Generation Development Group Limited
ABN: 90 087 334 370

Interim Condensed Consolidated Financial Report 31 December 2024

Corporate Information

Company Directors

Mr Robert Neil Coombe	Executive Chairman (appointed 1 January 2025)
Mr William Eric Bessemer	Non-Executive Director
Ms Giselle Marie Collins	Non-Executive Director
Ms Christine Christian AO	Non-Executive Director (appointed 8 October 2024)

Company Secretary
Ms Amanda Gawne

Chief Executive Officer
Mr Grant Hackett OAM (appointed 1 January 2025)

Chief Financial Officer
Mr Terence Wong

Registered Office
Level 17, 447 Collins Street
Melbourne VIC 3000
Telephone: +61 3 8601 2000
Facsimile: +61 3 9200 2270

Share Register
Boardroom Pty Limited
Level 12, 225 George Street
Sydney NSW 2000

Banker
National Australia Bank
330 Collins Street
Melbourne VIC 3000

Auditor
KPMG
Tower Two
Collins Square
727 Collins Street
Melbourne VIC 3008

Contents

Summary of Results (Unaudited)

Generation Development Group recorded a consolidated statutory net profit for the six months ending 31 December 2024 of $78.9m (31 December 2023: $4.4m). Statutory net profit/(loss) after tax has been prepared in accordance with the Corporations Act 2001.

The Group recorded an underlying operating profit after tax of $12.4m for the six months ended 31 December 2024 (31 December 2023: $4.9m). Lonsec has contributed $8.8m to the underlying profit after tax.

		Half year ended 31 Dec 2024 $'000		Half year ended 31 Dec 2023 $'000	Movement $'000
	Life / Administration Business	Investment solutions, research and ratings[1]	Total	Life / Administration Business	Life / Administration Business
Life – Fees from Benefit Funds	21,196	-	21,196	15,589	5,607
Investment solutions, research and ratings	-	35,211	35,211	-	-
Administration services	237	-	237	206	31
Other income	2,136	301	2,437	1,014	1,122
Total revenue[2]	**23,569**	**35,512**	**59,081**	**16,809**	**6,760**
Employment expenses	(8,364)	(14,846)	(23,210)	(6,841)	(1,523)
Finance	(76)	(871)	(947)	(68)	(8)
Marketing and promotion	(592)	(329)	(921)	(606)	14
Depreciation and amortisation	(823)	(2,311)	(3,134)	(878)	55
Expenses relating to Benefit Funds	(3,577)	-	(3,577)	(2,731)	(846)
Other expenses	(8,756)	(4,842)	(13,598)	(6,925)	(1,831)
Total expenses[2]	**(22,188)**	**(23,199)**	**(45,387)**	**(18,049)**	**(4,139)**
Underlying profit/(loss) before income tax	**1,381**	**12,313**	**13,694**	**(1,240)**	**2,621**
Income tax benefit[3]	6,570	-	6,570	5,241	1,329
Underlying profit after tax benefit	**7,951**	**12,313**	**20,264**	**4,001**	**3,950**
Income tax expense	(2,289)	(3,492)	(5,781)	(205)	(2,084)
Investment in associates – share of profit normalised operations[4]	-	-	-	3,165	(3,165)
Investment-linked lifetime annuity product – LifeIncome	(2,107)	-	(2,107)	(2,043)	(64)
Underlying profit after tax	**3,555**	**8,821**	**12,376**	**4,918**	**(1,363)**
Other items (net of applicable tax)					
Gain on remeasurement of pre-existing interest in Lonsec	75,142	-	75,142	-	75,142
GDG's amortisation of Lonsec's customer relationships	(4,864)	-	(4,864)	-	(4,864)
Transaction costs including tax adjustment	(1,713)	(1,789)	(3,502)	-	(1,713)
Integration costs	(55)	-	(55)	-	(55)
Lonsec's amortisation of IPL brand value and adviser relationship	-	(571)	(571)	(572)	572
Investment in associates – IPL acquisition and integration costs	-	-	-	(464)	464
Deferred tax asset on carry-forward losses (utilised) / recognised	-	-	-	(47)	47
Profit after tax (excluding AASB 17)	**72,065**	**6,461**	**78,526**	**3,835**	**68,230**
AASB 17 adjustments[5]	357	-	357	550	(193)
Statutory profit after tax	**72,422**	**6,461**	**78,883**	**4,385**	**68,037**

[1] Pertains to Lonsec's earnings for six months period ended 31 December 2024. Although the completion date for the acquisition of Lonsec occurred on 1 August 2024, under the terms of the Shares and Options Sales Agreement, the effective date of the acquisition including entitlement to 100% of the earnings of Lonsec occurred on 1 July 2024.
[2] Revenue and expenses reflected in the summary of results are attributable to the Shareholders of the Company.
[3] For income taxation purposes Generation Life Limited is a single taxpayer comprising policyholder Benefit Funds and a central management or shareholder fund with all the Company's assessable income, allowable deductions and other tax offsets being pooled.
[4] Based on 49.2% of normalised profit after tax of associates (Lonsec) for the six months period ended 31 December 2023. On the 1 August 2024, GDG completed the acquisition of remaining shares in Lonsec, increasing its holding to 100%. Following this acquisition, GDG has gained full control in Lonsec, transitioning Lonsec from associate to subsidiary.
[5] The Group has adopted AASB 17 Insurance Contracts from 1 July 2023. This represents the AASB 17 adjustments for the period.

Directors' Report

The Directors of Generation Development Group Limited (GDG, the "Company") submit herewith the interim condensed consolidated financial report of the Company and its controlled entities (the "Group") for the six months ended 31 December 2024. In order to comply with the provisions of the Corporations Act 2001, the Directors report is as follows:

Directors

The names and particulars of the Directors of the Company during or since the end of the interim period are set out below. Directors were in office for the entire period unless otherwise stated:

Mr Robert Neil Coombe	Executive Chairman (appointed 1 January 2025)
Mr William Eric Bessemer	Non-Executive Director
Ms Giselle Marie Collins	Non-Executive Director
Ms Christine Christian AO	Non-Executive Director (appointed 8 October 2024)

Review of Operations

The statutory profit after tax of the Group for the interim period to 31 December 2024 was $78.9m, including the gain on remeasurement of previously existing interest in Lonsec of $75.1m. This is an increase of $74.4m from prior comparative period of $4.4m.

Underlying profit represents the Group's preferred measure of the result of the ongoing business activities of the Group. This is a non-statutory measure not subject to review by the external auditor which excludes non-core items, included in the statutory result, to derive the underlying profit. The adjustments made are included in the statutory profit which is subject to review by the external auditor in the context of their review of the interim condensed consolidated financial report.

The underlying net profit before tax for the Life / Administration business increased by $4.0m or 100% to $8.0m for the six months ended 31 December 2024, compared to $4.0m in the prior comparative period. The increase was largely a result of continued FUM growth, which reached $3.8b at 31 December 2024, 16% higher than at the start of the financial year.

On 1 August 2024, GDG completed the acquisition of remaining shares in Lonsec, increasing its holding to 100%. Following this acquisition, GDG has gained full control in Lonsec, transitioning Lonsec from associate to subsidiary. The underlying profit after tax of Lonsec for the six-months ending 31 December 2024 was $8.8m which was included in the Group underlying earnings. Although the completion date for the acquisition of Lonsec occurred on 1 August 2024, under the terms of the Shares and Options Sales Agreement, the effective date of the acquisition including entitlement to 100% of the earnings of Lonsec occurred on 1 July 2024.

The Group underlying NPAT of $12.4m, includes earnings from the Life / Administration business and Lonsec, but excludes other items as reflected in the summary of results.

Product Sales Results

Generation Life Investment Bond's sales momentum remains high. Brand recognition has grown and the number of advisers seeking a tax effective investment product as an alternative to other tax structures and as an estate planning tool, for their clients, has increased. This has seen record sales activity and 59% of market share of investment bond inflows in the September quarter, as reported by Plan For Life[1].

Investment Bond application levels were higher in 1HY25 with new applications at 18,064 up 42% from prior corresponding period of 12,764. This comprised 10,796 LifeBuilder Bonds up 48%, 6,574 ChildBuilder bonds up 32% and 694 Funeral Bonds up 36%.

Savings plans have risen to $52.1m up 10% from prior corresponding period of $47.5m. Over 50% of policies received during the period came with a saving plan attached.

The non-advised, direct channel of the business has increased by 32% in 1HY25 with 4,798 applications received directly from clients worth $25.4m.

Pleasingly, 336 financial advisers wrote business for the first time with Generation Life in 1HY25 and 1,804 individual financial advisers have written business during the period up 21% from prior corresponding period.

LifeIncome sales stood at $11.6m for 1HY25 with a closing FUM of $45.7m.

1. Plan for Life, Investment Bonds Market Report for period ended 30 September 2024.

Lonsec Results

Lonsec reported strong revenue for the half year ended 31 December 2024 of $35.5m. The growth in Research & Ratings, saw revenue at $21.4m for 1HY25 (1HY24: $19.4m) with increased numbers of products rated following the continued expansion of private market offerings.

Lonsec Investment Solutions reported strong FUM growth with FUM closing at $12.7bn, up 19% from 30 June 2024. FUM growth was supported by the launch of 13 new tailored managed account solutions launched to market during 1HY25.

Balance Sheet and Capital

- The Group held cash and cash equivalents of $38.6m at 31 December 2024 (30 June 2024: $167.0m) which includes $0.5m of term deposits greater than 90 days and excludes cash and cash equivalents of the benefit funds that are attributable to the policyholders, providing the Group with strong levels of capital to support growth ambitions.

- The wholly owned subsidiary of the Company, Lonsec, has two bank loan facilities of $20.0m and $6.0m respectively. As of 31 December 2024, the total amount owing on the two loans is $16.9m. Both facilities held include an amortising schedule and the unused portion of the loans is unavailable for redraw. Maturing dates for facility 1 and facility 2 are 1 July 2025 and 23 February 2027, respectively.

Dividend Policy

An interim dividend of 1 cent per share, fully franked, was declared on 27 February 2025 with a payment date of 3 April 2025.

Outlook

We continue to focus on enhancing our existing Life business and integrating the Lonsec and Evidentia businesses.

Investment bond sales outlook remains strong and LifeIncome is expected to produce continued solid results. We expect to see continued strong growth in Lonsec's and Evidentia's Self-Managed Accounts business.

Subsequent events

On 18 February 2025, GDG announced the completion of 100% acquisition of Evidentia for $320.0m. The consideration consists of upfront cash payment of $220.1m and $74.7m in shares issued at an agreed price of $4.15 per share on 18 February 2025, being the share price at the Capital Raising, plus a payment from the retail offer of $25.2m payable on 7 March 2025.

Evidentia is a highly strategic opportunity for GDG as one of Australia's leading providers of investment management and tailored managed account solutions.

Other than the matters discussed above, there has not been any other matters or circumstances that has arisen since 31 December 2024 that has significantly affected or may significantly affect the operations of the Group.

Auditor's independence declaration

The auditor's independence declaration is included on page 7 of the interim condensed consolidated financial report and forms part of this Directors' report.

Rounding of amounts

The Company is a company of the kind referred to in ASIC Corporation instrument 2016/191, and in accordance with the Class Order amounts in the Directors' report and the interim consolidated financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

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

Mr Robert Coombe
Executive Chairman
Melbourne, 27 February 2025

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

To the Directors of Generation Development Group Limited

I declare that, to the best of my knowledge and belief, in relation to the review of Generation Development Group Limited for the half-year ended 31 December 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

KPMG

Dean Waters

Partner

Melbourne

27 February 2025

Directors’ Declaration

In the opinion of the directors of Generation Development Group Limited (“the Company”):

1. the interim condensed consolidated financial statements and notes set out on pages 9 to 35, are in accordance with the Corporations Act 2001 including:

    a. giving a true and fair view of the Group’s consolidated financial position as at 31 December 2024 and of its performance for the six months ended on that date; and

    b. complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001; and

2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors.

On behalf of the Directors

Mr Robert Coombe
Executive Chairman
Melbourne, 27 February 2025

Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the six months ended 31 December 2024

	Notes	Half year ended 31 Dec 2024 $'000	Half year ended 31 Dec 2023 $'000
Revenue, other income and investment revaluations			
Revenue from contracts with customers	10(a)	40,900	3,155
Interest income	10(b)	4,895	3,314
Revaluation of investments	10(c)	222,749	113,004
Other income	10(d)	1,268	471
Gain on remeasurement of pre-existing interest in Lonsec		75,142	-
Distribution and dividend income		27,035	24,822
Total revenue excluding insurance revenue		**371,989**	**144,766**
Insurance revenue	11	2,977	1,468
Insurance service expenses	11	(4,738)	(2,516)
Insurance service result from insurance contracts issued		**(1,761)**	**(1,048)**
Income from reinsurance contracts held	11	395	569
Insurance service result		**(1,366)**	**(479)**
Net investment income/(expenses)	**11**	**2,357**	**1,126**
Insurance finance income/ (expenses) from insurance contracts issued	11	(2,011)	(1,066)
Finance income/ (expenses) from reinsurance contracts held	11	49	(70)
Net insurance finance income/(expenses)		**(1,962)**	**(1,136)**
Net insurance result	11	**(971)**	**(489)**
Expenses			
Employment expenses		(23,756)	(7,344)
Occupancy expenses		(822)	(208)
Communication expenses		(42)	(32)
Finance expenses		(948)	(68)
Dealing and settlement expenses		(5,748)	(4,186)
Marketing and promotional expenses		(1,233)	(802)
Depreciation and amortisation expenses		(7,998)	(878)
Other expenses		(19,366)	(6,133)
Policyholder withdrawals		(34)	(50)
Total expenses		**(59,947)**	**(19,701)**

A subsidiary of the Company, Generation Life Limited, is a Friendly Society in accordance with the Life Insurance Act 1995. The funds operated by Generation Life Limited and any trusts controlled by those funds, are treated as statutory funds in accordance to the Life Insurance Act 1995. These statutory funds are required to be consolidated in accordance to Accounting Standards.

The accompanying notes 1 to 26 form part of these condensed consolidated interim financial statements.

Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the six months ended 31 December 2024

	Notes	Half year ended 31 Dec 2024 $'000	Half year ended 31 Dec 2023 $'000
Investment in associates – share of profit		-	2,129
Profit / (loss) before income tax expense		**311,071**	**126,705**
Income tax (expense) / benefit	16	(12,529)	(13,445)
Profit / (loss) after income tax expense		**298,542**	**113,260**
(Profit) / loss attributable to policyholders		(219,659)	(108,875)
Net profit / (loss) attributable to shareholders of the Company		**78,883**	**4,385**
Earnings per share			
➢ Basic (cents per share)		26.91	2.30
➢ Diluted (cents per share)		26.91	2.30

A subsidiary of the Company, Generation Life Limited, is a Friendly Society in accordance with the Life Insurance Act 1995. The funds operated by Generation Life Limited and any trusts controlled by those funds, are treated as statutory funds in accordance to the Life Insurance Act 1995. These statutory funds are required to be consolidated in accordance to Accounting Standards.

The accompanying notes 1 to 26 form part of these condensed consolidated interim financial statements.

Interim Condensed Consolidated Statement of Financial Position as at 31 December 2024

	Notes	As at 31 Dec 2024 $'000	As at 30 Jun 2024 $'000
Assets			
Cash and cash equivalents		105,320	259,832
Income tax receivable		9,711	12,397
Trade and other receivables		3,945	952
Other assets		20,905	59,120
Financial assets	17	3,922,836	3,278,808
Investment in associates		-	31,419
Right-of-use assets		5,762	3,256
Plant and equipment		1,628	344
Deferred tax assets		2,714	4,973
Intangible assets	18	391,141	2,083
Reinsurance contract assets	14	1,859	1,405
Total assets		4,465,821	3,654,589
Liabilities			
Trade and other payables		14,424	16,897
Contract liabilities	20	17,854	-
Borrowings	21	16,885	-
Current tax liabilities		18,801	22,317
Lease liabilities		6,846	3,465
Other liabilities		11,163	5,482
Financial liabilities		2,156	-
Provisions		5,902	1,903
Deferred tax liabilities		142,848	88,677
Insurance contract liabilities	13	56,002	44,123
Investment contract liabilities		3,826,821	3,260,342
Total liabilities		4,119,702	3,443,206
Net assets		**346,119**	**211,383**
Equity			
Issued capital	19	305,014	239,557
Share based payment reserve		3,040	3,205
Profit reserve		119,687	48,920
Accumulated loss		(81,622)	(80,299)
Total equity		**346,119**	**211,383**

A subsidiary of the Company, Generation Life Limited, is a Friendly Society in accordance with the Life Insurance Act 1995. The funds operated by Generation Life Limited and any trusts controlled by those funds, are treated as statutory funds in accordance to the Life Insurance Act 1995. These statutory funds are required to be consolidated in accordance to Accounting Standards.

The accompanying notes 1 to 26 form part of these condensed consolidated interim financial statements.

Interim Condensed Consolidated Statement of Changes in Equity for the six months ended 31 December 2024

	Issued capital	Share based payment reserve	Profits reserve	Accumulated Loss	Total
	$'000	$'000	$'000	$'000	$'000
Period ended 31 Dec 2024					
Balance at 1 Jul 2024	239,557	3,205	48,920	(84,226)	207,456
Net profit/(loss) for the period	-	-	76,279	2,604	78,883
Total comprehensive income for the period	**-**	**-**	**76,279**	**2,604**	**78,883**
Transactions with owners					
Capital raising costs	(413)	-	-	-	(413)
Issue of ordinary shares	65,870	-	-	-	65,870
Share based payments	-	(165)	-	-	(165)
Dividend paid	-	-	(5,512)	-	(5,512)
Balance at 31 Dec 2024	**305,014**	**3,040**	**119,687**	**(81,622)**	**346,119**
Period ended 31 Dec 2023					
Balance at 1 Jul 2023	89,045	2,748	28,648	(62,055)	58,386
Net profit/(loss) for the period	-	-	25,648	(21,263)	4,385
Total comprehensive income for the period	**-**	**-**	**25,648**	**(21,263)**	**4,385**
Transactions with owners					
Issue of ordinary shares	89	-	-	-	89
Share based payments	-	-	-	-	-
Dividend paid	-	-	(1,905)	-	(1,905)
Balance at 31 Dec 2023	**89,134**	**2,748**	**52,391**	**(83,318)**	**60,955**

The accompanying notes 1 to 26 form part of these condensed consolidated interim financial statements.

Interim Condensed Consolidated Statement of Cash Flows for the six months ended 31 December 2024

	Half year ended 31 Dec 2024 $'000	Half year ended 31 Dec 2023 $'000
Cash Flows from Operating Activities		
Receipts from customers	60,762	17,250
Distributions and dividends received	71,591	41,327
Payments to suppliers and employees	(88,905)	(29,968)
Interest received – benefit funds	3,153	2,553
Finance and borrowing costs	(948)	(68)
Income tax received/(paid)	(6,162)	13,153
Net cash outflow from sales and purchases of investments – benefit funds	(416,627)	(255,574)
Policyholder's contributions on insurance contracts – premiums received	11,610	7,552
Policyholder's withdrawals on insurance contracts – claims and other insurance service expenses paid	(2,644)	(1,522)
Acquisition cash flows	(918)	(933)
Net receipts / (payments) from/to reinsurers	(9)	(9)
Policyholders' contributions received on investment contracts	456,511	309,356
Policyholders' withdrawals paid on investment contracts	(106,371)	(107,098)
Net cash flows (used in) / from operating activities	**(18,957)**	**(3,981)**
Cash Flows from Investing Activities		
Interest received	1,630	442
Cash consideration for remaining shares in Lonsec	(135,740)	-
Term deposit matured / (invested)	1,508	647
Purchase of property, plant and equipment	(123)	(71)
Payment for software	(1,905)	-
Net cash flows (used in) / from investing activities	**(134,630)**	**1,018**
Cash Flows from Financing Activities		
Dividends paid	(5,401)	(1,818)
Payment of lease liabilities	(776)	(444)
Interest paid on finance lease liabilities	(41)	40
Repayment of borrowings	(2,450)	-
Capital raising costs	(412)	-
Net cash flows (used in) / from financing activities	**(9,080)**	**(2,222)**
Net (decrease) / increase in cash held	**(162,667)**	**(5,185)**
Cash and cash equivalents at beginning of the period	267,987	93,660
Cash and cash equivalents at the end of the period	**105,320**	**88,475**

The accompanying notes 1 to 26 form part of these condensed consolidated interim financial statements.

Notes to the Interim Condensed Consolidated Financial Statements

1. Reporting entity

Generation Development Group Limited (the "Company") is a for-profit public company listed on the Australian Securities Exchange (ASX: GDG) and incorporated in Australia. This interim condensed consolidated financial report comprises the Company and its controlled entities (the "Group") as at and for the six months ended 31 December 2024. The Group's primary business included the provision of Life investment products within the Australian Life Insurance Sector, investment research, product rating and managed account solutions.

2. Basis of preparation

This interim condensed consolidated financial report for the six months ended 31 December 2024 (1HY25) has been prepared in accordance with AASB 134 *Interim Financial Reporting and the Corporations Act 2001*.

This 1HY25 financial report does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial statements as at 30 June 2024.

This 1HY25 financial report was approved by the Board of Directors on 27 February 2025. The Company is of a kind referred to in ASIC Corporation Instrument 2016/191, and amounts in the interim financial report have been rounded off to the nearest thousand dollars. All amounts are presented in Australian dollars, which is the functional currency of the Company and its subsidiaries.

The carrying values of amounts recognised on the Statement of financial position are often based on estimates and assumptions of future events. They key estimates and assumptions that have a significant risk of causing a material adjustment to the recognised amounts within the next annual reporting period are disclosed individually within each of the relevant notes to the financial statements.

The consolidated annual financial report of the Group as at and for the year ended 30 June 2024 is available upon request from the Company's registered office and principal place of business at Level 17, 447 Collins Street, Melbourne, Victoria 3000 or at www.gendevelopmentgroup.com.au.

3. Material accounting policies adopted

The accounting policies adopted in the preparation of the interim condensed consolidated financial statement are consistent with those followed in the preparation of the Group's annual consolidated financial statements for year ended 30 June 2024, except for the policies outlined below following the full acquisition of Lonsec.

Business combinations

The Group accounts for business combinations using the acquisition method. Identifiable assets, liabilities and contingent liabilities acquired and measured at fair value at the acquisition date when control is transferred.

Judgements and estimates have been made to determine the fair value of intangible assets, leases, customer relationships, technology, and brands. The determination of fair value involved developing estimates and assumptions consistent with how market participants would price the assets.

The fair value of the consideration transferred comprises the initial cash paid to the sellers and an estimate for any future payment the Group may be liable to pay, based on future performance of the business. The latter amount is classified as contingent consideration and is classified as a financial liability. Amounts classified as a financial liability are subsequently measured at fair value with any changes in fair value recognised in profit or loss. Acquisition related costs are expensed as incurred in profit or loss.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (no more than 12 months from the acquisition date), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately.

The previously held interest is remeasured at fair value at the acquisition date, with the gain or loss recognised in profit or loss.

Notes to the Interim Condensed Consolidated Financial Statements (continued)

3. Material accounting policies adopted (continued)

Revenue recognition

Revenue from contracts with customers

The Group derives revenue from the activities contracted with the customers described in the principal activities in the Directors' report. Revenue is recognised as, or when, goods or services are transferred to the customer, and is measured at an amount that reflects the consideration to which the Group expects to be entitled in exchange for the goods or services.

Subscriptions

Where revenue relates to a subscription service, the contract contains a single performance obligation, being the right to access the Group's intellectual property, the revenue recognition commences on the date of subscription and is recognised over time, evenly over the subscription period.

Products and Reports

Where revenue relates to products and reports, revenue is recognised as, or when, goods or services are transferred to the customer, and is measured at an amount that reflects the consideration to which the Group expects to be entitled in exchange for the goods or services. The directors have assessed that the stage of completion as the proportion of the total time applied to complete the report that has elapsed at the end of the reporting period.

Further, where revenue relates to a product or service from which:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance; or
- the Group's performance does not create an asset with an alternative use to the Group and the entity has an enforceable right to payment for performance completed to date, the revenue is recognised over time.

Investment Management Fees

For the management of clients' funds, the Group receives a fee, typically a number of basis points of the average funds under management. Revenue under these contracts is recognised over time, as the customer benefits from the fund management services provided by the Group.

All other revenue is recognised at a point in time when the customer obtains control of the promised asset and the Group satisfies its performance obligation.

Receivables from contracts with customers

A receivable from a contract with a customer represents the Group's unconditional right to consideration arising from the transfer of goods or services to the customer (i.e. only the passage of time is required before payment of the consideration is due). Subsequent to initial recognition, receivables from contracts with customers are measured at amortised cost and are tested for impairment. The Group's maximum standard credit term is 30 days.

Contract liabilities

A contract liability represents the Group's obligation to transfer goods or services to the customer for which the Group has received consideration (or an amount of consideration is due) from the customer. Amounts recorded as contract liabilities are subsequently recognised as revenue when the Group transfers the contracted goods or services to the customer.

4. Use of estimates and judgements

In the application of the Group's accounting policies, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimate and associated assumptions are based on historical experience and other factors that are relevant. The judgement estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discussed below.

Notes to the Interim Condensed Consolidated Financial Statements (continued)

4. Use of estimates and judgements (continued)

The following are key estimations used in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in financial statements:

- *Intangible assets (goodwill and capitalised software)*

Management judgement is used to assess the recoverable value of goodwill and other intangible assets. The carrying amount of goodwill is based on assumptions including forecasts used for determining cashflows, available headroom, and the sensitivities of the recoverable amount to reasonably possible changes in assumptions. The Group undertakes an annual assessment or more frequently if events or changes in circumstances indicates that the carrying value on the balance sheet is impaired.

At each reporting date, software and other intangible assets are assessed for indicators of impairment and where such indicators are identified, an impairment assessment is performed. If an asset's carrying amount is determined to be greater than its recoverable amount, the carrying amount of the asset is written down immediately. Those assets not yet ready for use are tested for impairment annually.

- *Business acquisitions*

Judgements and estimates have been made to determine the fair value of intangible assets, leases, customer relationships, technology, and brands. The determination of fair value involved developing estimates and assumptions consistent with how market participants would price the assets. (Refer to note 3)

Assumptions and estimates applied in the valuation of the LifeIncome insurance contract liabilities

- *Technique for estimation of future cash flows*

The estimate of future cash flows shall be an estimate of the probability-weighted mean of the full range of outcomes within the boundary of the contract. The Group estimates the expected cash flows for insurance contracts issued and reinsurance contracts held separately at an entity level. The cash flows are determined at a policy level and then aggregated into groups of insurance contracts issued. A different policy identifier is used for reinsurance contracts held at the policy level for aggregation purposes.

- *Discount rates*

For reinsurance contracts, the Group uses the bottom-up approach to determine discount rates in relation to reinsurance contracts held, calculated as risk free rates and an illiquidity premium. The illiquidity premium is determined by reference to observable market rates, including Australian Commonwealth Government Securities, treasury bonds and corporate bonds.

Reinsurance discount rate is considered at initial recognition as the date of treaty inception (or date of new annual cohort inception for contracts issued post 30 June 2024). This discount rate is locked-in, per the GMM, and is, thus, also used for CSM re-measurement and interest accretion. For subsequent measurement of FCF, the discount rate is set using the bottom-up approach, with current risk-free rates and an illiquidity premium.

- *Risk adjustment (RA) for non-financial risk*

The risk adjustment is held to reflect the compensation the Group requires to bear the uncertainty about the amount and timing of the cash flows that arise from non-financial risks. The Group is exposed to longevity risk on insurance contracts issued due to the guarantee that payments of a set number of units will be made until death of the policyholder. It is also exposed to expense risk, being the risk that expenses associated with the costs of servicing the underlying insurance contracts will be larger than expected.

The Group determines risk adjustment at a total entity level and allocates it down to groups of insurance contracts using PV Claims in the scalar approach. Risk adjustment for group of insurance contracts is calculated based on the ratio of total risk adjustment relative to total PV claims. This ratio is pro-rated for the PV claims amount in relation to groups of insurance contracts issued.

In estimating the risk adjustment, the Group uses the cost of capital (CoC) method. The method looks at estimating the additional amount of capital required for the amount of uncertainty, and then estimating the expected cost of that capital over the period of the risk. The Group uses the risk-free discount rates to discount the risk adjustment for insurance contracts issued and reinsurance contracts held.

Notes to the Interim Condensed Consolidated Financial Statements (continued)

4. Use of estimates and judgements (continued)

Capital held for longevity risk is expected to constitute the material portion of total capital. The capital held for expense risk is short term in nature and hence, the CoC on expense risk is immaterial. The expected CoC is calculated as the difference between the Group's target return on equity and the average earning rate of the capital assets. No diversification will be allowed for due to no correlation between longevity and expense risks. The Group determines the implied confidence level using the risk adjustment and statistical techniques, assuming losses are normally distributed, referencing a mean of 0 at 50% confidence level and the required capital which assumes that losses over the next year will be covered at an 80% confidence level (2023: 80%). The implied confidence level will be recalculated annually.

Confidence levels are applied to LRC and LIC and are expected to be consistent unless facts and circumstances clearly indicate otherwise.

Reinsurance risk adjustment is set equal to the gross risk adjustment for longevity risk only.

- *Coverage unit methodology and CSM release*

Coverage units are required to be set using a measure that will demonstrate the relative quantity of benefits expected to be provided over the life of the contract (the policyholder's lifetime).

The benefit payments (which include both annuity outgo and death benefit payment) provide a reflection of the quantity of benefits expected to be provided over the life of the contract and are, thus, used as coverage units. The initial expected benefit payments are determined by considering the probability-weighted average duration of contracts at inception.

CSM release for period is based on the ratio of actual benefits paid during the period relative to actual benefits paid during the period and PV of expected benefit amounts for end of period. For reinsurance contracts held, CSM release for period is determined using the same method, however, benefit amounts used relate to the underlying insurance contracts issued.

5. Risk and capital management

Risk management governance and framework

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. The Board has adopted an approved Risk Management Plan, which reflects the Board's commitment to identifying, monitoring and mitigating risks as well as capturing opportunities.

The Board recognises the broad range of risks that the Group faces as a participant in the financial services industry. Increasingly, the risk of climate change is being considered within the investment process. The Group considers the risk of climate change within its risk management framework and work to ensure that these risks are mitigated where possible. The Group is not currently materially exposed to climate risk.

Day-to-day responsibility for risk management has been delegated to executive management, with review occurring at Audit and Risk Committees, and Board level. The Chief Executive Officer and Chief Financial Officer of the Group are required to provide to the Board an annual certification that the Group's risk management system is operating efficiently and effectively in all material respects.

Underwriting risk management

Underwriting risk consists of insurance risk, lapse risk and expense risk.

Insurance risk is the risk of the loss event occurrence, or the timing and amount of the loss being different from expectation.

The Group is exposed to different elements of insurance risks on insurance contracts issued:
a) Longevity risk – the guarantee that payments of a set number of units will be made until the death of the policyholder.
b) Mortality risk – the risk of losses arising from death of policyholders being earlier than expected.

The Group mitigates these risks by having reinsurance arrangements in place.

The Group is also exposed to the following risk which is not insurance risk but related to insurance contracts:
- Expense risk – the risk that expenses associated with the costs of servicing the insurance contracts issued will be larger than expected.

Notes to the Interim Condensed Consolidated Financial Statements (continued)

5. Risk and capital management (continued)

The risk arises from all insurance contracts issued. A sensitivity analysis to changes in expense rates is presented later in the note. The Group frequently monitors the expense level of each business unit to address expense risk. In addition, expense risk is being managed by the Group's ability to increase management fees or the ability to change benefit fund rules that govern the management fees.

There were no significant changes in the Group's objectives, policies, and processes for managing the risks and the methods used to measure the risks from the previous period.

Sensitivities

The following table details the impact of changes in key assumptions on the Group's profit and loss, equity and CSM before and after risk mitigation from reinsurance contracts held. This analysis is based on a change in one risk variable with all other variables held constant. Sensitivity analysis assumes that changes to variables can be made independently, which is very unlikely to occur in practice. There were no changes made from the previous period in the methods and assumptions used in preparing the sensitivity analysis.

31 Dec 2024

	Change in assumption	CSM		Profit or loss		Equity	
		Gross $'000 Insurance contracts issued	Net $'000 Reinsurance contracts	Gross $'000 Insurance contracts issued	Net $'000 Net of reinsurance	Gross $'000 Insurance contracts issued	Net $'000 Net of reinsurance
Mortality	+10%	N/a	570	514	111	514	111
Mortality	-10%	N/a	(648)	(572)	(125)	(572)	(125)
Expenses	+10%	N/a	-	(381)	(381)	(381)	(381)
Expenses	-10%	N/a	-	375	375	375	375
Investment return	+1%	N/a	159	99	80	99	80
Investment return	-1%	N/a	(136)	(115)	(99)	(115)	(99)
Discount rate	+1%	N/a	-	-	(80)	-	(80)
Discount rate	-1%	N/a	-	-	94	-	94

30 Jun 2024

	Change in assumption	CSM		Profit or loss		Equity	
		Gross $'000 Insurance contracts issued	Net $'000 Reinsurance contracts	Gross $'000 Insurance contracts issued	Net $'000 Net of reinsurance	Gross $'000 Insurance contracts issued	Net $'000 Net of reinsurance
Mortality	+10%	N/a	362	378	113	378	113
Mortality	-10%	N/a	(414)	(422)	(127)	(422)	(127)
Expenses	+10%	N/a	-	(327)	(327)	(327)	(327)
Expenses	-10%	N/a	-	323	323	323	323
Investment return	+1%	N/a	136	77	56	77	56
Investment return	-1%	N/a	(117)	(89)	(71)	(89)	(71)
Discount rate	+1%	N/a	-	-	(64)	-	(64)
Discount rate	-1%	N/a	-	-	76	-	76

Notes to the Interim Condensed Consolidated Financial Statements (continued)

6. New standards, interpretations and amendments

The Group has adopted all the new and revised standards and interpretations issued by the Australian Accounting Standard Board (AASB) that are relevant to its operations effective for an accounting period that begins on or after 1 July 2024.

Several other amendments and interpretations applied for the first time during the year, but these did not have an impact on the Group's financial statements and hence, have not been disclosed. The Group has not early adopted any standards, interpretations or amendments that have been issued but not yet effective.

7. Segment reporting

The Group has the following two strategic divisions, which are its reportable segments. All segments' operating results are regularly reviewed by the Group's Chief Financial Officer to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

On 1 August 2024, GDG completed the acquisition of remaining shares in Lonsec, increasing its holding to 100%. Following this acquisition, GDG has gained full control in Lonsec, transitioning Lonsec from associate to subsidiary. As a result, the Group has changed its internal organisation and the composition of its operating segments. Accordingly, the Group has restated the previously reported segment information for the six months ended 31 December 2023. The 1HY25 results include 6 months results for Lonsec, presented as Investment solutions, research and ratings division below.

a. Operating segments

Benefit Funds Management and Fund Administration

The provision of administration and management services to the Benefit Funds of Generation Life Limited and administration services to institutional clients.

Investment solutions, research and ratings

This represents Lonsec which specialises in connecting financial advisers, fund managers and super funds with the tools, data and insights to make better investment decisions, grow their funds, engage better with members, and meet their best interest obligations.

b. Non-operating segments

Benefit Funds represents the operating result and financial position of the Benefit Funds which are required to be consolidated in the Group's financial statements in accordance with the accounting standards.

Where relevant, comparative financial information has been restated to ensure consistency in presentation of financial information across the applicable comparative periods.

Notes to the Interim Condensed Consolidated Financial Statements (continued)

The reportable segments are divisions engaged in providing either different products or services. The statutory benefit funds are classified as a non-operating segment. Details of the operating and non-operating segments are detailed below:

	Operating Segments			Non-operating Segment		
Half year ended 31 Dec 2024	**Benefit Funds Management & Funds Administration**	**Investment solutions, research and ratings[1]**	**Operating Segment Total**	**Benefit Funds**	**Elimination**	**Consolidated Total**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
External revenue[2]	81,405	37,073	118,478	253,511	-	371,989
Inter-segment revenue	17,382	-	17,382	-	(17,382)	-
Segment revenue	**98,787**	**37,073**	**135,860**	**253,511**	**(17,382)**	**371,989**
Insurance revenue – external	1,241	-	1,241	1,736	-	2,977
Insurance service expenses	(2,697)	-	(2,697)	(2,041)	-	(4,738)
Income/(expenses) from reinsurance contracts held	409	-	409	(14)	-	395
Insurance service result	**(1,047)**	**-**	**(1,047)**	**(319)**	**-**	**(1,366)**
Net investment income/(expenses)	**9**	**-**	**9**	**2,348**	**-**	**2,357**
Insurance finance income/(expenses) from insurance contracts issued	42	-	42	(2,053)	-	(2,011)
Finance income/(expenses) from reinsurance contracts held	49	-	49	-	-	49
Net insurance finance income or expenses	**91**	**-**	**91**	**(2,053)**	**-**	**(1,962)**
Net insurance result	**(947)**	**-**	**(947)**	**(24)**	**-**	**(971)**
Expenses	(30,259)	(29,483)	(59,742)	(17,587)	17,382	(59,947)
Income tax benefit / (expense)	4,939	(1,227)	3,712	(16,241)	-	(12,529)
Profit attributable to policyholders	-	-	-	(219,659)	-	(219,659)
Net profit / (loss) after tax	**72,520**	**6,363**	**78,883**	**-**	**-**	**78,883**
Segment assets and liabilities						
Segment total assets	401,769	64,090	465,859	4,000,234	(272)	4,465,821
Segment total liabilities	(71,173)	(48,567)	(119,740)	(4,000,234)	272	(4,119,702)
Segment net assets	**330,596**	**15,523**	**346,119**	**-**	**-**	**346,119**
Other segment information						
Depreciation and amortisation	(5,687)	(2,311)	(7,998)	-	-	(7,998)
Goodwill[3]	227,826	-	227,826	-	-	227,826
Movements in non-current assets	322,837	(367)	322,470	624,024	-	946,494

[1] As a result of the acquisition of remaining shares of Lonsec during the six months ended 31 December 2024, the Group has changed its internal organisation and the composition of its operating segments, which results in a change in reportable segments. Accordingly, the Group has restated the previously reported segment information from *Other Businesses* to *Investment solutions, research and ratings*.
[2] This includes amount of $75.1m relating to gain on remeasurement of pre-existing interest in Lonsec.
[3] Includes provisional goodwill following the acquisition of remaining shares in Lonsec.

Notes to the Interim Condensed Consolidated Financial Statements (continued)

	Operating Segments			Non-operating Segment		
Half year ended 31 Dec 2023	**Benefit Funds Management & Funds Administration**	**Investment solutions, research and ratings***	**Operating Segment Total**	**Benefit Funds**	**Elimination**	**Consolidated Total**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
External revenue	4,169	2,129	6,298	140,597	-	146,895
Inter-segment revenue	12,764	-	12,764	-	(12,764)	-
Segment revenue	**16,933**	**2,129**	**19,062**	**140,597**	**(12,764)**	**146,895**
Insurance revenue – external	819	-	819	649	-	1,468
Insurance service expenses	(1,808)	-	(1,808)	(708)	-	(2,516)
Income/(expenses) from reinsurance contracts held	569	-	569	-	-	569
Insurance service result	**(420)**	**-**	**(420)**	**(59)**	**-**	**(479)**
Net investment income/(expenses)	**6**	**-**	**6**	**1,120**	**-**	**1,126**
Insurance finance income/(expenses) from insurance contracts issued	12	-	12	(1,078)	-	(1,066)
Finance income/(expenses) from reinsurance contracts held	(70)	-	(70)	-	-	(70)
Net insurance finance income or expenses	**(58)**	**-**	**(58)**	**(1,078)**	**-**	**(1,136)**
Net insurance result	**(472)**	**-**	**(472)**	**(17)**	**-**	**(489)**
Expenses	(19,583)	-	(19,583)	(12,882)	12,764	(19,701)
Income tax benefit / (expense)	5,378	-	5,378	(18,823)	-	(13,445)
Profit attributable to policyholders	-	-	-	(108,875)	-	(108,875)
Net profit / (loss) after tax	**2,256**	**2,129**	**4,385**	**-**	**-**	**4,385**
Segment assets and liabilities						
Segment total assets	68,614	-	68,614	3,001,193	(363)	3,069,444
Segment total liabilities	(7,659)	-	(7,659)	(3,001,193)	363	(3,008,489)
Segment net assets	**60,955**	**-**	**60,955**	**-**	**-**	**60,955**
Other segment information						
Depreciation and amortisation	(878)	-	(878)	-	-	(878)
Goodwill	547	-	547	-	-	547
Movements in non-current assets	1,873	-	1,873	(15,249)	-	(13,376)

* As a result of the acquisition of remaining shares of Lonsec during the six months ended 31 December 2024, the Group has changed its internal organisation and the composition of its operating segments, which results in a change in reportable segments. Accordingly, the Group has restated the previously reported segment information from *Other Businesses* to *Investment solutions, research and ratings*.

Notes to the Interim Condensed Consolidated Financial Statements (continued)

8. Financial risk management

All aspects of the Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated annual financial report as at and for the year ended 30 June 2024.

9. Financial Instruments – Fair value and risk management

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

The table below shows the valuation methods for different levels of financial instruments by fair value hierarchy.

Level 1: Fair value is calculated using quoted prices (unadjusted) in active markets for identical assets or liabilities. This comprises listed securities.

Level 2: Fair value for units in managed unlisted funds are calculated using disclosed offer prices provided from the responsible entity through third party data or directly from the responsible entity. Fair value from fixed interest assets where the principle prices are derived from the most liquid over the counter markets are provided via a reputable third party data vendor.

Level 3: Fair value is estimated using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Trade and other receivable and trade and other payables classified as held-for-sale are not included in the table below. Their carrying amount is a reasonable approximation of fair value.

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Half year ended 31 Dec 2024				
Listed Securities	2,170,244	-	-	2,170,244
Units in externally managed unlisted funds and fixed interest assets	-	1,674,274	664	1,674,938
Derivatives	35	-	-	35
Financial assets at fair value through profit or loss	**2,170,279**	**1,674,274**	**664**	**3,845,217**
Investment contract liabilities	-	(3,826,821)	-	(3,826,821)
Derivatives	(2,156)	-	-	(2,156)
Financial liabilities at a fair value through profit or loss	**(2,156)**	**(3,826,821)**	**-**	**(3,828,977)**

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
30 June 2024				
Listed Securities	1,778,900	-	-	1,778,900
Units in externally managed unlisted funds and fixed interest assets	-	1,437,354	530	1,437,884
Derivatives	457	-	-	457
Financial assets at fair value through profit or loss	**1,779,357**	**1,437,354**	**530**	**3,217,241**
Investment contract liabilities	-	(3,260,342)	-	(3,260,342)
Derivatives	-	-	-	-
Financial liabilities at a fair value through profit or loss	**-**	**(3,260,342)**	**-**	**(3,260,342)**

Notes to the Interim Condensed Consolidated Financial Statements (continued)

10. Revenue

The Group's main revenue streams are fee revenues earned from contracts with customers for life investment management, investment administration services, investment research and ratings, superannuation research, ratings and benchmarking and managed account solutions in the financial advice industry.

a. Revenue from contracts with customers

Disaggregation of Revenue
In the following table, revenue is disaggregated by type of service, major service lines & timing of revenue recognition.

	Half year ended 31 Dec 2024 $'000	Half year ended 31 Dec 2023 $'000
Major service lines and type of service		
Fee income – Funds administration	237	205
Adviser fee	3,889	2,950
Products and reports	17,060	-
Investment management fees	15,317	-
Subscriptions and other service revenue	4,319	-
Other	78	-
Total revenue	**40,900**	**3,155**
Timing of revenue recognition		
Services transferred over time	39,325	2,866
Services transferred at a point in time	1,575	289
	40,900	**3,155**

b. Interest income

	Half year ended 31 Dec 2024 $'000	Half year ended 31 Dec 2023 $'000
Interest income	1,630	440
Interest income in benefit funds – investment contracts	3,083	2,668
Interest income in benefit funds – insurance contracts	182	206
	4,895	**3,314**

Notes to the Interim Condensed Consolidated Financial Statements (continued)

c. Revaluation income

	Half year ended 31 Dec 2024 $'000	Half year ended 31 Dec 2023 $'000
Realised gain / (loss) on sale of investments – Benefit Funds	4,328	(15,539)
Unrealised gain / (loss) on assets designated as Fair Value Through Profit and Loss (FVTPL) – Benefit Funds	218,421	128,543
	222,749	**113,004**

d. Other income

	Half year ended 31 Dec 2024 $'000	Half year ended 31 Dec 2023 $'000
Other income	726	495
Other income - Benefit Funds	550	46
Revaluation of policyholders' liabilities	(89)	(148)
Lease rental income	81	78
	1,268	**471**

Notes to the Interim Condensed Consolidated Financial Statements (continued)

11. Net insurance result

	Half year ended 31 Dec 2024 $'000	Half year ended 31 Dec 2023 $'000
Insurance revenue		
Expected incurred claims and other insurance service expenses	2,779	1,379
Change in risk adjustment for non-financial risk	106	55
Experience adjustments - insurance revenue	(1)	3
Recovery of insurance acquisition cash flows	93	31
Total insurance revenue	**2,977**	**1,468**
Insurance service expenses		
Incurred claims and other incurred insurance service expenses	(2,807)	(1,452)
Changes that relate to future service – losses on onerous groups of contracts and reversal of such losses	(1,838)	(1,033)
Amortisation of insurance acquisition cash flows	(93)	(31)
Total insurance service expense	**(4,738)**	**(2,516)**
Income or expenses from reinsurance contracts held	395	569
Insurance service result	**(1,366)**	**(479)**
Net investment income/(expenses) on underlying assets		
Interest revenue from financial instruments not measured at FVTPL	51	27
Net income from financial instruments measured at FVTPL	249	139
Unrealised gains/(losses) from financial instruments measured at FVTPL	2,148	991
Realised gains/(losses) from financial instruments measured at FVTPL	(105)	(32)
Other income/(expenses)	14	1
Total investment income/(expenses) on underlying assets recognised in P&L	**2,357**	**1,126**
Insurance finance income/(expenses) from insurance contracts issued recognised in P&L		
Interest accreted	(1,144)	(531)
Changes in FCFs and CSM of contracts measured applying VFA due to changes in fair value of underlying items	(867)	(535)
Total insurance finance income/ (expenses) from insurance contracts issued recognised in P&L	**(2,011)**	**(1,066)**
Finance income/(expenses) from reinsurance contracts held		
Interest accreted	(9)	(148)
Effect of changes in interest rates and other financial assumptions	58	78
Total reinsurance finance income/ (expenses) from reinsurance contracts held recognised in P&L	**49**	**(70)**
Net insurance result	**(971)**	**(489)**

Notes to the Interim Condensed Consolidated Financial Statements (continued)

12. Portfolios of insurance and reinsurance contract held assets and liabilities - LifeIncome

The table below summarises the carrying amounts of portfolios of insurance contracts issued and reinsurance contract held assets and liabilities at the end of reporting date.

	Notes	As at 31 Dec 2024 $'000	As at 30 June 2024 $'000
Insurance contract liabilities	13	56,002	44,123
Net		**56,002**	**44,123**
Reinsurance contract assets	14	1,859	1,405
Net		**1,859**	**1,405**

13. Insurance contract assets and liabilities

	As at 31 Dec 2024 $'000	As at 30 Jun 2024 $'000
(a) Oddfellows Benefit Fund's policyholder liabilities*	6,909	6,820
(b) Insurance contract liabilities – LifeIncome	49,093	37,303
Life insurance contracts liabilities	**56,002**	**44,123**

*Oddfellow Benefit Fund's policyholder liabilities is classified as defined benefit, as these contracts are now operating as accumulation accounts, it is valued the same way as the remaining account-based Benefit Funds at the fair value of the assets, under AASB1038.

Notes to the Interim Condensed Consolidated Financial Statements (continued)

13. Insurance contract assets and liabilities (continued)

(b) Insurance contract assets and liabilities (LifeIncome)

	31 Dec 2024				30 Jun 2024			
	Liability for remaining coverage		Liability for Incurred Claims	Total	Liability for remaining coverage		Liability for Incurred Claims	Total
	Excluding loss component	Loss component			Excluding loss component	Loss component		
Opening assets	-	-	-	-	-	-	-	-
Opening liabilities	31,627	5,608	68	37,303	14,800	2,889	(33)	17,656
Net opening balance	**31,627**	**5,608**	**68**	**37,303**	**14,800**	**2,889**	**(33)**	**17,656**
Changes in the statement of profit or loss								
Contracts under the modified retrospective approach	-	-	-	-	-	-	-	-
Contracts under the fair value approach	-	-	-	-	-	-	-	-
Other contracts	(2,440)	(537)	-	(2,977)	(2,771)	(507)	-	(3,278)
Insurance revenue	**(2,440)**	**(537)**	**-**	**(2,977)**	**(2,771)**	**(507)**	**-**	**(3,278)**
Incurred claims and other insurance service expenses	242	-	2,563	2,805	1,344	-	1,914	3,258
Changes that relate to past service: Adjustments to liabilities for incurred claims	-	-	-	-	-	-	-	-
Changes that relate to future service: Losses and reversals of losses on onerous contracts	-	1,838	-	1,838	-	3,112	-	3,112
Amortisation of insurance acquisition cash flows	92	-	-	92	69	-	-	69
Insurance service expenses	**334**	**1,838**	**2,563**	**4,735**	**1,413**	**3,112**	**1,914**	**6,439**
Insurance service result	**(2,106)**	**1,301**	**2,563**	**1,758**	**(1,358)**	**2,605**	**1,914**	**3,161**
Insurance finance expenses from insurance contracts recognised in profit and loss	1,840	172	-	2,012	2,666	114	-	2,780
Investment components excluded from insurance revenue and insurance service expenses	-	-	-	-	-	-	-	-
Effect of movements in exchange rates	-	-	-	-	-	-	-	-
Total changes in the statement of profit or loss	**(266)**	**1,473**	**2,563**	**3,770**	**1,308**	**2,719**	**1,914**	**5,941**
Cash flows								
Premiums received	11,610	-	-	11,610	17,399	-	-	17,399
Insurance acquisition cash flows	(918)	-	-	(918)	(1,880)	-	-	(1,880)
Claims and other insurance service expenses paid	-	-	(2,644)	(2,644)	-	-	(1,756)	(1,756)
Total cash flows	**10,692**	**-**	**(2,644)**	**8,048**	**15,519**	**-**	**(1,756)**	**13,763**
Other movements	(1,390)	(244)	1,606	(28)	-	-	(57)	(57)
Net closing balance	**40,663**	**6,837**	**1,593**	**49,093**	**31,627**	**5,608**	**68**	**37,303**
Closing assets	-	-	-	-	-	-	-	-
Closing liabilities	40,663	6,837	1,593	49,093	31,627	5,608	68	37,303
Net closing balance	**40,663**	**6,837**	**1,593**	**49,093**	**31,627**	**5,608**	**68**	**37,303**

Notes to the Interim Condensed Consolidated Financial Statements (continued)

14. Reinsurance contract assets and liabilities

	31 Dec 2024				30 Jun 2024			
	Remaining coverage component				Remaining coverage component			
	Excluding loss Recovery component	Loss recovery component	Incurred claims component	Total	Excluding loss Recovery component	Loss recovery component	Incurred claims component	Total
Opening assets	(89)	(1,316)	-	(1,405)	(101)	(522)	-	(623)
Opening liabilities	-	-	-	-	-	-	-	-
Net opening balance	**(89)**	**(1,316)**	**-**	**(1,405)**	**(101)**	**(522)**	**-**	**(623)**
Changes in the statement of profit or loss								
Allocation of reinsurance expenses paid	42	-	-	42	80	-	-	80
Amounts recoverable from reinsurer	-	-	-	-	-	-	-	-
Recoveries of incurred claims and other insurance service expenses	-	-	(19)	(19)	-	-	(20)	(20)
Changes in the loss recovery component	-	(418)	-	(418)	-	(794)	-	(794)
Changes in expected recoveries on past claims	-	-	-	-	-	-	-	-
	42	**(418)**	**(19)**	**(395)**	**80**	**(794)**	**(20)**	**(734)**
Investment components and premium refunds								
Effect of changes in non-performance risk of reinsurers	-	-	-	-	-	-	-	-
Net (income)/ expenses from reinsurance contracts held	**42**	**(418)**	**(19)**	**(395)**	**80**	**(794)**	**(20)**	**(734)**
Finance income/ (expenses) from reinsurance contracts held	(50)	-	-	(50)	(30)	-	-	(30)
Effect of movements in exchange rates	-	-	-	-	-	-	-	-
Total changes in the statement of profit or loss	**(8)**	**(418)**	**(19)**	**(445)**	**50**	**(794)**	**(20)**	**(764)**
Cash flows								
Premiums paid	(28)	-	-	(28)	(38)	-	-	(38)
Amounts received from reinsurers relating to incurred claims	-	-	19	19	-	-	20	20
Total cash flows	**(28)**	**-**	**19**	**(9)**	**(38)**	**-**	**20**	**(18)**
Net closing balance	**(125)**	**(1,734)**	**-**	**(1,859)**	**(89)**	**(1,316)**	**-**	**(1,405)**
Closing assets	(125)	(1,734)	-	(1,859)	(89)	(1,316)	-	(1,405)
Closing liabilities	-	-	-	-	-	-	-	-
Net closing balance	**(125)**	**(1,734)**	**-**	**(1,859)**	**(89)**	**(1,316)**	**-**	**(1,405)**

Notes to the Interim Condensed Consolidated Financial Statements (continued)

15. Control of subsidiary

Lonsec Holdings Pty Ltd (Lonsec)

On 1 August 2024, GDG completed a follow-on transaction to acquire the remaining share capital in Lonsec ("Follow-on Investment" or collectively with the Initial Equity Investment as the "Transaction"). This investment represents 61.9% of the fully diluted share capital after the issuance of shares through vesting options. GDG's total holding in Lonsec has increased to 100% resulting in gaining control and transitioning from associate to subsidiary based on *AASB 10 Consolidated Financial Statements* and consolidated Lonsec as a subsidiary in the Group's financial statements effective 1 August 2024.

The purchase consideration included (i) an upfront payment of $197.7m (ii) estimated rollover contingent share issuance of $5.1m and (iii) estimated earn-out as determined to be paid in cash and scrip of $2.7m, contingent on estimated FY25 EBITDA performance.

To finance the up-front consideration and transaction costs, GDG raised $155.4m through a fully underwritten placement and an accelerated non-renounceable entitlement offer with both institutional and retail components. This resulted in a completion payment of $148.4m.

For the remaining up-front consideration, $49.3m of GDG scrip was distributed via a conditional placement to Lonsec shareholders who choose to receive scrip in exchange for their equity in Lonsec. A total of 25.3m GDG shares were used at a price of $1.95 per share to roll over 4.7m Lonsec shares, valued at $10.49 per share.

Lonsec Group operates in the financial advice, superannuation and investment industry and is based in Australia, with offices in Sydney, Melbourne and Adelaide. The acquisition of Lonsec aligns with the Group's growth strategy and will enhance its market position in Australia.

In cases where a business combination is achieved in stages, the previously held equity interest in the acquiree is remeasured at the acquisition-date fair value in line with the consideration paid for the remaining 61.9%. This provisional fair value assessment of the transaction consideration amounts to $104.2m resulting in a potential gain of $75.1m representative of the uplift in fair value of the previous investment.

GDG and Lonsec have incurred acquisition related costs of $8.2m. $4.0m was recognised in FY24 and $4.2m is included in the Income Statement for the period ended 31 December 2024 and is disclosed in other expenses. Acquisition costs include costs such as legal fees and due diligence costs.

The acquisition accounting of Lonsec is provisional due to the on-going work to complete the identification and valuation of certain assets acquired including relevant intangible assets that will be amortised at their estimated life from the date of acquisition. The amounts included in the Group's financial statements as at 31 December 2024 in respect of the tax balances acquired represent management's provisional valuation of tax balances only. The goodwill is not deductible for income tax purposes.

Details of the major classes of consideration transferred, the recognised amounts of assets acquired, and liabilities assumed, and provisional goodwill recognised as a result of the acquisition on 1 August 2024 are as follows:

The provisionally determined fair value of total purchase consideration transferred is as follows:

	Fair value as at 1 August 2024 $'000
Cash consideration	136,630
Equity consideration (GDG shares)	64,963
Contingent consideration	7,843
Previously held equity accounted interest	104,162
Total	**313,598**

Notes to the Interim Condensed Consolidated Financial Statements (continued)

15.Control of Subsidiary (continued)

The provisionally determined fair value of the assets and liabilities at the date of acquisition is as follows:

	As at 1 Aug 2024 $'000
Assets	
Cash and cash equivalents	8,155
Trade and other receivables	7,741
Plant and equipment	1,420
Right-of-use-assets	3,350
Deferred tax assets	4,733
Acquired intangible assets	168,300
Total	**193,699**
Liabilities	
Trade and other payables	12,247
Lease liabilities	4,199
Employee benefits	666
Borrowings	19,335
Deferred revenue	15,997
Provisions	3,003
Deferred tax liabilities	51,933
Total liabilities	**107,380**
Net identifiable assets acquired at fair value	**86,319**
Add: goodwill	**227,279**
Net assets acquired	**313,598**

Lonsec contributed $37.0m of operating revenue to the Group for the six months ending 31 December 2024. The net profit after tax (NPAT) contributed for this period was $6.4m. Although the completion date for the acquisition of Lonsec occurred on 1 August 2024, under the terms of the Shares and Options Sales Agreement, the effective date of the acquisition including entitlement to 100% of the earnings of Lonsec occurred on 1 July 2024.

Refer to note 3 and 4 for key assumptions and judgment used in determining the fair value of the assets and liabilities at the date of acquisition.

Notes to the Interim Condensed Consolidated Financial Statements (continued)

16. Income Tax

The Group and all its wholly owned subsidiaries are in the process of forming a tax consolidated group (TCG) effective from the 1 July 2024. The acquired business, Lonsec and its subsidiaries, are currently part of a TCG. Effective from the date of acquisition, 1 August 2024, Lonsec and its subsidiaries will join the parent entity forming a single TCG.

	Half year ended 31 Dec 2024 $'000	Half year ended 31 Dec 2023 $'000
Income tax expense comprises:		
Current Tax		
Current income tax benefit / (expense)	(2,347)	3,060
Deferred Tax (expense) / benefit		
(Derecognition) / recognition of tax losses	-	116
(Derecognition) / recognition of timing difference	(10,182)	(16,621)
Total income tax expense	**(12,529)**	**(13,445)**

The underlying effective tax rate of 4% (31 Dec 2023: 11%) is predominantly due to increase in non-assessable income in the Benefit funds, higher imputation and foreign tax credits, and non-assessable fair value gain in previously held interest in associates.

17. Financial Assets

	As at 31 Dec 2024 $'000	As at 30 Jun 2024 $'000
Financial assets carried at amortised costs - Term deposits [(a)]	77,619	61,567
Financial assets carried at fair value through profit or loss - Investments [(b)]	3,845,217	3,217,241
Total financial assets	**3,922,836**	**3,278,808**
Current	3,922,836	3,278,808
Non-current		-
	3,922,836	**3,278,808**

(a) The term deposits have maturities ranging from three to twelve months
(b) Investments are amounts invested by the benefit funds in unlisted externally managed funds, listed securities and fixed interest assets.

18. Intangible Assets

	As at 31 Dec 2024 $'000	As at 30 Jun 2024 $'000
Software	1,219	1,536
Goodwill – Generation Life	547	547
Goodwill – Lonsec	227,279	-
Identifiable intangible assets of Lonsec at acquisition*	162,096	-
	391,141	**2,083**

*Represents provisional fair value of customer relationships, brand names and software.

Notes to the Interim Condensed Consolidated Financial Statements (continued)

19. Issued Capital

	Number	$'000
Balance at 1 Jul 2024	270,401,481	239,557
Issued during the period[1,2,3,4,5]	28,966,560	65,457
Balance at 31 Dec 2024	**299,368,041**	**305,014**

[1] 25,277,582 shares, fair valued at $64,963,000 was issued on 1 August 2024 pursuant to the Share and Option Sale Agreement relating to securities in Lonsec Holdings Pty Ltd which was approved by the shareholders on 23 July 2024.
[2] 1,617,287 shares, valued at $601,590 that fully vested and was issued on 21 August 2024 under the GDG rights plan of FY21.
[3] 39,957 shares, valued at $112,678 were issued on 7 Oct 2024 under the Dividend Reinvestment Plan (DRP).
[4] 59,904 shares, valued at $192,000 were issued on 22 October 2024 under the tax-exempt share plan.
[5] 1,971,830 shares were issued on 14 November 2024 under the Loan Share Plan.

20. Contract liabilities

	As at 31 Dec 2024 $'000	As at 30 Jun 2024 $'000
Current liabilities		
Contract liabilities	17,854	-

It is expected that of the contract liabilities at 31 December 2024, $14.1m (30 June 2024: $14.5m) will be delivered by 30 June 2025. The balance of contract liabilities has been recognised as current due to the cancellation clause within the contract, that allows for the customer to seek a refund prior to commencement of work.

21. Borrowings

	As at 31 Dec 2024 $'000	As at 30 Jun 2024 $'000
Current liabilities		
Bank loans	4,900	-
Non-current liabilities		
Bank loans	11,985	-
	16,885	**-**

The wholly owned subsidiary of the company, Lonsec, has two bank loan facilities of $20.0m and $6.0m respectively with Commonwealth Bank of Australia (CBA). As of 31 December 2024, the owing on the two loans is $16.9m. Both facilities have an amortising schedule, and the unused portion of the loans is unavailable for redraw. Maturing dates for facility 1 and facility 2 are 1 July 2025 and 23 February 2027, respectively.

The bank loans bear interest at 8.05% (30 June 2024: 7.78%) and as at year end, $4,900,000 is repayable by 30 June 2025. The remainder of the facility is payable through amortising payments of $1,225,000 that are payable quarterly for the remaining term of the loan.

Assets pledged as security

The CBA bank loans are secured by:

- A fixed and floating charge over the assets of Lonsec; and
- A cross guarantee and indemnity is provided to Commonwealth Bank of Australia by Lonsec.

Notes to the Interim Condensed Consolidated Financial Statements (continued)

21. Borrowings (continued)

Financing arrangements

Unrestricted access was available at the reporting date to the following lines of credit:

	As at 31 Dec 2024 $'000	As at 30 Jun 2024 $'000
Total facilities		
Bank loans – (Facility 1)	20,000	-
Bank loans – (Facility 2)	6,000	-
	26,000	**-**
Used at the reporting date		
Bank loans – (Facility 1)	13,510	-
Bank loans – (Facility 2)	3,375	-
	16,885	**-**
Unused at the reporting date		
Bank loans – (Facility 1)	6,490	-
Bank loans – (Facility 2)	2,625	-
	9,115	**-**

22. Tax-exempt share plan

In October 2024, the board reinstated the tax-exempt share plan that was initially introduced in FY21. The Board believes that greater employee ownership increases alignment with shareholders and accordingly encourages employee share ownership. The Tax-Exempt Share Plan provides permanent Australian employees a means to acquire GDG shares at no cost and to participate in the growth and performance of GDG. On 22 October 2024, 192 eligible employees (including Lonsec employees) were issued $1,000 worth of fully paid GDG ordinary shares. The shares must not be sold or transferred for a period of three years from the date of issue while the employee remains employed within the GDG Group.

Notes to the Interim Condensed Consolidated Financial Statements (continued)

23. Loan Share Plan

On 18 November 2024, the Board approved a loan share plan to eligible senior employees under the Loan Share Plan (LSP) and it granted 1,971,830 fully paid ordinary shares. The loan will be limited recourse (to the shares) and interest-free. A holding lock will be applied over the shares to restrict trading and to secure repayment of the loan amount. The loan must be repaid in full by the loan repayment date. At the loan repayment date, the loan amount to be repaid is the lower of the market value of the shares or the outstanding loan balance, less any repayments. If the value of the shares on the loan repayment date is less than the outstanding loan balance, the share will be surrendered to the Company in full satisfaction of the loan. The performance measurement period for these rights is five years from 1 October 2024 to 30 September 2029. The vesting of these performance rights is subject to the continued employment of the executive during the performance period. If none or only some of the performance conditions are met, a portion of the shares will be forfeited and surrendered to meet loan repayment obligations. The Board will maintain overarching discretion.

Loan vesting conditions:

If none or only some of the performance conditions are met, a portion of the share will be forfeited and surrendered to meet the loan repayment obligations.

1. Share Price Growth (50%)

Share price growth has been selected to ensure participants are only rewarded when significant share price appreciation for shareholders has been generated.

Up to 50% of shares will vest subject to meeting the below share price targets.

Share Price Target	**Vesting %**
Less than $5.325 (1.5 x share price growth over acquisition cost)	0%
Equal to $5.325	25%
In between $5.325 and $7.100 (1.5x to 2.0x share price growth over acquisition cost)	Straight line pro rata vesting between 25% and 50%
Share price equal to or greater than $7.100	50%

The share price at the start of the performance period is the acquisition price used at the allocation date.

The share price at the end of the performance period will be calculated based on the VWAP for the 30 trading days prior to the end of the performance period.

2. Relative Total Shareholders Returns (50%)

TSR has been selected to ensure participants are only rewarded when GDG's TSR performance exceeds that of the S&P/ASX 300.

Up to 50% of the shares will vest subject to GDG's TSR performance against the peer group.

GDG's TSR Percentile Rank Against S&P/ASX 300 Constituents	**Vesting %**
Less than 50th percentile	0%
At the 50th percentile	25%
Between 50th and 75th percentile	Straight line pro rata vesting between 25% to 50%
Greater than 75th percentile	50%

The value of the rights granted was $1,100,562 which is spread over a period of 5 years. For the period ending 31 December 2024, $24,871 was recognised within employment expenses.

The fair value granted is measured using the Monte Carlo Simulation.

Notes to the Interim Condensed Consolidated Financial Statements (continued)

24. Dividends

A final fully franked dividend of $2,972,963 (one cent per ordinary share) for the financial year ended 30 June 2024 was paid on 7 October 2024 (2023: $1,905,487). On 27 February 2025, the Company declared an interim dividend of one cent per ordinary share, fully franked, totalling $3,867,507 to be paid on 3 April 2025. The Company's Dividend Reinvestment Plan (DRP) will be in operation for this dividend.

25. Contingent liabilities

Banking facilities

The Group has the following finance facilities with National Australia Bank Limited:

- Direct debit facility of $10,000,000 (2024: $10,000,000) to be used for client's accounts as part of the Generation Life business.
- Electronic channel facility of $5,000,000 (2024: $5,000,000) to allow for transactions to be debited in the clearing account when funds are in the process of being cleared; and
- NAB credit card facilities of $150,000 (2024: $150,000) used by senior staff for business travel and client entertainment.

The above direct debit facility and the NAB credit card facility are backed by term deposits of $120,000 and $150,000, respectively.

The Company has issued letters of support in respect of certain of its subsidiaries in the normal course of business. Under these letters, the Company undertakes to ensure that those subsidiaries continue to meet their regulatory capital obligations subject to caps and certain conditions including that the entity remains a controlled entity of the Company.

Bank guarantee

The Group has the following bank guarantees in respect of its office tenancies:

- Bank guarantee of $492,383 in respect of the office at Level 17, 447 Collins Street, Melbourne, VIC 3000.
- Bank guarantee of $123,564 in respect of the office at Suite 9.02, Level 9, 6 O'Connell Street, Sydney, NSW 2000.
- Bank guarantee of $499,898 in respect of the office at Level 39, 25 Martin Place, Sydney NSW 2000.
- Bank guarantee of $376,030 in respect of the office at Level 33, 120 Collins Street, Melbourne VIC 3000.

26. Subsequent events

Business Combination (Evidentia)

On 18 February 2025, GDG announced the completion of 100% acquisition of Evidentia for $320.0m. The consideration consists of upfront cash payment of $220.1m and $74.7m in shares issued at an agreed price of $4.15 per share on 18 February 2025, being the share price at the Capital Raising, plus a completion payment from the retail offer of $25.2m payable on 7 March 2025.

Evidentia presents a highly strategic opportunity for GDG as one of Australia's leading providers of investment management and tailored managed account solutions.

Dividends

On 27 February 2025, the Company declared an interim dividend of $0.01 per ordinary share, fully franked to be paid on 3 April 2025. The Company's Dividend Reinvestment Plan (DRP) has been activated for this dividend.

Other than the matters discussed above, there has not been any other matters or circumstances that has arisen since 31 December 2024 that has significantly affected or may significantly affect the operations of the Group.

Independent Auditor's Review Report

To the shareholders of Generation Development Group Limited

Conclusion

We have reviewed the accompanying ***Interim Condensed Consolidated Financial Report*** of Generation Development 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 Condensed Consolidated Financial Report of Generation Development 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 31 December 2024 and of its performance for the ***six months*** ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The ***Interim Condensed Consolidated Financial Report*** comprises:

- Interim Condensed Consolidated statement of financial position as at 31 December 2024
- Interim Condensed Consolidated statement of profit or loss and other comprehensive income, Interim Condensed Consolidated statement of changes in equity and Interim Condensed Consolidated statement of cash flows for the six months ended on that date
- Notes 1 to 26 including selected explanatory notes
- The Directors' Declaration.

The ***Group*** comprises Generation Development Group Limited (The Company) and the entities it controlled at the six month's end or from time to time during the six months.

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.

KPMG

Responsibilities of the Directors for the Interim Condensed Consolidated Financial Report

The Directors of the Company are responsible for:

- the preparation of the Interim Condensed Consolidated 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 Condensed Consolidated 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 Condensed Consolidated Financial Report

Our responsibility is to express a conclusion on the Interim Condensed Consolidated 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 Condensed Consolidated 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 31 December 2024 and its performance for the Interim Period 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 Condensed Consolidated 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

KPMG

Dean Waters

Partner

Melbourne

27 February 2025