

# Appendix 4D

## Preliminary financial statements for the half-year ended 31 December 2024

**Name of Entity** FSA Group Limited  
**ABN** 98 093 855 791

### Details of the reporting period

Half-year ended 31 December 2024  
Previous corresponding reporting period 31 December 2023

<b>Results for announcement to the market</b>	<b>\$A'000</b>	<b>up/down</b>	<b>Movement %</b>
Total operating income	30,505	up	20.2%
Net profit before tax	6,442	up	26.0%
Profit after tax from ordinary activities attributable to the members of the parent	3,916	up	22.7%
Net profit for the period attributable to members of the parent	3,916	up	22.7%

<b>Dividend information</b>	<b>Amount per share (cents)</b>	<b>Franked amount per share (cents)</b>	<b>Tax rate for franking credit</b>
Final 2024 dividend per share (paid 9 September 2024)	3.50	3.50	30%
Interim 2025 dividend per share determined	3.50	3.50	30%

#### Interim dividend dates:

Ex-dividend date 3 March 2025  
Record date 4 March 2025  
Payment date 11 March 2025  
There is no dividend reinvestment plan

	31 December 2024	31 December 2023
Net tangible assets per security	58 cents	56.2 cents

	<b>Note</b>
Details of the entities over which control has been gained or lost during the period	Not applicable
Associates and joint ventures	Not applicable
Foreign entities	Not applicable
Independent audit report or review	Page 19

This information should be read in conjunction with the 2024 Annual Report.

Additional information supporting the Appendix 4D disclosure requirement can be found in the Directors' Report and the consolidated financial statements for the half-year ended 31 December 2024.

# DIRECTORS' REPORT

The Directors submit their report for the half-year ended 31 December 2024.

## DIRECTORS

The names of the Directors of FSA Group Limited ("FSA Group") in office during the half-year and until the date of this report are shown below. All Directors were in office from the start of the half-year, unless otherwise stated.

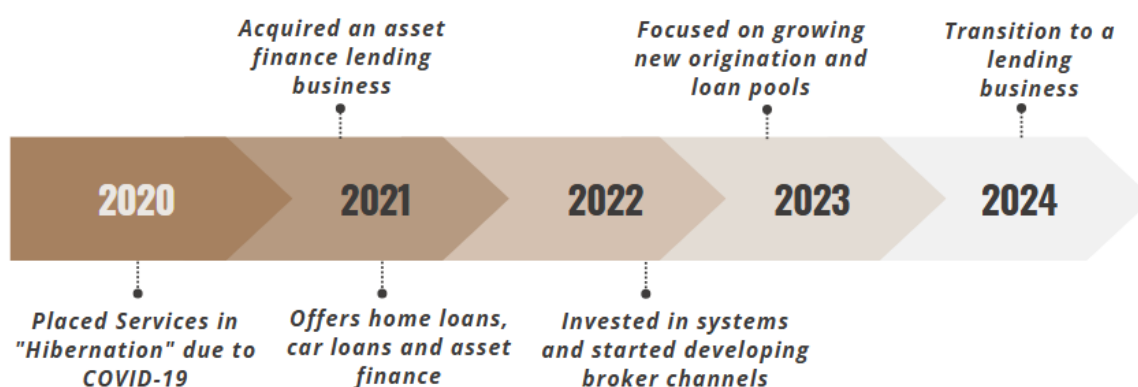
Tim Odillo Maher Executive Chairman  
 Deborah Southon Executive Director  
 Cellina Z Chen Executive Director

## PRINCIPAL ACTIVITIES

FSA Group provides direct lending services to individuals and businesses.

## EXECUTIVE DIRECTORS' REVIEW

### Transition to a lending business



### Performance

	FY20	FY21	FY22	FY23	FY24	1H25
Profit before tax:						
Lending	\$12.6m	\$17.2m	\$19.9m	\$18.2m	\$14.8m	\$6.5m
Other (previously Services)	\$12.2m	\$12.5m	\$7.0m	\$2.8m	-\$2.2m	-\$0.1m
Profit before tax	\$24.8m	\$29.7m	\$26.9m	\$21.0m	\$12.6m	\$6.4m
Loan Pools	\$457m	\$447m	\$541m	\$639m	\$801m	\$878m
% of fixed rate loans	14%	15%	28%	41%	51%	55%
Cash rate	0.25%	0.10%	0.85%	4.10%	4.35%	4.35%

From May 2022, profitability of our lending business was impacted by the rising cash rate which materially impacted the net margin on our fixed rate loans.

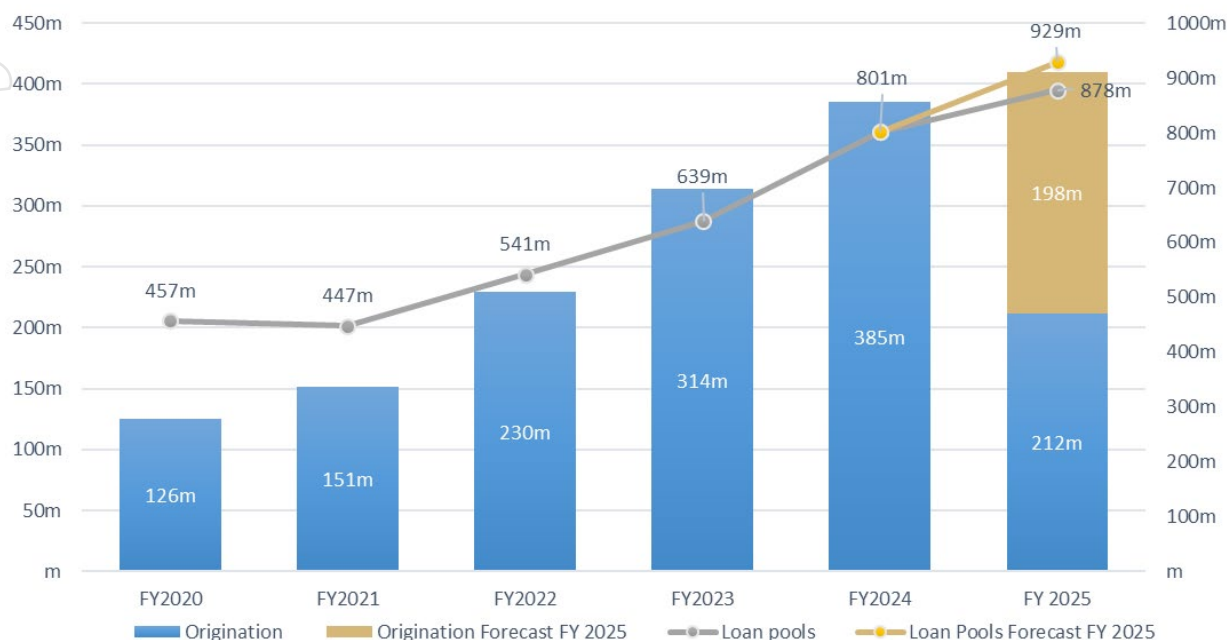
For the half-year ended 31 December 2024, FSA Group generated

- operating income of \$30.5m, a 20% increase,
- a profit before tax of \$6.4m, a 26% increase, and
- net cash inflow from operating activities of \$8.3m, an 85% increase.

Profitability of our lending business was impacted by an increase in impairment expenses. This increase was due to origination growth across the loan pools and higher impairment for asset finance loans originated under different macro-economic conditions. Certain asset finance borrowers were impacted by cost of living pressures, rates rises and revenue pressures.

During the first half of 2025, new origination increased to \$212m, a 12% increase, and our loan pools increased to \$878m, a 21% increase compared to the first half of 2024.

### New Origination and Loan Pools



#### FY2025 Profit Guidance

We expect continued growth in new origination and loan pools. Fixed rate loans have an average life of approximately 3.5 years and are now being originated at higher risk adjusted fixed rates. Our net margin will start to improve. Most importantly, our loan pools are at the level where we will begin to see the benefit of operating leverage. Our strategy is outlined under “Lending Strategy”.

For the 2025 financial year, we expected profit before tax to be in the range of \$14m to \$18m.

Some economists are forecasting that the cash rate may decrease by up to 1% during calendar year 2025. This will be a tailwind for the business and profitability as the majority of our borrowings remain unhedged.

#### Dividends

We advise that the Directors have declared a fully franked interim dividend of 3.50 cents per share, with a record date 4 March 2025 and payable on the 11 March 2025.

#### Financial Overview

	1H23	1H24	1H25	% Change
Operating income	\$30.4m	\$25.4m	\$30.5m	+20%
Profit before tax	\$13.0m	\$5.1m	\$6.4m	+26%
Profit after tax attributable to members	\$8.0m	\$3.2m	\$3.9m	+23%
EPS basic	6.53c	2.63c	3.23c	+23%
Net cash inflow from operating activities	\$8.0m	\$4.5m	\$8.3m	+85%
Dividend/share	3.50c	3.50c	3.50c	
Shareholder equity attributable to members	\$88.2m	\$87.0m	\$86.9m	
Return on equity	19%	7%	9%	

## Operational Performance

Our business generated operating income of \$30.5m, a 20% increase.

<b>Operating income</b>	<b>1H23</b>	<b>1H24</b>	<b>1H25</b>	<b>% Change</b>
Home loans and Asset finance	\$11.5m	\$12.0m	\$15.6m	+30%
Car loans	\$8.5m	\$7.9m	\$10.2m	+28%
Unsecured personal loans		\$0.6m	\$1.2m	
Other	\$10.4m	\$4.8m	\$3.5m	-27%
<b>Operating income</b>	<b>\$30.4m</b>	<b>\$25.4m</b>	<b>\$30.5m</b>	<b>+20%</b>

Our business generated a profit before tax of \$6.4m, a 26% increase.

<b>Profit before tax</b>	<b>1H23</b>	<b>1H24</b>	<b>1H25</b>	<b>% Change</b>
Home loans and Asset finance	\$4.7m	\$3.1m	\$3.4m	+12%
Car loans	\$4.8m	\$3.9m	\$3.6m	-9%
Unsecured personal loans		-\$0.5m	-\$0.5m	
Other	\$3.5m	-\$1.4m	-\$0.1m	
<b>Profit before tax</b>	<b>\$13.0m</b>	<b>\$5.1m</b>	<b>\$6.4m</b>	<b>+26%</b>

## Loan Pool Data

Our lending business offers loan products including home loans, car loans, unsecured personal loans and asset finance.

<b>Loan Pool Data</b>	<b>Home loans</b>	<b>Car loans</b>	<b>Unsecured personal loans</b>	<b>Asset finance</b>
Weighted average loan size	\$458,244	\$27,960	\$14,515	\$57,895
Security type	Residential home	Motor vehicle	Unsecured	Vehicles and equipment
Weighted average loan to valuation ratio	64%	100%+ on settlement	Unsecured	100%+ on settlement
Variable or fixed rate	Variable	Fixed	Fixed	Fixed
Geographical spread	All states	All states	All states	All states

## New Origination and Loan Pools

New origination increased from \$189m to \$212m, a 12% increase.

<b>Loan Origination</b>	<b>1H23</b>	<b>1H24</b>	<b>1H25</b>	<b>% Change</b>
Home loans	\$62m	\$66m	\$60m	-9%
Car loans	\$28m	\$35m	\$54m	+51%
Unsecured personal loans	-	\$7m	\$1m	
Asset finance	\$55m	\$81m	\$97m	+20%
<b>Total</b>	<b>\$145m</b>	<b>\$189m</b>	<b>\$212m</b>	<b>+12%</b>

Our loan pools increased from \$727m to \$878m, a 21% increase. This growth came from car loans, up 39%, and asset finance up 47%, which are fixed rate loans. The percentage of fixed rate loans has increased from 35% in the first half of 2023 to 55% in the first half of 2025.

<b>Loan Pools</b>	<b>1H23</b>	<b>1H24</b>	<b>1H25</b>	<b>% Change</b>
Home loans	\$370m	\$392m	\$398m	+1%
Car loans	\$84m	\$120m	\$167m	+39%
Unsecured personal loans		\$7m	\$8m	
Asset finance	\$119m	\$208m	\$306m	+47%
<b>Total</b>	<b>\$572m</b>	<b>\$727m</b>	<b>\$878m</b>	<b>+21%</b>
<b>% of fixed rate loans</b>	<b>35%</b>	<b>46%</b>	<b>55%</b>	

Our net margin %, calculated as the percentage of net finance income to finance income, declined from 62% in the first half of 2023 to 47% in the first half of 2025, primarily due to the rising cash rate. Since May 2022 the cash rate has increased by 4.25%, which impacted the net margin on these fixed rate loans. The greatest impact has been on fixed rate loans originated prior to May 2022. This impacted the profitability of our lending business.

<b>Lending - Revenue and other income</b>	<b>1H23</b>	<b>1H24</b>	<b>1H25</b>	<b>% Change</b>
Finance income	\$32.3m	\$43.1m	\$56.4m	+31%
Finance expense	\$12.3m	\$22.8m	\$29.7m	+30%
Net finance income	\$19.9m	\$20.3m	\$26.7m	+32%
<b>Net margin %</b>	<b>62%</b>	<b>47%</b>	<b>47%</b>	

### **Lending Strategy**

#### **1. Improve our net margin %**

Our fixed rate loans have an average life of approximately 3.5 years. Over time our net margin will improve as new originations are originated at higher risk adjusted fixed rates.

#### **2. Grow new origination and loan pools, supported by automation**

We have invested significantly in our systems. Our aim is to increase annual new origination, through our broker channels, to over \$600m per annum. Automation will play a key role in supporting this growth, growing our loan pools to around \$1.3b. Achieving this growth target depends on broker take up of our product offering and funding, both of which are potential risks.

#### **3. Grow while containing employee expense, through automation and expanding our offshore office**

We aim to increase new origination and our loan pools while containing our largest expense being employee benefit expense. We aim to achieve this through automation and expanding our offshore office.

<b>Employee expense</b>	<b>1H23</b>	<b>1H24</b>	<b>1H25</b>	<b>% Change</b>
Employee benefit expense	\$10.9m	\$10.8m	\$11.2m	+4%

#### **4. Benefit from operating leverage**

As our loan pools grow to \$1.3b we expect to benefit from operating leverage. We are targeting a profit before tax of around \$36m per annum and a return on equity in excess of 25%. This target is based on a number of factors, including the percentage of fixed rate loans, net margin, automation, expanding our offshore office and our cumulative losses tracking in line with historical performance.

### **Lending Arrears and Losses**

During the first half of 2025, arrears were impacted by cost of living pressures and rising rates. We continue to work closely with our clients to ensure we achieve positive outcomes.

<b>Arrears &gt; 30 day</b>	<b>1H23</b>	<b>1H24</b>	<b>1H25</b>
Home loans	3.32%	3.32%	5.17%
Car loans	2.25%	2.50%	2.66%
Asset finance	2.61%	2.99%	3.17%

Losses		1H23	1H24	1H25
Home loans	\$	89,914	\$ -	\$ -
Car loans	\$	320,489	\$ 320,036	\$ 934,319
Asset finance	\$	719,116	\$ *1,509,928	\$ 2,407,543

\* The loss of \$1,509,928 excludes a loss of \$463,989 on loans originated between April 2021 and May 2022. These loans were part of a discontinued pilot lease product offering.

Losses are realised losses less recovery. Expected credit loss (ECL) is not reflected in these numbers. Refer to the Statement of Profit or Loss and Other Comprehensive Income for total impairment expenses inclusive of ECL.

### Lending Warehouse Facilities

We have two Australian banks providing warehousing facilities. In addition, we plan to use the debt capital markets, to diversify our funding from time to time. In 2019 we settled a \$200m RMBS transaction. In December 2024 we settled a \$250m ABS transaction.

Borrowings	Facility type	Provider	Limit	Maturity date	Drawn
Home loans	Non-recourse warehouse	Westpac	\$400m	Oct-25	\$357m
Personal loans	Non-recourse warehouse	Westpac	\$125m	Apr-26	\$37m
Asset finance	Non-recourse warehouse	Bank	\$180m	May-25	\$120m
Personal loans & Asset finance	Asset-backed security	Institutional		May-33	\$242m
FSA Group Ltd	Corporate	Westpac	\$15m	Mar-26	-

The senior non-recourse facilities are supported by mezzanine non-recourse facilities provided by institutional fund managers.

### Services

The Services business previously offered a range of services to assist clients wishing to enter into a payment arrangement with their creditors. In 2020 we placed Services into “hibernation” due to COVID-19.

In 2024 after much consideration and analysis of the market, we decided to refocus Services. We now focus on debtors with higher levels of debt. This is where we see the greatest debtor demand as the insolvency market reopens. It is expected Services will be profitable but will not make a material contribution to profit for the next few years.

### Auditor's Independence Declaration

The auditor's independence declaration under Section 307C of the Corporations Act 2001 is attached to this Directors report on page 7.

Signed in accordance with a resolution of Directors made pursuant to section 306(3) of the Corporations Act, on behalf of the board of Directors.



Tim Odillo Maher  
Executive Chairman

## DECLARATION OF INDEPENDENCE BY TIM AMAN TO THE DIRECTORS OF FSA GROUP LIMITED

As lead auditor for the review of FSA Group Limited for the half-year ended 31 December 2024, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of FSA Group Limited and the entities it controlled during the period.



**Tim Aman**  
**Director**

**BDO Audit Pty Ltd**

Sydney, 25 February 2025

## Statement of Profit or Loss and Other Comprehensive Income

For the half year ended 31 December 2024

	Notes	Consolidated Entity	
		31 December 2024	31 December 2023
		\$	\$
<b>Revenue and other income</b>			
Fees from services	2	3,852,465	5,112,287
Finance income	2	56,390,000	43,071,776
Finance expense	2	(29,737,934)	(22,810,983)
Net finance income	2	26,652,066	20,260,793
<b>Total operating income</b>	2	<b>30,504,531</b>	25,373,080
Employee benefit expense		(11,181,265)	(10,780,597)
Marketing expense		(2,474,551)	(2,300,974)
Operating expenses		(2,967,161)	(2,954,569)
Impairment expenses		(5,662,660)	(2,556,520)
Office facility expenses		(905,753)	(903,782)
Depreciation and amortisation expense		(870,984)	(764,026)
<b>Total expenses</b>		<b>(24,062,374)</b>	(20,260,468)
<b>Profit before income tax</b>		<b>6,442,157</b>	5,112,612
Income tax expense		(2,064,593)	(1,371,089)
<b>Profit after income tax</b>		<b>4,377,564</b>	3,741,523
<b>Other comprehensive income, net of tax</b>		-	-
<b>Total comprehensive income for the period</b>		<b>4,377,564</b>	3,741,523
<b>Total profit and comprehensive income for the period attributable to:</b>			
Non-controlling interests		461,384	548,747
Members of the parent	3	3,916,180	3,192,776
<b>Net profit for the period</b>		<b>4,377,564</b>	3,741,523
<b>Earnings per share</b>			
Basic earnings per share (cents per share)	3	3.23	2.63
Diluted earnings per share (cents per share)	3	3.23	2.63

The Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Notes to the Financial Statements.

# Statement of Financial Position

As at 31 December 2024

	Notes	31 December 2024 \$	30 June 2024 \$
<b>Assets</b>			
Cash and cash equivalents	7	4,910,321	5,353,021
Restricted cash	7	26,278,557	22,407,527
Trade and other receivables	7	11,378,180	11,613,258
Loans and advances	4,7	878,248,423	801,440,025
Other assets		611,337	586,786
Right of use assets		6,423,561	7,055,547
Plant and equipment		1,670,810	1,669,303
Intangible assets		13,448,222	14,015,507
Deferred tax assets		3,624,407	2,999,508
<b>Total Assets</b>		<b>946,593,818</b>	<b>867,140,482</b>
<b>Liabilities</b>			
Trade and other payables	7	3,344,751	3,607,898
Current tax liabilities		34,848	1,268,616
Financing liabilities	6,7	829,662,869	747,966,499
Lease liabilities		7,517,458	8,110,647
Contract liabilities		26,976	52,475
Provisions		3,383,408	3,221,984
Deferred tax liabilities		2,545,566	2,635,808
<b>Total Liabilities</b>		<b>846,515,876</b>	<b>766,863,927</b>
<b>Net Assets</b>		<b>100,077,942</b>	<b>100,276,555</b>
<b>Equity</b>			
Share capital		2,493,454	2,493,454
Reserves		9,059,864	8,942,543
Retained earnings		75,337,856	75,668,774
<b>Total equity attributable to members of the parent</b>		<b>86,891,174</b>	<b>87,104,771</b>
Non-controlling interests		13,186,768	13,171,784
<b>Total Equity</b>		<b>100,077,942</b>	<b>100,276,555</b>

The Statement of Financial Position should be read in conjunction with the Notes to the Financial Statements.

## Statement of Changes in Equity

For the half year ended 31 December 2024

	Share capital \$	Reserves \$	Retained earnings \$	Non- controlling interests \$	Total \$
<b>Balance at 30 June 2023</b>	<b>2,493,454</b>	<b>8,707,901</b>	<b>76,816,975</b>	<b>13,285,556</b>	<b>101,303,886</b>
Profit after income tax for the period	-	-	3,066,608	674,915	3,741,523
Other comprehensive income for the period, net of tax	-	-	-	-	-
<b>Total comprehensive income for the</b>	<b>-</b>	<b>-</b>	<b>3,066,608</b>	<b>674,915</b>	<b>3,741,523</b>
Transactions with owners in their capacity as owners:					
Dividends paid	-	-	(4,247,097)	-	(4,247,097)
Distributions to non-controlling interests	-	-	-	(1,242,000)	(1,242,000)
Long term incentive plan	-	21,933	-	-	21,933
Class shares	-	95,388	-	-	95,388
<b>Balance at 31 December 2023</b>	<b>2,493,454</b>	<b>8,825,222</b>	<b>75,636,486</b>	<b>12,718,471</b>	<b>99,673,633</b>
Profit after income tax for the period	-	-	4,279,385	803,313	5,082,698
Other comprehensive income for the period, net of tax	-	-	-	-	-
<b>Total comprehensive income for the</b>	<b>-</b>	<b>-</b>	<b>4,279,385</b>	<b>803,313</b>	<b>5,082,698</b>
Transactions with owners in their capacity as owners:					
Dividends paid	-	-	(4,247,097)	-	(4,247,097)
Distributions to non-controlling interests	-	-	-	(350,000)	(350,000)
Long term incentive plan	-	21,933	-	-	21,933
Class shares	-	95,388	-	-	95,388
<b>Balance at 30 June 2024</b>	<b>2,493,454</b>	<b>8,942,543</b>	<b>75,668,774</b>	<b>13,171,784</b>	<b>100,276,555</b>
Profit after income tax for the period	-	-	3,916,180	461,384	4,377,564
Other comprehensive income for the period, net of tax	-	-	-	-	-
<b>Total comprehensive income for the</b>	<b>-</b>	<b>-</b>	<b>3,916,180</b>	<b>461,384</b>	<b>4,377,564</b>
Transactions with owners in their capacity as owners:					
Dividends paid	-	-	(4,247,098)	-	(4,247,098)
Distributions to non-controlling interests	-	-	-	(446,400)	(446,400)
Long term incentive plan	-	21,933	-	-	21,933
Class shares	-	95,388	-	-	95,388
<b>Balance at 31 December 2024</b>	<b>2,493,454</b>	<b>9,059,864</b>	<b>75,337,856</b>	<b>13,186,768</b>	<b>100,077,942</b>

The Statement of Changes in Equity should be read in conjunction with the Notes to the Financial Statements.

## Statement of Cash Flows

For the half year ended 31 December 2024

Notes	Consolidated Entity	
	31 December 2024	31 December 2023
	\$	\$
	Inflows/ (Outflows)	Inflows/ (Outflows)
<b>Cash flows from operating activities</b>		
Receipts from customers	5,064,722	6,747,934
Payments to suppliers and employees	(22,082,645)	(18,538,631)
Finance income received	57,500,256	44,295,721
Finance cost paid	(28,199,715)	(21,110,195)
Income tax paid	(4,013,503)	(6,920,731)
<b>Net cash inflow from operating activities</b>	<b>8,269,115</b>	<b>4,474,098</b>
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(191,215)	(71,893)
Acquisition of intangibles	(113,992)	(153,844)
Net increase in home loan assets	(2,643,718)	(15,364,169)
Net increase in personal loan assets	(27,558,878)	(24,404,821)
Net increase in asset finance assets	(51,329,056)	(52,351,946)
Net increase in other loans	(35,000)	(140,000)
<b>Net cash outflow from investing activities</b>	<b>(81,871,859)</b>	<b>(92,486,673)</b>
<b>Cash flows from financing activities</b>		
Net receipt of borrowings	82,317,757	82,319,815
Payment of lease liability	(593,186)	(532,123)
Payment of distributions to non-controlling interests	(446,400)	(1,242,000)
Dividends paid to the Company's shareholders	(4,247,097)	(4,247,096)
<b>Net cash inflow from financing activities</b>	<b>77,031,074</b>	<b>76,298,596</b>
Net increase / (decrease) in cash and cash equivalents	3,428,330	(11,713,979)
Cash and cash equivalents at the beginning of the period	27,760,548	36,449,704
<b>Cash and cash equivalents at the end of the period</b>	<b>31,188,878</b>	<b>24,735,725</b>

The Statement of Cash Flows should be read in conjunction with the Notes to the Financial Statements.

## Material accounting policy information

For the half year ended 31 December 2024

### Consolidated entity

FSA Group Limited is a for-profit listed public company (ASX: FSA), incorporated and domiciled in Australia.

The consolidated Financial Statements incorporate the financial information of FSA Group Limited ("Company" or "parent entity") and the entities controlled and its interests in associates together referred to as the "Consolidated Entity".

### Principal activities

The Consolidated Entity provides direct lending services to individuals and businesses.

### Basis of preparation

This consolidated half year financial report has been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001 and does not include all of the information and notes of the type normally required for full annual financial statements. Accordingly, these half year financial statements are to be read in conjunction with the annual report for the year ended 30 June 2024 and any public announcement made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001. These consolidated interim financial statements were approved by the Directors on 25 February 2025.

The Financial Statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, certain classes of property, plant and equipment and derivative financial instruments. The Statement of Financial Position is presented on a liquidity basis.

The Financial Statements are presented in Australian dollars and rounded to the nearest dollar.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the Statement of Profit or Loss and Other Comprehensive Income, Statement of Financial Position and Statement of Changes in Equity of the Consolidated Entity.

### New and amending accounting standards

The Consolidated Entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

New and amending accounting standards that are not yet mandatory have not been early adopted.

The accounting policies applied by the Consolidated Entity in these consolidated interim financial statements are the same as those applied by the Consolidated Entity in its consolidated financial statements as at and for the year ended 30 June 2024. The accounting policies of the Consolidated Entity have been consistently applied at 31 December 2024.

# Notes to the Financial Statements

For the half year ended 31 December 2024

## Authorisation

The Financial Statements are authorised for issue by the Directors on 25 February 2025.

The Notes to the Financial Statements are as follows:

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## Notes to the Financial Statements cont.

For the year ended 31 December 2024

### Note 1: Segment information

#### Reportable segments

Previously, the Consolidated Entity's operating segments were based on providing both services and lending. This year we completed our transition to a lending business. Our reportable segments are now loan products:

Reportable segment	Description
<b>Home Loans and Asset Finance</b>	Offering home loans to assist clients wishing to purchase a property or consolidate their debt; and asset finance to SMEs wishing to purchase a vehicle and business-critical equipment.
<b>Personal Loans</b>	Offering car loans to assist clients wishing to purchase a motor vehicle and unsecured personal loans to assist clients for any approved purpose.
<b>Other</b>	Including the Services division, unrealised gain or loss on fair value movement of derivatives, parent entity services and intercompany investments, balances and transactions, which are eliminated upon consolidation.

#### Segment information

The results of the reportable segments are reconciled to the Consolidated Entity's financial information as follows:

#### Operating Segments

	Home loan & Asset Finance		Personal Loans		Others		Consolidated Total	
	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23
	\$	\$	\$	\$	\$	\$	\$	\$
Revenue and Income:								
Fees from services	439,848	272,073	27,407	57,605	3,385,210	4,782,609	3,852,465	5,112,287
Finance income	38,663,125	31,048,034	17,621,102	11,888,350	105,772	135,392	56,389,999	43,071,776
Finance expense	(23,479,018)	(19,305,815)	(6,316,239)	(3,455,983)	57,324	(49,185)	(29,737,933)	(22,810,983)
Net finance income	15,184,107	11,742,219	11,304,863	8,432,367	163,096	86,207	26,652,066	20,260,793
Total operating income	15,623,955	12,014,292	11,332,270	8,489,972	3,548,306	4,868,816	30,504,531	25,373,080
Results:								
Segment profit before tax	3,406,139	3,041,904	3,100,329	3,486,816	(64,311)	(1,416,108)	6,442,157	5,112,612
Income tax (expense)/benefit	(1,154,137)	(739,344)	(797,739)	(990,697)	(112,717)	358,952	(2,064,593)	(1,371,089)
Profit for the year	2,252,002	2,302,560	2,302,590	2,496,119	(177,028)	(1,057,156)	4,377,564	3,741,523
Segment assets	737,452,818	633,678,534	184,601,287	130,142,932	50,270,663	67,391,881	972,324,768	831,213,347
Reclassification *							(25,730,950)	(39,565,502)
Total Assets							946,593,818	791,647,845

\*Eliminations are related to intercompany balances.

Each reportable segment accounts for transactions consistently with the Consolidated Entity's accounting policies.

Centrally incurred costs for shared services are allocated between segments based on operating income.

## Notes to the Financial Statements cont.

For the half year ended 31 December 2024

### Note 2: Revenue and income

#### Disaggregation of revenue

	Consolidated Entity	
	31 December 2024	31 December 2023
	\$	\$
<b>Fees from services</b>		
– Personal insolvency	3,404,414	4,809,686
– Refinance broking	448,051	302,601
<b>Total revenue</b>	<b>3,852,465</b>	<b>5,112,287</b>
<b>Finance income</b>		
– Home loan assets	18,332,295	17,495,463
– Personal loan assets	17,621,102	11,888,350
– Asset finance assets	20,330,830	13,552,571
– Other interest income	105,773	135,392
	<b>56,390,000</b>	<b>43,071,776</b>
<b>Finance expense</b>		
– Interest expense – home loan facilities	(12,491,703)	(12,223,500)
– Interest expense – personal loan facilities	(6,258,916)	(3,505,168)
– Interest expense – asset finance facilities	(10,987,315)	(7,082,315)
	<b>(29,737,934)</b>	<b>(22,810,983)</b>
<b>Net finance income</b>	<b>26,652,066</b>	<b>20,260,793</b>
<b>Total operating income</b>	<b>30,504,531</b>	<b>25,373,080</b>

### Note 3. Earnings per share

The Consolidated Entity calculated basic and diluted earnings per share as follows:

	Consolidated Entity	
	31 December 2024	31 December 2023
	\$	\$
<b>Total Earnings per share for profit</b>		
Total profit attributable to the members of the parent (\$)	3,916,180	3,192,776
	<b>Number</b>	<b>Number</b>
Weighted average number of ordinary shares used in calculating basic earnings per share	121,345,588	121,345,588
Weighted average number of ordinary shares used in calculating diluted earnings per share	121,345,588	121,345,588
Basic earnings per share (cents)	3.23	2.63
Diluted earnings per share (cents)	3.23	2.63

## Notes to the Financial Statements cont.

For the half year ended 31 December 2024

### Note 4. Loans and advances

	Consolidated Entity							
	Home loan assets		Personal loan assets		Asset finance assets		Total	
	31-Dec-24	30-Jun-24	31-Dec-24	30-Jun-24	31-Dec-24	30-Jun-24	31-Dec-24	30-Jun-24
	\$	\$	\$	\$	\$	\$	\$	\$
Non-securitised financing assets	397,957,262	395,502,361	82,322,746	149,346,102	166,472,031	261,890,402	646,752,039	806,738,865
Securitised financing assets	-	-	95,079,283	-	143,817,740	-	238,897,023	-
Total financing assets	397,957,262	395,502,361	177,402,029	149,346,102	310,289,771	261,890,402	885,649,062	806,738,865
Provision for impairment	(365,819)	(399,764)	(2,378,896)	(2,087,088)	(4,655,924)	(2,811,988)	(7,400,639)	(5,298,840)
	397,591,443	395,102,597	175,023,133	147,259,014	305,633,847	259,078,414	878,248,423	801,440,025
<b>The movement in the provision for impairment</b>								
Opening balance	399,764	872,840	2,087,088	1,505,397	2,811,988	2,702,459	5,298,840	5,080,696
Increase in provision	(33,945)	(473,076)	1,005,818	1,464,640	3,547,437	3,077,378	4,519,310	4,068,942
Bad debts	-	-	(714,010)	(882,949)	(1,703,501)	(2,967,849)	(2,417,511)	(3,850,798)
<b>Closing balance</b>	<b>365,819</b>	<b>399,764</b>	<b>2,378,896</b>	<b>2,087,088</b>	<b>4,655,924</b>	<b>2,811,988</b>	<b>7,400,639</b>	<b>5,298,840</b>

### Note 5. Dividends

Dividends are recognised when declared during the financial year and at the discretion of the Company. Dividends recognised in the current financial period by FSA Group Limited are:

Half year ended 31 December 2024	Value per share \$	Total Amount	Franked	Date of Payment
Final - ordinary	0.035	\$4,247,097	100%	9-Sep-24
Financial Year 2024	Value per share \$	Total Amount	Franked	Date of Payment
Final - ordinary	0.035	\$4,247,096	100%	31-Aug-23
Interim - ordinary	0.035	\$4,247,098	100%	15-Mar-24

On 25 February 2025, the Directors declared a fully franked interim dividend for the year ended 31 December 2024 of 3.50 cents per ordinary share.

### Note 6. Borrowings

We have two Australian banks providing warehousing facilities. In December 2024 we settled a \$250m Asset-backed security transaction.

Borrowings	Facility type	Provider	Limit	Maturity date	Drawn
Home loans	Non-recourse warehouse	Westpac	\$400m	Oct-25	\$357m
Personal loans	Non-recourse warehouse	Westpac	\$125m	Apr-26	\$37m
Asset finance	Non-recourse warehouse	Bank	\$180m	May-25	\$120m
Personal loans & Asset finance	Asset-backed security	Institutional		May-33	\$242m
FSA Group Ltd	Corporate	Westpac	\$15m	Mar-26	-

## Notes to the Financial Statements cont.

For the half year ended 31 December 2024

### Note 6. Borrowings continue

	Consolidated Entity	
	31 December 2024	30-Jun-24
	\$	\$
<b>Unsecured</b>		
Credit cards	78,219	508,461
<b>Secured</b>		
Non-recourse borrowings to finance personal loan assets	44,357,893	107,165,575
Non-recourse borrowings to finance home loan assets	385,690,006	387,194,842
Non-recourse borrowings to finance asset finance assets	157,548,244	253,097,621
Asset-backed securities to finance personal loan and asset finance assets	241,988,507	-
	<b>829,584,650</b>	747,458,038
	<b>829,662,869</b>	747,966,499
<b>The carrying amounts of assets pledged as security</b>		
Personal loan assets	176,108,207	146,853,649
Home loan assets	402,283,973	405,619,353
Asset finance assets	315,845,063	272,307,723
	<b>894,237,243</b>	824,780,725

### Note 7. Financial instruments

<b>Financial Assets</b>		
Cash and cash equivalents	4,910,321	5,353,021
Restricted cash	26,278,557	22,407,527
Trade and other receivables	11,378,180	11,613,258
Loans and advances	878,248,423	801,440,025
<b>Assets and receivables at amortised cost</b>	<b>920,815,481</b>	840,813,831
<b>Financial Liabilities</b>		
Payables at amortised cost	3,344,751	3,607,898
Financing liabilities	829,662,869	747,966,499
<b>Payables at amortised cost</b>	<b>833,007,620</b>	751,574,397

### Note 8. Contingent liabilities

There were no contingent liabilities relating to the Consolidated Entity at reporting date except those incurred in the ordinary course of business as follows:

At the reporting date loan applications accepted by the Consolidated Entity but not yet settled amounted to \$4,910,817 (1H25: \$12,046,650).

### Note 9. Events occurring after reporting date

There have been no events since the end of the financial year that impact upon the financial performance or position of the Consolidated Entity as at 31 December 2024 except as follows:

- On 25 February 2025, Directors declared a 3.50 cent fully franked interim dividend to shareholders to be paid on 11 March 2025 with a record date of 4 March 2025.

## Directors' declaration

In the Directors' opinion:

1. the attached financial statements and notes thereto comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
2. the attached financial statements and notes thereto give a true and fair view of the Consolidated Entity's financial position as at 31 December 2024 and of its performance for the financial half-year ended on that date; and
3. 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 Directors made pursuant to section 303(5) of the Corporations Act 2001.

Signed in accordance with a resolution of the Directors:



**Tim Odillo Maher**  
Executive Chairman  
Sydney  
25 February 2025



**Deborah Southon**  
Executive Director  
Sydney  
25 February 2025

## INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of FSA Group Limited

### Report on the Half-Year Financial Report

#### Conclusion

We have reviewed the half-year financial report of FSA Group Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, material accounting policy information and other explanatory information, and the directors' declaration.

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

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

#### Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company 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 the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

#### Responsibility of the directors for the financial report

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

### Auditor's responsibility for the review of the financial report

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

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

BDO Audit Pty Ltd

BDO



Tim Aman  
Director

Sydney, 25 February 2025