RESIMAC GROUP LTD

Appendix 4D

Financial report
for the half-year ended 31 December 2024

ABN: 55 095 034 003

ASX : RMC

RESULTS FOR ANNOUNCEMENT TO THE MARKET

(All comparisons to half-year ended 31 December 2023 "HY24")	$'000	Up/ down	Movement from HY24 %
Revenue from ordinary activities	**525,783**	Up	3%
Statutory profit from ordinary activities after tax attributable to members	**13,529**	Down	33%
Total comprehensive income for the period attributable to members	**20,565**	Up	22%

DIVIDENDS	Amount per share (cents)	Franked amount per security (cents)
Interim FY25 dividend declared (24 February 2025)	**3.50**	**3.50**
Final FY24 dividend paid (20 September 2024)	**3.50**	**3.50**
	7.00	**7.00**
Previous corresponding period:		
Interim FY24 dividend paid (19 March 2024)	3.50	3.50
Final FY23 dividend paid (20 September 2023)	4.00	4.00
	7.50	7.50

Record date for determining entitlements to the dividend	6 March 2025
Date the interim dividend is payable	21 March 2025

Dividend Reinvestment Plan

The Company's Dividend Reinvestment Plan (DRP) was suspended in April 2022 and did not apply to any interim and final dividends proposed or paid since April 2022.

1) Previous corresponding period

The previous corresponding period is the half-year ended 31 December 2023, unless otherwise stated.

2) Net tangible assets per security

Net tangible assets per security is $1.18 (HY24: $0.94).

3) Explanation of results

This information should be read in conjunction with the Resimac Group Ltd 2024 Annual Report and with any public announcements made in the period by the Group in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and the ASX Listing Rules.

The information provided in this report contains all the information required by ASX Listing Rule 4.2A.

Normalised earnings

The Group generated a statutory net profit after tax (NPAT) of $13,529,000 for the period ended 31 December 2024. To reflect the Group's normalised earnings, the NPAT has been adjusted to remove non-recurring costs and one-off gains/losses. Management are of the opinion the disclosure of the normalised NPAT provides additional insight into the underlying performance for the year, by excluding one off, non-recurring items.

The following table reconciles the normalised earnings to the statutory NPAT for the year in accordance with International Financial Reporting Standards (IFRS).

	HY25 $'000
Statutory NPAT	13,529
Dividend income from listed equity investment	(282)
Fair value gain on unlisted equity investment	(1,290)
Other net cost – Gain/loss on lease modification, professional fees and restructuring cost	739
Tax effect of normalised items	250
Normalised NPAT	12,946

HY25 normalised NPAT excluding net fair value losses on derivatives (net of tax) is $14,988,000.

4) Details of associates and joint venture entities

The Company did not have any associates and joint venture entities during the period.

5) Set of accounting standards used for foreign entities in compiling this report

The foreign entities of the company comply with Australian Accounting Standards (AASB).

6) Review

This report is based on the condensed consolidated half-year financial report reviewed by Deloitte Touche Tohmatsu.

7) Commentary on results for the period

Commentary on results for the period is contained in the press release accompanying this statement.

Wayne Spanner
Chair and Independent Non-Executive Director

Sydney
24 February 2025

DIRECTORS' REPORT
RESIMAC GROUP LTD AND ITS CONTROLLED ENTITIES

The Directors of Resimac Group Ltd ("Resimac" or "the Company") submit herewith the financial report of Resimac and its controlled entities ("the Group") for the half-year ended 31 December 2024. In order to comply with the provisions of the *Corporations Act 2001*, the directors report as follows:

Directors

The names of the Directors holding office at any time during or since the end of the half-year are:

Name	Position	Term
Wayne Spanner	- Chair, Non-Executive Director - Independent Non-Executive Director	- With effect from 19 November 2024 - Until 19 November 2024
Warren McLeland	- Deputy Chair, Non-Executive Director - Chairman, Non-Executive Director	- With effect from 19 November 2024 - Until 19 November 2024
Susan Hansen	- Executive Director - Independent Non-Executive Director	- With effect from 9 July 2024 - Until 8 July 2024
Duncan Saville	Non-Executive Director	Full Term
Caroline Waldron	Independent Non-Executive Director	Full Term

Key management personnel

The KMP are the people who have the authority and responsibility for planning, directing, implementing and controlling the activities of the Resimac business. The KMP are all of the above Directors and:

Name	Position	Term as KMP
Current		
Susan Hansen	Interim Chief Executive Officer (CEO)	With effect from 9 July 2024
Scott McWilliam	Chief Executive Officer (CEO)	Resigned with effect from 1 September 2024
Andrew Marsden	Chief Treasury Officer (CTO)	Full Term
Pete Lirantzis	Chief Strategy & Innovation Officer (CSIO)	Full Term
James Spurway	Chief Financial Officer (CFO)	Full Term
Majid Muhammad	Chief Information Officer (CIO)	Resigned with effect from 30 November 2024

On 2 December 2024, the Group announced that Mr. Pete Lirantzis will be appointed as CEO in the first half of the 2025 calendar year and will take over from Ms. Susan Hansen who will step down as Interim CEO after the expected completion of the purchase of a portfolio of auto loan receivables and leases from Westpac Banking Corporation.

DIRECTORS' REPORT
RESIMAC GROUP LTD AND ITS CONTROLLED ENTITIES

Review of operations

Net interest income decreased 15% to $78,798,000 on the previous corresponding period (PCP) driven by higher cost of funds over non-conforming assets.

Operating expenses increased 12% to $43,238,000 on PCP driven by higher employment costs and other operating expenses.

The Group's total home loan settlements were $2.4 billion, up 20% on PCP. Settlements growth was driven by higher system activity and introduction of a pricing campaign to stimulate application and drive Assets Under Management (AUM) growth.

The Group's total Assets Under Management (AUM) of $14.2 billion at 31 December 2024 comprise:

- On balance sheet home loans and advances to customers of $13.0 billion, up 1% compared to 30 June 2024; and
- On balance sheet asset finance loans of $1.2 billion, up 9% compared to 30 June 2024.

Macroeconomic environment

Australia's economy experienced ongoing pressures throughout 2024, with declining business growth and rising company insolvencies impacting households and business lending. In November 2024, over 1,400 Corporate insolvencies were recorded, marking one of the highest monthly figures on record. While elevated cash rates have been effective in curbing inflation, this contributed to a slowdown in economic activity. GDP growth for the September 2024 quarter was 0.3%, being the third consecutive quarter of minimal expansion. This slowdown is largely driven by subdued household spending as consumers grapple with lower disposable income and lacklustre business growth.

Despite these external pressures, the Group has remained focused on internal strategies to drive business performance. In the six months leading up to December 2024, the Group recorded growth in both the home loans and asset finance portfolios. The home loans portfolio quality remains resilient, demonstrated by lower arrears rates compared to the industry, and a marginal increase in coverage for bad debts. The Asset finance portfolio has surpassed $1.2 billion in AUM, and continued to diversify product offerings. Asset finance delinquencies have increased in line with the industry, resulting in higher provisioning aligned with portfolio growth. This represents 132bps (FY24: 86bps) collective provision coverage of asset finance AUM. This is a key area of focus for the Group as we bolster collections and recovery activities to mitigate risks and maintain portfolio health.

On 18 February 2025, the RBA announced a cash rate cut of 0.25%, which will be a welcome relief to the economy and potentially stimulate the lending market.

By streamlining our processes, continued digitilisation and maintaining a disciplined approach to risk management, we are well-positioned to navigate the current economic environment and consistently deliver value to our stakeholders. We also remain committed to working with our customers experiencing financial difficulties.

Funding programmes

During the period ended 31 December 2024, AUD $2.0 billion (equivalent) of new RMBS were issued to facilitate AUM growth, optimise term duration and funding costs.

The Group maintains sufficient cash and working capital reserves, including cash deposits, a committed revolving corporate facility and liquid investments, in order to meet its expense and proprietary funding obligations.

Auditor's independence declaration

The auditor's independence declaration is included on page 40 of this financial report.

DIRECTORS’ REPORT
RESIMAC GROUP LTD AND ITS CONTROLLED ENTITIES

Subsequent events

Change of registered address

Resimac Group’s registered office address was changed to Level 22, 201 Kent Street, Sydney NSW 2000 post the office relocation on 13 January 2025.

Related party loans

On 4 February 2025, a short term loan of NZD 10 million was granted from a subsidiary of Resimac Group to UIL Limited, a related entity on market terms.

Financial dividend declared

The Board of Resimac Group Ltd declared a fully-franked interim dividend of 3.50 cents per share. The Record Date is 6 March 2025. The payment date will be 21 March 2025. The dividend has not been provided for in this financial report.

Rounding off of amounts

Unless otherwise indicated, the Company has rounded off amounts in this Directors’ report and the half-year financial report to the nearest thousand dollars in accordance with *ASIC Corporations Instrument 2016/191*.

Signed in accordance with a resolution of the directors made pursuant to s.306 (3) of the *Corporations Act 2001.*

On behalf of the Directors of Resimac Group Ltd.

Wayne Spanner
Chair and Independent Non-Executive Director

Sydney
24 February 2025

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

	Note	**HY25 $'000**	HY24 $'000
Interest income	1	**516,106**	**504,686**
Interest expense	2	**(437,308)**	**(412,216)**
Net interest income		**78,798**	**92,470**
Fee and commission income	1	**5,719**	**2,575**
Fee and commission expense	2	**(8,523)**	**(16,715)**
Fair value gains on derivatives	1	**-**	**419**
Fair value losses on derivatives	2	**(2,889)**	**(8,780)**
Fair value gain on unlisted equity investment	1	**1,290**	**-**
Other income	1	**2,668**	**396**
Employee benefits expense	2	**(27,837)**	**(24,776)**
Other expenses	2	**(15,401)**	**(13,731)**
Loan impairment expense	2	**(14,770)**	**(2,445)**
Profit before tax		**19,055**	**29,413**
Income tax expense		**(5,526)**	**(9,038)**
PROFIT AFTER TAX		**13,529**	**20,375**
Attributable to:			
Owners of the parent		**13,529**	**20,265**
Non-controlling interest		**-**	**110**
		13,529	**20,375**

	Note	**HY25 cents per share**	HY24 cents per share
Earnings per share			
Basic	13	**3.38**	**5.07**
Diluted	13	**3.36**	**5.06**

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

	Note	HY25 $'000	HY24 $'000
PROFIT AFTER TAX		**13,529**	**20,375**
Other comprehensive income, net of income tax			
Items that will not be reclassified subsequently to profit or loss:			
Fair value movement on equity investments in listed companies through OCI, net of tax		12,395	(219)
Items that may be reclassified subsequently to profit or loss:			
Changes in fair value of cash flow hedges		(6,810)	(5,424)
Tax effect		1,995	1,607
Currency translation differences		(544)	534
Other comprehensive income for the period, net of tax		7,036	(3,502)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		20,565	16,873
Attributable to:			
Owners of the parent		20,565	16,763
Non-controlling interest		-	110
		20,565	16,873

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

	Note	**HY25 $'000**	FY24 $'000
ASSETS			
Cash and cash equivalents	3	**910,764**	870,999
Trade and other receivables		**7,030**	5,061
Current tax receivable		**9,870**	6,309
Loans and advances	4	**14,333,347**	14,097,505
Contract assets	1	**8,006**	9,569
Other financial assets	5	**47,172**	18,655
Derivative financial assets	17	**55,005**	47,597
Right-of-use assets	6	**283**	5,554
Plant and equipment		**578**	735
Other assets		**3,854**	870
Deferred tax assets		**-**	3,472
Goodwill and intangible assets	7	**30,844**	28,379
		15,406,753	15,094,705
LIABILITIES			
Trade and other payables	8	**15,948**	27,192
Interest-bearing liabilities	9	**14,824,011**	14,415,581
Lease liabilities	10	**446**	7,368
Other financial liabilities	11	**86,031**	85,864
Derivative financial liabilities	17	**51,149**	135,639
Other liabilities		**593**	596
Provisions		**5,037**	6,104
Deferred tax liabilities		**1,571**	-
		14,984,786	14,678,344
NET ASSETS		**421,967**	416,361
EQUITY			
Share capital	14	**174,186**	173,916
Reverse acquisition reserve	14	**(61,541)**	(61,541)
Total issued capital		**112,645**	112,375
Reserves	12	**(17,585)**	(23,686)
Retained earnings	12	**326,907**	327,361
Equity attributable to owners of the parent		**421,967**	416,050
Non-controlling interest	12	**-**	311
		421,967	416,361

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

	Share capital	Reverse acquisition reserve[1]	Total issued capital	Reserves[2]	Retained earnings	Attributable to owners of the parent	Non-controlling interest	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Balance as at 1 July 2023	**173,531**	**(61,541)**	**111,990**	**(19,589)**	**322,872**	**415,273**	**110**	**415,383**
Profit for the period	-	-	-	-	20,265	20,265	110	20,375
Other comprehensive income, net of income tax	-	-	-	(3,502)	-	(3,502)	-	(3,502)
Total comprehensive income for the period	-	-	-	(3,502)	20,265	16,763	110	16,873
Share buyback	(1,474)	-	(1,474)	-	-	(1,474)	-	(1,474)
Equity dividends	-	-	-	-	(16,027)	(16,027)	-	(16,027)
Treasury shares	1,408	-	1,408	-	-	1,408	-	1,408
Share-based payments	-	-	-	(636)	-	(636)	-	(636)
Balance at 31 December 2023	**173,465**	**(61,541)**	**111,924**	**(23,727)**	**327,110**	**415,307**	**220**	**415,527**
Balance as at 1 July 2024	**173,916**	**(61,541)**	**112,375**	**(23,686)**	**327,361**	**416,050**	**311**	**416,361**
Profit for the period	**-**	**-**	**-**	**-**	**13,529**	**13,529**	**-**	**13,529**
Other comprehensive income, net of income tax	**-**	**-**	**-**	**7,036**	**-**	**7,036**	**-**	**7,036**
Total comprehensive income for the period	**-**	**-**	**-**	**7,036**	**13,529**	**20,565**	**-**	**20,565**
Acquisition of non-controlling interest in subsidiary	**-**	**-**	**-**	**(1,210)**	**-**	**(1,210)**	**(311)**	**(1,521)**
Share buyback	**-**	**-**	**-**	**-**			**-**	**-**
Equity dividends	**-**		**-**		**(13,983)**	**(13,983)**	**-**	**(13,983)**
Treasury shares	**270**	**-**	**270**	**-**	**-**	**270**	**-**	**270**
Share-based payments	**-**		**-**	**275**	**-**	**275**	**-**	**275**
Balance at 31 December 2024	**174,186**	**(61,541)**	**112,645**	**(17,585)**	**326,907**	**421,967**	**-**	**421,967**

1 As a result of reverse acquisition accounting on the Resimac/Homeloans merger, an equity account was created as a component of equity. This account called 'Reverse acquisition reserve' is similar in nature to share capital. The Reverse acquisition reserve is not available for distribution.

2 Comprises cash flow hedge reserve, foreign currency translation reserve, fair value reserve, share-based payment reserve and other reserve. Refer to note 12 for more detail.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

	Note	HY25 $'000	HY24 $'000
Cash flows from operating activities			
Interest received		535,268	511,456
Interest paid		(445,061)	(410,711)
Receipts from loan fees and other income		11,882	12,419
Payments to suppliers and employees		(98,860)	(83,953)
(Payments)/Receipts of net loans from borrowers		(247,148)	411,520
Income tax paid		(7,498)	(8,910)
Net cash (used in) / from operating activities		(251,417)	431,821
Cash flows from investing activities			
Net payment for plant and equipment		(161)	-
Payment for acquisition of subsidiary/loan portfolio	18	(2,732)	(14,799)
Cash acquired on additional acquisition of subsidiary/loan portfolio		216	6,773
Payment for new investments (short term deposit)		-	(1,982)
Proceeds from disposal of listed equity investment		8,480	-
Dividend income from listed equity investments		198	158
Net cash from / (used in) investing activities		6,000	(9,850)
Cash flows from financing activities			
Proceeds from borrowings		6,599,220	5,164,360
Repayment of borrowings		(6,284,069)	(5,582,894)
Proceeds from exercise of share options		-	488
Payment of lease liabilities		(982)	(928)
Swap receipts		3,538	8,600
Payment of dividends		(13,983)	(16,027)
Net loan to related entity		(18,000)	-
Payment for share buybacks		-	(1,474)
Net cash from / (used in) financing activities		285,724	(427,875)
Net increase / (decrease) in cash and cash equivalents		40,307	(5,904)
Cash and cash equivalents at the beginning of the period (1 July)		870,999	1,085,417
Effects of exchange rate changes on cash balances held in foreign currencies		(542)	503
Cash and cash equivalents at the end of the period	3	910,764	1,080,016

Statement of compliance

The half-year financial report is a general purpose condensed financial report which:

- has been prepared in accordance with the requirements of the *Corporations Act 2001*, and AASB 134 *Interim Financial Reporting;*
- compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*; and
- does not include notes of the type normally included in an annual financial report and shall be read in conjunction with the most recent annual financial report.

Basis of preparation

The condensed consolidated financial statements have been prepared on the basis of historical cost, except for certain financial instruments which have been measured at fair value. All amounts are presented in Australian dollars unless otherwise noted.

The Company is an entity of the kind referred to in *ASIC Corporations* (Rounding in Financial/Directors' Reports) Instrument 2016/191, and in accordance with that amounts in the Directors' Report and the financial statements are rounded off to the nearest thousand dollars, unless otherwise indicated.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Group's 2024 annual financial report for the financial year ended 30 June 2024, except for the impact of the Standards and Interpretations described below. The changes in accounting policies will also be reflected in the Group's consolidated financial statements as at and for the year ending 30 June 2025. These accounting policies are consistent with Australian Accounting Standards (AAS) and with International Financial Reporting Standards (IFRS).

Amendments to Accounting Standards that are mandatorily effective for the current reporting period

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to the Group's operations and mandatorily effective on or after 1 July 2024.

The new and revised Standards and Interpretations adopted during the period do not materially affect the Group's accounting policies or any of the amounts recognised in the condensed consolidated financial statements.

Change in accounting policy

At 30 June 2024, the Resimac Group revised its accounting treatment of ongoing trail commission payable to mortgage brokers. The Group had recognised a liability within 'Other financial liabilities' equal to the present value of expected future trail commission payments, and a corresponding increase in capitalised brokerage costs/transactions costs within 'Loans and Advances'. This change in presentation had also resulted in the impact of payments to mortgage brokers being included in the effective interest rate applied in 'Interest Income'. Such payments were previously disclosed in Fee and Commission expense in the Statement of Profit and Loss.

The comparatives in the consolidated statement of profit or loss and other comprehensive income in this financial report have not been revised for this change in accounting presentation as the impact is not material to the financial statements.

Change in accounting estimate

As of 30 June 2024, Resimac Group's impairment policy for the asset finance segment involved writing off all loans that were past due by more than 180 days. On 1 July 2024, the Group updated its accounting process to decrease the past-due threshold to 120 days. This adjustment will be implemented by gradually reducing the threshold by 5 days each month until it reaches 120 days by 30 June 2025. As of 31 December 2024, the write-off threshold was 150 days.

Standards and Interpretations in issue not yet adopted

Certain new accounting standards and interpretations have been published that are not effective for the 31 December 2024 reporting period and have not been early adopted by the Group.

Standard/amendment	Effective for annual reporting periods beginning on or after
AASB 2023-5 *Amendments to Australian Accounting Standards – Lack of Exchangeability*	1 July 2025
AASB 2024-2 *Amendments to Australian Accounting Standards – Classification and Measurement of Financial Instruments*	1 January 2026
AASB 18 *Presentation and Disclosure in Financial Statements*	1 January 2027

The condensed notes to the condensed consolidated financial statements

The notes include information required to understand the financial statements and is material and relevant to the operations, financial position and performance of the Group. Information is considered material and relevant if, for example:

- the amount in question is significant because of its size or nature;
- it is important for understanding the results of the Group;
- it helps to explain the impact of significant changes in the Group's business – for example, acquisitions and impairment write-downs; or
- it relates to an aspect of the Group's operations that is important to its future performance.

The notes are organised into the following sections:

Key numbers: provides a breakdown of individual line items in the financial statements that the Group consider most relevant and summarises the accounting policies, judgements and estimates relevant to understanding these line items;

Capital: provides information about the capital management practices of the Group and shareholder returns for the year;

Risk: details the Group's exposure to various financial risks, explains how these affect the Group's financial position and performance and what the Group does to manage these risks;

Group structure: explains aspects of the Group structure and how changes have affected the financial position and performance of the Group;

Unrecognised items: provides information regarding items not recognised in the financial statements but could potentially have an impact on the Group's financial position and performance; and

Other: provides information on items which require disclosure to comply with AAS and other regulatory pronouncements, however, are not considered critical in understanding the financial performance or position of the Group.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, the Group is required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements. Actual results may differ from these estimates.

a) Critical judgements in applying the entity's accounting policies

The following are the critical judgements and estimates that the Group has made in the process of applying the Group's accounting policies and have the most significant effect on the amounts recognised in the financial statements. The critical judgements and estimates adopted in the preparation of the half-year financial report are consistent with those adopted in the Group's 2024 annual financial report for the financial year ended 30 June 2024.

- Goodwill impairment;
- Net present value of expected future trail commission payable for on balance sheet loans; and
- Impairment of financial assets.

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a risk of causing a material adjustment to the carrying amounts of the assets and liabilities within the next financial year.

Goodwill impairment

The Group has performed an assessment of the indicators of impairment of goodwill at the reporting date. Refer to note 7.

Impairment of financial assets

The calculation of the impairment provision on financial assets is based on:

- objective evidence of impairment for a portfolio of financial assets using the Group's future expected credit loss model; and
- observable changes in economic conditions that correlate with default on receivables.

Judgements are required on key concepts such as whether there has been a significant increase in credit risk, measurement of lifetime expected credit loss and forward-looking assumptions. Difference in key judgements and estimates may impact the amount of provision on financial assets recognised in the statement of financial position and impairment expense recognised in the statement of profit and loss.

Net present value of expected future trail commission payable for on balance sheet loans

On initial recognition of a mortgage loan at origination the Group recognises a trail commission financial liability which is recognised based on the net present value of expected future trailing commission payable to brokers.

Subsequent to initial recognition the trail commission liability is measured at amortised cost. A corresponding trail commission asset is capitalised to the loan as a transaction cost.

The Group has identified three reportable segments based on the nature of the products and services provided, the type of customers for those products and services, the geographies where the business operates and the existence of discrete and separate reporting and management teams. The internal reports of the reportable segments are regularly reviewed by the Board and executive management team (the Chief Operating Decision makers) in order to allocate resources to the segment and to assess its performance.

The Group's reportable segments under AASB 8 *Operating Segments* are therefore as follows:

1. Home Loan Lending business

Represents the mortgage distribution and lending businesses currently captured under the Resimac and homeloans.com.au brands.

The segment contains the Australian mortgage based income and expense. It incorporates the new business settled through the Australian distribution channels, the margin net of funding costs of the on balance sheet home loan portfolios, and the upfront and trail commission relating to both Resimac's mortgage portfolio and from funders on the non-principally funded loans (white label loan portfolio).

2. New Zealand Lending business

Whilst the nature of the customers and products are similar to the Australian Home Loan Lending segment, given the different jurisdiction and market conditions, management believe it is appropriate to distinguish the result of New Zealand (NZ) from Australia.

Separating the Australian and NZ trading business is supported by the NZ segment monthly management reporting to the Chief Operating Decision Maker, separate regulatory requirements/oversight, and staff solely accountable for the NZ business.

On 20 June 2024, the Group announced to the market that Resimac would cease to accept new home loan applications in New Zealand from 1 July 2024. Resimac is committed to fully service its existing New Zealand customers, and any customers in the pipeline, and transition to a servicing business model in the financial period ending 30 June 2025. Management anticipate that the New Zealand Lending business segment will reduce overtime with the underlying portfolio remaining in runoff. Going forward, the importance of this segment to the Group will reduce.

3. Asset Finance Lending business

The Group's fully owned subsidiary Resimac Asset Finance (RAF) specialises in Australian based lending solutions that span across auto finance, equipment finance and secured business loans.

In the prior half-year financial periods the Asset Finance Lending business was reported within the Home Loan Lending business segment. The annual financial reporting year ended 30 June 2024 is the first financial period the Asset Finance Lending business had been identified as a separate reporting segment. The prior period comparatives have been restated to reflect the Asset Finance Lending business as a separate reporting segment for comparison purposes.

Separating the Home Loan and Asset Finance Lending businesses is supported by RAF segment monthly management reporting to the Chief Operating Decision Maker and the recent business growth in this segment.

Corporate costs relating to this segment (i.e. employment costs) are incurred by the Group. For the purposes of segment reporting these corporate costs are allocated to this segment.

The financial information of the Home Loan, New Zealand and Asset Finance Lending reportable segments are prepared using accounting policies consistent with the Group.

The following is an analysis of the Group's revenue and results by reportable operating segments:

	HOME LOAN LENDING		NEW ZEALAND LENDING		ASSET FINANCE LENDING		CONSOLIDATED	
	HY25	HY24	**HY25**	HY24	**HY25**	HY24	**HY25**	HY24
	$'000	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000
Revenue from external customers	**441,732**	439,120	**21,841**	28,250	**62,210**	40,706	**525,783**	508,076
Total segment revenue	**441,732**	439,120	**21,841**	28,250	**62,210**	40,706	**525,783**	508,076
Segment results before fair value (losses)/gains on derivatives, fair value gain on unlisted equity investment, interest, tax, depreciation, amortisation, finance costs and impairment	**405,719**	401,921	**20,295**	25,405	**56,122**	34,680	**482,136**	462,007
Fair value gain on unlisted equity investment	**1,290**	-	**-**	-	**-**	-	**1,290**	-
Fair value gain/(losses) on derivatives	**(1,232)**	(6,830)	**(999)**	(2,350)	**(658)**	400	**(2,889)**	(8,780)
Interest expense	**(378,396)**	(360,636)	**(17,911)**	(24,652)	**(41,001)**	(26,928)	**(437,308)**	(412,216)
Depreciation and amortisation	**(1,021)**	(1,113)	**(57)**	(39)	**-**	-	**(1,078)**	(1,152)
Loan impairment	**240**	1180	**(1,318)**	(184)	**(13,692)**	(3,441)	**(14,770)**	(2,445)
Financing costs	**(4,948)**	(5,171)	**(321)**	(427)	**(3,057)**	(1,844)	**(8,326)**	(7,442)
Segment results before income tax	**21,652**	29,351	**(311)**	(2,247)	**(2,286)**	2,867	**19,055**	29,413
Income tax expense[1]							**(5,526)**	(9,038)
PROFIT AFTER TAX							**13,529**	20,375

1. Income tax expense is disclosed on a consolidated basis, not by reportable operating segment.

The following is an analysis of the Group's assets and liabilities by reportable operating segment:

	HOME LOAN LENDING		NEW ZEALAND LENDING		ASSET FINANCE LENDING		CONSOLIDATED	
	HY25	FY24	**HY25**	FY24	**HY25**	FY24	**HY25**	FY24
	$'000	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000
Segment assets excl. tax	**13,548,549**	13,302,511	**556,148**	634,641	**1,292,186**	1,147,772	**15,396,883**	15,084,924
	13,548,549	13,302,511	**556,148**	634,641	**1,292,186**	1,147,772	**15,396,883**	15,084,924
Segment liabilities excl. tax	**(13,181,624)**	(12,950,324)	**(509,058)**	(584,503)	**(1,292,533)**	(1,143,516)	**(14,983,215)**	(14,678,344)
Net assets/(liabilities) excl. tax	**366,925**	352,187	**47,090**	50,138	**(347)**	4,256	**413,668**	406,580
Tax assets[2]							**9,870**	9,781
Tax liabilities[2]							**(1,571)**	-
NET ASSETS							**421,967**	416,361

2. Tax assets and liabilities are disclosed on a consolidated basis, not by reportable operating segment.

1. Revenue

1.1 Revenue streams

The Group generates revenue primarily from interest income and other fee income.

	HY25 $'000	HY24 $'000
Interest income		
Loans and advances	503,170	488,577
Bank deposits	12,676	15,744
Discount unwind on NPV of trail commission	260	365
	516,106	504,686
Fee and commission income (Revenue from contracts with customers)	5,719	2,575
Fair value gains on derivatives		
Fair value gains on overnight index swaps	-	419
	-	419
Fair value gain on unlisted equity investment	1,290	-
Other income		
Dividend income	282	208
Gain on modification of office lease	1,433	-
Other	953	188
	2,668	396
Total revenue	525,783	508,076

1.2 Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by primary geographical market, major service lines and timing of revenue recognition. The table also includes a reconciliation of the disaggregated revenue with the Group's reportable segments (See "Segment Information" on page 16).

1. **Revenue** (continuation)

	HOME LOAN LENDING		NEW ZEALAND LENDING		ASSET FINANCE LENDING		CONSOLIDATED	
	HY25	HY24	**HY25**	HY24	**HY25**	HY24	**HY25**	HY24
	$'000	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000
Fee and commission income								
Mortgage origination	**(3)**	(27)	**-**	-	**99**	67	**96**	40
Loan management	**318**	(878)	**-**	-	**-**	-	**318**	(878)
Lending fee income	**2,201**	1,724	**256**	150	**2,848**	1,539	**5,305**	3,413
	2,516	819	**256**	150	**2,947**	1,606	**5,719**	2,575
Timing of revenue recognition								
Service transferred at a point in time	**2,516**	819	**256**	150	**2,947**	1,606	**5,719**	2,575
Revenue from contracts with customers	**2,516**	819	**256**	150	**2,947**	1,606	**5,719**	2,575
Interest income	**435,316**	438,055	**21,589**	28,092	**59,201**	38,539	**516,106**	504,686
Fair value gains on derivatives	**-**	19	**-**	-	**-**	400	**-**	419
Fair value gain on unlisted equity investment	**1,290**	-	**-**	-	**-**	-	**1,290**	-
Other income	**2,610**	227	**(4)**	8	**62**	161	**2,668**	396
External revenue as reported in segment information	**441,732**	439,120	**21,841**	28,250	**62,210**	40,706	**525,783**	508,076

1. **Revenue** (continuation)

1.3 Assets related to contract with customers

The Group has recognised the following assets related to contracts with customers.

	HY25 $'000	FY24 $'000
Contract assets – present value of future trail commission receivable		
Current	**2,771**	3,548
Non-current	**5,235**	6,021
	8,006	9,569

2. Expenses

	HY25	HY24
	$'000	$'000
Interest		
Bond and warehouse facilities	**431,332**	404,649
Amortisation – facility issuance costs	**5,285**	4,761
Discount unwind on NPV of trail commission	**(1,254)**	179
Corporate facility	**1,795**	2,480
Interest on lease liabilities	**61**	147
Other	**89**	-
	437,308	412,216
Fee and commission		
Loan management	**197**	9,373
Borrowing commitment costs	**1,992**	2,154
RMBS costs	**6,334**	5,288
Discharge fee refund provision release	**-**	(100)
	8,523	16,715
Employee benefits		
Remuneration, bonus, superannuation and on-costs	**27,387**	24,578
Share-based payments	**450**	198
	27,837	24,776
Fair value losses on derivatives		
Fair value losses on interest rate swaps	**2,889**	8,780
	2,889	8,780
Other		
Marketing	**861**	1,070
Technology expenses	**6,194**	5,545
Audit and other professional fees	**2,172**	1,348
Rent and occupancy costs	**922**	537
Insurance[1]	**1,226**	1,308
Depreciation and amortisation	**287**	335
Depreciation charge of right-of-use assets	**791**	817
Unrecoverable GST	**1,735**	1,384
Other	**1,213**	1,387
	15,401	13,731
Loan impairment expense		
Loan impairment provision	**17,055**	3,004
Loan recoveries	**(2,285)**	(559)
	14,770	2,445
	506,728	478,663

1. Resimac paid an annual insurance premium to a related party in relation to Directors & Officers (D&O) Liability insurance, the insurance premiums charged were at arm's length market terms and conditions.

3. Cash and cash equivalents

	HY25 $'000	FY24 $'000
Cash at bank and on hand	**37,835**	53,904
Cash collections account [1]	**872,929**	817,095
	910,764	870,999

1. Cash collections account includes monies in the Special Purpose Vehicles and securitisation trusts on behalf of Funders in those trusts and various clearing accounts. These funds are restricted and not available for operational use.

4. Loans and advances

	HY25 $'000	FY24 $'000
Loans and advances	**14,389,897**	14,147,514
Less: allowance for expected credit losses	**(56,550)**	(50,009)
	14,333,347	14,097,505
Current	**4,316,969**	4,244,254
Non-current	**10,072,928**	9,903,260
	14,389,897	14,147,514

	HY25 $'000			FY24 $'000		
	Home Loan and NZ Lending	**Asset Finance Lending**	**Total Group**	**Home Loan and NZ Lending**	**Asset Finance Lending**	**Total Group**
Allowances for ECL[2]						
Collective allowance	**37,933**	**16,363**	**54,296**	36,676	9,434	46,110
Specific allowance	**1,212**	**1,042**	**2,254**	1,688	2,211	3,899
	39,145	**17,405**	**56,550**	38,364	11,645	50,009
Movement in allowances for ECL[2]						
Balance at 1 July	**38,364**	**11,645**	**50,009**	42,466	3,378	45,844
Provided/(written back) for during the year						
- Specific	**(14)**	**8,883**	**8,869**	943	7,836	8,779
- Collective	**1,257**	**6,929**	**8,186**	(3,995)	6,818	2,823
	1,243	**15,812**	**17,055**	(3,052)	14,654	11,602
Write-offs	**(462)**	**(10,052)**	**(10,514)**	(1,050)	(6,387)	(7,437)
Balance at 31 Dec / 30 June	**39,145**	**17,405**	**56,550**	38,364	11,645	50,009

2. Comparative movement in allowances for ECL are for a 12 month period.

4. Loans and advances (continuation)

Impairment and provisioning

AASB 9 requires an Expected Credit Loss model (ECL) at each reporting date to reflect changes in credit risk since initial recognition of the loans and advances. The ECL model forecasts expected credit loss incorporating macroeconomic forecasts and portfolio performance over the previous 48 months for home loans portfolio and 36 months for asset finance portfolio. The Group provisioning policy and methodology is referenced in Note 22 and 23 of the FY24 annual report. As at 31 December 2024, the Group increased the Collective Provision by 18% (home loans portfolio by 3% and asset finance portfolio by 73%) from 30 June 2024. This represents a 29bps (FY24: 28bps) and 132bps (FY24: 86bps) collective provision coverage of home loans and asset finance AUM, respectively.

The increase in home loans provisioning is due to increase in AUM compounded by increase in arrears and the number of customers that are in Financial Assistance. The increase in asset finance provisioning is largely due to portfolio growth of 28% and the impact of increased write-offs and arrears.

The following table summarises the loans and advances and the expected credit loss by stage and risk category:

Maximum exposure to credit risk[1]	Stage 1 - Collective $'000	Stage 2 - Collective $'000	Stage 3 - Collective $'000	Stage 3 - Specific $'000	Total $'000
Balance as at 31 December 2024					
Loans and advances					
- Mortgage lending	**12,009,892**	**812,680**	**200,188**	**6,519**	**13,029,279**
- Asset finance lending	**1,213,982**	**19,890**	**2,102**	**3,068**	**1,239,042**
- Commercial lending	**234**	**-**	**-**	**-**	**234**
Total	**13,224,108**	**832,570**	**202,290**	**9,587**	**14,268,555**
Balance as at 30 June 2024					
Loans and advances					
- Mortgage lending	12,167,811	633,662	106,590	5,049	12,913,112
- Asset finance lending	1,091,178	11,032	1,111	5,559	1,108,880
- Commercial lending	245	-	-	-	245
Total	13,259,234	644,694	107,701	10,608	14,022,237

[1] Excludes certain capitalised costs.

Expected credit loss	Stage 1 - Collective $'000	Stage 2 - Collective $'000	Stage 3 - Collective $'000	Stage 3 - Specific $'000	Total $'000
Balance as at 31 December 2024					
Loans and advances					
- Mortgage lending	**8,101**	**18,484**	**11,348**	**1,212**	**39,145**
- Asset finance lending	**8,321**	**6,329**	**1,713**	**1,042**	**17,405**
- Commercial lending	**-**	**-**	**-**	**-**	**-**
Total	**16,422**	**24,813**	**13,061**	**2,254**	**56,550**
Balance as at 30 June 2024					
Loans and advances					
- Mortgage lending	9,269	20,264	7,143	1,688	38,364
- Asset finance lending	5,499	3,263	672	2,211	11,645
- Commercial lending	-	-	-	-	-
Total	14,768	23,527	7,815	3,899	50,009

4. Loans and advances (continuation)

The majority of the Group's exposure to loans and advances is limited, as they are legally owned by securitisation trusts with limited recourse to the Group. Losses on mortgage loans in these entities are therefore limited to the Group's investment in notes in these trusts and the residual income rights of trusts. The trust structures are designed such that losses are covered by the income generated from the assets within the trust before the investment notes are impaired.

The following table summarises the movement in credit exposures:

	Stage 1 - Collective $'000	Stage 2 - Collective $'000	Stage 3 - Collective $'000	Stage 3 - Specific $'000	Total $'000
Allowances for ECL					
Balance as at 30 June 2024	14,768	23,527	7,815	3,899	50,009
Net transfer between stages	3,156	(3,413)	362	(105)	-
Stage 1 - Collective	-	(2,404)	(507)	(245)	(3,156)
Stage 2 - Collective	2,404	-	954	55	3,413
Stage 3 - Collective	507	(954)	-	85	(362)
Stage 3 - Impaired	245	(55)	(85)	-	105
Net re-measurement on transfers between stages	(4,372)	3,852	4,452	584	4,516
Impact of transfers between stages and re-measurement	13,552	23,966	12,629	4,378	54,525
Net Financial Assets Originated	3,514	546	167	74	4,301
Movements in existing individually assessed provisions and write-backs	-	-	-	840	840
Write-offs				(10,514)	(10,514)
Discharges/Other	(644)	301	265	7,476	7,398
Balance as at 31 December 2024	16,422	24,813	13,061	2,254	56,550
Credit Exposure					
Balance as at 1 July 2024	13,259,234	644,694	107,701	10,608	14,022,237
Net transfers between stages and financial assets originated/repaid	(35,126)	187,876	94,589	9,493	256,832
Write-offs	-	-	-	(10,514)	(10,514)
Balance as at 31 December 2024	13,224,108	832,570	202,290	9,587	14,268,555

5. Other financial assets

	Note	HY25 $'000	FY24 $'000
Equity in ASX Listed Companies (FVTOCI)	16	**24,372**	15,145
Equity in Unlisted Companies (FVTPL)	16	**4,800**	3,510
Loan to related entities[1]	16	**18,000**	-
		47,172	18,655
Current		**18,000**	-
Non-current		**29,172**	18,655
		47,172	18,655

1. Resimac provided short-term interest bearing loans of $18 million to related parties. Interest is charged on arm's length terms.

6. Right-of-use assets

	HY25 $'000	FY24 $'000
Lease - buildings		
Balance at the beginning of the period	**5,554**	7,323
Modification	**(4,479)**	(156)
Depreciation	**(791)**	(1,626)
Foreign exchange	**(1)**	13
Balance at the end of the period	**283**	5,554
Lease - buildings		
Right-of-use assets at cost	**9,418**	14,100
Less: accumulated depreciation	**(9,135)**	(8,546)
Total right-of-use assets	**283**	5,554

The Group recognises a right-of-use asset and a lease liability at the lease commencement date in the consolidated statement of financial position. The right-of-use asset is initially measured at cost, and subsequently at cost less accumulated depreciation and impairment losses, and adjusted for certain remeasurements of the lease liability. Depreciation of right-of-use asset is recognised in the consolidated statement of profit and loss. Under AASB 16 *Leases*, right-of-use assets are tested for impairment in accordance with AASB 136 *Impairment of Assets*.

See Note 20.2 for details relating to the new office lease.

7. Goodwill and intangible assets

	HY25	FY24
	$'000	$'000
Goodwill		
Balance at beginning of the period	**28,379**	28,379
Additional accounts recognised from business combinations	**-**	-
Balance at end of the period	**28,379**	28,379
Other Intangible assets		
Capitalisation of cost incurred for the development of on-premise systems and software	**2,465**	-
Toal Intangible assets at end of the period	**30,844**	28,379

Impairment of goodwill

At 31 December 2024, the Group has performed an assessment of the indicators of impairment of goodwill, which included consideration of the impact of the macroeconomic environment. Goodwill of $21.7 million has been allocated for impairment assessment purposes to the Home Loan Lending Business (HLLB) cash-generating unit (CGU). This CGU is expected to benefit from the synergies of the business combination to which that goodwill relates and is the lowest level at which goodwill is allocated. RAF goodwill of $6.7 million is considered a separate CGU and has been separately assessed for impairment testing.

Indicators of impairment

The indicators of impairment have been considered by management. These include both internal and external sources of information such as:

- significant changes (historical and future) in the market, economic, legal or technological environment which would have an adverse impact on the Group;
- decline in market capitalisation below the carrying value of net assets;
- interest rate changes which impact the discount rate used in modelling;
- evidence of a worsening financial position;
- plans to discontinue operations; and
- macro economic conditions.

As at 31 December 2024, Management observed the market capitalisation of the Group being lower than the carrying amount of the Group's net assets. Whilst this is considered an indicator of impairment, the impairment assessment performed by management indicates the recoverable amounts of all CGU's remains higher than the carrying amounts resulting in no impairment in HY25.

There were no other indicators of impairment as at 31 December 2024.

Other intangible assets

Intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives.

The other intangible assets relate to costs incurred for the development of software code that enhances, modifies and creates additional capability, to on-premise systems for the onboarding of new products connected with the intended portfolio acquisition from Westpac Banking Corporation. These costs meet the definition of and recognition criteria for an intangible asset and are recognised as intangible software assets.

8. Trade and other payables

	HY25 $'000	FY24 $'000
Current		
Revenue collected in advance[1]	**-**	6,694
Commissions payable	**6,455**	5,799
Accruals	**5,742**	9,793
Other creditors	**3,751**	4,906
	15,948	27,192

1. Revenue collected in advance has been reclassified from trade and other payables to loans and advances (Note 4).

9. Interest-bearing liabilities

	HY25 $'000	FY24 $'000
Debt securities on issue	**14,567,105**	14,082,694
Corporate debt facilities	**20,000**	39,000
Issuance facilities	**236,906**	293,887
	14,824,011	14,415,581
Current	**4,447,203**	4,324,674
Non-current	**10,376,808**	10,090,907
	14,824,011	14,415,581

The amounts due and payable on the secured debt facilities within the next 12 months are disclosed as current based on a forecast amortisation profile of the underlying loan receivables.

Debt securities on issue

Debt securities on issue consist of bonds (RMBS and ABS) issued and warehouse facilities. All of the drawn interest-bearing liabilities are secured on cashflows derived from the underlying loan receivable portfolio.

Corporate debt facilities

Corporate debt facilities consists of $20 million of Secured Capital Note maturing in January 2026 (FY24: $39 million). Additionally, as of 31 December 2024, the Group had not drawn any amounts from its $30 million Corporate Debt facility (FY24: $nil).

Issuance facilities

The Group maintains a series of subsidiary SPV's for the purpose of raising financing for its RMBS-related credit risk retention ("CRR") obligations. CRR is a mandatory requirement for the Group's RMBS issuance activities in the U.S., European, Japanese and U.K. jurisdictions where, in general, the Group is required to hold an economic interest of at least 5% in value of an RMBS issuance. The subsidiary SPV's hold a 5% vertical strip of bonds of an individual RMBS issuance and raises secured financing from banks and credit investors.

10. Lease liabilities

Lease liabilities included in the Statement of Financial Position	**HY25 $'000**	FY24 $'000
Balance at beginning of the period	**7,368**	9,369
Modification	**(5,932)**	(156)
Interest incurred	**61**	306
Payment of lease liabilities	**(1,043)**	(2,158)
Foreign exchange	**(8)**	7
Balance at the end of the financial period	**446**	7,368
Current	**407**	1,751
Non-current	**39**	5,617
	446	7,368
Maturity analysis – contractual undiscounted cashflows		
Less than one year	**453**	2,160
One to five years	**65**	6,294
More than five years	**-**	-
Total undiscounted lease liabilities at the end of the financial period	**518**	8,454

Amounts recognised in Statement of Comprehensive Income	**HY25 $'000**	HY24 $'000
Depreciation charge of right-of-use assets	**791**	817
Interest expense on lease liabilities	**61**	147
Amounts recognised in Statement of Cash Flows		
Interest paid	**(61)**	(147)
Payment of lease liabilities	**(982)**	(928)

11. Other financial liabilities

	HY25 $'000	FY24 $'000
Present value of future trail commission payable		
- White label loans	**4,243**	5,042
- On balance sheet loans	**81,789**	80,822
	86,032	85,864
Current	**22,440**	22,342
Non-current	**63,592**	63,522
	86,032	85,864

12. Reserves and retained earnings

		Reserves						
	Retained earnings	Cash flow hedge reserve	Foreign currency translation reserve	Fair value reserve	Share-based payment reserve	Other reserve	Total reserves	Non-controlling interest
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Balance at 1 July 2023	322,872	(4,490)	(502)	(5,670)	(945)	(7,982)	(19,589)	110
Profit after tax	20,265	-	-	-	-	-	-	110
Changes in fair value of cash flow hedges, net of tax	-	(3,817)	-	-	-	-	(3,817)	-
Currency translation differences	-	-	534	-	-	-	534	-
Fair value movement on investments through OCI, net of tax	-	-	-	(219)	-	-	(219)	-
Equity dividends	(16,027)	-	-	-	-	-	-	-
Share-based payments	-	-	-	-	(636)	-	(636)	-
Balance at 31 December 2023	327,110	(8,307)	32	(5,889)	(1,581)	(7,982)	(23,727)	220
Balance at 1 July 2024	**327,361**	**(5,013)**	**(721)**	**(8,052)**	**(1,918)**	**(7,982)**	**(23,686)**	**311**
Profit after tax	**13,529**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Changes in fair value of cash flow hedges, net of tax	**-**	**(4,815)**	**-**	**-**	**-**	**-**	**(4,815)**	**-**
Currency translation differences	**-**	**-**	**(544)**	**-**	**-**	**-**	**(544)**	**-**
Fair value movement on investments through OCI, net of tax	**-**	**-**	**-**	**12,395**	**-**	**-**	**12,395**	**-**
Equity dividends	**(13,983)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Share-based payments	**-**	**-**	**-**	**-**	**275**	**-**	**275**	**-**
Acquisition of non-controlling Interest	**-**	**-**	**-**	**-**	**-**	**(1,210)**	**(1,210)**	**(311)**
Balance at 31 December 2024	**326,907**	**(9,828)**	**(1,265)**	**4,343**	**(1,643)**	**(9,192)**	**(17,585)**	**-**

13. Earnings per share

	HY25	HY24
Profit attributable to ordinary equity holders of the parent ($'000)	**13,529**	20,265
WANOS[1] used in the calculation of basic EPS (shares, thousands)	**399,723**	399,966
Dilutive effect of share options	**2,627**	610
WANOS[1] used in the calculation of diluted EPS (shares, thousands)	**402,350**	400,576
Earnings per share		
Basic (cents per share)	**3.38**	5.07
Diluted (cents per share)	**3.36**	5.06

1. Weighted average number of shares.

14. Issues of equity securities

	HY25 $'000	FY24 $'000
Issued capital	**174,331**	174,331
Treasury shares	**(145)**	(415)
Share capital	**174,186**	173,916
Reverse acquisition reserve [1]	**(61,541)**	(61,541)
Total issued capital	**112,645**	112,375

1. As a result of reverse acquisition accounting in the Resimac/Homeloans merger, an account was created as a component of equity. This account called 'Reverse acquisition reserve' is similar in nature to share capital. The Reverse acquisition reserve is not available for distribution.

Issued capital as at 31 December 2024 was $174,330,944 (400,000,000 ordinary shares).

14. Issues of equity securities (continuation)

14.1 Issued capital

	No. of shares – Thousands	$'000
Balance at 1 July 2023	401,622	175,806
Share buyback cancelled shares (average price: $0.91 per share)	(1,622)	(1,475)
Balance at 30 June 2024	**400,000**	**174,331**
Balance at 31 December 2024	**400,000**	**174,331**

Fully paid ordinary shares, which have no par value, carry one vote per share and carry a right to dividends.

On 26 November 2024, the Group announced its intention to commence the Group's on market share buyback scheme on 11 December 2024 for up to a 12-month period. There were no shares acquired during the period ended 31 December 2024.

14.2 Treasury shares

Treasury shares held in Resimac Group Ltd by Resimac EST Pty Ltd as Trustee for the Resimac Group Limited Employee Share Trust, are for the benefit of eligible employees of the Resimac Group Employee Share Option and Rights Plan. Shares issued to employees are recognised on a first-in-first-out basis.

	No. of shares – Thousands	$'000
Balance at 1 July 2023	1,640	2,275
Allocation of shares under LTI#2	(1,080)	(1,535)
Allocation of shares under Employee Share Plan	(227)	(325)
Balance at 30 June 2024	**333**	**415**
Allocation of shares under Employee Share Plan	**(216)**	**(270)**
Balance at 31 December 2024	**117**	**145**

15. Dividends

	HY25	HY24
	$'000	$'000
Declared and paid during the period (fully-franked at 30 per cent)		
Final FY24 dividend[1]: $0.035 (FY23: $0.04)	**13,983**	**15,993**
Dividend declared and paid in relation to non-controlling interest	**-**	**34**
	13,983	**16,027**
Proposed and unrecognised as a liability (fully-franked at 30 per cent)		
Interim FY25 dividend: $0.035 (Interim FY24: $0.035)	**14,000**	**14,000**

1. The final FY24 dividend paid is net of dividend paid to treasury shares held by the Group of $17,404 (FY23: $72,466), eliminated on consolidation.

16. Fair value of financial instruments

This note provides information about how the Group determines the fair value of various financial assets and liabilities.

16.1 Fair value of financial assets and liabilities that are measured at fair value on a recurring basis

Financial assets and liabilities are disclosed in accordance with AASB 9 *Financial Instruments*.

A number of the Group's financial assets and liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of those financial assets and liabilities are determined (in particular, the valuation technique(s) and inputs used).

The following assets and liabilities are measured at fair value by the Group for financial reporting purposes:

	Fair value hierarchy	**Valuation technique(s) and key inputs (s)**	**HY25 $'000**	FY24 $'000
Financial assets				
Equity in ASX Listed Companies	Level 1	Most recent traded price and other available market information	**24,372**	15,145
Equity in Unlisted Company	Level 3	Acquisition value, financial performance since acquisition and subsequent capital rise since acquisition (if applicable)	**4,800**	3,510
Interest rate swaps	Level 2	Discounted cash flow Forward interest rates, contract interest rates	**1,023**	6,052
Cross currency swaps	Level 2	Discounted cash flow Forward interest rates, contract interest rates	**53,982**	41,545
Financial liabilities				
Interest rate swaps	Level 2	Discounted cash flow Forward interest rates, contract interest rates	**5,275**	610
Cross currency swaps	Level 2	Discounted cash flow Forward interest rates, contract interest rates	**45,874**	135,029

17. Derivative financial assets and liabilities

The carrying values are as follows:

	HY25	FY24
	$'000	$'000
Derivative financial assets		
Interest rate swaps	**1,023**	6,052
Cross currency swaps	**53,982**	41,545
	55,005	47,597
Derivative financial liabilities		
Interest rate swaps	**5,275**	610
Cross currency swaps	**45,874**	135,029
	51,149	135,639

The Group seeks to minimise the effects of foreign currency and some interest rate exposures by using derivative instruments to hedge these positions. Derivatives are initially recognised at fair value at the date derivative contracts are entered into, and subsequently measured at their fair value at each reporting period.

Hedge accounting

The Group designates certain hedging instruments, which includes derivatives in respect of foreign currency and interest rate risks, as cash flow hedges.

At the inception of the hedge relationship the Group documents the relationship between the hedging instrument and hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions.

Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument that is used in a hedging relationship is effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationships meet all of the following hedge effectiveness requirements:

- there is an economic relationship between the hedged item and the hedging instrument;
- the effect of credit risk does not dominate the value changes that result from that economic relationship; and
- the hedge value is largely reflective of the hedged item.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Some of the Group's interest rate swaps are not designated as hedging instruments for accounting purposes, the changes in the fair value are recognised immediately in profit or loss for these interest rate swaps.

18. Acquisition of subsidiary

On 25 January 2024 Resimac entered in a sale and purchase agreement to acquire the remaining 49% shares in 23 Degrees Capital Partners Pty Ltd (operating as Sonder) on 1 July 2024. This increased Resimac's interest in 23 Degrees Capital Partners Pty Ltd from 51% to 100%.

The total fair value of the purchase consideration for the 100% ownership in 23 Degrees Capital Partners Pty Ltd consists of the following:

- $150,000 paid for the acquisition of 15% on 10 August 2021;
- $900,000 paid for the acquisition of an additional 36% on 1 August 2022; and
- $1,522,000 paid for the acquisition of the remaining 49% on 1 July 2024.

The fair value of the assets and liabilities recognised as a result of the acquisition are as follows:

	Fair value $'000
Assets	
Cash and cash equivalents	**436**
Other assets	**204**
Total assets	**640**
Liabilities	
Provisions	**(42)**
Other liabilities	**(276)**
Total liabilities	**(318)**
Fair value of identified net assets	**322**
Add: Goodwill recognised on gaining 51% ownership control on 1 August 2022	**1,040**
Add: Reserves on acquisition of remaining 49% ownership on 1 July 2024	**1,210**
Purchase consideration	**2,572**

19. Share based payments

19.1 Employee share option plan of the Company

The Company has a share option scheme (pursuant to the Resimac Group Employee Share Option and Rights Plan) for senior employees of the Company. In accordance with the terms of the Plan, senior employees may be granted options to purchase ordinary shares.

Each employee share option converts into one ordinary share of the Company on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

Long-Term Incentive (LTI#2) Share Options – CEO and General Managers (GMs)

Under the Group's LTI share options and rights plan, the CEO and members of the senior management team receive options over ordinary shares and a potential cash component of $2.4 million. The options were granted on 15 August 2019 and the vesting date for all options is 31 August 2022, subject to the Group achieving Net Profit After Tax (NPAT) growth hurdles, digital transformation hurdles, compliance hurdles and remaining employed with the Group until the vesting date.

A cash component LTI of $1.7 million was paid to the CEO and senior management in September 2022. Furthermore 785,000 share options were exercised in FY23 and 1,080,000 share options were exercised in FY24.

At 31 December 2024 1,660,000 vested options remain outstanding to be exercised on or before the expiry date of 30 June 2025.

Long-Term Incentive (LTI#3) Share Options – Senior Employees

Under the Group's LTI share options and rights plan, a number of senior employees receive a total of 2,180,000 rights over ordinary shares. The rights were granted on 1 July 2024 and the vesting date for all rights is 31 August 2027, subject to the Group achieving Share Price performance condition, technology strategy/innovation hurdles, accelerated digitisation hurdles, data security improvement hurdles, AUM/new product growth hurdles and remaining employed with the Group until the vesting date.

Employee Share Plan (ESP)

The Group commenced the Resimac Group Employee Share Scheme (ESS) in March 2021 whereby each financial year eligible employees are offered up to $1,000 worth of fully paid Resimac ordinary shares for no cash consideration.

Shares allocated under the ESS cannot be sold until the earlier of three years after allocation or the time when the participant is no longer employed by the Group.

19.2 Movements in share options during the period

The following reconciles the share options outstanding at the beginning and the end of the period:

	Number of LTI options – LTI#2	Number of LTI options – LTI#3	Number of ESP options	Number of options total	Weighted average fair value$ - LTI#2	Weighted average fair value$ - LTI#3	Weighted average fair value$ - ESP
Unvested options at 1 July 2024	-	-	-	-	-	-	-
Vested options at 1 July 2024	1,660,000	-	-	1,660,000	0.20	-	-
Options held at 1 July 2024	**1,660,000**	**-**	**-**	**1,660,000**	**0.20**	**-**	**-**
Granted during the period	-	2,180,000	215,840	2,395,840	-	0.73	-
Exercised during the period	-	-	(215,840)	(215,840)	-	-	0.87
Unvested options at 31 Dec 2024	-	2,180,000	-	2,180,000	-	0.73	-
Vested options at 31 Dec 2024	1,660,000	-	-	1,660,000	0.20	-	-
Options held at 31 Dec 2024	**1,660,000**	2,180,000	**-**	**3,840,000**	**0.20**	**0.73**	**-**

20. Commitment

20.1 Purchase of a portfolio of auto loan receivables and leases

On 2 October 2024, Resimac entered into an Asset Sale Agreement to purchase a portfolio of auto loan receivables and leases from Westpac Banking Corporation with an expected value at completion of $1.4 - $1.6 billion. The transaction supports the strategic growth objectives of Resimac's Asset Finance division and follows a number of business and portfolio acquisitions in recent years. The transaction is anticipated to be completed by the end of February 2025.

20.2 Office lease

On 24 July 2024, Resimac signed a new office lease agreement to relocate it's Sydney office premises from Level 2 & 9 of 45 Clarence Street, Sydney NSW 2000 to Level 21 & 22 of 201 Kent Street, Sydney NSW 2000. After successful completion of the office fit out works and occupational certificates, Resimac relocated its Sydney operations to the new premises on 13 January 2025.

Right-of-use-assets and lease liabilities will be recognised in the FY25 annual financial report.

21. Subsequent events

21.1 Change of registered office address

Resimac Group's registered office address was changed to Level 22, 201 Kent Street, Sydney NSW 2000 post the office relocation on 13 January 2025.

21.2 Related party loans

On 4 February 2025, a short term loan of NZD 10 million was granted from a subsidiary of Resimac Group to UIL Limited, a related entity on market terms.

21.3 Financial dividend declared

The Board of Resimac Group Ltd declared a fully-franked interim dividend of 3.50 cents per share. The Record Date is 6 March 2025. The payment date will be 21 March 2025. The dividend has not been provided for in this financial report.

There have been no other circumstances arising since 31 December 2024 that have significantly affected or may significantly affect:

(a) The operations

(b) The results of those operations, or

(c) The state of affairs of Group in future financial periods.

DIRECTORS' DECLARATION

RESIMAC GROUP LTD AND ITS CONTROLLED ENTITIES

The Directors declare that:

(a) in the Directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and

(b) in the Directors' opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001,* including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity.

Signed in accordance with a resolution of the Directors made pursuant to s.303 (5) of the *Corporations Act 2001.*

On behalf of the Directors

Wayne Spanner
Chair and Independent Non-Executive Director

Sydney
24 February 2025

Deloitte Touche Tohmatsu
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24 February 2025

The Board of Directors
Resimac Group Limited
Level 22, 201 Kent Street,
Sydney, NSW 2000

Dear Board Members,

Auditor's Independence Declaration to Resimac Group Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Resimac Group Limited and its controlled entities.

As lead audit partner for the review of the half year financial report of Resimac Group Limited for the half year ended 31 December 2024, I declare that to the best of my knowledge and belief, the only contraventions of:

- The auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- Any applicable code of professional conduct in relation to the review; relate to the following:

The firm provided a permissible non-assurance service prior to receiving concurrence from the Audit Committee for the firm to provide the service. The Audit Committee agreed with the firm's conclusion that the service did not create a threat to the auditor's independence; accordingly, I consider that the objectivity of Deloitte Touche Tohmatsu in respect to the review of the financial statements of Resimac for the half-year period ended 31 December 2024 has not been impaired.

Yours faithfully

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Heather Baister

Heather Baister
Partner
Chartered Accountant

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Independent Auditor's Review Report to the Members of Resimac Group Limited

Conclusion

We have reviewed the half-year financial report of Resimac Group Limited (the "Company") and its subsidiaries (the "Group"), which comprises the condensed consolidated statement of financial position as at 31 December 2024, and the condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of cash flows and the condensed consolidated statement of changes in equity for the half-year ended on that date, notes to the financial statements, including material accounting policy information and other explanatory information, and the directors' declaration as set out on pages 13 to 39.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001*, including:

- Giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and
- Complying with Accounting Standard AASB 134 Interim Financial Reporting and the *Corporations Regulations 2001.*

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 Review of a *Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Half-year Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) ("the Code") that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

Directors' Responsibilities for the Half-year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Half-year Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Heather Baister
Partner
Chartered Accountants

Sydney, 24 February 2025