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OFX.com

Inderprit Singh
Adviser, Listings Compliance
ASX Limited
20 Bridge Street
Sydney NSW 2000

By email: ListingsComplianceSydney@asx.com.au

2 June 2025

Dear Inderprit

OFX Group Limited (OFX) – ASX Aware Letter

We refer to your letter dated 21 May 2025 (**ASX Aware Letter**) and set out the response of OFX Group Limited (**OFX**) to the requests for information made in the ASX Aware Letter using the same numbering.

Unless otherwise indicated, capitalised terms in this letter have the same meaning as given in the ASX Aware Letter.

- 1. Does OFX consider that any measure of its statutory or underlying earnings for the full year ended 31 March 2025 as disclosed in the Results Announcements ('Earnings Information') differed materially from the market's expectations, having regard to the following three base indicators (in decreasing order of relevance and reliability):**

OFX does not consider that any measure of its Earnings Information disclosed in the Results Announcements differed materially from the market's expectations.

The OFX Board (and its Global Executive Team) continuously monitor both OFX's actual and expected financial performance to determine whether there is any material difference between OFX's and the market's expectations regarding OFX's financial performance. OFX has regard to ASX Guidance Note 8, including the commentary in paragraphs 4(a) and 4(b) of section 7.3.

In relation to the 1H25 results, OFX did consider the market's expectations in the period leading up to the announcement on 12 November 2024 and, accordingly, provided an update on 1H25 trading on 17 October 2024.

In relation to the Results Announcements, OFX again did consider the market's expectations in the period leading up to the announcement on 20 May 2025, including that, during the period that the Results Announcements were finalised, OFX's Continuous Disclosure Committee monitored OFX's financial performance for the full-year period, with oversight from the Chair of the Audit, Risk & Compliance Committee.



1.1. If OFX had published earnings guidance, that guidance.

In its 1H25 results announcement on 12 November 2024 (**November 2024 Guidance**), OFX provided guidance on its 2H25 Net Operating Income and its FY25 EBITDA margin that OFX considered to be key earnings metrics of OFX's financial performance.

The FY25 Outlook contained in the November 2024 Guidance was as follows:

- 2H25 Net Operating Income (**NOI**) would be higher than 2H24 NOI; and
- An underlying EBITDA margin of 28%, assuming no one-off large bad debts or unusual events.

OFX's 2H25 NOI was \$103.7 million, which was 7.7% lower than 2H24 NOI of \$112.4 million. On a full-year implied basis, the difference was 3.9% lower. The FY25 underlying EBITDA margin was 26.8%, which was 4.2% or 116bps lower than guidance.

In this respect, OFX notes ASX's guidance in paragraph 4(a) of section 7.3 of Guidance Note 8 that the relevant benchmark for considering whether to notify the market is 10%, with judgment to be formed for a variation between 5% and 10%. OFX was satisfied that the NOI for the full financial year and EBITDA margin were at levels that did not result in any obligation for OFX to make an announcement regarding those expectations and took into account a number of factors in forming its judgment, including the following:

- OFX continued to experience subdued business and consumer confidence, which was highlighted in the November 2024 Guidance, and which had the potential to result in sustained variability in NOI through 2H25;
- the market's expectations, reflected in the OFX share price, had factored in the potential for continued variability in NOI, particularly in the period from late February 2025 to immediately prior to the Results Announcements; and
- the full-year implied NOI was only 3.9% lower than the NOI guidance.

1.2. If OFX is covered by sell-side analysts, the earnings forecasts of those analysts.

The key earnings metrics for market participants in assessing OFX's financial performance include NOI, underlying EBITDA and statutory NPAT.

OFX is currently covered by four sell-side analysts, who typically (but do not always) update their estimates following OFX's full-year and half-year results announcements. All analysts had updated their estimates since the 1H25 results announcement.

OFX is of the view that its financial performance for FY25 as disclosed in its Results Announcements was materially consistent with the consensus estimate of OFX's financial performance published by those analysts as follows:



- NOI was \$214.9 million, which was 4.4% lower than the average analyst consensus of \$224.9 million;
- Underlying EBITDA was \$57.7 million, which was 6.2% lower than the average analyst consensus of \$61.5 million; and
- Statutory NPAT was \$24.9 million, which was 8.4% lower than the average analyst consensus of \$27.2 million.

In this respect, noting ASX's guidance in paragraph 4(b) of section 7.3 of Guidance Note 8 that the relevant benchmark for considering a disclosure is 15%, OFX is satisfied that the OFX financial performance for FY25 by reference to the metrics listed above was at levels that did not result in any obligation for OFX to make an announcement regarding those expectations.

1.3. If paragraphs 1.1 and 1.2 are not applicable, OFX's earnings for the prior corresponding period, being the full year ended 31 March 2024.

Not applicable.

2. Please explain the basis for the view provided in response to question 1. In doing so, please specify how OFX determined market expectations in relation to each relevant measure of its earnings, including:

2.1. If OFX had published earnings guidance, details of:

2.1.1.that guidance and when it was released to the market; and

2.1.2.the date when the entity first became aware with a reasonable degree of certainty that its expected earnings for the relevant reporting period would vary from, or be in line with, that guidance.

See the response to question 1.1 for details relating to when OFX released guidance to the market.

OFX is of the view that its NOI and EBITDA margin as disclosed in the Results Announcements were materially consistent with the November 2024 Guidance. The end of year audit process was concluded, and the Results Announcements were finalised on 19 May 2025, with the results being released to the market for open of trading on 20 May 2025.

2.2. If OFX used sell-side analyst forecasts to estimate the market's expectations of its earnings, details of:

2.2.1.the method that OFX used to translate sell-side analyst forecasts into its estimate of market expectations for each measure of earnings referred to in the Earnings Information and, in particular, whether or not OFX used a "consensus estimate" or an "adjusted consensus estimate" or a different specified approach for determining this estimate;



OFX continuously monitors the forecasts published by sell-side analysts that cover OFX. As stated in the response to question 1.2, four analysts published forecasts for OFX. OFX translates these analysts' forecasts into its estimate of market consensus by aligning the methodologies and calculating the simple average of the analysts' forecasts for FY25.

For FY25, OFX used a consensus estimate and aligned methodologies. The largest methodology adjustment was for one analyst as it inconsistently reported interest income below EBITDA. This has been adjusted for in both NOI and EBITDA to allow for consistency in the methodologies.

2.2.2.the entity's estimate of market expectations using that method; and

See the response to question 1.2 for OFX's estimate of market expectations for each of NOI, underlying EBITDA and statutory NPAT.

2.2.3.the date when the entity first became aware with a reasonable degree of certainty that its expected earnings for the relevant reporting period would vary from, or be in line with, its estimate of these expectations.

OFX is of the view that the financial performance as disclosed in the Results Announcements were materially consistent with the consensus estimate of OFX's financial performance. The end of year audit process was concluded, and the Results Announcements were finalised on 19 May 2025, with the results being released to the market for open of trading on 20 May 2025.

2.3. If paragraphs 2.1 and 2.2 are not applicable, the date when the entity first became aware with a reasonable degree of certainty that its expected earnings for the relevant reporting period would vary from, or be in line with, OFX's earnings for the prior corresponding period.

Not applicable.

3. Does OFX consider that, at any point prior to the release of the Results Announcements, there was a variance between its expected earnings and its estimate of market expectations for the relevant reporting period of such a magnitude that a reasonable person would expect information about the variance to have a material effect on the price or value of OFX's securities?

Please answer separately for each measure of earnings referred to in the Earnings Information.

OFX does not consider that, at any time prior to the release of the Results Announcements, there was a variance between its expected earnings and its estimate of market expectations for FY25 of a magnitude that a reasonable person would expect information about the variance to have a material effect on the price or value of OFX's securities.

4. If the answer to question 3 is “no”, please provide the basis for that view.

Taking into account the difference between OFX's actual financial performance and its best estimate of the market's expectations, as outlined in the response to questions 1.1 and 1.2, OFX considered that the FY25 financial performance as set out in the Results Announcements would not have a material effect on the price or value of OFX's securities.

5. If the entity first became aware of the variance before the release of Results Announcements, did OFX make any announcement prior to the release of the Results Announcements which disclosed the relevant variance? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe OFX was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps OFX took to ensure that the information was released promptly and without delay.

Not applicable.

6. Please provide details of any other explanation OFX may have for the trading in its securities following the release of the Results Announcements.

Any explanation OFX may provide for the OFX share price decrease experienced on 20 May 2025 is general in nature and OFX cannot comment (and is not commenting) definitively as to the factors influencing the trading of its shares. Against this context, there are several factors that may have contributed to the trading in OFX securities following the release of the Results Announcements, including:

- *The trading in OFX securities prior to the Results Announcement*

OFX notes that there was a significant increase in the OFX share price on 19 May 2025, which was unexpected and further notes that trading in its securities was halted. The selling activity that occurred following the release of the Results Announcements may have represented a correction to the OFX share price experienced during that day.

- *The outlook for FY26*

As noted in the Results Announcement, in light of the global economic uncertainty (including global tariffs), OFX is not providing NOI guidance for FY26 and is no longer targeting positive operating leverage in FY26 and FY27 as it invests in its accelerated growth strategy. OFX is investing further in an accelerated roll-out of its New Client Platform, including an additional \$24 million in operating expenses and \$5 million in intangible investment in FY26.

The market response to this information in the Results Announcements may have facilitated or contributed to the decline in OFX's share price following the Results Announcements.

7. Please confirm that OFX is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

OFX confirms that it is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

8. Please confirm that OFX's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of OFX with delegated authority from the board to respond to ASX on disclosure matters.

OFX confirms that its responses to the questions above have been authorised and approved in accordance with OFX's Continuous Disclosure Policy.

Yours sincerely



Adrian Wong
Chief Legal Officer & Company Secretary



21 May 2025

Reference: 109413

Mr Adrian Wong
Company Secretary
OFX Group Limited
Level 19, 60 Margaret Street
Sydney, New South Wales 2000

By email

Dear Mr Wong

OFX Group Limited ('OFX'): ASX Aware Letter

ASX refers to the following:

- A. OFX's announcements released on the ASX Market Announcements Platform on 20 May 2025 in connection with its full year results for the period ended 31 March 2025 ('Results Announcements'), being:
 - 1.1 'FY25 Appendix 4E', released at 09:22 AM AEST;
 - 1.2 'FY25 Results Announcement', released at 09:22 AM AEST;
 - 1.3 'FY25 Annual Report', released at 09:24 AM AEST;
 - 1.4 'FY25 Results Presentation', released at 09:24 AM AEST; and
 - 1.5 'FY25 Annual Report', released at 9:24 AM AEST.
- B. The change in the price of OFX's securities from \$1.32 immediately prior to the release of the Results Announcements to a low of \$0.83 following the release of the Results Announcements.
- C. Listing Rule 3.1, which requires a listed entity to immediately give ASX any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities.
- D. The definition of "aware" in Chapter 19 of the Listing Rules, which states that:

an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity.
- E. Section 4.4 in *Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B* titled "When does an entity become aware of information?"
- F. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure as follows.
 - 3.1A *Listing rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:*
 - 3.1A.1 *One or more of the following 5 situations applies:*
 - *It would be a breach of a law to disclose the information;*
 - *The information concerns an incomplete proposal or negotiation;*

- *The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
- *The information is generated for the internal management purposes of the entity; or*
- *The information is a trade secret; and*

3.1A.2 *The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and*

3.1A.3 *A reasonable person would not expect the information to be disclosed.*

- G. ASX's policy position on "market sensitive earnings surprises", which is detailed in section 7.3 of Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*. In particular:

...If an entity becomes aware that its earnings for the current reporting period will differ materially (downwards or upwards) from market expectations, it needs to consider carefully whether it has a legal obligation to notify the market of that fact....

...An earnings surprise will need to be disclosed to the market under Listing Rule 3.1 if it is market sensitive – that is, it is of such a magnitude that a reasonable person would expect information about the earnings surprise to have a material effect on the price or value of the entity's securities....

Request for information

Having regard to the above, ASX asks OFX to respond separately to each of the following questions and requests for information:

1. Does OFX consider that any measure of its statutory or underlying earnings for the full year ended 31 March 2025 as disclosed in the Results Announcements ('Earnings Information') differed materially from the market's expectations, having regard to the following three base indicators (in decreasing order of relevance and reliability):
 - 1.1 If OFX had published earnings guidance, that guidance.
 - 1.2 If OFX is covered by sell-side analysts, the earnings forecasts of those analysts.
 - 1.3 If paragraphs 1.1 and 1.2 are not applicable, OFX's earnings for the prior corresponding period, being the full year ended 31 March 2024.

Please answer separately for each measure of earnings referred to in the Earnings Information. In your response, please have regard to ASX's commentary in paragraphs 4(a) and 4(b) of section 7.3 of Guidance Note 8 about when a variation from market expectations may be material.

2. Please explain the basis for the view provided in response to question 1. In doing so, please specify how OFX determined market expectations in relation to each relevant measure of its earnings, including:
 - 2.1 If OFX had published earnings guidance, details of:
 - 2.1.1 that guidance and when it was released to the market; and
 - 2.1.2 the date when the entity first became aware with a reasonable degree of certainty that its expected earnings for the relevant reporting period would vary from, or be in line with, that guidance.
 - 2.2 If OFX used sell-side analyst forecasts to estimate the market's expectations of its earnings, details of:

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- 2.2.1 the method that OFX used to translate sell-side analyst forecasts into its estimate of market expectations for each measure of earnings referred to in the Earnings Information and, in particular, whether or not OFX used a “consensus estimate” or an “adjusted consensus estimate” or a different specified approach for determining this estimate;
 - 2.2.2 the entity’s estimate of market expectations using that method; and
 - 2.2.3 the date when the entity first became aware with a reasonable degree of certainty that its expected earnings for the relevant reporting period would vary from, or be in line with, its estimate of these expectations.
 - 2.3 If paragraphs 2.1 and 2.2 are not applicable, the date when the entity first became aware with a reasonable degree of certainty that its expected earnings for the relevant reporting period would vary from, or be in line with, OFX’s earnings for the prior corresponding period.
3. Does OFX consider that, at any point prior to the release of the Results Announcements, there was a variance between its expected earnings and its estimate of market expectations for the relevant reporting period of such a magnitude that a reasonable person would expect information about the variance to have a material effect on the price or value of OFX’s securities?

Please answer separately for each measure of earnings referred to in the Earnings Information.
 4. If the answer to question 3 is “no”, please provide the basis for that view.
 5. If the entity first became aware of the variance before the release of Results Announcements, did OFX make any announcement prior to the release of the Results Announcements which disclosed the relevant variance? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe OFX was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps OFX took to ensure that the information was released promptly and without delay.
 6. Please provide details of any other explanation OFX may have for the trading in its securities following the release of the Results Announcements.
 7. Please confirm that OFX is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.
 8. Please confirm that OFX’s responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of OFX with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **10:00 AM AEST Monday, 26 May 2025**.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, OFX’s obligation is to disclose the information ‘immediately’. This may require the information to be disclosed before the deadline set out above and may require OFX to request a trading halt immediately if trading in OFX’s securities is not already halted or suspended.

Your response should be sent by e-mail to ListingsComplianceSydney@asx.com.au. It should not be sent directly to the ASX Market Announcements Office. This is to allow us to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in OFX's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to OFX's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*. It should be noted that OFX's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Release of correspondence between ASX and entity

We reserve the right to release all or any part of this letter, your reply and any other related correspondence between us to the market under Listing Rule 18.7A. The usual course is for the correspondence to be released to the market.

Kind regards

ASX Compliance