Australian Unity - Key Financial Ratios[1]

Prescribed Key Financial Ratios		As at 30 June		
		2021	2022	2023
		$ 000	$ 000	$ 000
Gearing ratio				
Total liabilities / total equity				
Total liabilities	A	6,060,875	6,398,168	6,673,458
Total equity	B	866,494	1,147,681	1,188,376
Gearing ratio (%)	C = A / B	**699.47%**	**557.49%**	**561.56%**
Interest cover ratio				
EBITDA / net interest expense				
Profit before income tax		27,718	28,837	66,973
plus: Attributable to benefit fund policyholders		57,890	(64,737)	34,085
=Profit before income tax		**85,608**	**(35,900)**	**101,058**
plus: Net interest expense (per below)		6,412	10,924	13,180
plus: Total Depcreciation and Amortisation		49,419	56,459	57,611
= EBITDA	**D**	**141,439**	**31,483**	**171,849**
ADI Net Interest Income		(21,629)	(20,203)	(22,507)
Benefit Fund net interest income		(7,321)	(9,280)	(13,651)
plus Other net interest expense		35,362	40,407	49,338
= Net interest expense /(income)	E	**6,412**	**10,924**	**13,180**
Interest cover ratio (times)	F = D / E	**22.06x**	**2.88x**	**13.04x**
Working capital ratio				
Current assets / current liabilities				
Current assets	G	3,558,243	3,401,426	3,535,920
Current liabilities	H	3,270,501	3,634,413	3,827,692
Working capital ratio (times)	I = G / H	**1.09x**	**0.94x**	**0.92x**

[1] See sections 3.7.2 and 5.6 of the Base Prospectus for details of the basis on which these ratios are calculated

Other Relevant Financial Ratios		As at 30 June			Example net extra borrowings $50m
		2021	2022	2023	2023
		$ 000	$ 000	$ 000	$ 000
Covenant Gearing Ratio					
Gearing Ratio Debt / Gearing Ratio Debt + Gearing Ratio Equity					
Total liabilities		6,060,875	6,398,168	6,673,458	6,723,458
less: Benefit fund policyholder liabilities		(2,462,587)	(2,357,988)	(2,483,431)	(2,483,431)
less: ADI interest bearing liabilities		(1,065,652)	(1,241,788)	(1,289,124)	(1,289,124)
less: Leases		(125,372)	(126,283)	(115,978)	(115,978)
less: Other (non-interest bearing) liabilities		(1,987,874)	(2,253,578)	(2,392,147)	(2,392,147)
= subtotal		419,390	418,531	392,778	442,778
plus: Consolidated guarantees		69,479	77,244	97,409	97,409
less: ADI guarantees		0	0	0	0
less: AUL Cash		(162,385)	(136,451)	(122,966)	(122,966)
less: Interest bearing liabilities which are Junior Ranking Obligations		0	0	0	0
= Gearing Ratio Debt	A	326,484	359,324	367,221	417,221
Total equity		866,494	1,147,681	1,188,376	1,188,376
plus: Junior Ranking Obligations		0	0	0	0
less ADI equity		(81,124)	(86,038)	(89,194)	(89,194)
= Gearing Ratio Equity	B	785,370	1,061,643	1,099,182	1,099,182
Covenant Gearing Ratio (%)	C = A / (A + B)	**29.36%**	**25.29%**	**25.04%**	**27.51%**
AU Interest Cover Ratio					
Adjusted EBITDA / Adjusted interest expense					
Profit before income tax		85,608	(35,900)	101,058	
less: Attributable to benefit fund policyholders		(57,890)	64,737	(34,085)	
=Profit before income tax (attributable to AUL Members)		**27,718**	**28,837**	**66,973**	
plus: AASB 16 pre-tax net cost		3,120	3,064	2,634	
=Profit before income tax (attributable to AUL Members) excluding AASB16		**30,838**	**31,901**	**69,607**	
plus: Total Finance costs excluding AASB16		17,499	16,855	16,098	
plus: Total Depcreciation and Amortisation excluding AASB16		34,536	41,837	42,952	
= Adjusted EBITDA for ICR excluding AASB16 adjustments	D	**82,873**	**90,593**	**128,657**	
Net interest expense /(income)		6,412	10,924	13,180	
exclude: ADI net interest income		21,629	20,203	22,507	
exclude: Benefit Fund Net Interest Income		7,321	9,280	13,651	
exclude: Notional interest on leases and related accounts		(17,863)	(23,552)	(33,240)	
= Adjusted interest expense	E	**17,499**	**16,855**	**16,098**	
AU Interest Cover Ratio (times)	F = D / E	**4.74x**	**5.37x**	**7.99x**	
ADI capital ratio					
capital / Risk weighted assets					
Regulatory capital base	J	82,061	87,069	90,060	
Risk weighted assets	K	528,226	578,822	556,339	
Tier 1 capital ratio (%)	L = J / K	**15.54%**	**15.04%**	**16.19%**	