

Appendix 4D

For the half year ended 30 September 2024

OFX Group Limited

ABN 12 165 602 273

Results for announcement to the market

For the half year ended 30 September 2024 (“reporting period”)

| | | 30 September 2024 | % Change from 6 months ended 30 September 2023 | 30 September 2023 (previous corresponding period) |
|--|------|----------------------|--|---|
| | | A\$'000 | % | A\$'000 |
| Fee and trading income | Flat | 114,520 | (0%) | 114,595 |
| Revenue from ordinary activities | Down | 119,303 | (3%) | 122,782 |
| Net profit for the period attributable to members of parent (before non-controlling interest) | Down | 10,712 | (32%) | 15,776 |

Statutory net profit after tax \$10.7m down 32.1% from \$15.8m in the prior corresponding period driven by the \$2.2m fair value loss on contingent consideration, \$1.3m increase in depreciation and amortisation from the platform investment and the \$3.7m escrow release booked in the PCP.

Dividend information

There were no dividends paid in the current or the prior period.

Share buy-back

On 23 May 2023, the company announced an on-market share buy-back program. On 21 May 2024, the Company announced the renewal of the on-market share buy-back program to continue to return capital to shareholders as part of the Company's capital management program while also allowing for growth. The renewed on-market share buyback program will be up to 10% of the Company's fully paid ordinary shares and the expected end date of this program is 6 June 2025.

During 1H25 a total of 1,565,351 ordinary shares were bought back. The total amount paid for the buyback during the period was \$3.3m. The total buy-back since inception is 10,133,857 ordinary shares.

| | 30 September 2024 | 30 September 2023 |
|--|----------------------|----------------------|
| | (cents) | (cents) |
| Net tangible asset backing per ordinary security ¹ | 23.90 | 18.31 |

Additional Appendix 4D disclosure requirements can be found in the notes to the Interim Financial Report and the Directors' Report for the half year ended 30 September 2024. Information should be read in conjunction with OFX Group Limited's 2024 Annual Report and the attached Interim Financial Report.

This report is based on the Interim Financial Report for the half year ended 30 September 2024 which has been reviewed by KPMG with the Independent Auditor's Review Report included in the Interim Report.

¹Assumes that 239,973,210 ordinary shares were on issue at 30 September 2024 and 241,616,843 were on issue at 30 September 2023.

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OFX Group Limited

ABN 12 165 602 273

Interim Financial Report

Half Year Ended 30 September 2024



The Company's registered office is:
Level 19
60 Margaret Street
Sydney NSW 2000
Australia

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OFX Group Limited

Directors' Report

The Directors present their report together with the financial statements of the consolidated entity (the "Group"), being OFX Group Limited (the "Company") and its controlled entities, for the half year ended 30 September 2024 and the Independent Auditor's Review Report thereon.

Directors

The names of the Directors of the Group in office during the half year and up to the date of this report unless otherwise stated are as follows:

| | |
|------------------------------------|---|
| Patricia Cross AM | Chair and Non-Executive Director |
| John Alexander ('Skander') Malcolm | Chief Executive Officer and Managing Director |
| Robert Bazzani | Non-Executive Director |
| Connie Carnabuci | Non-Executive Director |
| Jacqueline Hey | Non-executive Director |
| Cathy Kovacs | Non-Executive Director |
| Douglas Snedden AO* | Non-Executive Director |

*Resignation effective 1 June 2024

Principal activities

The Group's principal activity during the half year was the provision of international payments and foreign exchange services.

Dividend and distributions

There were no dividends paid or determined by the Company during and since the end of the half year. Refer to Note 8 of the Financial Statements.

Operating and financial review

A summary of financial results for the half year ended 30 September 2024 is below. The Group's statutory financial information for the half year ended 30 September 2024 and for the comparative periods ended 31 March 2024 and 30 September 2023 present the Group's performance in compliance with statutory reporting obligations.

To assist shareholders and other stakeholders in their understanding of the Group's financial information, additional underlying financial information for the period ended 30 September 2024 and for the comparative periods ended 31 March 2024 and 30 September 2023 are provided in the Operating and Financial Review section of this Report. A reconciliation of the Company's statutory and underlying financial information is included on page 3-5. The reconciliation and the underlying information have not been audited.

| Statutory results | Half year | Half year | Half year |
|------------------------------------|--------------|-----------|--------------|
| | 30 September | 31 March | 30 September |
| | 2024 | 2024 | 2023 |
| | \$'000 | \$'000 | \$'000 |
| Net operating income ¹ | 111,168 | 112,364 | 115,143 |
| EBITDA ² | 25,720 | 31,802 | 30,659 |
| EBITDA margin | 23.1% | 28.3% | 26.6% |
| Net profit (after tax) | 10,712 | 15,523 | 15,776 |
| Earnings per share (basic) (cents) | 4.48 | 6.43 | 6.49 |

¹ Net operating income, a non-IFRS measure, is the combination of 'Fee and trading income' and 'Fee and commission expense' and 'Interest income'.

² Earnings before interest expense, taxation, depreciation and amortisation (EBITDA) is a non-IFRS, unaudited measure.

OFX Group Limited

Directors' Report (continued)

The results were impacted by one-off items. The table below sets out the underlying financial results for the half year ended 30 September 2024 which has been adjusted for these items.

| Underlying results | Half year | Half year | Half year |
|---|--------------|-----------|--------------|
| | 30 September | 31 March | 30 September |
| | 2024 | 2024 | 2023 |
| | \$'000 | \$'000 | \$'000 |
| Net operating income ¹ | 111,168 | 112,364 | 115,143 |
| Underlying EBITDA ² | 29,021 | 32,756 | 31,803 |
| Underlying EBITDA margin | 26.1% | 29.2% | 27.6% |
| Underlying net profit (after tax) | 13,494 | 16,809 | 17,009 |
| Underlying earnings per share (basic) (cents) | 5.64 | 6.97 | 7.00 |

"Underlying" measures of profit exclude one-off items of revenue and expenses to highlight the underlying financial performance across reporting periods. The Group incurred \$1.8m of one-off items in 1H25 in respect of the integration of Firma Foreign Exchange Corporation and the integration of Paytron Holdings Pty Ltd (1H24: \$1.7m). It also included \$2.2m fair value loss on contingent consideration in relation to the Paytron acquisition. The following table reconciles underlying earnings measures to statutory results.

| \$'000 | Half year 30 September 2024 | | | | Half year 31 March 2024 | | | |
|-------------------|-----------------------------|--------|---------|-----------|-------------------------|--------|---------|-----------|
| | EBITDA | Profit | Income | Profit | EBITDA | Profit | Income | Profit |
| | | before | | after tax | | before | | after tax |
| | | tax | tax | | | tax | tax | |
| Statutory profit | 25,720 | 12,162 | (1,450) | 10,712 | 31,802 | 19,597 | (4,074) | 15,523 |
| One-off items | 3,301 | 3,929 | (1,147) | 2,782 | 954 | 1,735 | (449) | 1,286 |
| Underlying profit | 29,021 | 16,091 | (2,597) | 13,494 | 32,756 | 21,332 | (4,523) | 16,809 |

The Group has continued to execute well in a challenging macro environment, delivering Net Operating Income of \$111.2m, down (3.5)% v 1H24 and underlying EBITDA of \$29.0m, down (8.8)% v 1H24.

Fee and Trading Income was down (0.1)% due to softer trading in 2Q25. APAC was up 0.3%, North America was up 2.5%, EMEA was up 0.8% offset by a reduction in unallocated items. Unusually, Corporate ATVs in the UK were down (19.5)% and Corporate ATV in Canada were down (9.4)%, which drove lower revenue v 1H24. In Australia and the US, Corporate ATVs were mixed, however, higher transaction volumes resulted in 9.4% growth in Australia and 24.8% growth in the US.

Pleasingly, new Corporate clients are performing well, with Corporate New Revenue from FX only up 11.7%. In Australia, where the New Client Platform (NCP) was launched in June, Corporate New Revenue from FX-only is up 26.6%, and up 38.7% including non-FX revenue.

Consumer revenue was down (3.6)% v 1H24 as a result of (7.1)% lower transaction volumes, but was up 5.9% on 2H24. ATVs increased 1.3% as activity in some high-value use cases like wealth transfers and property purchases started to return.

Net operating income of \$111.2 was down (3.5)%. 1H24 included an escrow release of \$3.7m for the Firma acquisition. Excluding the escrow release NOI is down (0.2)%.

Partially offsetting these macroeconomic factors, execution was strong. Interest income of \$4.4m, up 3.8% v 1H24 and pricing actions resulted in improved NOI margin across the portfolio, up 2bps on 2H24.

Strong controlled cost management and reduction in bad debt delivered underlying operating expenses of \$82.1m, (1.4)% lower v 1H24. Employee expenses were down (1.7)% due to 2H24 Group wide productivity programs delivering FTE synergies. Promotional expenses were down (4.1)%, with thoughtful deployment of investment driving generation of B2B New Revenue, up 8.9% and the successful launch of OFX 2.0 in the Australian market. Bad and doubtful debts were better than planned, down (41.7)% as a result of process improvements and further fraud controls.

¹ Net operating income, a non-IFRS measure, is the combination of 'Fee and trading income' and 'Fee and commission expense' and 'Interest income'.

² Earnings before interest expense, taxation, depreciation and amortisation (EBITDA) is a non-IFRS, unaudited measure.

OFX Group Limited

OFX continues to execute its strategic pivot to OFX 2.0, with positive early client response to the roll-out of its NCP. OFX commenced the migration of its existing Australian clients to the NCP post the period end which is progressing well and has committed a further \$1m investment to accelerate the NCP roll-out into Canada and the UK.

A reconciliation of Statutory EBITDA to Net Profit After Tax (NPAT) is provided as follows:

| | Half year 30 September 2024 \$'000 | Half year 31 March 2024 \$'000 | Half year 30 September 2023 \$'000 |
|---|---|---|---|
| EBITDA | 25,720 | 31,802 | 30,659 |
| Share of profit /(loss) of equity-accounted investees, net of tax | 181 | 133 | 156 |
| Less interest expense | (2,552) | (3,049) | (3,499) |
| Less income tax expense | (1,450) | (4,074) | (2,796) |
| Less depreciation and amortisation | (11,187) | (9,289) | (8,744) |
| Net profit after tax | 10,712 | 15,523 | 15,776 |

| | As at 30 September 2024 \$'000 | As at 31 March 2024 \$'000 | As at 30 September 2023 \$'000 |
|---|---|-------------------------------------|---|
| Cash and cash equivalents | 278,329 | 355,362 | 347,027 |
| Deposits due from financial institutions | 39,932 | 19,930 | 25,228 |
| Total cash | 318,261 | 375,292 | 372,255 |
| Cash held for subsequent settlement of client liabilities | (243,576) | (287,286) | (279,434) |
| Net cash held | 74,685 | 88,006 | 92,821 |
| Collateral and Bank Guarantees | (28,807) | (19,798) | (31,999) |
| Net available cash¹ | 45,878 | 68,208 | 60,822 |

The Group's financial position remains strong. The Group's current balances consist predominantly of cash and client liabilities, with Net cash held \$74.7m and Net available cash \$45.9m. The strong financial position supports the pursuit of ongoing growth and, along with the Group's respected regulatory record, provides banking partners with assurance on the Group's capability and diligence.

¹ Net available cash is a non-IFRS unaudited measure
OFX Group Limited - Interim Report

Directors' Report (continued)

Rounding amounts

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

Auditor's independence declaration

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* in relation to the review for the half year ended 30 September 2024 is on page 7 of this report.

This report is made in accordance with a resolution of Directors.

On behalf of the Board



Patricia Cross AM
Chair



Skander Malcolm
Chief Executive Officer and Managing Director

12 November 2024

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Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of OFX Group Limited

I declare that, to the best of my knowledge and belief, in relation to the review of OFX Group Limited for the half-year ended 30 September 2024 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

Shaun Kendrigan

Partner

Sydney

12 November 2024

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OFX Group Limited

Condensed Consolidated Statement of Comprehensive Income For the half year ended 30 September 2024

| | Notes | Half year 30 September 2024 \$'000 | Half year 30 September 2023 \$'000 |
|--|-------|---|---|
| Fee and trading income | | 114,520 | 114,595 |
| Fee and commission expense | | (8,135) | (7,639) |
| Net income | | 106,385 | 106,956 |
| Interest and other income | | 4,783 | 8,187 |
| Net operating income | | 111,168 | 115,143 |
| Fair value loss on contingent consideration | | (2,167) | - |
| Total net income | | 109,001 | 115,143 |
| Employment expenses | | (58,173) | (59,064) |
| Promotional expenses | | (9,313) | (9,774) |
| Information technology expenses | | (6,315) | (6,488) |
| Professional fee expenses | | (1,575) | (1,760) |
| Bad and doubtful debts | | (732) | (1,153) |
| Other operating expenses | 3 | (7,173) | (6,245) |
| Earnings before interest expense, tax, depreciation and amortisation (EBITDA) | | 25,720 | 30,659 |
| Depreciation and amortisation expenses | | (11,187) | (8,744) |
| Interest expenses | | (2,552) | (3,499) |
| Share of profit of equity-accounted investees, net of tax | | 181 | 156 |
| Net profit before income tax | | 12,162 | 18,572 |
| Income tax expense | 4 | (1,450) | (2,796) |
| Net profit attributable to ordinary equity holders of the Company | | 10,712 | 15,776 |
| Other comprehensive income | | | |
| <i>Other comprehensive income that may be reclassified to profit and loss</i> | | | |
| Exchange differences on translation of foreign operations, net of hedging | | (5,615) | 3,617 |
| | | (5,615) | 3,617 |
| Total comprehensive income attributable to ordinary equity holders of the Company | | 5,097 | 19,393 |
| Earnings per share attributable to ordinary equity holders of the Company: | | Cents | Cents |
| Basic | | 4.48 | 6.49 |
| Diluted | | 4.31 | 6.09 |

The above Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

OFX Group Limited

Condensed Consolidated Statement of Financial Position As at 30 September 2024

| | As at 30 September 2024 \$'000 | As at 31 March 2024 \$'000 |
|---|---|-------------------------------------|
| Assets | | |
| Cash held for own use | 34,753 | 68,076 |
| Cash held for subsequent settlement of client liabilities | 243,576 | 287,286 |
| Deposits due from financial institutions | 39,932 | 19,930 |
| Derivative financial assets | 39,859 | 20,801 |
| Prepayments | 6,575 | 6,663 |
| Other receivables | 21,743 | 14,517 |
| Equity accounted investees | 5,459 | 5,342 |
| Property, plant and equipment | 3,602 | 3,526 |
| Intangible assets | 116,327 | 119,083 |
| Right-of-use assets | 10,023 | 11,549 |
| Current tax assets | 7,892 | 4,523 |
| Deferred tax assets | 6,261 | 8,204 |
| Total assets | 536,002 | 569,500 |
| Liabilities | | |
| Client liabilities | 262,686 | 300,233 |
| Derivative financial liabilities | 26,364 | 10,641 |
| Lease liabilities | 13,323 | 14,188 |
| Loans and borrowings | 6 30,687 | 42,193 |
| Other creditors and accruals ¹ | 12,923 | 12,546 |
| Provisions ¹ | 5,760 | 10,377 |
| Contingent consideration | 5 8,834 | 6,667 |
| Deferred tax liabilities | 1,736 | 3,017 |
| Total liabilities | 362,313 | 399,862 |
| Net assets | 173,689 | 169,638 |
| Equity | | |
| Share capital | 22,423 | 22,445 |
| Retained earnings | 148,865 | 138,148 |
| Foreign currency translation reserve | (2,518) | 3,097 |
| Share based payments reserve | 4,919 | 5,948 |
| Total equity attributable to shareholders | 173,689 | 169,638 |

The above Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

¹ Prior period restated to reclass annual leave from Provisions into Other creditors and accruals
OFX Group Limited - Interim Report

OFX Group Limited

Condensed Consolidated Statement of Changes in Equity For the half year ended 30 September 2024

| | Share capital | Retained earnings | Foreign currency translation reserve | Share based payments reserve | Total equity |
|---|------------------|----------------------|---|---------------------------------------|-----------------|
| Notes | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Balance at 1 April 2023 | 31,600 | 106,978 | 382 | 5,150 | 144,110 |
| Net profit | – | 15,776 | – | – | 15,776 |
| Other comprehensive income | – | (59) | 3,617 | – | 3,558 |
| Total comprehensive income | – | 15,717 | 3,617 | – | 19,334 |
| Transactions with equity holders in their capacity as equity holders: | | | | | |
| Shares bought back / cancelled | (6,970) | – | – | – | (6,970) |
| Shares vested under the GEP and ESP | 5,122 | – | – | (2,813) | 2,309 |
| Share based payment expense | – | – | – | 2,174 | 2,174 |
| | (1,848) | – | – | (639) | (2,487) |
| Balance at 30 September 2023 | 29,752 | 122,695 | 3,999 | 4,511 | 160,957 |
| Balance at 1 April 2024 | 22,445 | 138,148 | 3,097 | 5,948 | 169,638 |
| Net profit | – | 10,712 | – | – | 10,712 |
| Other comprehensive income | – | 5 | (5,615) | – | (5,610) |
| Total comprehensive income | – | 10,717 | (5,615) | – | 5,102 |
| Transactions with equity holders in their capacity as equity holders: | | | | | |
| Shares bought back / cancelled | 7 (3,287) | – | – | – | (3,287) |
| Shares vested under the GEP and ESP | 3,265 | – | – | (3,265) | – |
| Share based payment expense | – | – | – | 2,236 | 2,236 |
| | (22) | – | – | (1,029) | (1,051) |
| Balance at 30 September 2024 | 22,423 | 148,865 | (2,518) | 4,919 | 173,689 |

The above Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

OFX Group Limited

Condensed Consolidated Statement of Cash Flows For the half year ended 30 September 2024

| | Notes | Half year 30 September 2024 \$'000 | Half year 30 September 2023 \$'000 |
|---|-------|---|---|
| Cash flows from operating activities | | | |
| Profit from ordinary activities after income tax | | 10,712 | 15,776 |
| Adjustments to profit from ordinary activities | | | |
| Depreciation and amortisation | | 11,187 | 8,744 |
| Interest expense | | 2,552 | 3,499 |
| Share of profit of equity-accounted investees, net of tax | | (181) | (156) |
| Share based payment expense | | 2,236 | 2,174 |
| Foreign exchange revaluation ¹ | | (1,401) | 2,026 |
| Fair value loss on contingent consideration | 5 | 2,167 | - |
| Fair value changes on financial assets and liabilities through profit or loss | | (3,335) | 8,152 |
| Operating cash flow before changes in working capital | | 23,937 | 40,215 |
| Changes in assets and liabilities: | | | |
| (Increase) in prepayments and other receivables | | (7,138) | (3,458) |
| Decrease/ (increase) in deferred tax assets | | 1,943 | (1,335) |
| Decrease in cash held for client liabilities | | 43,710 | 89,236 |
| (Decrease) in amounts due to clients | | (37,547) | (91,606) |
| Increase in accrued charges and creditors | | 377 | 4,918 |
| (Decrease) in deferred tax liabilities | | (1,281) | (458) |
| (Decrease) in provisions | | (4,617) | (3,512) |
| (Increase) in current tax asset | | (3,369) | (2,837) |
| Net cash flows from operating activities | | 16,015 | 31,163 |
| Cash flows from investing activities | | | |
| Payments for property, plant and equipment | | (549) | (2,545) |
| Payments for intangible assets | | (9,012) | (11,713) |
| (Increase) / decrease in cash deposited with financial institutions | | (20,002) | 385 |
| Net cash flows from investing activities | | (29,563) | (13,873) |
| Cash flows from financing activities | | | |
| Cash repayments of amounts borrowed | 6 | (13,636) | (13,441) |
| Payments for lease liabilities | | (1,577) | (1,752) |
| Shares bought back net of issued under ESP/GEP | | (3,287) | (4,661) |
| Net cash flows from financing activities | | (18,500) | (19,854) |
| Decrease in cash held for own use | | (32,048) | (2,564) |
| Cash held for own use at the beginning of the period | | 68,076 | 68,191 |
| Effects of exchange rate changes¹ | | (1,275) | 1,966 |
| Cash held for own use at the end of the period | | 34,753 | 67,593 |

The above Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

¹ Comparatives have been restated due to disclosure change
OFX Group Limited - Interim Report

Note 1. Basis of preparation

This Interim Financial Report for the half year ended 30 September 2024 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This Interim Financial Report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 March 2024 and any public announcements made by OFX Group Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

Material accounting policies

The Interim Financial Report does not early adopt any Accounting Standards and Interpretations that have been issued or amended but are not yet effective. Except as described in this note, the accounting policies applied in the Interim Financial Report are consistent with those applied as at 31 March 2024 and have been consistently applied by each entity in the Group.

New standards, amendments and interpretations effective after 1 October 2024 not yet adopted

A number of new accounting standards, amendments and interpretations have been published that are not mandatory for the 30 September 2024 reporting period and have not been early adopted in preparing these financial statements.

Most of these are not expected to have a material impact on the financial statement of the Group. However, management is still in the process of assessing the impact of the new standard AASB 18 which was issued in June 2024 and replaces AASB 101 Presentation of Financial Statements.

Comparatives

Comparatives in the interim Financial Report have been realigned to the current period presentation. For clearer presentation, the following sections have been restated:

- Condensed consolidated statement of financial position: \$3.9m of annual leave was reclassified from Provisions to Other creditors and accruals.
- Condensed consolidated statement of cash flows: Foreign exchange revaluation and Effects of exchange rate changes were restated.

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OFX Group Limited

Note 2. Segment information

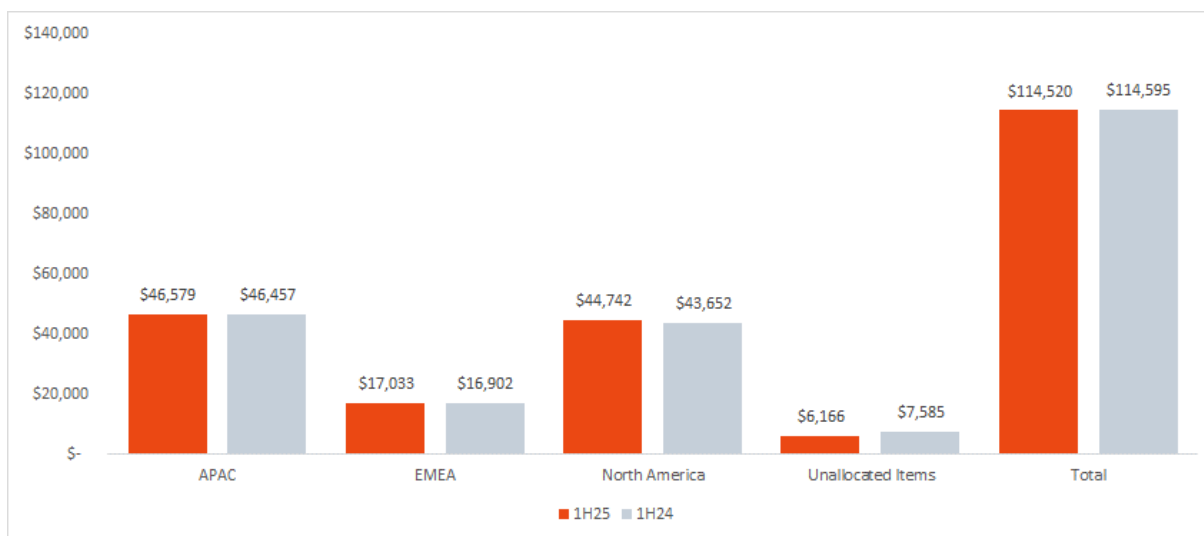
The operating segments presented below reflect how senior management and the Board of Directors (the chief operating decision makers) allocate resources to the segments and review their performance.

The chief operating decision makers examine the performance both from a geographic perspective and by client market segment. OFX regions are based on client location covering APAC, North America and EMEA. These regions have been identified as reportable segments.

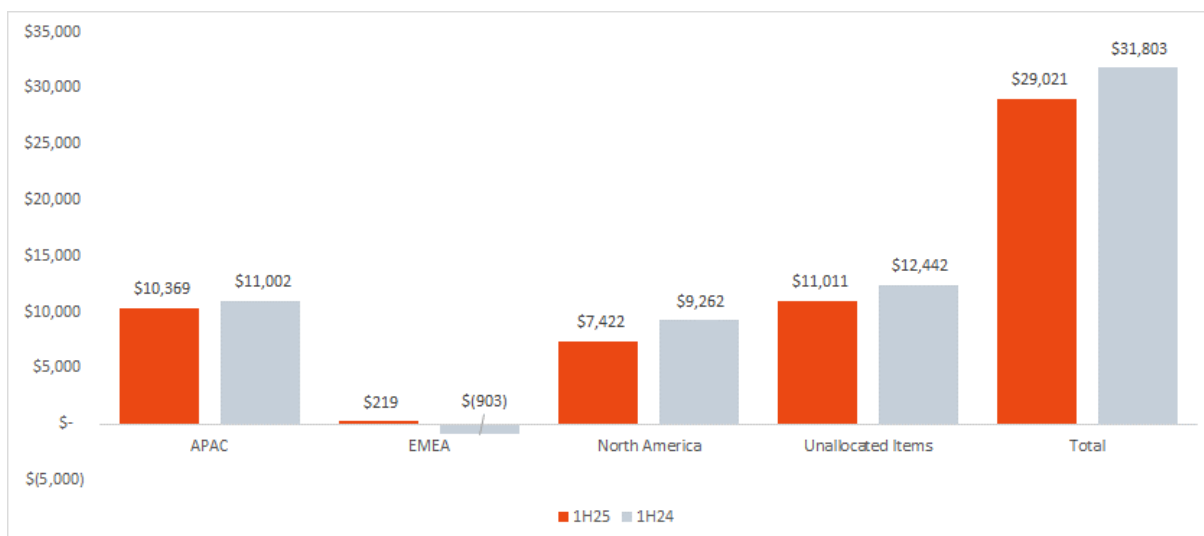
Each region serves Corporates¹, High Value Consumers, and Enterprise clients.

Segments are managed on an underlying basis. Segment EBITDA excludes \$3.9m of one-off items that are excluded from underlying results.

Segment fee and trading income – half year 30 September 2024 v half year 30 September 2023² (\$'000)



Segment EBITDA – half year 30 September 2024 v half year 30 September 2023² (\$'000)



¹ As of 1H25, Corporate includes Online Sellers, Corporate Clients who sell online via marketplace or digital platforms, previously reported separately.

² Prior year allocation across regions has been restated. Revenue metrics between segments were updated, and new weightings were applied for EBITDA.

OFX Group Limited

Note 2. Segment information (continued)

| | Half year 30 September 2024 \$'000 | Half year 30 September 2023 \$'000 |
|---|---|---|
| Group underlying EBITDA¹ | 29,021 | 31,803 |
| Depreciation and amortisation | (10,559) | (8,559) |
| Interest expense | (2,552) | (3,499) |
| Share of profit of equity-accounted investees | 181 | 156 |
| Underlying net profit before income tax | 16,091 | 19,901 |
| Income tax expense | (1,450) | (2,796) |
| One-off items ² | (3,929) | (1,329) |
| Statutory net profit | 10,712 | 15,776 |

Note 3. Other expenses

Other operating expenses

| | Half year 30 September 2024 \$'000 | Half year 30 September 2023 \$'000 ³ |
|---------------------------------------|---|--|
| Compliance | (1,589) | (1,303) |
| Insurance | (1,459) | (1,589) |
| Travel | (1,424) | (902) |
| Other expenses | (2,701) | (2,451) |
| Total other operating expenses | (7,173) | (6,245) |

Note 4. Income tax expense

| | Half year 30 September 2024 \$'000 | Half year 30 September 2023 \$'000 |
|--|---|---|
| Current tax expense | 434 | 4,172 |
| Adjustments to current tax of prior years | 260 | (758) |
| Total current tax expense | 694 | 3,414 |
| Deferred tax expense / (income) | 756 | (618) |
| Total income tax expense | 1,450 | 2,796 |
| Reconciliation of income tax expense to prima facie tax payable | | |
| Net profit before income tax | 12,162 | 18,572 |
| Prima facie income tax expense at 30% (2024: 30%) | 3,648 | 5,572 |
| Effect of lower tax rates in overseas jurisdictions | (389) | (862) |
| Return of capital deemed non-taxable | - | (1,000) |
| Current-year research and development after-tax benefits | (590) | (754) |
| Prior-year research and development tax credits | (2,387) | - |
| Other items | 1,168 | (160) |
| Total income tax expense | 1,450 | 2,796 |

The effective tax rate for the period was 12% (1H24: 15%) predominantly due to inclusion of prior-year additional research & development tax offset of \$2.4m directly reducing income tax expense for 1H25.

¹ Group underlying EBITDA is a non-IFRS, unaudited measure.

² One-off items are gross of tax.

³ Comparatives updated to reflect current year presentation

Note 5. Fair values of assets and liabilities

A financial instrument's categorisation within the valuation hierarchy is based on the lowest level input that is significant to the fair value measurement:

| Level | Instruments | Valuation process |
|---|--|--|
| Level 1 – Traded in active markets and fair value is based on recent unadjusted quoted prices. | Cash and cash equivalents, amounts due from financial institutions, client liabilities, creditors and receivables. | These instruments are held at amortised cost. Fair values are considered to approximate to their carrying amounts as they are short term in nature. |
| Level 2 – Not actively traded and fair value is based on valuation techniques which maximise the use of observable market prices. | Over the counter derivatives. | Forward foreign exchange contract valuations are based on observable spot exchange rates and the yield curves of the respective currencies. |
| Level 3 – Not actively traded and fair value is based on at least one input which is not observable in the market due to illiquidity or complexity. | Contingent consideration. | Fair value measurement is based on expected cash flows, weighted average fair value share price, dividend yield and a probability of achievement of defined performance hurdles. |

All derivative financial instruments held by the Group at fair value are categorised within Level 2.

Contingent consideration

The Group has recognised liabilities measured at fair value in relation to contingent consideration arising out of acquisitions made by the Group. The contingent consideration is designated as a financial liability and deemed to be a Level 3 measurement of fair value.

| | Contingent consideration \$'000 |
|---|--|
| Balance at 1 April 2023 | - |
| Contingent consideration arising on Paytron acquisition | 8,099 |
| Gain included in 'Total net income' | |
| - Net unrealised change in fair value (gain) / loss | (1,432) |
| Balance at 31 March 2024 | 6,667 |
| Balance at 1 April 2024 | 6,667 |
| Loss included in 'Total net income' | |
| - Net unrealised change in fair value (gain) / loss | 2,167 |
| Balance at 30 September 2024 | 8,834 |

Contingent consideration is comprised of up to 11.25m deferred performance securities that have been granted to the former owners of Paytron at no cost and may convert to OFX Group fully paid ordinary shares on a one-to-one basis, contingent upon Paytron's successful achievement of defined revenue and client migration targets. The final number of performance securities that may vest has a fair value of up to a maximum of \$22.3m. There is no minimum amount payable.

The fair value of the contingent consideration determined at the grant date of the securities was \$8.1m and was estimated using a weighted average fair value share price of \$1.98, a dividend yield of 0% and an expected number of performance rights that may vest based on probability of achievement of defined revenue and client migration targets, along with alignment to the existing LTI performance hurdles.

The total fair value is reviewed at each reporting date and would increase or decrease with a respective change in probability assumptions. At 30 September a fair value loss of \$2.2m (1H24: Nil) was recognised, based on a share price of \$2.16.

OFX Group Limited

Note 6. Loans and borrowings

| | As at 30 September 2024 \$'000 | As at 31 March 2024 \$'000 |
|------------------------------------|---|----------------------------------|
| Loans and borrowings (current) | 70 | 105 |
| Loans and borrowings (non-current) | 30,617 | 42,088 |
| Closing balance | 30,687 | 42,193 |

On 2 May 2022 (1 May 2022 Edmonton time), the Group obtained a syndicated bank loan to the amount of \$100m, used to fund the acquisition of Firma Foreign Exchange Corporation Limited. The interest period has been elected at 3 months. The loan bears interest at 3.5% above the 3-month BBSY and is repayable in five years by May 2027. There are no penalties for early repayment, and the Group commenced principal repayment from 9 May 2022.

During the period ended 30 September 2024, \$13.6m (30 September 2023: \$13.4m) has been paid of which \$12m (30 September 2023: \$11m) is for early repayments of principal.

Interest expense of \$2.1m (30 September 2023: \$2.9m) for the period ended 30 September 2024 has been recognised in the Condensed Consolidated Statement of Comprehensive Income. These balances are also reflected in the investing activities in the Condensed Consolidated Statement of Cash Flows.

The loan is secured by a combination of floating and fixed charges over property of the Group.

The Group is required to adhere to financial covenants as of compliance dates: 30 September and 31 March each year. These are as follows:

1. The Net Leverage Ratio is not greater than 3.00x
2. The Interest Cover Ratio is not less than 3.00x
3. The gearing ratio is not greater than
 - (i) 60% at each compliance date up to 31 March 2023;
 - (ii) 55% at each compliance date during the 24-month period up to 31 March 2025;
 - (iii) 50% at each compliance date thereafter.

Note 7. Share capital

Share capital is classified as equity and measured based on the proceeds from issuing the shares less the directly attributable incremental costs, net of tax.

There are 239,973,210 fully paid ordinary shares (as at 31 March 2024: 237,917,873). Ordinary shares entitle the holder to vote and to receive dividends and the proceeds of the Company if it is liquidated in proportion to the number of shares held.

There are 1,561,072 (as at 31 March 2024: 2,213,044) restricted ordinary shares, of which 1,561,072 (as at 31 March 2024: 2,213,044) are issued in connection with the Executive Share Loan Plan, and nil (as at 31 March 2024: nil) are unallocated shares for fulfillment of future share based payment awards.

On 23 May 2023, the company announced an on-market share buy-back program. On 21 May 2024, the Company announced the renewal of the on-market share buy-back program to continue to return capital to shareholders as part of the Company's capital management program while also allowing for growth. The renewed on-market share buyback program will be up to 10% of the Company's fully paid ordinary shares and the expected end date of this program is 6 June 2025.

During 1H25 a total of 1,565,351 ordinary shares were bought back. The total amount paid for the buy-back during the period was \$3.3m. The total buy-back since inception is 10,133,857 ordinary shares.

OFX Group Limited

Note 8. Dividends paid or provided for

Dividends are recognised as a liability and a reduction to retained earnings when declared. There were no dividends paid in the current or the prior period.

Note 9. Events occurring after balance sheet date

There were no material post balance sheet events occurring after the reporting date requiring disclosure in these financial statements.

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OFX Group Limited

Directors' Declaration

In the Directors' opinion:

(a) the financial statements and notes for the half year ended 30 September 2024 are in accordance with the *Corporations Act 2001*, including:

- (i) complying with Accounting Standards AASB 134 *Interim Financial Reporting*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and
- (ii) giving a true and fair view of the consolidated entity's financial position as at 30 September 2024 and of its performance for the financial period ended on that date, and

(b) there are reasonable grounds to believe that OFX Group Limited will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.

On behalf of the Board:



Patricia Cross AM
Chair



Skander Malcolm
Chief Executive Officer and Managing Director

12 November 2024

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Independent Auditor's Review Report

To the shareholders of OFX Group Limited

Conclusion

We have reviewed the accompanying **Interim Financial Report** of OFX Group Limited.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Interim Financial Report of OFX Group Limited does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the **Group's** financial position as at 30 September 2024 and of its performance for the Half-year ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The **Interim Financial Report** comprises:

- Condensed consolidated statement of financial position as at 30 September 2024;
- Condensed consolidated statement of profit or loss and other comprehensive income, Condensed consolidated statement of changes in equity and Condensed consolidated statement of cash flows for the Half-year ended on that date;
- Notes 1 to 9 comprising material accounting policies and other explanatory information; and
- The Directors' Declaration.

The **Group** comprises OFX Group Limited (the Company) and the entities it controlled at the Half year's end or from time to time during the Half-year.

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 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 these requirements.

Responsibilities of the Directors for the Interim Financial Report

The Directors of the Company are responsible for:

- the preparation of the Interim Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*; and
- such internal control as the Directors determine is necessary to enable the preparation of the Interim 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 Interim Financial Report

Our responsibility is to express a conclusion on the Interim 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 Interim Financial Report does not comply with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 30 September 2024 and its performance for the Half-Year ended on that date, and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of an Interim Period 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.



KPMG



Shaun Kendrigan

Partner

Sydney

12 November 2024

OFX Group Limited

Corporate Information

| | |
|--|---|
| Directors | Ms Patricia Cross AM (Chair) Mr John ('Skander') Malcolm (Chief Executive Officer and Managing Director) Mr Robert Bazzani Ms Connie Carnabuci Ms Jacqueline Hey Ms Cathy Kovacs Mr Douglas Snedden AO* *Resignation effective 1 June 2024 |
| Company Secretary | Mr Adrian Wong Ms Rebecca Blair |
| Registered office and principal place of business in Australia | Level 19 60 Margaret Street Sydney NSW 2000 Australia Ph +61 2 8667 8000 Fax +61 2 8667 8080 Email investors@ofx.com.au |
| Share register | Link Market Services Limited Level 12 680 George Street Sydney NSW 2000 Ph +61 1300 554 474 (toll free within Australia) Email registrars@linkmarketservices.com.au |
| Auditor | KPMG Tower Three International Towers, 300 Barangaroo Ave Sydney NSW 2000 |
| Securities exchange listing | OFX Group Limited shares are listed on the Australian Securities Exchange: OFX |
| Website address | www.ofx.com |