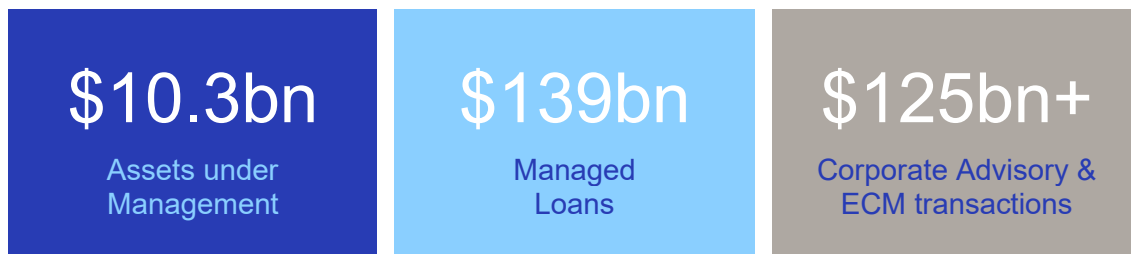


ASX Announcement

20 February 2025



MA Financial delivers FY24 financial result

MA Financial Group Limited (the Group; MA Financial; ASX: MAF) is pleased to present its financial results for the 12 months to 31 December 2024:

Operational highlights

- Record annual fund inflows, with \$2.7b of total capital raised. Gross inflows of \$2.2 billion, up 27% on FY23, plus an additional \$500 million of institutional committed capital
- Assets under Management (AUM) up 12% on FY23 to \$10.3 billion
- Asset Management recurring revenue margin increased to 1.61% in 2H24, slightly ahead of guidance
- Finsure managed loans up 26% on FY23 to \$139 billion, as broker market share continues to grow
- MA Money loan book grew 155% on FY23 to \$2.1 billion. Became profitable in 2H24, slightly ahead of expectation. Net interest margin (NIM) expanded to 1.4% in 2H24
- Corporate Advisory fees up 16% on FY23 to \$50 million, with market conditions gradually improving
- In advanced stages of finalising commitments for the remaining \$500 million in the initial \$1bn target for the Real Estate Credit partnership with Warburg Pincus
- Underlying Earnings (EBITDA) headwind from growth investment spending anticipated to slow from \$13 million in FY24 to \$10 million in FY25, primarily focused on US Private Credit platform
- Underlying EPS is anticipated to be materially higher in FY25 than FY24, with earnings skew to 2H expected to continue in FY25.

Financial results

- Underlying revenue of \$306.6 million up 14% on FY23
- Underlying recurring revenue up 7% on FY23, representing 62% of total Underlying revenue
- Underlying EBITDA of \$87.1 million, up 7% on FY23
- Underlying EPS of 26.1 cents, up 1% on FY23. (Statutory EPS up 46% to 26.0 cents)
- Fully franked final dividend of 14 cents per share, payable on 20 March 2025. FY24 dividends of 20 cents per share, fully franked, in line with FY23

MA Financial Group

Strong growth momentum across all business divisions

MA Financial today announced its financial result for FY24, highlighted by Underlying recurring revenue growth, record Asset Management fund inflows, improved transactional activity, ongoing growth in Finsure and accelerating loan volume growth for MA Money. MA Financial is performing strongly, with positive momentum across each of the Group's business divisions resulting in 35% EPS growth from 1H24 to 2H24.

Underlying revenue increased by 14% on FY23 to \$306.6 million, supported by growth right across the MA platform.

- Asset Management revenue was up 8%, driven by strong growth in Private Credit funds and improved transactional activity in 2H24
- Lending & Technology revenue was up 36%, as MA Money's growth accelerated and Finsure continued to rapidly grow its managed loans and the number of brokers using its technology platform
- Corporate Advisory & Equities revenue was up 15%, as activity levels improved in 2H24

Underlying EBITDA of \$87.1 million was up 7% on FY23. Expenses were up 17% reflecting the Group's investment into strategic growth initiatives. The Group's substantial investment into scaling MA Money is now adding to Underlying net profit after tax (NPAT). Growing the Group's United States based Private Credit business together with investment into brand awareness of MA Financial remain important strategic initiatives. Excluding investment spend, expenses were up 10%, largely driven by broad inflationary pressures.

The benefit of this investment in growth was seen in 2H24 as MA Money delivered a small profit after being a \$4.1 million Underlying EBITDA headwind in 1H24. MA Money is growing rapidly as demonstrated by its 123% Underlying revenue growth in the six months from 1H24 to 2H24.

FY24 Underlying NPAT of \$42.1 million and Underlying EPS of 26.1 cents were both up 1% on FY23, impacted by a 38% increase in net interest expense, as the Group refinanced debt maturities with two successful public note issuances in FY24, worth a combined \$110 million.

The Board has declared a fully franked final dividend of 14 cents per share, taking the FY24 dividends to 20 cents per share, in line with FY23. Since listing at \$2.35 per share in 2017, MA Financial will have paid to its shareholders an aggregate of \$1.12 per share in fully franked dividends.

Joint CEOs Julian Biggins and Chris Wyke said: *"We are very pleased with the strong momentum witnessed right across our business in the second half of 2024. Our Assets under Management and Loan books continue to grow rapidly and the transactional environment is slowly improving after a difficult period."*

Underlying EPS in FY25 is expected to be materially higher than FY24. We believe that the Group is in great shape and ready to deliver strong earnings growth into the future."

Key financial tables

UNDERLYING RESULTS ¹	FY24	FY23	GROWTH	STATUTORY RESULTS ¹	FY24	FY23	GROWTH
Revenue	\$306.6m	\$269.9m	14%	Revenue ²	\$576.7m	\$392.8m	47%
Expenses	\$219.5m	\$188.3m	17%	Expenses ³	\$256.0m	\$218.6m	17%
EBITDA	\$87.1m	\$81.6m	7%	EBITDA ⁴	\$320.7m	\$174.2m	84%
Net profit after tax	\$42.1m	\$41.6m	1%	Net profit after tax	\$41.8m	\$28.5m	47%
Earnings per share	26.1¢	26.0¢	1%	Earnings per share	26.0¢	17.8¢	46%
EBITDA margin	28.4%	30.2%	(1.8 pps)	Dividend per share	20.0¢	20.0¢	-
Return on equity	10.7%	10.5%	0.2 pps				
Cash & undrawn facilities ⁵	\$120.0m	\$123.1m	(3%)				

¹ Refer to slides 48 - 50 in the FY24 Result presentation for a reconciliation of Statutory to Underlying results

² Statutory Revenue refers to total income on the consolidated statement of profit or loss and other comprehensive income

³ Statutory Expenses excludes depreciation, amortisation and finance costs

⁴ Statutory EBITDA is not a recognised IFRS measure but has been presented to give a comparable measure to the Underlying result

⁵ Represents Operating Balance Sheet cash plus undrawn amount of bank working capital facility which is subject to covenant conditions (FY24:\$80m; FY23: \$80m). Refer to page 41-42 in the FY24 Result presentation for details of the Operating Balance sheet

MA Financial operates in three core areas:

- Asset Management
- Lending & Technology
- Corporate Advisory & Equities

Asset Management

Record Annual Fund inflows fuelled by strong growth in contributions from domestic investors

Asset Management contributed 74% of the Group's Underlying EBITDA (before corporate costs) in FY24. Underlying EBITDA was up 1% on FY23 to \$83.2 million as strong growth in Credit funds income and transaction-based revenue was offset by strategic investment in the Group's US Private Credit Platform and new Singapore distribution channel. These investments are anticipated to significantly benefit future earnings.

Asset Under Management (AUM) were up 12%, or \$1.1 billion, to \$10.3 billion over the 12 months to 31 December 2024. Total gross fund inflows of \$2.2 billion (excluding institutional) were up 27% on FY23, highlighted by continued strong demand for MA Private Credit funds. Including institutional capital, gross inflows were up 42% to \$2.7 billion on FY23, including \$500 million of capital committed to the newly established Australian Real Estate Credit Vehicle with Warburg Pincus.

Inflows from domestic channels continued to grow very strongly as the Group's funds are increasingly benefitting from positive research ratings, their presence on investment platforms and inclusion in adviser group model portfolios. In FY24, gross inflows from domestic channels were up 36% on FY23 to \$1.5 billion, which accounted for 67% of total inflows (ex. institutional).

Good progress has been made to increase the institutional contribution to inflows, led by the positive response to the Real Estate credit partnership with Warburg Pincus, which attracted \$500 million of commitments in 2H24. The Group is currently in the advanced stages of finalising commitments for the remaining \$500 million in the initial \$1 billion target for the raising.

Lending & Technology

Finsure technology platform & MA Money delivering strong growth – growing market share

Finsure continues to grow strongly, increasing managed loans on its tech-enabled aggregation platform by 26% on FY23 to \$139 billion. The number of brokers using its platform rose 20% to 3,746 over the year to 31 December 2024, increasing its broker market share to 17%. Middle technology also continues to be adopted by more mortgage brokers and has now assisted over 50,000 customers on its platform and is processing approximately \$100 million of loan applications per day.

MA Money continues to build momentum in the Australian residential mortgage market, with loan book growth accelerating alongside an improving NIM. Its loan book was up 155% on FY23 to \$2.1 billion and NIM improved over the year rising from 1.1% in 1H24 to 1.4% in 2H24 as funding costs reduced and competitive pricing pressures eased. The business reached break-even monthly earnings in September and delivered a small profit in 2H24, ahead of expectations. It remains on track to deliver NPAT of \$15 million to \$20 million in FY26.

Corporate Advisory & Equities

Increased M&A activity and capital solution work lifts Corporate Advisory fees

Corporate Advisory fees were up 16% to \$50 million, reflecting positive activity levels in M&A and capital solutions work. Equity capital markets (ECM) activity was subdued, however showed signs of improving momentum late in the year and into early FY25. Equities commissions were up 12% from FY23 to \$5.8 million amid improved market conditions in 2H24.

The transaction pipeline remains robust and the business has had a positive start to FY25, however deal timeframes remain elongated and the operating environment still creates risk around timing and execution.

Post balance date activity and outlook

Underlying business momentum continued into early FY25. Key highlights for the business have been:

- Continued strength in fund inflows with an additional \$617 million of gross flows (net inflows \$404 million¹) achieved in the first seven weeks of FY25. These fund inflows include commitments by investors for the successful and upscaled \$330 million raising (\$290 million net of co-investment by existing MA Funds) for the MA Credit Income Trust (ASX: MA1) which will list on the ASX on 5 March 2025.
- Commenced marketing of new US Fund, MA Specialty Credit Income Fund, direct to US investors.
- Redcape Hotel Fund continues to build strong momentum
 - acquired three new hotel venues in South-East Queensland for a combined \$79 million
 - cleared all outstanding investor redemptions and upgraded its 1Q25 distribution target to 2.5 cents per unit, a 25% increase on 1Q24
- MA Money growth continues to accelerate with over \$300 million of loan settlements over FY25 to date, relative to \$170 million of settlements in the corresponding period in FY24.
- Finsure continued its positive growth as strong loan settlement volumes in December carried into January
- Positive start for Corporate Advisory, with ECM conditions improving, highlighted by successful \$290 million raising for Generation Development Group (ASX: GDG). Also added a new senior resource in Power & Utilities banking.

Underlying EPS in FY25 is expected to be materially higher than FY24 as MA Money transitions to a profitable earnings contribution and all divisions continue to demonstrate positive momentum. The Group's earnings skew to 2H is expected to continue in FY25. In FY25 the Group anticipates:

- Continued growth of Asset Management fund inflows
- Underlying recurring revenue margin in Asset Management to improve in FY25, remaining relatively consistent with the 2H24 margin
- Performance and transaction fees to remain below long-term trends given market uncertainty
- Ongoing growth in Finsure's revenue and MA Money to build profitability
- Corporate Advisory revenue per executive to be at the lower end of the Group's \$1.1 million to \$1.3 million target productivity range
- Earnings headwind from investment in strategic growth initiatives, to reduce to \$10 million (FY24: \$13 million). The focus of investment will shift from MA Money to building the US Private Credit platform and delivering on the multibillion-dollar AUM opportunity in the world's largest credit market.

This outlook commentary is subject to market conditions, the timing and completion of Corporate Advisory transactions and no material regulatory change.

In accordance with Listing Rule 3.16.4, variation to CEO remuneration arrangements will be varied as disclosed in the FY24 Remuneration Report²

A conference call for analysts and investors will be held at 11:00am (AEDT) today with Joint CEOs, Julian Biggins and Chris Wyke and CFO, Giles Boddy. You can access the webcast of the event at this link:

<https://webcast.openbriefing.com/maf-fyr-2025/>

Authorised for release by a Sub-Committee of the Board of MA Financial Group Limited

For further information, please contact:

Investors:

Michael Leonard
+61 466 773 093
michael.leonard@mafinancial.com

Media:

Jeremy Steven
+61 432 798 078
jeremy@honner.com.au

¹ Includes \$75 million of outflows from MA Redcape Hotel Fund to clear all redemption requests on an accelerate basis

² Refer to summary at Section 2 Table 4 of FY24 Remuneration Report.