season and remains positive for EPSg in FY25 (covering seven Ausbil GICS sectors, of which Decarbonisation Energy is also one, though an outlier with expected EPSg of +138%, driven by growth on earnings largely in small uranium companies). The market upgraded 7 sectors of the 34 Ausbil GICS sectors which have a positive EPSg outlook for 2024.

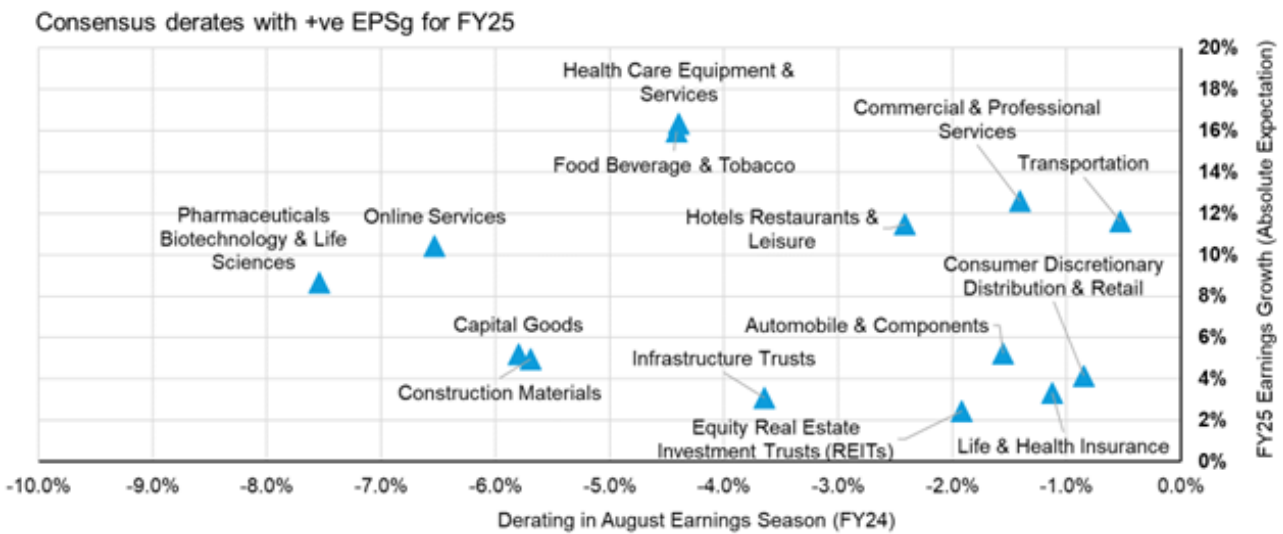
**Figure 3: Sectors the market rerated with positive earnings outlooks**



Source: Ausbil, FactSet at end August 2024.

By contrast, Figure 4 shows the sectors that consensus downgraded for earnings this reporting season on FY25 EPSg, but which are still showing positive earnings growth for the year ahead. Six of these sectors are expected to return EPSg of 10%+ and nine could deliver 5%+ in the year ahead.

**Figure 4: Sectors the market derated with positive earnings outlooks**



Source: Ausbil, FactSet at end August 2024.

## Earnings outlook following the reporting season

Based on what we have seen in FY24 reporting, and in the consensus outlook for FY25, we think that consensus is being overly negative about the outlook for earnings growth. We expect to see a retracement in this position as data shows that the environment is more positive than the market is currently crediting. This is likely to pull forward earnings that consensus has pushed out into FY26 following reporting season.

We remain focused on the key thematic that are driving long-term earnings growth, particularly where imbalances see demand exceeding supply on a fundamental basis for some time. Our house view that economic growth will bottom in calendar 2024, after which we see it firming into calendar 2025 means that we see some return of select cyclical exposures in addition to key thematic like decarbonisation and technological change. Exposures in this regard focus on profitable models to capture cyclical growth and compound increased spending that comes with economic growth, and improvement in housing and discretionary spending. After a period of underperformance, REITs could be showing some promise in late 2024 and into 2025, but it is critical that investors look at the right sectors within the REIT market as there is some disparity in performance.

Decarbonisation and the energy transition remain significant themes that are driving value across resources, energy, utilities and the mining services sector with respect to critical commodities. We like copper, uranium and rare earths for the central role these will play in renewable energy, energy storage and upgrading electrical grids worldwide.

We are also seeing structural earnings growth in technological transformation, the rise of artificial intelligence (AI), and the enablers and businesses that increasingly operate in the digital environment, including communications companies. These enablers include data centres, energy and energy storage that backs-up data processing, telecommunications and internet companies that support the web of connectivity and data. We also like beneficiaries of the digital revolution, companies that are able to leverage the networking and processing power offered by enablers to capture more business, more customers and at lower and lower costs.

Ausbil is positive on earnings growth, and more positive overall than consensus. We are expecting positive FY25 earnings growth, broadening across sectors, and moving down the market cap spectrum. We see the year ahead as especially positive for great large caps that are positioned to benefit in the current macro-economic environment.

## ESG trends in the FY24 reporting season

In addition to the fundamental performance of companies in FY24, reporting season gave us a good insight into the environment, social and governance (ESG) issues they are facing and how they are being managed.

### Credibility of climate change targets in focus

Currently, 89% of ASX 200 companies by market cap have committed to achieving net zero targets by 2050 or sooner. This reporting season a number of companies seem to be on track with climate targets, including Ramsay Health Care, APA Group, Northern Star Resources and Coles Group. However, recently there has been increased scepticism about the corresponding milestone targets such as 2030 targets and the use of offsets. Fortescue reiterated their real zero target commitment by 2030 without the use of offsets. BHP presented their new climate action plan, arguing they could reduce operational offsets by up to 85% by 2050 without the use of offsets.

### Physical climate change risk remains a long-term challenge

Historically, the general insurers have tended to blow their natural perils reinsurance allowance, but not in FY24. This could be due to a combination of better climate change / weather risk analysis capabilities, but also the relatively 'benign' environment experienced in FY24. That said, claims costs for natural perils events are high and climate change is changing the frequency and intensity of events. Longer term, climate change will likely become a more pronounced structural challenge; while insurance companies can re-price annually, eventually it becomes an affordability issue.

Physical climate change risk is closely linked with loss of biodiversity. In recent years, there has been pressure on companies to report against the TNFD<sup>3</sup> standards (Nature / Biodiversity risk), although in practice companies are finding this easier said than done as nature-related risks are very difficult to assess and quantify. TNFD remains an ongoing engagement for us at Ausbil.

### Integrating sustainability in business models

We observed a number of interesting examples of building sustainability into business models this reporting season. For example, Brambles reported that their carbon emissions reductions were also having a positive impact on helping their customers achieve their own Scope 3 targets. Goodman Group sees sustainability features of buildings as important for tenant demand. The A-REIT space in general is strong on sustainability where there is healthy competition in terms of greening their properties, achieving NABERS ratings and in the use of materials that are negative for carbon measures. The concept of 'embodied carbon' (in real estate) popped up a few times in the 1H24 reporting season and did so again this time and will continue to do so as tenants take a whole-of-the-value chain perspective on carbon emissions. If the world continues to introduce carbon border adjustment mechanisms for building materials, that focus will increase even more.

3. Taskforce on Nature-related Financial Disclosures.

## Fewer fatalities but other safety concerns

FY24 saw markedly fewer fatalities reported. The improvement was likely related to improvements in safety risk management made since multiple fatalities in FY23 and the improvements are positive from a perspective of less risk of operational disruption, fines, management distraction and, of course, industrial relations issues. However, some companies continue to have high injury rates, which could be a concern if we think of safety performance as a proxy for operational excellence.

Speaking of safety, another type of safety risk that has become more prominent is that of aggression against staff in customer facing. For instance, Woolworths reported an increased level of aggression in stores and has invested \$35m in risk controls and Endeavour Group also reported changes implemented to deal with increased levels of abuse and aggression against staff.

## Less discussion on modern slavery in FY24

Companies are facing a number of different ESG demands and while modern slavery was very topical a few reporting seasons ago, there was generally less focus on modern slavery in FY24. That said, a handful of companies mentioned the issue, highlighting changes made in risk management. Seek remains an interesting approach with their market-leading 'Fair Hiring' program that seeks to screen out ads with high fraud / scam / modern slavery risk.

## Remuneration improvements and potential concerns in the AGM season

Companies tend to improve executive remuneration structures following a 'strike'. In this reporting season we saw a number of companies that have recently had a strike announce changes, for example, one company says it will be more disciplined about discretionary bonus payments, has introduced mandatory deferral into equity, increased weight to relative TSR and reduced weight to strategic measures for long-term incentives. Another showed more restraint than in the past following focus on their remuneration and has taken shareholder feedback on board in terms of improved disclosure on performance vs targets.

## Scam losses and cyber security risks on the rise

The banks are on the coal face in the area of cyber risk, and are increasingly spending resources to mitigate risk, which could also help them avoid being in the same situation as UK banks (where banks are liable for the losses from scam activities). Companies are increasing their spend on cyber risk management and preventative methods to avoid value destruction from big events. Cyber security also represents an opportunity for the general insurers who have launched products recently, though questions remain over whether this insurance will be adopted or is value for money from feedback this reporting season.

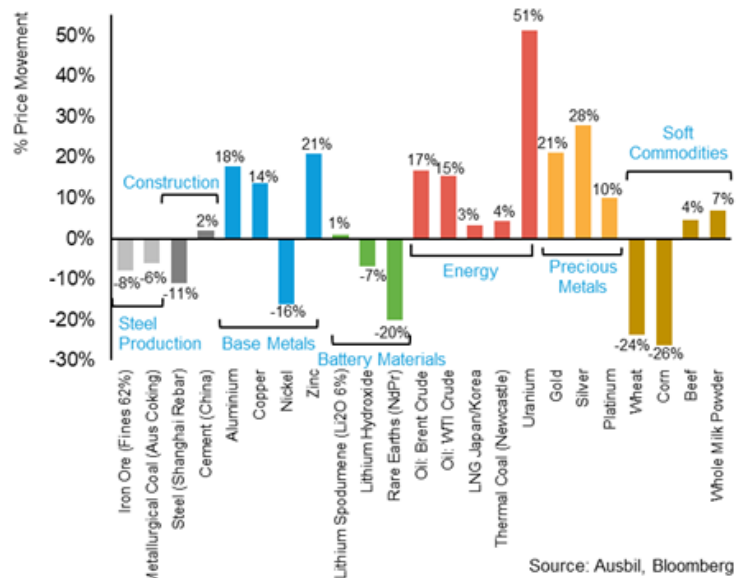
## Earnings colour by sector

### Energy

The energy sector enjoyed a relatively good FY24. Woodside Energy Group, Australia's largest petroleum exploration and production company, achieved a solid result with EBITDA in-line and NPAT and dividend beats (+15-18%). The Santos earnings result was marginally below expectations, but their free cashflow yield is improving as their capex costs fall away, and they reduce debt. Beach Energy, another South Australian LNG player, met consensus on EBITDA and achieve a slight beat on net profit.

### Materials

Figure 5: A mixed bag: Commodity prices across FY24



Diversified miners continued to benefit from China demand though the iron ore price has been volatile across the year and closed down by 8% for FY24 (Figure 5), with metallurgical coal also ending the year down 6%. China has confirmed their 5-year plan for a target GDP growth rate of 5%. Both Rio Tinto and BHP are exposed to China demand. India was named as the fastest growing major economy which is helping diversify demand for diversified miners. BHP announced results in line for EBITDA at \$29bn but were slightly ahead of consensus on net profit, with the copper business growing strongly on demand. Rio Tinto reported their HY24 result at \$12bn for EBITDA in line with consensus, also benefitting from growth in their copper operations.

Copper, which enjoyed a buoyant FY24 from investment in the energy transition, ended the year up 14%, benefitting BHP, Sandfire Resources and other copper miners. Mineral sands miner, Iluka, generated EBITDA 7% ahead of consensus on lower costs, and NPAT ahead. Iluka is entering the rare earths market but has said a refinery will not go ahead without government support.

Gold enjoyed a strong FY24, rising 21%. Evolution Mining beat EBITDA expectations by 9% and issued their first guidance largely in line with market expectations, with gold production as planned and costs slightly ahead. Global producer, Northern Star Resources,

achieved results largely in line with expectations, with the dividend ahead and the balance sheet in a solid position, albeit heading into a heavy capex phase for the business.

In building materials, James Hardie achieved a solid 1Q result with a 7% EPS beat although helped by lower corporate costs and lower interest/tax. Guidance was reiterated. However, steel companies felt the impact of slowing demand in FY24 from a slower economy, resulting in a fall in steel prices of 11%. BlueScope Steel missed on earnings and net profit expectations, though underlying EBIT of \$1.34 billion was a relatively solid performance in the context of macroeconomic and industry volatility. BlueScope are not forecasting any material improvement for FY25. In steel recycling, Sims beat on EBITDA but missed slightly on net profit. As with BlueScope, the near-term outlook commentary continues to sound challenging. On the macro front, China exports have been reduced in recent months which may reduce the overhang on scrap markets (in time). The dividend surprise of 10cps instead of 0.8cps (consensus) reflected a strengthened balance sheet on recent asset sales.

## Industrials

In commercial and professional services, Brambles, one of the world's largest logistics and supply-chain companies, delivered a solid result, guiding for revenue growth of 4-6% in FY25. Downer Group, one of Australia's largest urban services businesses, achieved a +2% beat on EBITDA and +3% beat on NPATA, but it is worth noting that a significant amount of restructuring charges were unexpectedly taken below the line.

In transportation, Qube, Australia's largest integrated provider of import and export logistics service, achieved a solid result bang in-line for FY24, and guidance implying some EPS upgrades in FY25. By contrast, Aurizon, Australia's largest bulk freight company servicing the mining, soft commodities and energy industries, delivered a poor result with an 11% earnings miss.

Qantas continues to negotiate the new world following the departure of its long-term CEO and changes in the composition of the airline business in Australia. Net profit of \$1.45bn came in just below consensus. Qantas issued no quantitative guidance other than the expectation that the domestic business will be stronger than international, with fuel, depreciation and amortisation, interest costs and capex all in-line with consensus expectations for FY25. Auckland International Airport delivered marginal beats on revenue, earnings and net profit but cut the dividend. FY25 guidance for patronage missed consensus on domestic numbers by 3.4%, international by 7.8%, and calls into the question the potential to grow earnings.

## Consumer Discretionary

Immigration, falling inflation and potential easing in monetary conditions is looking better for the consumer discretionary sector heading into 2025. JB Hi-Fi, a leading consumer electronics retailer with operations in Australia and NZ that also operates under The Good Guys brand, reported earnings 4% ahead of consensus on improved sales. Similarly, Super Retail Group, one of Australia's largest retailers of auto, leisure, and sports products, reported earnings in-line but with a positive outlook that should support earnings revisions on improved conditions for consumers. Wesfarmers reported an in-line result at a group level and across the key divisions. Kmart sales were in line, with 2H24 slightly ahead of expectations. Importantly, Bunnings continues to see positive growth, though it has slowed a little in the second half.

Travel company, Webjet, announced plans to demerge, complicating their result, with the business to customer (including their online travel agency) separating from their commercial business travel operations. Flight Centre delivered earnings of \$478m though slightly under consensus, and did not issue an outlook for FY25. The firm pointed to slowing discretionary spend though noted it expected travel not to be as affected in the sector.

In the automobile and components sector, AP Eagers missed slightly on net profit. Overall, the result is not as bad as was expected given order books remains healthy and they have managed their cost base. However, the pressure on gross margins hasn't yet been seen for Eagers and this could put pressure on margins for the rest of the year. Bapcor in the auto parts aftermarket achieved NPAT in line with expectations. ARB also missed on NPAT in the more consumer challenging environment, however, the FY25 outlook commentary was positive.

## Consumer Staples

Woolworths has begun to feel the cost-of-living crisis in consumer spending. Woolworths reported EBIT slightly ahead of consensus, though positive uplift in food masked a significant miss on NZ food (-12.6%) and Big W (-19%). Coles by contrast beat on EBITDA and net profit, with a falling capex outlook and high gross margin making up for slower sales in food and liquor. Treasury Wine Estates, producer of some of the world's best wines, delivered earnings in line (mostly pre-guided), with stronger Americas offsetting weaker performance from Treasury Premium Brands and Penfolds, which was in-line with expectations.

## Health Care

The global leader in blood and plasma products, CSL, announced an incrementally softer result, and issued slightly weaker FY25 guidance, implying some downgrades in FY25. Behring was CSL's weak spot and will be the focus for improvement looking ahead. ResMed achieved a strong result with 2% EBIT beat on in-line revenue and stronger gross margin. ResMed guidance implies some upgrades to FY25 earnings. Ramsay Health Care missed consensus earnings expectations by 2% on softer margins, and potentially a weaker outlook than guided by the company on higher costs from transformation and operations. Cochlear, the global leader in implantable hearing solutions, undershot consensus earnings by 3.5%, and issued soft profit guidance for FY25, which we think implies some downgrade to consensus. Costs rather than revenue are expected to be the issue for Cochlear in FY25.

## Financials

Banks enjoyed improvements in their margins as rates moved from emergency settings near zero to more normal conditions. As rates have peaked in the current cycle, economic growth began to slow, impacting the cyclical character of banks. However, conditions are expected to improve for banks in FY25 as the economy benefits in an easing environment. Australia's largest bank, CBA, unsurprisingly delivered a solid result. CBA beat consensus on cash NPAT (+0.7%), pre-provision operational profit (+0.7%) and on DPS (+1.7%). The bank also delivered a stronger net interest margin. Bendigo Bank, a leading regional bank that competes with the big four in retail, residential, SME and real estate banking, outperformed with NPAT of +2% and a DPS of +2%. Net interest margin was well ahead of consensus driven by replicating portfolio and a positive mix shift (deposit and lending book), with bad and doubtful debts near zero. Bank challenger, Judo Bank, which specialises in small and medium enterprise lending, achieved pre-provisioning operating profit 2%

ahead of consensus expectations, though NPAT/EPS were down -1% due to higher tax and bad and doubtful debts slightly higher than consensus but still in the target range with an improving arrears profile.

In insurance, QBE provided a half year updated, missing consensus expectations on gross written premium, insurance profit, cash NPAT and dividends. Suncorp delivered net profit in-line with expectations. With completion of the sale of Suncorp's bank to ANZ, there is potential for ongoing capital management including on-market buybacks. Annuities provider, Challenger Group, delivered FY24 profit before tax +1% ahead of expectations (with NPAT in-line), driven by lower expenses and higher cost of equity margins which offset weaker funds management.

In wealth management, Pinnacle Investment Management, achieved a headline NPAT beat of +12% versus consensus, driven by higher FUM and flows, though excluding non-core items the beat was a more moderate +2% beat. Wealth management platform, HUB24, achieved inline NPAT and EPS, but driven by lower tax, with underlying EBITDA a -2% miss due to weaker platform revenue margins and lower cash balances. Netwealth also missed on EBITDA by -2% and EPS by -3%, driven by lower platform revenue margins, with management flagging higher expenses looking ahead. AMP continued to shed portions of its former self in a simplification of the advice business, achieving a 16% EPS beat, though it is not yet clear if this is a structural turnaround with AMP selling a large part of their advice business and capital management providing valuation support.

## Communication Services

In telecommunications, Telstra, Australia's largest communication services company, posted underlying EBITDA of \$8.2 billion, in-line with consensus, with marginally improved guidance for FY25. Earnings growth is expected from higher mobile prices in FY25 and a focused cost-out program. Telstra is also undergoing a steady balance sheet deleveraging. TPG missed revenue by -4% miss due to a decline in mobile postpaid subscriptions, though these were partially offset by lower margin business elsewhere. TPG is awaiting an ACCC approval decision on the Optus MOCN 2.0 regional network sharing deal, due mid-Sep 2024. TPG confirmed reengagement with Vocus on a potential strategic review / sale of the fibre business.

In online services, REA Group, the leading real estate platform in Australia missed slightly on NPAT (-1.2%) which was driven by softer residential revenue. REA's core Australian business is positioned well in FY25, and the potential Rightmove transaction creates some optionality. CAR Group achieved results in line with consensus with the only slight negative in outlook commentary being that margins are expected to remain consistent with FY24, a little lower than consensus. Seek, operating in recruitment, disappointed with a -4% miss on FY24 NPAT and FY25 NPAT guidance implies a downgrade to earnings. The outlook implies volume declines though this has seen a rebasing of expectations which is better for future growth.

In media, News Corp beat on EBITDA by +4%. The potential Foxtel sale will be taken positively. However, questions remain over Dow Jones which did not beat expectations though it has been pushed as a growth story, raising market expectations into FY25. Nine Entertainment missed slightly on NPAT, though the result itself was relatively solid given the backdrop, and the 1Q25 trading update was positive because of the Olympics.

## Information Technology

In information technology, WiseTech Global, a provider of software to the global logistics services industry, delivered an FY24 revenue miss but an EBITDA beat, with FY25 guidance in-line. NextDC, a major player in the data centre market and the only operator currently with a national presence, beat expectations on FY24 EBITDA and revenue, but FY25 EBITDA margin on net revenue was guided lower. However, NextDC is investing for future capacity which is expected to underpin future earnings growth. Life360, the tech company that develops and operates a mobile application focused on family safety and communication, delivered a revenue beat with a strong earnings growth outlook for FY25.

## Utilities

Origin Energy, operating in energy markets and integrated gas, underperformed consensus expectations on EBITDA (-5%), NPAT (-10%), and dividends (-5%) as it seeks to transform from reliance on fossil fuels to renewable energy. This involves significant operational expenditure which is expected to see some downgrade in earnings bases as Origin, is also seeking to move beyond fossil fuel reliance, managed to beat on earnings (EBITDA +2% on consensus) and dividends. APA Group, which owns and operates gas transmission and distribution assets across Australia, delivered FY24 results in-line but FY25 underlying EBITDA guidance 2% below consensus driven by less-than-expected EBITDA growth in east coast gas, and higher corporate costs.

## Real Estate

With an easing bias in global interest rates, the outlook for real estate beyond Goodman Group and Charter Hall, which have been growing on logistics automation and data centre growth, is improving for other commercial, retail and residential sectors. Charter Hall, a leading real estate fund manager in Australia, with assets across the office, industrial, retail, long WALE (weighted average lease expiry) and social infrastructure asset classes, achieved FY24 operating profit in-line with expectations, but FY25 guidance was 5% ahead of consensus. The Charter Hall Long WALE REIT met guidance on earnings for FY24, but FY25 guidance was below consensus largely on rising interest costs as debt rolls over. Diversified property REIT, GPT, reported half year funds from operations slightly ahead of expectations, and maintained full year guidance, with average debt costs rising 0.3%.

## Contact Us

### Institutional



**Adrian Amores**

Head of Global Institutional Distribution  
Phone 0435 962 052  
Email [adrian.amores@ausbil.com.au](mailto:adrian.amores@ausbil.com.au)



**Fawaz Rashid**

Senior Manager, Global Institutional Distribution  
Phone 0401 830 483  
Email [fawaz.rashid@ausbil.com.au](mailto:fawaz.rashid@ausbil.com.au)

### Wholesale



**Dimitri Giannaras**

Senior Business Development Manager, NSW & ACT, Wholesale Clients  
Phone 0431 576 815  
Email [dimitri.giannaras@ausbil.com.au](mailto:dimitri.giannaras@ausbil.com.au)



**Andrea McGarry**

Business Development Manager, QLD & NT, Wholesale Clients  
Phone 0411 465 426  
Email [andrea.mcgarry@ausbil.com.au](mailto:andrea.mcgarry@ausbil.com.au)



**Marko Matosevic**

Business Development Manager, VIC & WA, Wholesale Clients  
Phone 0431 340 553  
Email [marko.matosevic@ausbil.com.au](mailto:marko.matosevic@ausbil.com.au)



**William Orr**

Business Development Manager, NSW, Wholesale Clients  
Phone 0402 620 188  
Email [william.orr@ausbil.com.au](mailto:william.orr@ausbil.com.au)



**Michael Peros**

Business Development Manager, VIC, Wholesale Clients  
Phone 0401 430 426  
Email [michael.peros@ausbil.com.au](mailto:michael.peros@ausbil.com.au)



**William Dobson**

Business Development Associate, SA, Wholesale Clients  
Phone 0411 899 901  
Email [william.dobson@ausbil.com.au](mailto:william.dobson@ausbil.com.au)



## DISCLAIMER

### Important information for presentation recipients

This material is issued by Ausbil Investment Management Limited (Ausbil) ABN 26 076 316 473, AFSL 229722 as at 18 September 2024 and is subject to change.

The material is not intended to provide you with financial product advice. It does not take into consideration the investment objectives, financial situation or needs of any person. For this reason, you should, before acting on this material, obtain professional advice from a licensed financial adviser and read the relevant Product Disclosure Statement which is available at [www.ausbil.com.au](http://www.ausbil.com.au) and the target market determination which is available at [www.ausbil.com.au/invest-with-us/design-and-distribution-obligations](http://www.ausbil.com.au/invest-with-us/design-and-distribution-obligations).

This material contains general information only and is intended for viewing only by investment professionals and their representatives. It must not be distributed to retail clients in Australia (as that term is defined in the Corporations Act 2001 (Cth)) or to the general public. This document may not be reproduced in any form or distributed to any person without the prior written consent of Ausbil.

Past performance is not a reliable indicator of future performance. Any reference to past performance is for illustrative purposes only and should not be relied upon on. Ausbil, its officers, directors and affiliates do not guarantee the performance of, a particular rate of return for, the repayment of capital of, the payment of distribution or income of, or any particular taxation consequences for investing with or in any Ausbil product or strategy. The performance of any strategy or product depends on the performance of the underlying investment which may rise or fall and can result in both capital gains and loss.

Any references to particular securities or sectors are for illustrative purposes only. It is not a recommendation in relation to any named securities or sectors.

The material may contain forward looking statements which are not based solely on historical facts but are based on our view or expectations about

future events and results. Where we use words such as but are not limited to 'anticipate', 'expect', 'project', 'estimate', 'likely', 'intend', 'could', 'target', 'plan', we are making a forecast or denote a forward-looking statement. These statements are held at the date of the material and are subject to change. Forecast results may differ materially from results or returns ultimately achieved.

The views expressed are the personal opinion of the author, subject to change (without notice) and do not necessarily reflect the views of Ausbil. This information should not be relied upon as a recommendation or investment advice and is not intended to predict the performance of any investment or market. The actual results may differ materially from those expressed or implied in the material. Ausbil gives no representation or warranty (express or implied) as to the completeness or reliability of any forward-looking statements. Such forward looking statements should not be considered as advice or a recommendation and has such should not be relied upon.

To the extent permitted by law, no liability is accepted by Ausbil, its officers or directors or any affiliates of Ausbil for any loss or damage as a result of any reliance on this information. While efforts have been made to ensure the information is correct, no warranty of accuracy or reliability is given, and no responsibility is accepted for errors or omissions. Any opinions expressed are those of Ausbil as of the date noted on the material and are subject to change without notice.

Figures, charts, opinions, and other data, including statistics, in this material are current as at the date of publication, unless stated otherwise. The graphs and figures contained in this material include either past or backdated data and make no promise of future investment returns.

This material may include data and information (including research, quotes, commentary) from a third party. While we believe that the data and information to be reliable at the time of the material, we make no representations or warranties as to its accuracy or completeness.

All trademarks, logos and brand names are the property of their respective owners. The use of the trademarks, logos and brands does not imply endorsement.