

ASX Announcement

3 June 2024

Trading update, outlook and equity raising

Today Australian Unity Limited (Australian Unity) has announced a non-underwritten 1 for 3 pro rata non-renounceable entitlement offer of mutual capital instruments (MCIs) (Entitlement Offer) and accompanying non-underwritten placement to wholesale investors (Placement) (together, the Equity Raising). The proceeds from the Equity Raising will form part of Australian Unity's ongoing capital management strategy and are intended to be used to enhance resilience and provide balance sheet flexibility to support Australian Unity's core vision to enable real wellbeing for our members, customers and community through our portfolio of commercial, sustainable businesses. To this end, proceeds may be used to repay debt facilities that were utilised to fund the recent acquisition of *myHomecare* Group as well as transaction costs.

Trading update and outlook

Australian Unity has lodged an investor presentation (Investor Presentation) today which provides a trading update and outlook statement. Please refer to the Investor Presentation for further information.

Equity Raising

The Entitlement Offer is being conducted in conjunction with the Placement. Australian Unity aims to raise approximately \$75.0 million through the Equity Raising, with the ability to raise more or less.¹

The offer price for the Entitlement Offer and Placement is the same, being \$72.50 per new MCI (New MCI) (Offer Price). The Offer Price of \$72.50 per New MCI represents an approximate 11.60 percent discount to the closing price of \$82.00 on Friday, 31 May 2024.

At the Offer Price (assuming discretionary Dividends are paid in full), the cash running yield will be 6.90 percent per annum and the grossed-up running yield will be 9.85 percent per annum² for New MCIs.

ASX code:

AYU

Securities on Issue:

AYUPA – 3,434,000

AYUHC – 321,157

AYUHD – 2,070,000

AYUHE – 2,558,050

Issuer:

Australian Unity Limited

ACN 087 648 888

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The listing of Australian Unity Securities on the ASX does not affect Australian Unity Limited's status as a mutual entity

¹ The non-underwritten Entitlement Offer, with a theoretical maximum of \$83.0 million, has an uncertain outcome. The Placement is intended to reduce the risk of raising substantially less than \$75.0 million through the Equity Raising.

² Gross rate is based upon Australian Unity's current corporate tax rate of 30 percent and assumes that the Dividends paid on Australian Unity MCIs are fully franked and that investors are able to fully benefit from attaching imputation credits. The gross rate will change if Australian Unity's corporate tax rate changes in the future.

The New MCIs issued under the Entitlement Offer and Placement will rank equally with existing MCIs on issue.

Placement

The Placement is non-underwritten and is targeting proceeds of approximately \$50.0 million.

New MCIs issued under the Placement will not carry rights to participate in the Entitlement Offer.

Entitlement Offer

Australian Unity will undertake a non-underwritten 1 for 3 pro rata non-renounceable entitlement offer of New MCIs under the Entitlement Offer. If all of the entitlements are taken up, the Entitlement Offer will raise approximately \$83.0 million.

The Entitlement Offer is expected to open on Wednesday, 12 June 2024 and close at 5:00pm (AEST) on Friday, 21 June 2024. Further details about the Entitlement Offer will be set out in an offer booklet (Offer Booklet) which Australian Unity expects to despatch to eligible MCI holders and lodge with the ASX on Wednesday, 12 June 2024.

Eligible MCI holders with a registered address in Australia or New Zealand as at 7:00pm (AEST) on Thursday, 6 June 2024 (Record Date) will be invited to participate in the Entitlement Offer in accordance with the terms and conditions outlined in the Offer Booklet.

Eligible MCI holders are encouraged to read the Offer Booklet in its entirety and should seek financial advice if they are uncertain of whether or not to participate. Eligible MCI holders should read and consider the Investor Presentation and in particular, the key risks section of the Investor Presentation.

Eligible MCI holders can choose to take up all, part or none of their entitlement.

Eligible MCI holders who take up their full entitlement may also apply for additional New MCIs in excess of their entitlement (subject to scale back, at Australian Unity's discretion).

The Chair, Group Managing Director and Chief Financial Officer, who are all existing MCI holders, have committed to take up their pro rata entitlements under the Entitlement Offer.

Timetable for Equity Raising

Activity	Date
Announcement of the Entitlement Offer, Placement and trading halt	Monday, 3 June 2024
Placement bookbuild	Monday, 3 June – Tuesday, 4 June 2024
Announcement of results of Placement and MCIs recommence trading	Wednesday, 5 June 2024
Entitlement Offer Record Date (7.00pm AEST)	Thursday, 6 June 2024
Entitlement Offer opens	Wednesday, 12 June 2024
Offer Booklet and Entitlement and Acceptance Forms made available to eligible MCI holders	Wednesday, 12 June 2024
Entitlement Offer closes (5.00pm AEST)	Friday, 21 June 2024
Settlement of Entitlement Offer and Placement	Thursday, 27 June 2024
Allotment of New MCIs under the Entitlement Offer and Placement	Friday, 28 June 2024
New MCIs issued under the Entitlement Offer and Placement commence trading on ASX on a normal settlement basis	Monday, 1 July 2024
Despatch of holding statements for New MCIs issued under the Entitlement Offer and Placement	Monday, 1 July 2024

There will be no deferred trading of MCIs to be issued under the Entitlement Offer. These dates are indicative only and are subject to change. All times and dates are in reference to Australian Eastern Standard Time (AEST). Australian Unity reserves the right, subject to the Corporations Act 2001 (Cth) and the ASX Listing Rules, to amend this indicative timetable. In particular, Australian Unity reserves the right to extend the Equity Raising timetable and to withdraw or vary the Entitlement Offer without prior notice. Any extension of the Equity Raising timetable will have a consequential effect on the date for the allotment and issue of New MCIs.

Further information

Further details of the Equity Raising are set out in the Investor Presentation lodged with ASX today. The Investor Presentation also contains important information including key risks and foreign selling restrictions with respect to the Equity Raising.

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This announcement has been authorised for release by:

The Board of Australian Unity Limited

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