ASX Announcement

25 February 2026

Australian Unity Limited – Half-Year Investor Update

Please find attached Australian Unity Limited's Investor Update relating to the financial results for the half-year ended 31 December 2025.

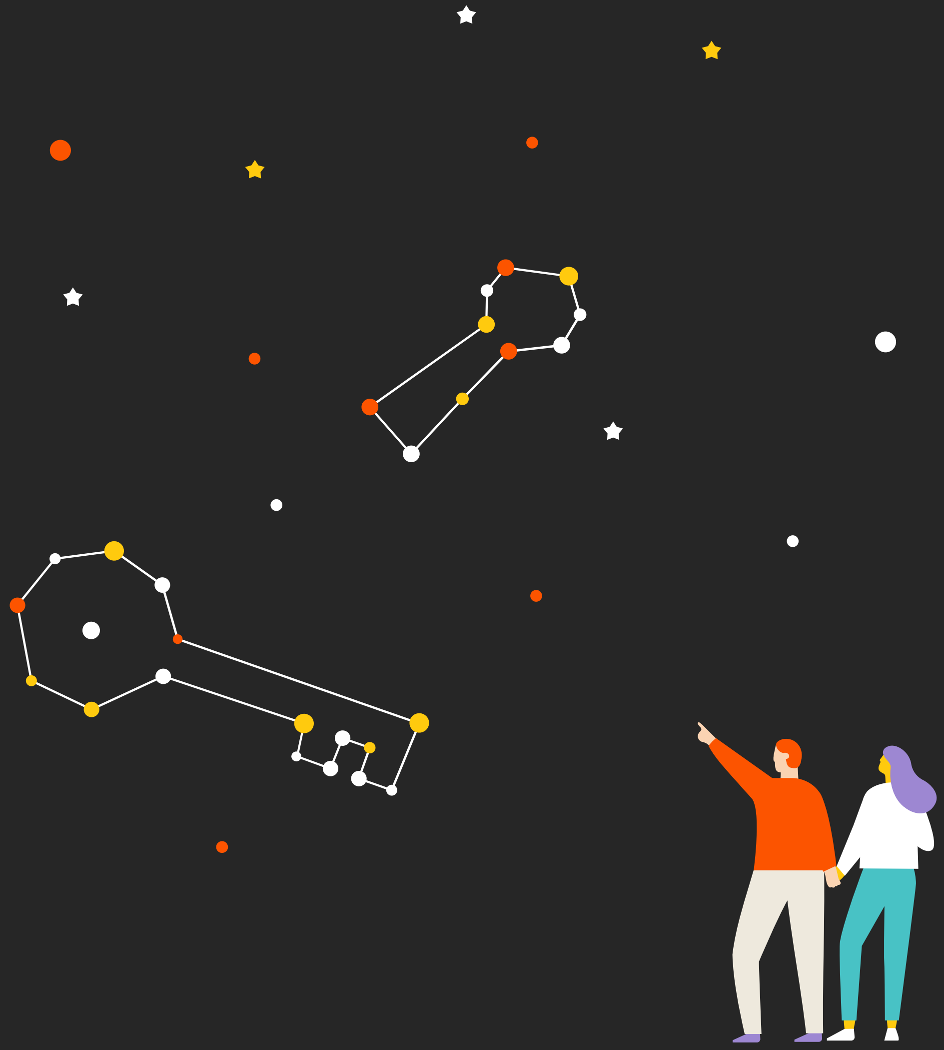
-end-

This announcement has been authorised for release by: The board of Australian Unity Limited.

For further information:
Ashley Oliver
Manager, Corporate Affairs
T: 1300 408 776
E: media@australianunity.com.au

Australian Unity Limited

Half year results 31 December 2025



To positively impact the wellbeing of millions

Important information

This notice applies to all information provided as a part of this presentation including, without limitation, these slides, associated presentations and any oral presentations by the representatives of Australian Unity Limited ACN 087 648 888 (**AUL**) or its officers, directors, employees, agents, advisers or consultants made in connection with or arising out of this presentation (**Information**).

The Information is intended solely for discussion purposes and for no other purpose. The Information is general only and does not purport to be complete. It should be read in conjunction with AUL's other periodic and continuous disclosure announcements. It is not financial product advice, and no reliance should be placed on the Information or opinions contained therein. The Information does not take into account the investment objectives, financial situation or specific needs of any particular or potential investor.

The Information does not constitute, and should not be construed as, an offer or invitation, to subscribe for or purchase securities. Investors must make their own independent assessment of AUL and its related entities and undertake any additional enquiries they consider necessary or appropriate for their own investment purposes. Past performance is not indicative of, nor does it guarantee, future performance.

AUL makes no representation or warranty, express or implied, regarding the fairness, accuracy, completeness, correctness or reliability of the statements, estimates, opinions, conclusions, or other information contained in the Information. To the fullest extent permitted by law, AUL, its related bodies corporate, and each of its respective officers, directors, employees, agents, advisers and consultants disclaim any responsibility for the Information including, but not limited to, forward-looking statements or projections and accept no liability whatsoever for any loss or damage arising from any use of, or reliance on, the Information.

Please note that any forecast, projection or other forward-looking statement in the Information is subject to inherent risks, uncertainties and factors beyond AUL's control. Those risks and uncertainties include those specific to AUL and its related entities, as well as general economic conditions, which may cause actual results, performance or achievements to differ materially from those expressed or implied in such statements. Accordingly, undue reliance should not be placed on any forecast, projection or other forward-looking statement in the Information.

Subject to applicable law, AUL assumes no obligation to update, review or revise any of the Information, whether due to new information, future events or otherwise.

Agenda and presenters

Key presenters:

Darren Mann
Group Executive - Finance & Strategy and Chief Financial Officer

Kelly Bayer Rosmarin
Group Managing Director and CEO

Other attendees:

Prue Bowden: Group Executive - Home Health
Dean Chesterman: Group Executive - People & Culture
Mark Gay: Group Executive - Technology
Rebecca Harwood: Group Executive - Health Insurance
Melinda Honig: Group Executive - Governance, General Counsel, Company Secretary and Chief Risk Officer
Paul Ryan: CEO Residential Aged Care & Program Director
Adam Vise: Acting Group Executive - Wealth & Capital Markets
John Georgakopoulos: Acting Group Treasurer & GM Finance Operations

Australian Unity acknowledges the Traditional Owners of the lands and waters within Australia and recognises the important connection to Country that Aboriginal and Torres Strait Islander peoples have.

Executive summary

- Revenue attributable to members of Australian Unity Limited increased from the previous corresponding period
- Further period of significant business transformation investment and activity across the Group, including strategic portfolio adjustments and continued operational and systems improvements
- Achieved system readiness for the implementation of the *Aged Care Act 2024*
- Strengthened Group balance sheet with additional MCI and capital release from Australian Unity Bank Limited’s banking business transfer to Bank Australia Limited
- Earnings across all platforms were lower, reflecting higher expenses driven by inflation-based increases as well as planned transformation and integration activity
- Leadership transition completed, with Kelly Bayer Rosmarin formally commencing in mid-December 2025
- Focus for the remainder of FY2026 is to further progress transformation and integration activities

Overview of Australian Unity

Established in 1840, Australian Unity is Australia's first wellbeing company.

As a social enterprise and mutual, we deliver health, wealth and care services for our members, customers and the community.

Our purpose

To positively impact the wellbeing of millions

Our areas of operation

Health, Wealth & Care

Our vision

To enable Real Wellbeing for our members, customers and community through our portfolio of commercial, sustainable businesses

Our business platforms

Home Health, Insurances, Residential Aged Care and Wealth & Capital Markets

Our organisational pillars

- Member & Customer Focus
- Sustainable Financial Performance
- Community & Social Value
- People Wellbeing & Capability

Transformation status update

We continue to make positive progress on the transformation programs

Pre FY2023

- 185-year history of delivering products and services that support wellbeing
- Broad and large portfolio of underlying businesses
- Portfolio faced increasing regulatory burden and complexity
- Community and Social Value (CSV) impact not formally measured

Transformation progress

FY2024

- Targeted investment to accelerate key growth businesses
- Portfolio repositioning program
- Material acquisitions which added approximately $420m of annualised revenues
- Initiatives to improve operating efficiencies commenced
- Meaningful impact through measurable CSV

FY2025

- Transformation and integration of myHomecare Group and AU Life Bonds businesses
- Strategic transition of technology services
- Further refinement of corporate structure with efficient operating models
- Materially increased CSV impact

HY2026

- Acquired Plena Healthcare and Australian Unity Bank Limited finalised the transfer of its banking business
- Achieved system readiness for the implementation of the *Aged Care Act 2024*
- Progress made in operational and system improvements

Remainder of FY2026

- Further progress transformation and integration activities

HY2026 Group results

Factors impacting performance

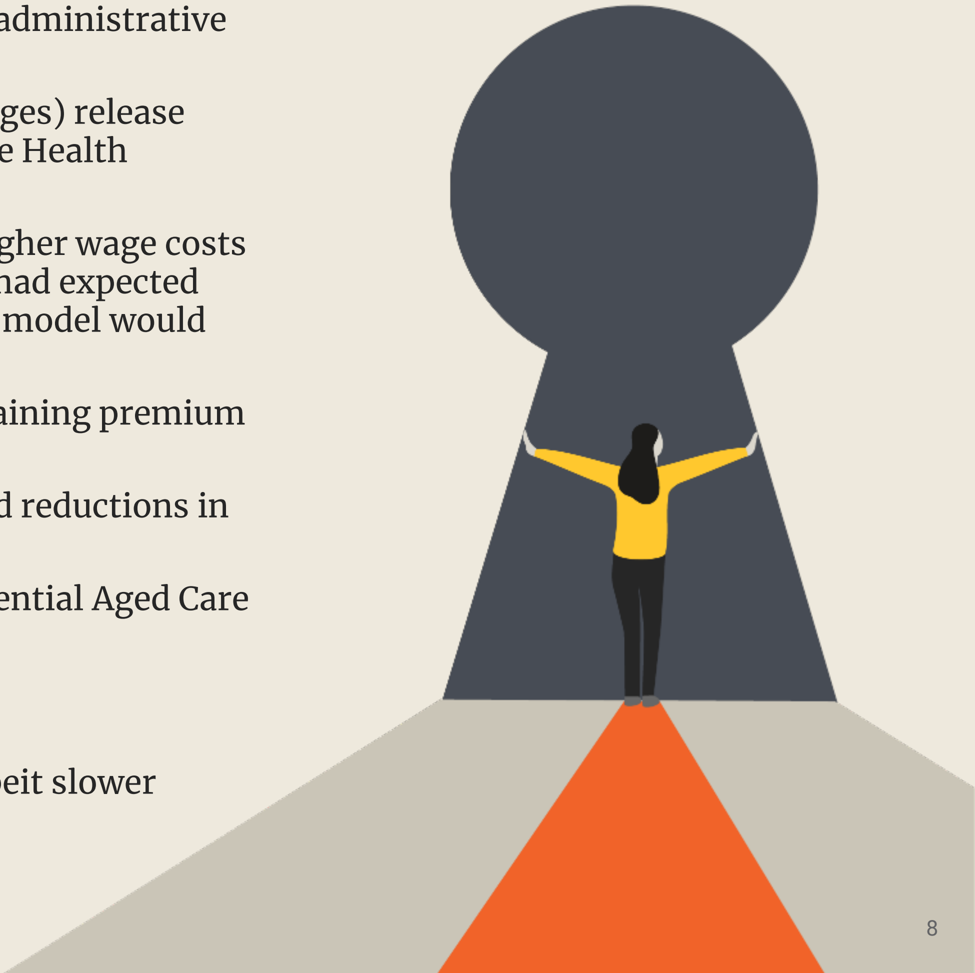
Australian Unity
Real Wellbeing

Industry headwinds experienced across the operating environment

- Introduction of significant regulatory reform across the health and aged care sectors, including:
  - *Aged Care Act 2024* introduction, raising industry standards and increasing costs and administrative burden
  - Support at Home Program funding structures (previously known as Home Care Packages) release postponed from July 2025 to 1 November 2025 – materially impacting timing of Home Health earnings
  - Fair Work – Work Value mandated wage increase from 1 October 2025, resulting in higher wage costs across the Residential Aged Care business. The Group, along with the broader sector, had expected that the government's Australian National Aged Care Classification (ANACC) funding model would offset these higher wage costs, however this has not eventuated
- Ongoing pressure on private health insurers from private hospitals and government constraining premium growth
- Continued cost of living pressures affecting customers, compounded by fewer than expected reductions in interest rates
- Ongoing tightness of the care labour market with main exposure in Home Health and Residential Aged Care businesses

Transformation and integration activities

- Material progress was made on the transformation and integration activities in the half, albeit slower than anticipated
- A further $34.5 million was invested in transformation in the period (31 December 2024: ~ $33.4 million)



HY2026 financial summary

Revenues relatively stable, but earnings impacted by higher expenses driven largely by transformation and integration activity

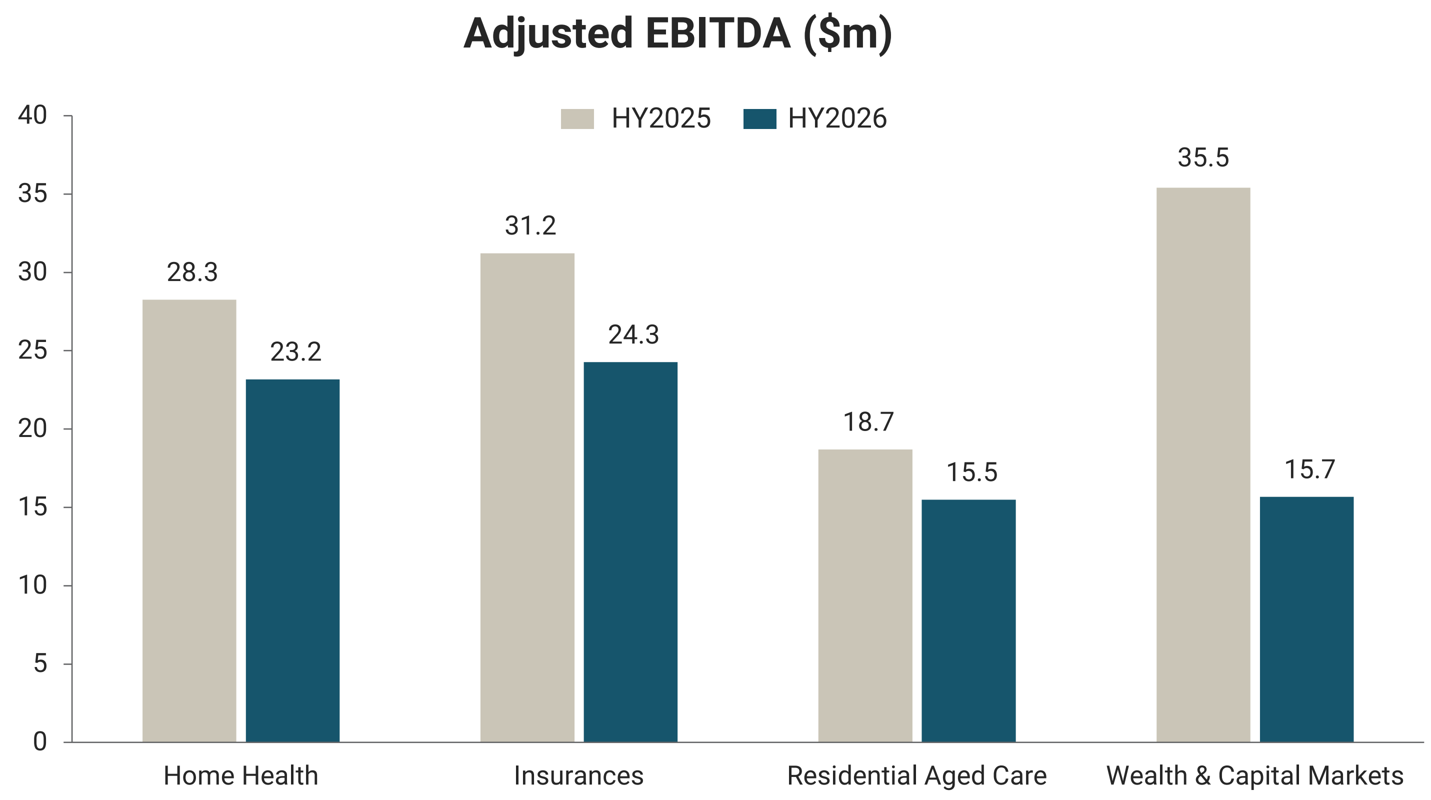
Summary of financial performance – Australian Unity Group

Key financial statistics	HY2026 ($m)	HY2025 ($m)	Variance	
			($m)	(%)
Revenue and other income from continuing operations	**1,130.6**	1,091.2	39.4	3.6
Expenses from continuing operations, excluding finance costs	**(1,116.3)**	(1,040.4)	(75.9)	(6.8)
Adjusted EBITDA from continuing operations	**28.1**	58.0	(29.9)	(51.6)
Operating profit from continuing operations	**14.4**	50.5	(36.1)	(71.5)
Profit/(loss) from continuing operations, after income tax	**(15.8)**	12.9	(28.7)	N/A
Profit/(loss) after income tax	**(16.7)**	11.7	(28.4)	N/A
Total MCI dividend [1]	**19.2** [2]	12.6		

[1] At 31 December 2025 there were 7,693,618 MCIs on issue (31 December 2024: 5,070,950)
[2] Consists of actual dividend declared in February 2026 and dividend determined to be paid in April 2026. The financial effect of the dividend determined to be paid in April 2026 has not been brought to account in the financial statements for the half-year ended 31 December 2025 and will be recognised in subsequent financial reports. The Board has determined an interim fully franked dividend of $2.4932 per MCI to be paid on 15 April 2026

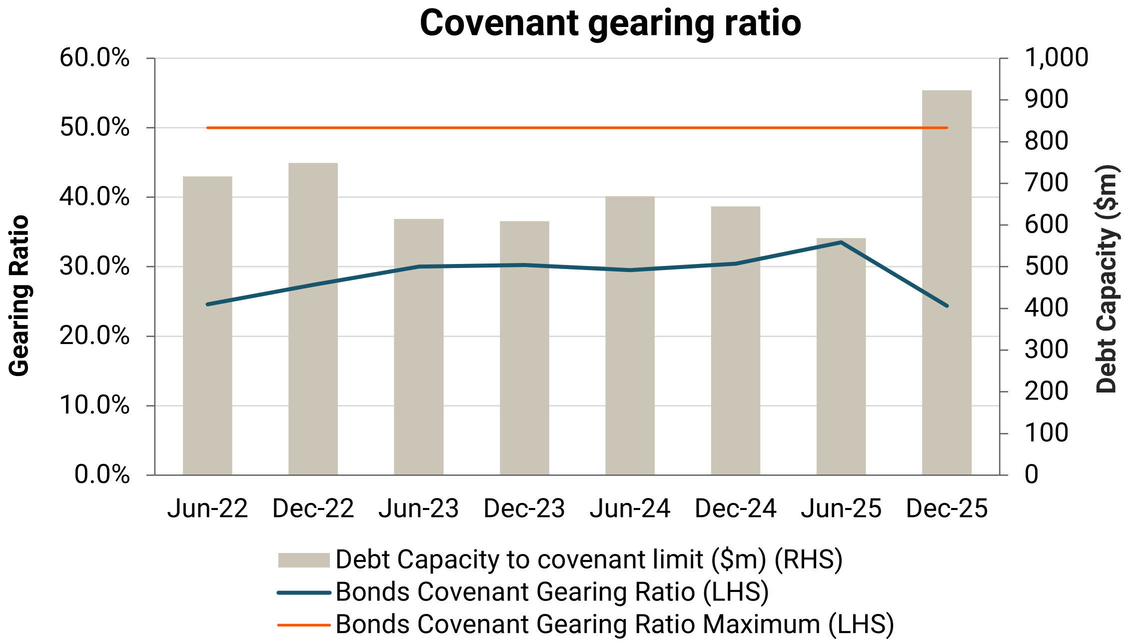
HY2026 platform earnings

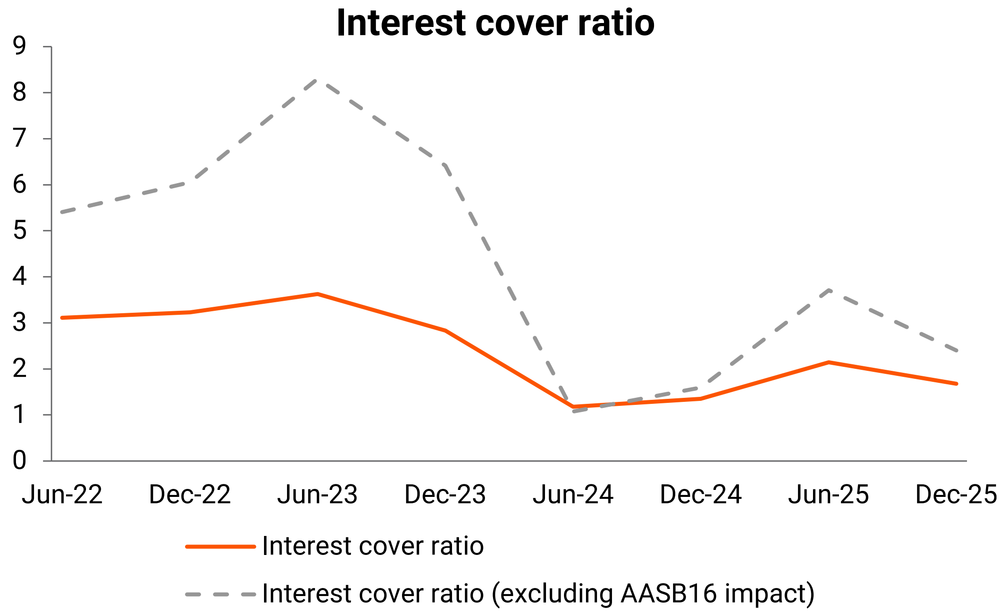
Earnings across each platform declined versus prior corresponding period, impacted by inflation-driven cost increases as well as planned transformation and integration costs



Gearing and interest cover

Gearing position improved following $209.8m issue of Mutual Capital Instruments (MCIs) and $94.5m release of capital from the transfer of Australian Unity Bank Limited's banking business to Bank Australia Limited





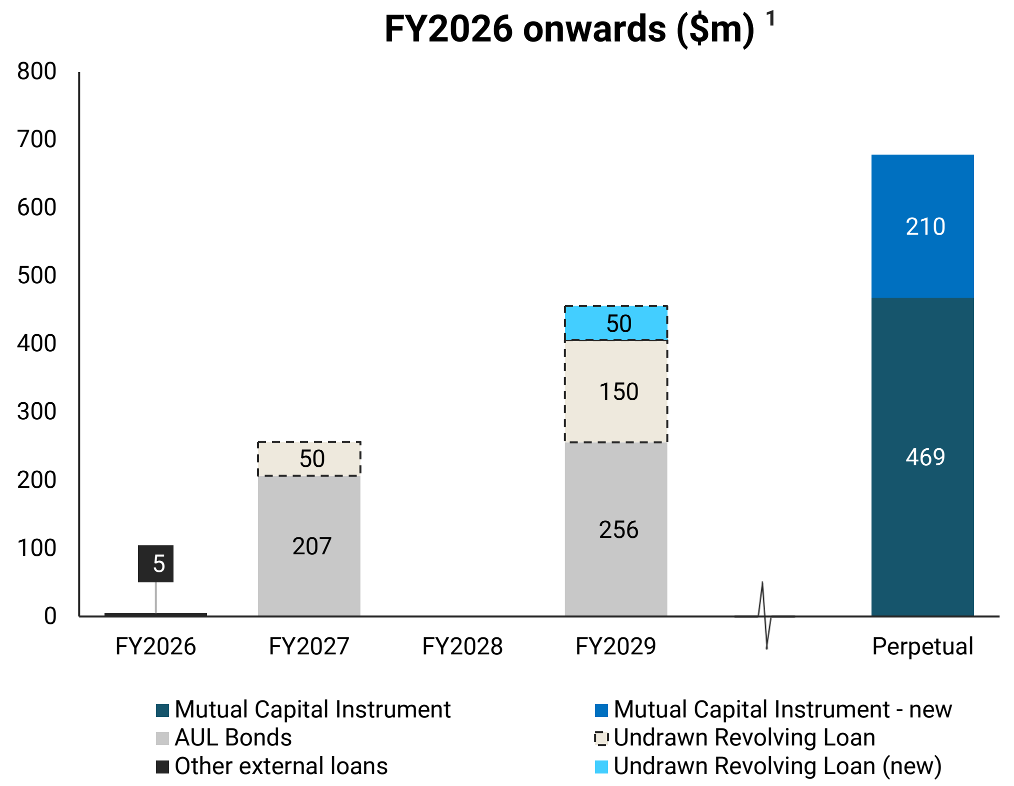
Ratios at 31 December 2025:

- Bonds covenant gearing ratio 24.4% based on covenant gearing calculations. The AUL MCI issuance contributes towards equity in the calculation
- Interest cover ratio 1.68 times, including the impact of AASB16 Leasing. Excluding the impact of AASB16 the interest cover ratio is 2.40 times

Balance sheet and liquidity

Strengthened capital structure and liquidity position

- In July 2025, Australian Unity secured an additional $50m of committed debt facilities and refinanced $100m of committed debt facilities until FY2029
- In August 2025, the development loan of $28m was fully repaid
- In October 2025, Australian Unity issued $209.8m of additional MCIs
- As of December 2025, Australian Unity has a strong liquidity position with $250m of undrawn committed debt facilities and $133.7m of parent entity cash and cash equivalents[2]

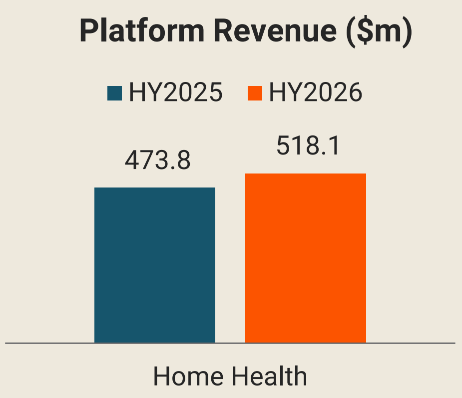


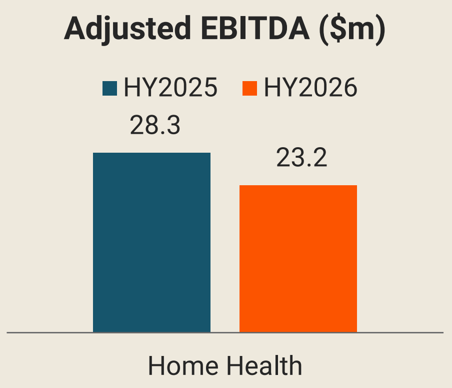
[1] Funding maturity profile shows consolidated interest bearing liabilities at 31 December 2025 that contribute to the Covenant Gearing Ratio debt (excluding Authorised Deposit-Taking Institution (ADI) borrowings) and Australian Unity Limited's MCIs, which contribute towards gearing ratio equity
[2] As per Note 8 of the Consolidated financial statements

Platform performance

Home Health

The platform provides a range of in-home health services designed to meet the ongoing needs of our customers to support them to live independently and to age well at home





Industry dynamics

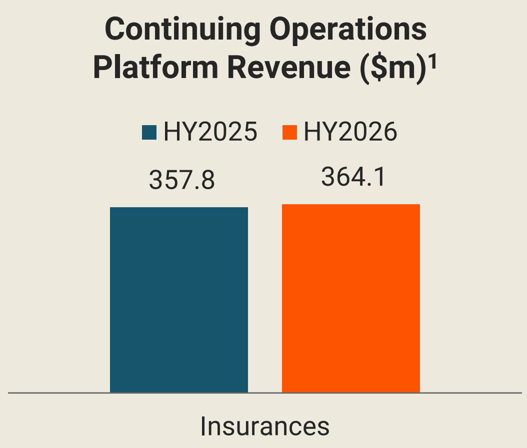
- Commencement of Support at Home on 1 November 2025 (previously known as Home Care packages) saw a wide reduction in the earnings margin per customer
- Lower activity under the Commonwealth Home Support Program (CHSP), with increased volumes of customers being upgraded to Support at Home

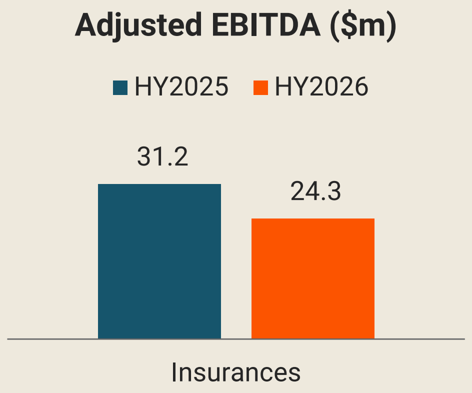
Platform highlights

- Completed settlement of the Plena Healthcare business acquisition on 2 September 2025, directly contributing to revenue and workforce
- Increased the number of customers with support at home funding and the number of hospital substitution programs delivered
- Delivered operational savings associated with ongoing integration of myHomecare clients and staff, and the transformation activities within the business
- Significant non-recurring investments made over several years to address *Aged Care Act 2024* reforms
- Delivered a total 122.6m safe minutes of care, an increase of 3.4% (31 December 2025: 118.6m)

Insurances

The platform brings together Australian Unity's private health insurance (PHI) business and the distribution of general insurance products





Industry dynamics

- Ongoing pressures on private health insurers from private hospitals and government constraining premium growth
- Highly competitive market
- Rise in net private hospital claims costs

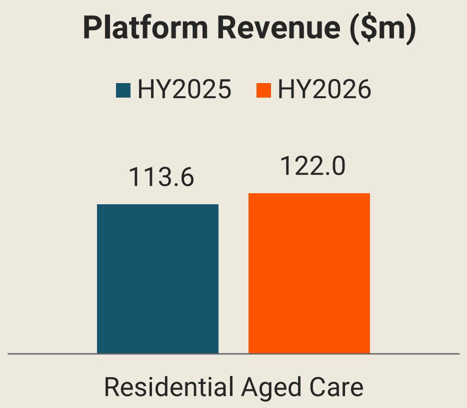
Platform highlights

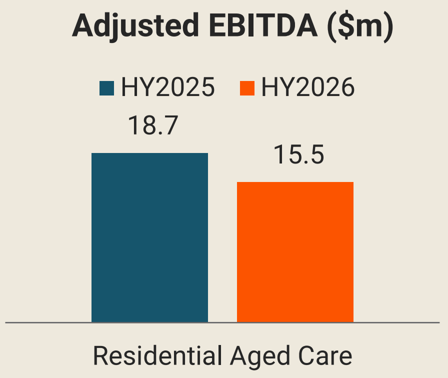
- PHI policyholder numbers remained broadly steady at ~162,000 in highly competitive market conditions
- Financial performance saw a reduction in gross margin, driven primarily by higher private hospital costs and, to a lesser extent, increased utilisation. These dynamics saw gross margins return to pre-pandemic levels, resulting in lower Adjusted EBITDA for the period
- Operating expenses, including claims, increased relative to the prior corresponding period due to the rise in private hospital claims costs. The movement in claims reflects both the higher cost base of private hospital services and a normalisation in member utilisation patterns

[1] Including $1.4m from the distribution of general insurance products (31 December 2024: $1.2m)

Residential Aged Care

The platform owns, operates and develops aged care facilities, delivering comprehensive 24/7 care and accommodation services across 12 facilities in New South Wales, Victoria and Queensland





Industry dynamics

- Aged care reform preparations continued with investment in governance, clinical, consumer engagement and billing systems, alongside training and rostering to meet minimum registered nurse and direct care minute requirements
- Fair Work – Work Value mandated wage increase on 1 October 2025, resulting in higher wage costs
- Anticipated offset of wage increases through the Australian National Aged Care Classification (ANACC) funding model has not been realised

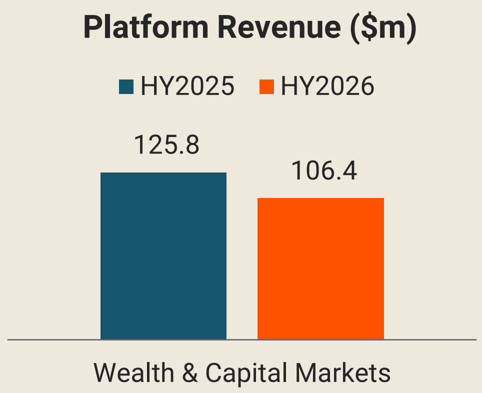
Platform highlights

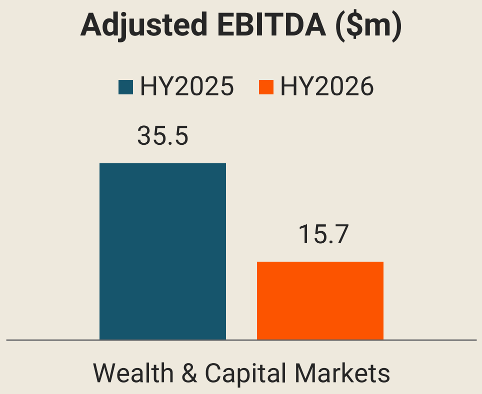
- Occupancy levels averaged 96.7% in mature homes[1]. This was 2.3 percentage points above the sector average of 94.4% percent and 1.3 percentage points above the sector top quartile[2]
- Revenue growth supported by increased occupancy, including the successful sale of the first phase of rooms following the expansion at The Alba in South Melbourne, Victoria
- Operating expenses increased materially, reflecting higher wages, additional care minutes and other wage-related costs

[1] Mature homes are properties that are post full selldown
[2] StewartBrown Aged Care Financial Performance Survey Analysis Report (June 2025): https://www.stewartbrown.com.au/aged-care-articles/stewartbrown-aged-care-financial-performance-survey-analysis-report-june-2025

Wealth & Capital Markets

The platform comprises investment funds, investment bonds, retirement living, social infrastructure and trustees businesses





Platform highlights

- One-off strategic transactions included the divestment of The Oaks Retirement Community in Kilsyth, Victoria and the acquisition of the Herston Quarter's Edith Cavell building in Brisbane, Queensland
- Strategy set in the prior year for the platform to resign as responsible entity of fixed interest and commercial property funds resulted in a decrease in management fees relating to funds under management, administration and advice (FUMAA)
- Reduced revenues as compared with the prior corresponding period are largely due to non-recurring revenues relating to property revaluation activity on parts of the Herston Quarter Precinct and reduced management fees as the business resigned as responsible entity of the Altius Asset Management funds, Talaria Asset Management funds, Australian Unity Real Estate Investment Trust and the Australian Unity Property Income Fund
- Progress made on Australian Unity Life Bonds Pty Ltd (AULBL) integration to existing investment bonds business
- Civil penalty proceedings issued by ASIC against Australian Unity Funds Management Limited (the responsible entity of the Select Income Fund) have concluded
- Retirement living portfolio achieved 86 resale settlements, a 7.5% increase on prior year (31 December 2025: 80 resale settlements). At 31 December 2025, occupancy levels remained consistent with 30 June 2025 levels at 94.3%

Strategic update and outlook

Strategic update and outlook

- In recent years, Australian Unity has been engaged in a significant transformation, investing in systems and re-reshaping its portfolio towards a sustainable set of businesses
- The transition to new leadership will include a review of the operating model to ensure the business is robust to seize future opportunities
- Further progress of our transformation and integration programs will continue during the remainder of FY2026

Appendix

Terminology

- **Adjusted EBITDA:** In assessing the performance of its operating business segments, the Group uses a measure of adjusted earnings before interest, tax, depreciation and amortisation (Adjusted EBITDA). As the name indicates, this measure excludes the effects of tax, depreciation and amortisation, interest on external borrowings and investment income. It also excludes the impact of benefit funds, discontinued operations, Group overheads and other material non-recurring revenue and expenditure. A reconciliation between Adjusted EBITDA and profit/(loss) before income tax from continuing operations is set out in Note 2 (c) to the Consolidated financial statements. For the purposes of the financial performance in the Operating and Financial Review, the Group Adjusted EBITDA is the sum of the platform Adjusted EBITDA plus the Corporate Functions

- **Consolidated revenue and expenses:** include the impact of benefit funds operated by the Group, which are required to be consolidated for statutory reporting purposes, however, have nil impact on the Group's profit or loss. A reconciliation of profit between that attributable to members of Australian Unity Limited (AUL) and that attributable to benefit fund policyholders is set out in Note 18 to the Consolidated financial statements.

- **Continuing operations:** Comparative information has been reclassified to reflect the impact of a discontinued operation. In November 2024, Australian Unity Bank Limited signed an agreement to transfer its banking business to Bank Australia. The transfer was completed in November 2025. Full details are set out in Note 20 to the Consolidated financial statements

- **Interest cover ratio:** Interest cover ratio is not a debt covenant and is included for illustrative purposes, the value is calculated on a rolling 12-month basis, and includes transformation costs included in the Statutory result for HY2026 and FY2025

Australian Unity

Real Wellbeing