

ASX Announcement

23 April 2024



MA Financial Group operating update and successful bond issuance

MA Financial Group Limited (“the Group”; ASX: MAF) updates Asset Management fund flows for the three months to 31 March 2024 (1Q24) and other key operational highlights for the quarter, as outlined below.

1Q24 operational highlights

- Record 1Q gross fund inflows of \$514 million, up 43% on 1Q23
- Assets under management (AUM) up 20% on 1Q23 to \$9.6 billion
- Net inflows of \$367 million, up 74% on 1Q23
- Finsure grew its managed loans and added a net 131 new brokers to its technology platform
- MA Money loan book up 294% on 1Q23 to \$1.1 billion
- Successfully completed \$55m unsecured note offering

In 1Q24, the Group continued to experience positive underlying business momentum, including strong Asset Management fund inflows, ongoing growth in Finsure managed loans and broker numbers plus accelerating MA Money loan volumes.

However, the challenging macroeconomic environment continues to subdue transactional activity, impacting corporate advisory activity, transaction, and performance fees. The Group continues to invest in future growth initiatives consistent with prior market disclosure. The impact of this investment spend will be heavily weighted to the first half in FY24 as the Group builds its US-based distribution capability and continues to bring MA Money’s lending platform to scale.

Asset Management

- Gross fund inflows of \$514 million received in 1Q24, up 43% compared with 1Q23 and the highest ever received by MAF's funds in the first quarter of the year.
- Gross inflows continue to be highlighted by strong investor interest in the Group's Private Credit funds.
- The Group continued to experience strong and consistent growth in flows from domestic clients.
- Gross inflows into SIV compliant funds were less than 1% of total 1Q24 gross inflows, in line with the negligible contribution in FY23.
- AUM grew to \$9.6 billion on 31 March 24, up from \$8.0 billion at 1Q23 and \$9.2 billion at 31 December 23.

FUND FLOWS	1Q24		1Q23	
	Gross	Net	Gross	Net
Total flows (\$m)	514	367	360	210

Lending and Technology

- The Group's mortgage aggregation and technology platform business, Finsure, grew the number of brokers using its platform to 3,260 at 31 March 2024, up 20% on a year earlier.
- Finsure managed loans rose to \$112 billion at 29 February 2024, up slightly from 31 December 2023 during a seasonally quieter period.
- The Group's residential mortgage business, MA Money, grew its loan book to \$1.1 billion by 31 March 2024, up 294% from a year earlier.
- Competitive pressures in the Australian mortgage market remain elevated, however MA Money remains on track to deliver a breakeven earnings run rate during 2H24. Cost of funding pressures are likely to impact MA Money's net interest margin in 1H24 before abating in 2H24 as the business achieves scale and utilises existing wholesale warehouse funding capacity.

Lending & Technology	1Q24 ¹	FY23	1Q23 ²
Finsure brokers on platform	3,260	3,129	2,719
Finsure managed loans (\$b)	112	110	92
MA Money loan book (\$m)	1,092	829	277

Corporate Advisory and Equities

- The transaction pipeline in the Corporate Advisory (CA) business remains strong with good activity levels in the business.
- Activity remains heavily weighted to M&A, highlighted by the Group's role on as exclusive advisor to Ansarada Group on its sale to Datasite, A2B on its sale to ComfortDelGro Corporation and Hiway Group on its sale to Direct Capital.
- However, the operating environment remains challenging which makes execution timing more uncertain, consistent with the broader investment banking market.

[\\$55 million senior unsecured note offering closes oversubscribed³](#)

The Group is also pleased to announce that it has successfully closed a \$55 million offering of senior unsecured notes ("Notes").

The Notes were priced at 4.85% above 3-month BBSW, have a maturity date of 18 April 2028 and settled on 18 April 2024. MA Financial will use the net cash proceeds of the Notes issue to refinance an existing corporate bond, due in May 2024, and for general corporate purposes to support ongoing growth initiatives.

Accessing the AUD wholesale debt markets provides an extension of the Group's debt maturity profile and enhanced balance sheet flexibility to support future growth. Ord Minnett was the sole lead manager of the Notes.

Authorised for release by Joint CEOs MA Financial Group Limited, Chris Wyke and Julian Biggins.

For further information, please contact:

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¹ Finsure 1Q24 managed loans data is as at 29 February 2024

² Finsure 1Q23 managed loans data is as at 29 February 2023

³ The offer was only open to eligible professional and sophisticated investors in accordance with Part 6D.2 of the Corporations Act 2011 (Cth).