

LIBERTY GROUP¹

APPENDIX 4D

For the half-year ended 31 December 2024

Results for announcement to the market

(All comparisons to half-year ended 31 December 2023)	\$m	Up/down	Movement %
Revenue from ordinary activities	761.7	up	5.8%
Profit after tax from ordinary activities attributable to members	65.6	up	13.0%
Net profit after tax attributable to members	65.6	up	13.0%

Reconciliation of statutory net profit after tax to underlying net profit after tax and before amortisation	31 December 2024	31 December 2023
	\$m	\$m
Statutory net profit after tax	65.6	58.1
Amortisation of IP	5.9	5.9
Statutory net profit after tax and before amortisation ²	71.5	64.0
MPRE sale-related adjustments		
Commission income	(1.9)	(12.1)
Commission expense	1.5	9.7
Personnel expenses	-	0.6
Other expenses - operating expenses	0.2	1.2
Other expenses - impairment of goodwill on consolidation	-	6.0
Total adjustments	(0.2)	5.4
Tax effect of adjustments	0.1	0.2
Underlying net profit after tax and before amortisation ²	71.4	69.6

Distribution information	Amount per stapled security (cents)
Interim 2025 distribution per stapled security	12.000000
Record date for determining entitlement to interim distribution	29 November 2024
Payment date of interim distribution	13 December 2024

The Liberty Group Distribution Reinvestment Plan does not apply to the FY25 interim distribution.

Dividend information

Special dividend per stapled security	5.000000
Record date for determining entitlement to special dividend	29 November 2024
Payment date of special dividend	13 December 2024

Net tangible assets per stapled security	31 December 2024	31 December 2023
	\$	\$
Net tangible assets per stapled security	3.14	3.02

Additional information

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

This report is based on the consolidated financial statements for the half-year ended 31 December 2024 which has been reviewed by KPMG.

¹ Liberty Group is a stapled entity comprising Liberty Financial Group Limited ABN 59 125 611 574 and Liberty Financial Group Trust ARSN 644 813 847 (Trust) and their respective controlled entities.

² Net profit after tax excluding the tax-effected impact of amortisation of intangibles.

LIBERTY GROUP

INTERIM REPORT

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

The information contained in the interim report for the half-year ended 31 December 2024 should be read in conjunction with the Liberty Group's 2024 Annual Report.

LIBERTY GROUP
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FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

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**LIBERTY GROUP
DIRECTORS' REPORT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**

The Directors of Liberty Financial Group Limited (the "Company") and Liberty Fiduciary Ltd ("RE"), the responsible entity of the Liberty Financial Group Trust ("LFGT") (together the "Liberty Group") and their respective controlled entities present their report together with the consolidated financial report of the Liberty Group for the half year ended 31 December 2024 and the auditor's report thereon.

Liberty Group is formed as a stapled entity, a combination of a share in the Company and a unit in LFGT ("Security"). The ASX ticker code is LFG.

Directors

The Directors of the Liberty Group at any time during or since the end of the financial period were:

Independent

Peeyush Gupta (Chair) (appointed 1 July 2024)
Richard Longes (retired 24 October 2024)
Peter Hawkins
Leona Murphy
Jane Watts

Executive

James Boyle
Sherman Ma
Peter Riedel (appointed 19 February 2025)

All Directors held office throughout the six months ended 31 December 2024 unless stated otherwise.

Company secretary

Matthew Ryan (appointed 12 December 2024)
Peter Riedel (resigned 12 December 2024)

Principal activities

The Liberty Group conducts activities and makes investments in the financial services industry including but not limited to specialty lending, finance and insurance brokering, receivables servicing, consumer insurance underwriting, real estate and funds management across Australia and New Zealand. There have been no significant changes in the nature of the Liberty Group's activities during the half year ended 31 December 2024.

Results and review of operations

The consolidated profit after income tax for the six months to 31 December 2024 was \$65.6 million (six months to 31 December 2023: \$58.1 million). The Liberty Group had financial assets under management as at 31 December 2024 of \$14.8 billion (30 June 2024: \$14.6 billion).

Total operating income increased by \$41.8 million (5.8%) from \$719.9 million in 1H24 to \$761.7 million in 1H25 as a result of the following:

- Interest income increased by \$47.7 million (8.1%) from \$592.3 million in 1H24 to \$640.0 million in 1H25 due to:
 - an increase in average financial assets of 6.8%, from \$13.8 billion to \$14.7 billion; and
 - an increase in average interest income yield from 8.55% to 8.63% due to an increase in average interest rates and continued portfolio growth in higher yielding Secured and Financial Services segments.
- Fee, commission and other income decreased by \$5.9 million (4.6%) from \$127.6 million in 1H24 to \$121.7 million in 1H25 due to:
 - lower commission income of \$6.2 million, largely driven by lower MPRE commission income due to the sale of the business (\$10.2 million); offset by higher commission income from the Australian distribution businesses (\$3.9 million) due to higher activity; and
 - lower other income of \$0.8 million; offset by
 - higher lending fee income of \$1.6 million, largely due to higher loan originations in the Financial Services segment.

LIBERTY GROUP
DIRECTORS' REPORT (cont.)
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

Results and review of operations (cont.)

Total expenses increased by \$33.3 million (5.1%) from \$653.2 million in 1H24 to \$686.5 million in 1H25 as a result of the following:

- Interest expense increased by \$42.4 million (10.2%) from \$415.1 million in 1H24 to \$457.5 million in 1H25 due to:
 - an increase in average borrowings of 4.2%, from \$14.2 billion to \$14.7 billion; and
 - an increase in the weighted average cost of borrowing from 5.82% to 6.16% due to an increase in the Liberty Group's average funding benchmark (35bps); offset by a decrease in the average funding margin (1bp).
- Fee and commission expenses increased by \$3.2 million (2.6%) from \$124.1 million in 1H24 to \$127.3 million in 1H25 due to:
 - higher commission expense of \$2.6 million, largely driven by higher commission expense for the Secured and Financial Services segments (\$6.3 million) and higher commission expense from the Australian distribution businesses (\$3.5 million); offset by lower MPRE commission expense due to the sale of the business (\$8.2 million); and
 - higher liquidity fees and borrowing costs of \$1.9 million; offset by
 - lower effective yield fees on financial liabilities measured at amortised cost of \$1.3 million.
- Impairment of financial assets decreased by \$2.1 million from \$16.4 million in 1H24 to \$14.3 million in 1H25 due to:
 - a decrease in the collective provision expense for expected losses of \$14.9 million; offset by
 - an increase in specific provision expense of \$7.3 million; and
 - an increase in net realised losses, after release of related specific provisions, of \$5.5m.
- Personnel expenses decreased by \$1.9 million (4.1%) from \$47.2 million in 1H24 to \$45.3 million in 1H25 due to a decrease in average FTE staff from 555 in 1H24 to 528 in 1H25.
- Other expenses decreased by \$8.3 million (16.6%) from \$50.4 million in 1H24 to \$42.1 million in 1H25 largely due to:
 - a one-off \$6.0 million impairment of goodwill for the MPRE cash generating unit being recognised in 1H24, as a result of the sale of the business; and
 - a decrease of \$2.1 million in corporate and professional fees.

The effective income tax rate decreased from 12.9% in 1H24 to 12.7% in 1H25.

Profit after tax increased by \$7.5 million (13.0%) from \$58.1 million in 1H24 to \$65.6 million in 1H25 due to the reasons indicated above.

The Liberty Group originated \$2.8 billion in new financial assets in 1H25 (\$2.9 billion in 1H24) resulting in an increase in total financial assets to \$14.8 billion. New financial asset origination was financed by the issuance of 2 new securitisation vehicles totalling \$2.1 billion.

In 1H25 the Liberty Group's total assets of \$16.4 billion was 13.7 times total equity of \$1.2 billion, an increase of 0.2 times compared to 1H24.

Strategy and outlook

The Liberty Group will drive profitability growth through continuing to execute on its strategy of consistently and sustainably improving its three disciplines: Customer Experience, Customer Choice and Risk Adjusted Returns.

LIBERTY GROUP
DIRECTORS' REPORT (cont.)
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

Strategy and outlook (cont.)

Customer Experience

- Faster approvals by leveraging Liberty's proprietary technology to reduce uncertainty and provide fast answers while maintaining quality;
- Build advocacy by providing stakeholders with timely and helpful answers to their queries; and
- Self-service by providing customers and business partners access to their information online anytime.

Customer Choice

- Drive Liberty flow by increasing ways that customers and business partners are able to choose Liberty for their financial needs; and
- Champion custom by making options available for customers who are otherwise excluded from financial choices.

Risk Adjusted Returns

- Simplify applications by making the application process quicker and easier, with less effort for customers and business partners;
- Loss management by working proactively and in cooperation with customers if things don't go to plan, particularly with customers in hardship; and
- Business health by behaving like owners, being responsible with costs, and fair with customers.

Economic growth, inflation and interest rates

The Reserve Bank of Australia's (RBA) current outlook anticipates moderate economic growth domestically and in Australia's major trading partners during 2025. Labour market conditions have continued to ease gradually with wages growth and labour costs expected to continue to moderate to levels consistent with inflation at target by late 2025, however the outlook for productivity growth is uncertain. Domestic inflation is beginning to moderate, but is not expected to reduce to within the target range of 2-3% until late 2026. The Reserve Bank reduced the cash rate to 4.10% in February 2025. Any future changes will be dependent on emerging economic data on inflation, with the Bank's goal to reduce it further to sit within its target range.

The Liberty Group has seen an increase in arrears on its loan portfolio as a result of higher customer repayment obligations stemming from interest rate increases in the prior year. This arrears level remains below the Liberty Group's historic averages. Of those customers in Stage 3 of the ECL impairment model, 63% continue to make active repayments representing 88% of their contractual repayment amounts. The Liberty Group is working closely with its customers to manage the impact of these higher arrears levels, while ensuring appropriate customer outcomes.

At the date of signing of the interim report, there is still significant uncertainty on the ultimate impact of inflation, increased interest rates and geopolitical issues on domestic and global economies. Given the high degree of estimation uncertainty, management cannot reasonably assess or quantify the potential short or longer term financial impact on the Liberty Group.

Risks

The Liberty Group is subject to risks that are both specific to its business activities and others that are more general in nature. Any, or a combination, of these risk factors may have a material adverse impact on the Liberty Group's financial performance, financial position, cash flows, the size and timing of distributions, growth prospects or the value of LFG securities.

The Board has overall responsibility for the establishment and oversight of the Liberty Group's Risk Management Framework (RMF). The Board has established a Risk, Audit and Compliance Committee (the "Committee") which is responsible for monitoring the emerging and changing risk profile of the Liberty Group. The Committee is responsible for reviewing the adequacy of internal systems, controls and procedures in relation to the RMF and the material risks faced by the Liberty Group. The Committee is assisted in its oversight by the Group Risk and Compliance (GRC) function which coordinates, sets policy and monitors the Liberty Group's effectiveness in relation to the various material risks, both financial and non-financial in nature. The Group Manager Risk and Compliance reports regularly to the Committee and the Board. Risk management policies and systems are updated to reflect changes in market conditions and the Liberty Group's activities.

**LIBERTY GROUP
DIRECTORS' REPORT (cont.)
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**

Risks (cont.)

The Liberty Group's Risk Appetite Statement (RAS) outlines risk appetite, the quantitative and qualitative tolerance levels for each risk type and the regular reporting processes. The RAS is a component of the RMF. The Board is responsible for the RAS and oversight of its operation by management. Actual performance is monitored against the risk tolerances and presented to the Board at each meeting.

Strategic risk

Strategic risk is the potential impact on earnings and capital arising from business decisions, implementing the business strategy, monitoring competitor activity and responsiveness to external change, including reputational and regulatory risk.

The business strategy is monitored by management and any changes arising in the business environment, new business opportunities, product development and/or acquisition includes a formal risk assessment as part of the planning process.

Financial risk

Financial risks identified by the Liberty Group are credit risk, liquidity risk and market risk. These risks are covered by the Liberty Group's RMF, and are supported by an established network of systems, policies, standards and procedures which are overseen by the Board and the Committee.

The definition and management of these financial risks are outlined in further detail in Note 5 of the Financial Report.

Operational risk

Operational risk is the risk associated with loss resulting from inadequate or failed internal processes and systems. The Liberty Group has identified the following material operational risks in the RMF:

- Technology failure, cyber, cloud computing and data breach risk
- Reputational risk
- Loss of key persons risk
- External, internal and introducer fraud
- Regulatory and compliance risk
- Staff competency, discrimination and harassment, OHS risk
- Financial crime/anti-money laundering risk
- State of emergency risk
- Third party risk

Operational risk is managed by the Group Manager Risk and Compliance through the implementation of appropriate policies and plans.

In relation to technology risks, the Liberty Group has processes in place to mitigate the threat of technology infrastructure failures and potential cyber-attacks. These include continuous monitoring and reporting of the Liberty Group's attack surface, internal device controls, Cloud controls and data-protection controls to Board. All Liberty Group staff undertake annual cyber-security awareness training and are given regular phishing simulations.

Technology related risks are managed by the Group Manager Customer Experience.

Dividends and distributions

The Company paid a dividend of 5 cents per stapled security on 13 December 2024 (31 December 2023: nil).

LFGT paid an interim distribution of 12 cents per stapled security on 13 December 2024 (15 December 2023: 12 cents per stapled security).

Significant changes in the state of affairs

In the opinion of the Directors there were no significant changes in the state of affairs of the Liberty Group that occurred during the financial period under review.

**LIBERTY GROUP
DIRECTORS' REPORT (cont.)
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**

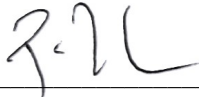
Lead auditor's independence declaration

The lead auditor's independence declaration is set out on page 7 and forms part of the Directors' report for the half-year ended 31 December 2024.

Rounding off

The Liberty Group is of a kind referred to in ASIC Corporations (*Rounding in Financial/Director's Reports*) Instrument 2016/191 dated 1 April 2016, and in accordance with that Rounding Instrument, amounts in the condensed interim financial report have been rounded to the nearest thousand dollars, unless otherwise stated.

This report is made with a resolution of the Directors:



Peeyush Gupta
Chair

Dated at Melbourne on 21 February 2025.



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

To the Directors of Liberty Financial Group Limited

I declare that, to the best of my knowledge and belief, in relation to the review of Liberty Financial 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

Joshua Pearse

Partner

Melbourne

21 February 2025

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

	Note	Six months to 31 December 2024 \$'000	Six months to 31 December 2023 \$'000
Interest income on financial assets measured at amortised cost		639,615	590,849
Interest income on financial assets measured at fair value		410	1,473
Effective yield fee income on financial assets measured at amortised cost		21,528	21,487
Other finance income	7	99,784	104,885
Other income		363	1,197
Total operating income		761,700	719,891
Finance expense	8	(584,856)	(539,149)
Impairment loss on financial assets measured at amortised cost		(14,298)	(16,404)
Personnel expenses	9	(45,268)	(47,227)
Other expenses	10	(42,075)	(50,439)
Total operating expense		(686,497)	(653,219)
Profit before income tax		75,203	66,672
Income tax expense	11	(9,570)	(8,615)
Profit after tax		65,633	58,057
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
Net change in fair value of financial assets at fair value through other comprehensive income		1,463	(1,140)
		1,463	(1,140)
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Foreign currency translation differences		(2,268)	1,850
Net change in fair value of cash flow hedges		(18,353)	(23,790)
Related income tax	11	(439)	342
		(21,060)	(21,598)
Total comprehensive income for the period		46,036	35,319
Profit attributable to:			
Equity holders of the Liberty Group			
Attributable to Liberty Financial Group Limited		29,402	21,827
Attributable to LFGT		36,472	36,441
Non-controlling interests - other		(241)	(211)
Profit for the period		65,633	58,057
Total comprehensive income attributable to:			
Equity holders of the Liberty Group			
Attributable to Liberty Financial Group Limited		28,159	22,879
Attributable to LFGT		18,118	12,651
Non-controlling interests - other		(241)	(211)
Total comprehensive income for the period		46,036	35,319
Earnings per stapled security		0.216	0.189
Diluted earnings per stapled security		0.215	0.189

The Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the notes to the financial statements set out on pages 12 to 42.

LIBERTY GROUP
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

Attributable to equity holders of the Liberty Group

	Contributed equity \$'000	Share-based payment reserve \$'000	Cash flow hedge reserve \$'000	Foreign currency translation reserve \$'000	Revaluation reserve \$'000	Common control reserve \$'000	Retained profits \$'000	Members of the Liberty Group \$'000	Non-controlling interests - LFGT \$'000	Non-controlling interests - other \$'000	Total equity \$'000
Balance at 1 July 2023	719,000	13,420	28,002	(4,433)	4,113	(136,020)	548,486	1,172,568	-	(2,208)	1,170,360
Equity-settled share-based payment	-	975	-	-	-	-	-	975	-	-	975
Settlement of equity-settled share-based payments	-	(715)	-	-	-	-	-	(715)	-	-	(715)
Other comprehensive income for the period	-	-	(23,790)	1,850	(798)	-	-	(22,738)	-	-	(22,738)
Profit/(loss) for the period	-	-	-	-	-	-	21,827	21,827	36,441	(211)	58,057
Distributions provided for or paid	-	-	-	-	-	-	-	-	(36,432)	-	(36,432)
Balance at 31 December 2023	719,000	13,680	4,212	(2,583)	3,315	(136,020)	570,313	1,171,917	9	(2,419)	1,169,507
Balance at 1 July 2024	719,000	13,729	17,752	(5,609)	1,358	(136,020)	588,392	1,198,602	-	(2,733)	1,195,869
Equity-settled share-based payment	-	1,191	-	-	-	-	-	1,191	-	-	1,191
Settlement of equity-settled share-based payments	-	(180)	-	-	-	-	-	(180)	-	-	(180)
Other comprehensive income for the period	-	-	(18,353)	(2,268)	1,024	-	-	(19,597)	-	-	(19,597)
Profit/(loss) for the period	-	-	-	-	-	-	29,402	29,402	36,472	(241)	65,633
Distributions provided for or paid	-	-	-	-	-	-	-	-	(36,432)	-	(36,432)
Dividends provided for or paid	-	-	-	-	-	-	(15,180)	(15,180)	-	-	(15,180)
Balance at 31 December 2024	719,000	14,740	(601)	(7,877)	2,382	(136,020)	602,614	1,194,238	40	(2,974)	1,191,304

The Condensed Interim Consolidated Statement of Changes in Equity is to be read in conjunction with the notes to the financial statements set out on pages 12 to 42.

LIBERTY GROUP
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

	Note	31 December 2024 \$'000	30 June 2024 \$'000
Assets			
Cash and cash equivalents	13	767,235	796,609
Restricted cash	13	137,500	143,819
Trade receivables and other assets	14	232,697	280,804
Financial assets	15	14,799,948	14,638,133
Other investments	16	68,789	71,093
Derivative assets		9,061	24,862
Property, plant and equipment		20,534	23,493
Intangible assets	17	238,316	244,686
Deferred tax assets		81,352	82,224
Total Assets		<u>16,355,432</u>	<u>16,305,723</u>
Liabilities			
Payables	18	146,702	190,970
Financing	19	14,851,114	14,626,941
Provisions		12,985	14,022
Lease liabilities		5,203	7,067
Derivative liabilities		63,402	178,084
Deferred tax liabilities		84,722	92,770
Total Liabilities		<u>15,164,128</u>	<u>15,109,854</u>
Net Assets		<u>1,191,304</u>	<u>1,195,869</u>
Equity			
Contributed equity	20	719,000	719,000
Reserves		(127,376)	(108,790)
Retained profits		602,614	588,392
Non-controlling interests - LFGT		40	-
Total equity attributable to equity holders of the Liberty Group		1,194,278	1,198,602
Non-controlling interests - other		(2,974)	(2,733)
Total Equity		<u>1,191,304</u>	<u>1,195,869</u>

The Condensed Interim Consolidated Statement of Financial Position is to be read in conjunction with the notes to the financial statements set out on pages 12 to 42.

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

	Note	Six months to 31 December 2024 \$'000	Six months to 31 December 2023 \$'000
Cash flows from operating activities			
Interest income received		654,595	602,182
Interest expense paid		(456,877)	(410,227)
Fees and commissions received		100,249	104,404
Fees and commissions paid		(124,162)	(120,726)
Insurance premiums (paid)/received		(852)	901
Cash paid to suppliers and employees		(84,832)	(87,281)
Income taxes (paid)/refunded		(16,235)	19,991
		<hr/>	<hr/>
Cash flow before changes in operating assets		71,886	109,244
		<hr/>	<hr/>
Net increase in financial assets		(171,294)	(506,826)
		<hr/>	<hr/>
Net cash used in operating activities		(99,408)	(397,582)
Cash flows from investing activities			
Proceeds from investments		9,467	631
Payments for investments		(5,700)	(18,985)
Proceeds from related party loans		53,038	60,944
Payments to related party loans		(352)	(4,254)
Acquisition of property, plant and equipment		(391)	(1,610)
Gain/(loss) from the sale of property, plant and equipment		23	(41)
		<hr/>	<hr/>
Net cash from investing activities		56,085	36,685
Cash flows from financing activities			
Net proceeds from financing		100,542	118,898
Payment of lease liabilities		(1,864)	(1,508)
Distributions and dividends paid		(91,048)	(108,588)
		<hr/>	<hr/>
Net cash from financing activities		7,630	8,802
		<hr/>	<hr/>
Net decrease in cash held		(35,693)	(352,095)
		<hr/>	<hr/>
Cash and cash equivalents at the beginning of the period		940,428	1,342,419
		<hr/>	<hr/>
Cash and cash equivalents at the end of the period	13	904,735	990,324
		<hr/>	<hr/>

The Condensed Interim Consolidated Statement of Cash Flows is to be read in conjunction with the notes to the financial statements set out on pages 12 to 42.

LIBERTY GROUP
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

1 REPORTING ENTITY

The Liberty Group comprises Liberty Financial Group Limited (the "Company") and Liberty Fiduciary Ltd as the responsible entity ("RE") of the Liberty Financial Group Trust ("LFGT") (together the "Liberty Group") and their respective controlled entities. The address of Liberty Group's registered office is Level 16, 535 Bourke Street, Melbourne, Victoria 3000.

Liberty Group is formed as a stapled entity, a combination of a share in the Company and a unit in LFGT. The ASX ticker code is LFG.

2 BASIS OF PREPARATION

The financial statements as at and for the half year ended 31 December 2024 have been prepared as a consolidation of the financial statements of the Liberty Group. The equity securities of the Company and the units of Liberty Financial Group Trust are stapled and cannot be sold separately.

AASB 3 Business Combinations and AASB 10 Consolidated Financial Statements require one of the stapled entities of a stapled group to be identified as the parent entity for the purpose of preparing a condensed interim financial report. In accordance with this requirement, the Company has been identified as the parent entity of the consolidated group comprising Liberty Financial Group Limited and its controlled entities and Liberty Financial Group Trust and its controlled entities, together comprising the Liberty Group.

The condensed interim financial statements were authorised for issue by the Directors of the Company and the RE on 21 February 2025.

The statement of financial position is presented on a liquidity basis.

The Liberty Group is a for profit entity for the purpose of preparing these condensed interim financial statements.

(a) Statement of compliance

The interim financial statements have been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*, and with IAS 34 *Interim Financial Reporting*. The consolidated financial statements comply with International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board (IASB).

They do not include all of the information required for a complete set of annual financial statements and should be read in conjunction with the 2024 Annual Report. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Liberty Group's financial position and performance since the last annual consolidated financial statements as at and for the year ended 30 June 2024.

(b) Basis of measurement

The interim consolidated financial statements have been prepared on the basis of historical cost except as otherwise stated.

(c) Functional and presentation currency

These interim consolidated financial statements are presented in Australian dollars, which is the Liberty Group's functional currency.

(d) Rounding off

The Liberty Group is of a kind referred to in ASIC Corporations (*Rounding in Financial/Director's Reports*) Instrument 2016/191 dated 1 April 2016, and in accordance with that Rounding Instrument, amounts in the financial report have been rounded to the nearest thousand dollars, unless otherwise stated.

LIBERTY GROUP
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

2 BASIS OF PREPARATION (cont.)

(e) Use of estimates and judgements

The preparation of condensed interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are considered to be reasonable. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

(i) Judgements

Accounting treatments involving complex or subjective decisions or assessments relate to the following:

- Insurance commission revenue and expense recognition
- Provision for losses in relation to financial assets (refer to note 5)
- Fair value estimates (refer to note 4)
- Financial instruments including credit risk (refer to note 5)
- Recoverability of deferred tax assets and liabilities
- Share-based payment arrangement (refer to note 12)
- Insurance commission receivable (refer to note 14)
- Insurance commission payable (refer to note 18)
- Capital commitments and contingent liabilities (refer to note 22)

In particular, management applies judgement in determining the approach to establishing the appropriate level of provisioning for its financial assets, both at the specific and collective levels. In addition, the Liberty Group applies a weighted average tenure of the portfolio to assess the average life of financial assets which impacts the amount and timing of financing income recognition. Both judgements are assessed on at least an annual basis. In relation to the weighted average tenure, the annual review ensures consistency of the average life applied under the effective interest yield calculation. The average life used for residential mortgages, commercial mortgages and auto receivables has remained materially consistent during the half year ended 31 December 2024.

The net present value of insurance commission receivable and trail commission payable are calculated by an independent actuary, using a discounted cash flow methodology. There are a number of key assumptions used to determine the underlying cash flows including lapse rates, discount rate and projection period. The assumptions are determined based on experience and current and forecast economic factors.

LFI Group Pty Ltd, a consolidated entity, commenced underwriting insurance products on 1 December 2014. LFI adopted AASB 17 effective 1 July 2023. Management has applied its judgement to the materiality of this entity in the preparation of this financial report and determined that no additional disclosures are required. At 31 December 2024 LFI had premium revenue of \$251,000 (31 December 2023: \$773,000) and contributed a loss before tax of \$231,000 to the Liberty Group (31 December 2023: \$293,000).

The Liberty Group assesses its intangible assets for impairment at least annually by comparing the carrying value of the assets with their recoverable value. The key assumptions in calculating the recoverable value of the intangible assets are the asset's future cash flows, the terminal value of the cash flows and discount rate. The assumptions are determined based on experience and current and forecast economic factors.

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2 BASIS OF PREPARATION (cont.)

(e) Use of estimates and judgements (cont.)

(ii) Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the half year ending 31 December 2024 is included in the following notes:

- Note 5 – measurement of provision for impairment of financial assets: key assumptions in determining the collective provisions.
- Note 12 – fair value of share-based payments: key assumptions in estimating fair value of share-based payment awards.
- Note 17 – impairment test of intangible assets and goodwill: key assumptions underlying recoverable amounts.

(iii) Measurement of fair values

A number of the Liberty Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. Management assesses the evidence obtained from third parties to support fair value calculations. When measuring the fair value of an asset or liability, the Liberty Group uses market observable data as far as possible.

3 CHANGES IN MATERIAL ACCOUNTING POLICIES

Except as described below, the accounting policies applied in these interim financial statements are the same as those applied in the Liberty Group's consolidated financial statements as at and for the year ended 30 June 2024. The changes in the accounting policies are also expected to be reflected in the Liberty Group's consolidated financial statements as at and for the year ending 30 June 2025.

(a) New standards and interpretations adopted

(i) Classification of Liabilities as Current or Non-current (Amendments to AASB 101) and Non-current Liabilities with Covenants (Amendments to AASB 101)

The Liberty Group has adopted the amendments to AASB 101, effective 1 July 2024. The amendments clarify certain requirements for determining whether a liability should be classified as current or non-current and require new disclosures for non-current loan liabilities that are subject to covenants within 12 months after the reporting period.

There are no new disclosures requirements for these condensed interim financial statements.

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4 DETERMINATION OF FAIR VALUES

The Liberty Group's disclosures require determination of fair values for financial assets and liabilities. Management assesses the evidence obtained from third parties to support the conclusion that fair value valuations meet the requirements of AASB 13. When measuring the fair value of an asset or liability, the Liberty Group uses market observable data as far as possible. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(a) Financial assets

The carrying amount of financial assets includes deferred fees and expenses accounted for using the effective interest method and are initially recognised at fair value. They are subsequently measured at amortised cost using the effective interest method net of provisions for impairment and income yet to amortise.

Fair value is calculated based on the present value of future principal and interest cash flows discounted at the credit risk-adjusted rate of interest at the reporting date.

For financial assets designated at fair value through the statement of profit or loss and other comprehensive income, fair value is calculated using market observable data where possible.

(b) Derivatives

The fair value of interest rate and cross currency interest rate swaps are determined by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date.

(c) Non derivative financial assets and liabilities

For receivables and payables with a remaining life of less than one year, the notional amount is deemed to approximate the fair value.

(d) Financing

The fair value of financing obligations is approximated by their carrying amounts.

(e) Investments

Corporate bonds that back insurance liabilities are designated at fair value through profit or loss and are measured at fair value in the statement of financial position. Changes in fair value are recognised in profit or loss. Fair value for corporate bonds is calculated using market observable data where possible.

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4 DETERMINATION OF FAIR VALUES (cont.)

(f) Carrying amounts and fair values of the financial assets and financial liabilities

The following table shows the carrying amounts and fair values of the financial assets and financial liabilities.

CONSOLIDATED	Note	Carrying Amount			Fair Value	
31 December 2024		Fair value through profit or loss	Fair value through OCI	Financial assets/ (financial liabilities) at amortised cost	Total	Total
		\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets measured at fair value						
Other investments	16	44,253	23,708	-	67,961	67,961
Derivative assets		9,061	-	-	9,061	9,061
Financial assets not measured at fair value						
Cash and cash equivalents	13	-	-	904,735	904,735	904,735
Trade receivables and other assets ¹	14	-	-	87,451	87,451	87,451
Financial assets	15	-	-	14,799,948	14,799,948	14,984,680
Other investments	16	-	-	828	828	828
Financial liabilities measured at fair value						
Derivative liabilities		(63,402)	-	-	(63,402)	(63,402)
Financial liabilities not measured at fair value						
Payables ²	18	-	-	(93,734)	(93,734)	(93,734)
Financing	19	-	-	(14,851,114)	(14,851,114)	(14,853,499)
		(10,088)	23,708	848,114	861,734	1,044,081

¹ Trade receivables and other assets exclude insurance commission receivable, which is not classified as a financial asset.

² Payables exclude share-based payment liability and insurance commission payable, which are not classified as financial liabilities.

CONSOLIDATED	Note	Carrying Amount			Fair Value	
30 June 2024		Fair value through profit or loss	Fair value through OCI	Financial assets/ (financial liabilities) at amortised cost	Total	Total
		\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets measured at fair value						
Other investments	16	38,553	31,712	-	70,265	70,265
Derivative assets		24,862	-	-	24,862	24,862
Financial assets not measured at fair value						
Cash and cash equivalents	13	-	-	940,428	940,428	940,428
Trade receivables and other assets ¹	14	-	-	135,093	135,093	135,093
Financial assets	15	-	-	14,638,133	14,638,133	14,825,301
Other investments	16	-	-	828	828	828
Financial liabilities measured at fair value						
Derivative liabilities		(178,084)	-	-	(178,084)	(178,084)
Financial liabilities not measured at fair value						
Payables ²	18	-	-	(138,165)	(138,165)	(138,165)
Financing	19	-	-	(14,626,941)	(14,626,941)	(14,629,583)
		(114,669)	31,712	949,376	866,419	1,050,945

¹ Trade receivables and other assets exclude insurance commission receivable, which is not classified as a financial asset.

² Payables exclude share-based payment liability and insurance commission payable, which are not classified as financial liabilities.

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4 DETERMINATION OF FAIR VALUES (cont.)

(g) Fair value hierarchy

When measuring the fair value of an asset or liability, the Liberty Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair value in an active market (Level 1)

The fair value of financial assets and liabilities traded in active markets is based on their quoted market prices at the end of the reporting period without any deduction for estimated future selling costs.

Fair value in an inactive or unquoted market (Level 2)

The fair value of interest rate and cross currency interest rate swaps are determined by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date.

The fair value of investments in equity securities is based on the most recently available unit prices or subscription prices.

Unobservable inputs used in measuring fair value (Level 3)

There are no financial instruments measured using Level 3 inputs.

The fair value of financial assets and liabilities that are not traded in an active market is determined using various valuation techniques. If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire assessment.

The Liberty Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

(h) Fair value hierarchy - financial instruments measured at fair value

As at 31 December 2024	\$'000	\$'000	\$'000	Total
	Level 1	Level 2	Level 3	
Financial assets measured at fair value				
Other investments - equity securities	18,681	49,280	-	67,961
Derivative assets	-	9,061	-	9,061
Financial liabilities measured at fair value				
Derivative liabilities	-	(63,402)	-	(63,402)
	<u>18,681</u>	<u>(5,061)</u>	<u>-</u>	<u>13,620</u>
As at 30 June 2024				
	\$'000	\$'000	\$'000	Total
	Level 1	Level 2	Level 3	
Financial assets measured at fair value				
Other investments - equity securities	26,685	43,580	-	70,265
Derivative assets	-	24,862	-	24,862
Financial liabilities measured at fair value				
Derivative liabilities	-	(178,084)	-	(178,084)
	<u>26,685</u>	<u>(109,642)</u>	<u>-</u>	<u>(82,957)</u>

Transfers between level 1, level 2 and level 3

There were no transfers between level 1, level 2 and level 3 in the half year ended 31 December 2024 (June 2024: nil).

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5 FINANCIAL RISK MANAGEMENT

(a) Overview

The Liberty Group has exposures to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

Exposure to credit, liquidity and market risk arises in the normal course of the Liberty Group's business. This note presents information about the Liberty Group's exposure to each of the above risks, the objectives, policies and processes for measuring and managing risk, and the management of capital. Further quantitative disclosures are included throughout the financial report.

The Board has overall responsibility for the establishment and oversight of the risk management framework. The Board has established a Risk, Audit and Compliance Committee (the "Committee") which is responsible for monitoring the emerging and changing risk profile of the Liberty Group. The Committee is responsible for reviewing the adequacy of internal systems, controls and procedures in relation to the risk management framework and the risks faced by the Liberty Group. The Committee is assisted in its oversight by the Risk department which coordinates, sets policy and monitors the Liberty Group's effectiveness in relation to operational, credit, liquidity and market risk. The The Group Manager Risk and Compliance reports regularly to the Committee and the Board. Risk management policies and systems are updated to reflect changes in market conditions and the Liberty Group's activities.

(b) Operational risk

Operational risk is the risk of impact on objectives resulting from inadequate or failed internal processes, people and systems or from external events including legal and reputation risk.

Operational risk is primarily monitored by the Committee and supported by management which manages regulatory compliance, fraud prevention and detection, anti-money laundering and business continuity.

The Committee has primary responsibility for the oversight of financial reporting risk. The Risk department and Compliance Officers review risk management in order to assess and understand the Liberty Group's business and financial risks as well as the effectiveness of internal controls which may have a significant impact on the financial statements.

(c) Credit risk

Credit risk is the risk of financial loss due to a customer or counterparty failing to meet their contractual obligations. Credit risk arises primarily from the Liberty Group's financial assets.

Financial assets

Management has a credit policy in place that ensures the loan portfolio is diversified across varying risk categories and locations. Management continually assesses the effectiveness of internal credit controls and policies to ensure reliability and integrity of asset management. The Liberty Group also obtains collateral and security arrangements as a means of mitigating the risk of financial loss from default and raises provisions for impairment where appropriate.

Investments

Investments in financial instruments in the investment portfolio are with counterparties with sound credit ratings. Given their high credit ratings, management does not expect any counterparty to fail to meet its obligations. An Investment Committee of management meets on a regular basis to consider investment opportunities and overall performance of the investments.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset, including derivative financial instruments, in the balance sheet.

LIBERTY GROUP
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

5 FINANCIAL RISK MANAGEMENT (cont.)

(c) Credit risk (cont.)

Counterparty risk

The Liberty Group is exposed to counterparty credit risk by holding cash and cash equivalents and entering into derivatives with financial institutions. Their credit quality can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates. The Liberty Group holds cash and derivative contracts with counterparties rated A and better.

Exposure

(i) Loans by credit risk rating grades

CONSOLIDATED - \$'000	12 month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
31 December 2024				
Gross loans				
Prime	9,996,827	201,122	121,584	10,319,533
Non-prime	4,019,062	190,525	182,721	4,392,308
Unrated	87,491	-	-	87,491
Total	14,103,380	391,647	304,305	14,799,332
30 June 2024				
Gross loans				
Prime	9,768,376	184,990	125,083	10,078,449
Non-prime	4,097,850	193,887	183,763	4,475,500
Unrated	83,904	-	-	83,904
Total	13,950,130	378,877	308,846	14,637,853

Credit quality

The ageing of loans is shown below:

(ii) Loans by credit quality

	31 December 2024 \$'000	30 June 2024 \$'000
Gross loans		
Neither past due or impaired	14,103,380	13,950,130
Past due but not impaired	391,647	378,877
Impaired	304,305	308,846
Total	14,799,332	14,637,853

LIBERTY GROUP
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5 FINANCIAL RISK MANAGEMENT (cont.)

(c) Credit risk (cont.)

Provision for impairment loss

(iii) Provisions by credit risk rating grades

CONSOLIDATED - \$'000	12 month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
31 December 2024				
Gross loans				
Prime	25,642	1,911	7,426	34,979
Non-prime	24,681	5,571	31,476	61,728
Unrated	-	-	-	-
Total	50,323	7,482	38,902	96,707

CONSOLIDATED - \$'000	12 month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
30 June 2024				
Gross loans				
Prime	26,610	1,774	5,966	34,350
Non-prime	27,450	6,577	30,037	64,064
Unrated	-	-	-	-
Total	54,060	8,351	36,003	98,414

(iv) Provision for impairment

CONSOLIDATED - \$'000	12 month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
30 June 2024				
Opening balance at 1 July 2023	49,647	6,996	17,719	74,362
Net movement during the year	4,413	1,355	18,284	24,052
Closing balance at 30 June 2024	54,060	8,351	36,003	98,414
31 December 2024				
Opening balance at 1 July 2024	54,060	8,351	36,003	98,414
Net movement during the period	(3,737)	(869)	2,899	(1,707)
Closing balance at 31 December 2024	50,323	7,482	38,902	96,707

LIBERTY GROUP
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FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

5 FINANCIAL RISK MANAGEMENT (cont.)

(c) Credit risk (cont.)

Provision for Impairment loss (cont.)

(iv) Provision for impairment (cont.)

The following tables show the movement in the Liberty Group's impairment provisions and credit exposures by expected credit loss (ECL) stage for the half year ended 31 December 2024.

CONSOLIDATED - \$'000	12 month ECL		Lifetime ECL - not credit impaired		Lifetime ECL - credit impaired		Total	
	Gross exposure	Provisions	Gross exposure	Provisions	Gross exposure	Provisions	Gross exposure	Provisions
	30 June 2024							
Opening balance at 1 July 2023	12,949,904	49,647	383,318	6,996	198,362	17,719	13,531,584	74,362
New loans originated	5,593,212	16,904	64,962	3,058	25,287	2,870	5,683,461	22,832
Transfers:								
Transfers to Stage 1	544,700	1,300	(370,162)	(1,060)	(174,538)	(240)	-	-
Transfers to Stage 2	(15,361)	(3,393)	16,552	3,651	(1,191)	(258)	-	-
Transfers to Stage 3	(6,877)	(4,830)	(1,046)	(2,414)	7,923	7,244	-	-
Loans fully repaid	(3,284,961)	(5,789)	(79,818)	(1,070)	(55,515)	(1,062)	(3,420,294)	(7,921)
Other (a)	(1,821,565)	449	369,794	(544)	321,587	11,083	(1,130,184)	10,988
Write-offs	(10,277)	(237)	(4,813)	(269)	(13,128)	(1,353)	(28,218)	(1,859)
Foreign exchange movement	1,355	9	90	3	59	-	1,504	12
Closing balance at 30 June 2024	13,950,130	54,060	378,877	8,351	308,846	36,003	14,637,853	98,414

CONSOLIDATED - \$'000	12 month ECL		Lifetime ECL - not credit impaired		Lifetime ECL - credit impaired		Total	
	Gross exposure	Provisions	Gross exposure	Provisions	Gross exposure	Provisions	Gross exposure	Provisions
	31 December 2024							
Opening balance at 1 July 2024	13,950,130	54,060	378,877	8,351	308,846	36,003	14,637,853	98,414
New loans originated	2,785,483	4,865	23,824	403	987	220	2,810,294	5,488
Transfers:								
Transfers to Stage 1	238,280	2,246	(155,143)	(1,485)	(83,137)	(761)	-	-
Transfers to Stage 2	(259,652)	(4,498)	274,793	4,739	(15,141)	(241)	-	-
Transfers to Stage 3	(56,026)	(2,021)	(78,024)	(2,003)	134,050	4,024	-	-
Loans fully repaid	(1,864,926)	(2,895)	(47,088)	(1,715)	(38,693)	(6,457)	(1,950,707)	(11,067)
Other (a)	(685,673)	(1,335)	(2,004)	(580)	23,818	8,700	(663,859)	6,785
Write-offs	(8,097)	(112)	(3,867)	(231)	(26,604)	(2,586)	(38,568)	(2,929)
Foreign exchange movement	3,861	13	279	3	179	-	4,319	16
Closing balance at 31 December 2024	14,103,380	50,323	391,647	7,482	304,305	38,902	14,799,332	96,707

(a) Other movement in gross exposure is largely driven by reductions in loan balances that remain in existence at period end due to repayments received during the period.

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5 FINANCIAL RISK MANAGEMENT (cont.)

(c) Credit risk (cont.)

Provision for Impairment loss (cont.)

(iv) Provision for impairment (cont.)

The ECL allowance as a percentage of gross carrying amount is as follows:

31 December 2024 \$'000	Current	Stage 1	Stage 2	Stage 3	Total
Expected loss rate	-	0.36%	1.91%	3.98%	0.47%
Gross carrying amount	-	14,103,380	391,647	304,305	14,799,332
Loss allowance	-	(50,323)	(7,482)	(12,121)	(69,926)
30 June 2024 \$'000	Current	Stage 1	Stage 2	Stage 3	Total
Expected loss rate	-	0.39%	2.20%	4.22%	0.52%
Gross carrying amount	-	13,950,130	378,877	308,846	14,637,853
Loss allowance	-	(54,060)	(8,351)	(13,038)	(75,449)

ECL Measurement Uncertainty - Model Overlay

A new model to generate ECL was developed during 2021. The new model was designed to be more accurate and easier to update. The new model generates a probability of default for each individual loan based on the loan's application data and recent loan repayment behaviour.

The introduction of a new model implies a degree of uncertainty with respect to its sensitivity to changing historical data as well as the possible presence of biases which are difficult to anticipate. The figures generated by the new model have been increased by 10% for Australia and 15% for New Zealand (June 2024: 10% for Australia and 15% New Zealand) to reflect this uncertainty. This overlay will reduce as the predictions of the model have been monitored for a sufficient amount of time to increase confidence in its reliability.

Higher motor originations has driven material portfolio growth and a reduction in the level of seasoning. This, combined with recent increases in specific provision rates, creates uncertainty as to expected lifetime loss performance of the motor portfolio.

To reflect this uncertainty, ECL for the motor portfolio as generated by the model has been increased by \$7.1m (June 2024: nil). The overlay will be reduced as the performance of these less seasoned loans is monitored and confidence in lifetime loss expectations increases.

ECL in relation to the Liberty Group's unsecured personal loan portfolio has not been estimated using the new model. Material recent growth in the portfolio, along with enhancements to credit decisioning, have limited the new model's ability to appropriately estimate ECL for unsecured personal loans. It is intended that, as the current portfolio matures, ECL estimation for the unsecured personal loan portfolio will be incorporated into the new model.

For the half year ended 31 December 2024, ECL for the unsecured personal loan portfolio has been estimated by applying actual historic life of loan loss experience to the current portfolio balance. Similar to all other asset classes, scenarios have also been created, weighted and applied to derive the overall ECL. The scenario weightings are consistent with the "Australia" weightings in the table below. The output of these calculations is then increased by 10%.

31 December 2024

The below table describes the scenarios, weightings and expected outcomes from the various modelled scenarios as at 31 December 2024.

There has been no change to the scenario weightings during the six months to 31 December 2024. New Zealand's macro economic performance has continued to deteriorate to a greater extent than experienced in Australia. This is reflected in the higher weighting to the Downside scenario for the New Zealand Residential portfolio.

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5 FINANCIAL RISK MANAGEMENT (cont.)

(c) Credit risk (cont.)

Provision for Impairment loss (cont.)

(iv) Provision for impairment (cont.)

31 December 2024 (cont.)

Scenario	Weighting		Expectation
	Australia	New Zealand	
Upside A 100% weighting to this scenario would result in a decrease to total ECL provision at the reporting date of \$25,903,000	5%	5%	<p>Each scenario has its own set of macro-economic and future security value projections. The model incorporates these different inputs and generates different ECL figures, ranging from more optimistic (Upside) to more pessimistic (Downside).</p> <p>Baseline is the scenario which the model considers most likely to happen. This scenario assumes decreasing interest rates, moderate economic growth and an increase in security values. The Upside scenario is a more optimistic outlook. Compared to Baseline, this scenario incorporates stronger macro-economic variables (higher GDP growth, lower cash rate and lower unemployment rate) and the increase in Residential security values is projected to be stronger. The Downside scenario is a more pessimistic outlook. Compared to Baseline, this scenario incorporates weaker macro-economic variables and a reduction in Residential security values.</p> <p>For the Secured segment, stresses were applied to each of the three scenarios, resulting in lower Secured security values under each scenario. In addition, a stress was applied to the Downside scenario, where Probability of Default (PD) and Probability of Loss given Default (LGD) predicted by the model were increased. A percentage of the riskiest accounts in Stage 1 (determined by highest predicted PD) were also downgraded to Stage 2.</p>
Baseline A 100% weighting to this scenario would result in a decrease to total ECL provision at the reporting date of \$19,382,000	80%	55%	
Downside A 100% weighting to this scenario would result in an increase to total ECL provision at the reporting date of \$56,366,000	15%	40%	

The table below shows the forward-looking macro economic forecasts for Australia as at 31 December 2024.

Macro Forecast	Unemployment %	Cash rate %	HVI*	GDP Growth %
Current	4.3%	4.4%	206	1.4%
Upside - 2025	4.5%	3.6%	224	3.3%
Baseline - 2025	4.6%	3.9%	218	2.3%
Downside - 2025	5.5%	5.5%	200	1.0%

*HVI - Home Value Index

The table below shows the forward-looking macro economic forecasts for New Zealand as at 31 December 2024.

Macro Forecast	Unemployment %	Cash rate %	HPI*	GDP Growth %
Current	5.1%	4.3%	2,326	(0.0%)
Upside - 2025	4.2%	3.2%	2,488	4.1%
Baseline - 2025	5.2%	3.4%	2,403	2.8%
Downside - 2025	5.6%	3.9%	1,855	0.6%

*HPI - House Price Index

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5 FINANCIAL RISK MANAGEMENT (cont.)

(c) Credit risk (cont.)

Provision for Impairment loss (cont.)

(iv) Provision for impairment (cont.)

31 December 2024 (cont.)

The table below shows the impact of forward-looking macro forecasts on security values for the Australian Residential and New Zealand Residential portfolio under each scenario in the half year ended 31 December 2024.

Impact on Security value		Upside	Baseline	Downside
Australian Residential	FY25	9%	6%	(3%)
	FY26	10%	5%	(3%)
New Zealand Residential	FY25	7%	3%	(20%)
	FY26	4%	4%	(6%)

The table below shows the change in staging between each scenario in the half year ended 31 December 2024, for the Australian Residential and Secured portfolios.

Stress to Staging	Upside	Baseline	Downside
Stage 1 -> 2	0%	0%	20%
Stage 2 -> 3	0%	0%	0%

The table below shows the change in staging between each scenario in the half year ended 31 December 2024, for the New Zealand Residential portfolio.

Stress to Staging	Upside	Baseline	Downside
Stage 1 -> 2	0%	0%	35%
Stage 2 -> 3	0%	0%	0%

The table below shows the change in staging between each scenario in the half year ended 31 December 2024, for the Australian Residential and Secured portfolios.

Stress PD and LGD	Upside	Baseline	Downside
Stages 1 and 2 PD	0%	0%	20%
All stages LGD	0%	0%	20%

The table below shows the stresses applied to PD and LGD across all stages to each scenario in the half year ended 31 December 2024, for the New Zealand Residential portfolio.

Stress PD and LGD	Upside	Baseline	Downside
Stages 1 and 2 PD	0%	0%	35%
All stages LGD	0%	0%	35%

The table below shows the stresses applied to the Secured portfolio under each scenario in the half year ended 31 December 2024.

Stress to Security value	Upside	Baseline	Downside
Secured	(6%)	(13%)	(32%)

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5 FINANCIAL RISK MANAGEMENT (cont.)

(c) Credit risk (cont.)

Provision for Impairment loss (cont.)

(iv) Provision for impairment (cont.)

30 June 2024

The below table describes the scenarios, weightings and expected outcomes from the various modelled scenarios as at 30 June 2024.

During the year ended 30 June 2024 New Zealand's macro economic performance deteriorated to a greater extent than experienced in Australia. This is reflected in the higher weighting to the Downside scenario for the New Zealand Residential portfolio.

Scenario	Weighting		Expectation
	Australia	New Zealand	
Upside A 100% weighting to this scenario would result in a decrease to total ECL provision at the reporting date of \$21,875,000	5%	5%	Each scenario has its own set of macro-economic and future security value projections. The model incorporates these different inputs and generates different ECL figures, ranging from more optimistic (Upside) to more pessimistic (Downside). Baseline is the scenario which the model considers most likely to happen. This scenario assumes decreasing interest rates, moderate economic growth and an increase in security values. The Upside scenario is a more optimistic outlook. Compared to Baseline, this scenario incorporates stronger macro-economic variables (higher GDP growth, lower cash rate and lower unemployment rate) and the increase in Residential security values is projected to be stronger. The Downside scenario is a more pessimistic outlook. Compared to Baseline, this scenario incorporates weaker macro-economic variables and a reduction in Residential security values.
Baseline A 100% weighting to this scenario would result in a decrease to total ECL provision at the reporting date of \$14,125,000	80%	55%	For the Secured segment, different stresses were applied to each of the three scenarios, resulting in lower Secured security values under each scenario. In addition, a stress test was applied to the Downside scenario, where Probability of Default (PD) and Probability of Loss given Default (LGD) predicted by the model were increased. A percentage of the riskiest accounts in Stage 1 (determined by highest predicted PD) were also downgraded to Stage 2.
Downside A 100% weighting to this scenario would result in an increase to total ECL provision at the reporting date of \$76,760,000	15%	40%	

The table below shows the forward-looking macro economic forecasts for Australia as at 30 June 2024.

Macro Forecast	Unemployment %	Cash rate %	HVI*	GDP Growth %
Current	4.2%	4.4%	199	1.4%
Upside - 2025	4.4%	3.4%	213	3.0%
Baseline - 2025	4.5%	3.6%	207	2.1%
Downside - 2025	5.4%	5.1%	201	0.4%

*HVI - Home Value Index

The table below shows the forward-looking macro economic forecasts for New Zealand as at 30 June 2024.

Macro Forecast	Unemployment %	Cash rate %	HPI*	GDP growth %
Current	4.6%	5.5%	2,327	0.3%
Upside - 2025	4.3%	4.6%	2,472	2.4%
Baseline - 2025	5.3%	5.0%	2,388	1.7%
Downside - 2025	5.8%	5.8%	1,843	0.3%

*HPI - House Price Index

LIBERTY GROUP
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5 FINANCIAL RISK MANAGEMENT (cont.)

(c) Credit risk (cont.)

Provision for Impairment loss (cont.)

(iv) Provision for impairment (cont.)

30 June 2024 (cont.)

The table below shows the impact of forward-looking macro forecasts on security values for the Australian Residential and New Zealand Residential portfolio under each scenario in the year ended 30 June 2024.

Impact on Security value		Upside	Baseline	Downside
Australian Residential	FY25	7%	4%	1%
	FY26	9%	4%	(2%)
New Zealand Residential	FY25	5%	3%	(21%)
	FY26	3%	3%	(7%)

The table below shows the change in staging between each scenario in the year ended 30 June 2024, for the Australian Residential and Secured portfolios.

Stress to Staging	Upside	Baseline	Downside
Stage 1 -> 2	0%	0%	20%
Stage 2 -> 3	0%	0%	0%

The table below shows the change in staging between each scenario in the year ended 30 June 2024, for the New Zealand Residential portfolio.

Stress to Staging	Upside	Baseline	Downside
Stage 1 -> 2	0%	0%	35%
Stage 2 -> 3	0%	0%	0%

The table below shows the stresses applied to PD and LGD across all stages to each scenario in the year ended 30 June 2024, for the Australian Residential and Secured portfolios.

Stress PD and LGD	Upside	Baseline	Downside
Stages 1 and 2 PD	0%	0%	20%
All stages LGD	0%	0%	20%

The table below shows the stresses applied to PD and LGD across all stages to each scenario in the year ended 30 June 2024, for the New Zealand Residential portfolio.

Stress PD and LGD	Upside	Baseline	Downside
Stages 1 and 2 PD	0%	0%	35%
All stages LGD	0%	0%	35%

The table below shows the stresses applied to the Secured portfolio under each scenario in the year ended 30 June 2024.

Stress to Security value	Upside	Baseline	Downside
Secured	(7%)	(13%)	(32%)

Collateral

(v) Collateral held

31 December 2024 **30 June 2024**
% %

Maximum exposure

Collateral classification:

Secured (%)	95%	95%
Unsecured (%)	5%	5%
	100%	100%

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5 FINANCIAL RISK MANAGEMENT (cont.)

(d) Liquidity risk

Liquidity risk is the risk that the Liberty Group will not be able to meet its financial obligations as they fall due. The Liberty Group's Treasury function manages liquidity risk by maintaining adequate cash reserves, bank facilities and undrawn facilities and by continuously monitoring cash flows and matching the maturity profiles of financial assets and liabilities. Details of available facilities are outlined in note 19.

The following are contractual maturities of financial assets and liabilities, including estimated repayments and excluding the impact of netting. The contractual maturity of most debt issues is 25-30 years. For derivative liabilities only, contractual cash flows are stated excluding credit margins. The following maturity analysis is compiled on the contractual maturity date.

31 December 2024	Note	Carrying amount	Contractual cash flows	<1 year	1-5 years	> 5 years
		\$'000	\$'000	\$'000	\$'000	\$'000
Non-derivative financial assets						
Cash and cash equivalents	13	904,735	904,735	904,735	-	-
Trade receivables and other assets ¹	14	87,451	87,451	87,451	-	-
Financial assets	15	14,799,948	32,533,883	2,110,623	6,751,233	23,672,027
Derivative financial assets						
Derivative assets		9,061	8,170	6,451	1,586	133
Total assets		15,801,195	33,534,239	3,109,260	6,752,819	23,672,160

¹ Trade receivables and other assets excludes insurance commission receivable, which is not classified as a financial asset.

Non-derivative financial liabilities						
Payables ²	18	93,522	93,522	92,990	532	-
Debt issues	19	10,316,100	25,898,532	805,625	3,334,551	21,758,356
Finance facilities	19	4,459,325	4,045,381	3,612,433	432,948	-
Deposits and unitholder liabilities	19	75,467	77,086	61,235	15,851	-
Lease liabilities		5,203	5,206	2,473	2,733	-
Loans from related parties	21	222	222	222	-	-
Derivative financial liabilities						
Derivative liabilities		63,402	65,441	67,874	(2,436)	3
Total liabilities		15,013,241	30,185,390	4,642,852	3,784,179	21,758,359

² Payables excludes insurance commission payable, which is not classified as a financial liability.

30 June 2024	Note	Carrying amount	Contractual cash flows	<1 year	1-5 years	> 5 years
		\$'000	\$'000	\$'000	\$'000	\$'000
Non-derivative financial assets						
Cash and cash equivalents	13	940,428	940,428	940,428	-	-
Trade receivables and other assets ¹	14	135,093	135,093	135,093	-	-
Financial assets	15	14,638,133	32,300,409	2,072,932	6,781,562	23,445,915
Derivative financial assets						
Derivative assets		24,862	27,107	15,917	10,856	334
Total assets		15,738,516	33,403,038	3,164,370	6,792,418	23,446,249

¹ Trade receivables and other assets excludes insurance commission receivable, which is not classified as a financial asset.

Non-derivative financial liabilities						
Payables ²	18	130,012	130,012	128,967	1,045	-
Debt issues	19	10,273,863	25,865,798	819,187	3,424,218	21,622,393
Finance facilities	19	4,288,503	4,492,509	3,879,457	613,052	-
Deposits and unitholder liabilities	19	63,937	64,818	51,316	13,502	-
Lease liabilities		7,067	7,067	3,833	3,234	-
Loans from related parties	21	638	638	638	-	-
Derivative financial liabilities						
Derivative liabilities		178,084	185,003	132,101	52,830	72
Total liabilities		14,942,104	30,745,845	5,015,499	4,107,881	21,622,465

² Payables excludes insurance commission payable, which is not classified as a financial liability.

LIBERTY GROUP
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
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5 FINANCIAL RISK MANAGEMENT (cont.)

(e) Market risk

Market risk is the risk that changes in market prices, such as interest rates and equity prices will affect the Liberty Group's income or the value of its holdings of financial instruments.

The Liberty Group's activities expose it primarily to the risks of changing interest rates. The Liberty Group also has exposure to foreign exchange rate fluctuations. Derivative financial instruments are used by entities within the Liberty Group to hedge exposure to such fluctuations. The use of financial derivatives is governed by the terms and conditions of the relevant Trust Deeds belonging to the SPE's within the Liberty Group.

The Liberty Group uses interest rate derivatives to hedge against its fixed book exposures by swapping fixed to floating and cross currency interest rate swaps for its Yen denominated note exposures. The Liberty Group's determination of the economic relationship between the hedged item and the hedging instrument is based on the pay down profile of the fixed rates loans and the Yen denominated notes.

Interest rate risk

The Liberty Group is exposed to interest rate risk by borrowing funds at fixed and floating rates and lending at fixed and floating rates. Exposure to interest rate risk is minimised as the majority of any movement in borrowing rates is offset by variable rate loans. Interest rate swaps, denominated in Australian and New Zealand dollars, have been entered into to achieve an appropriate mix of fixed and floating rate exposure in line with the Liberty Group's interest rate risk management strategy. The swaps mature in line with the maturity of the related loans.

At reporting date the interest rate profile of the Liberty Group's interest bearing financial instruments was as follows:

	31 December 2024	30 June 2024
	\$'000	\$'000
<i>Fixed rate instruments</i>		
Financial assets	3,120,510	3,222,700
Financing	(2,373,621)	(2,352,775)
	<u>746,889</u>	<u>869,925</u>
<i>Variable rate instruments</i>		
Cash and cash equivalents and restricted cash	904,735	940,428
Financial assets	11,679,438	11,415,432
Financing	(12,477,492)	(12,274,166)
Net Derivatives	(54,341)	(153,222)
	<u>52,340</u>	<u>(71,528)</u>

Sensitivity analysis

The Liberty Group's exposure to interest rate risk is minimised as the Liberty Group actively manages its cost of funding and reprices its loan portfolio in response to changes in cost of funds within a short timeframe. The below analysis reflects the impact of changes in interest rates on profit or loss, as a result of the Liberty Group's fixed rate deposits held in its various funds, which are invested in variable rate assets; and the movement in derivative contract valuation repricing in equity.

	31 December 2024		30 June 2024	
	\$'000	\$'000	\$'000	\$'000
<i>Impact of movement in interest rates</i>	Profit or Loss	Equity	Profit or loss	Equity
+3% increase in interest rates (June 2024: +3%)	(142)	(96,530)	109	(97,711)
-3% decrease in interest rates (June 2024: -3%)	142	96,530	(109)	97,711

Price risk

The Liberty Group holds certain investments in equity securities for long term strategic purposes. These investments are designated as at FVOCI and are revalued with reference to either the quoted ASX security price, or the unquoted unit price, at balance date.

LIBERTY GROUP
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5 FINANCIAL RISK MANAGEMENT (cont.)

(e) Market risk (cont.)

Sensitivity analysis

Liberty Group's listed equity securities are listed on the Australian Securities Exchange (ASX). For such investments classified as FVOCI, an increase/decrease of +2%/-2% (June 2024: +2%/-2%) in the ASX 200 average would have increased/decreased equity by \$341,000 (June 2024: \$533,000).

Currency risk

The Liberty Group undertakes certain transactions denominated in foreign currency, hence exposures to exchange rate fluctuations arise. New Zealand denominated financial assets are funded by New Zealand denominated borrowings, thereby creating a natural hedge. In respect of other monetary assets and liabilities held in currencies other than the AUD, for which the exposures are immaterial, the Liberty Group elects not to enter into foreign exchange contracts to hedge the translation exposure, except for Yen denominated securitisation notes for which the Liberty Group has entered into cross currency interest rate swaps. The foreign exchange translation on the Yen denominated securitisation notes is perfectly hedged by the foreign exchange hedging effect from the cross currency interest rate swaps, therefore there is no currency risk exposure.

(f) Capital management

The Liberty Group manages its capital to ensure that entities in the Liberty Group will be able to continue as a going concern while maximising the return to stakeholders and maintaining investor, creditor and market confidence.

The Liberty Group maintains a minimum level of capital in liquid form to support future operational initiatives, expected short-term cash outflows and unexpected asset impairment.

There have been no significant changes to the Liberty Group's capital management strategy.

(g) Derivative assets and liabilities

Hedge accounting

The Liberty Group's risk management strategy is to manage market risks within risk limits to minimise profit and capital volatility. The use of derivative instruments for hedging purposes gives rise to potential volatility in the income statement because of mismatches in the accounting treatment between derivative hedging instruments and the underlying exposures being hedged. The Liberty Group's objective is to reduce volatility in the statement of profit or loss and other comprehensive income by applying hedge accounting.

The Liberty Group uses the hypothetical derivative method to assess hedge effectiveness and ineffectiveness for designated cash flow hedge relationships.

This method assumes that the terms of the hypothetical derivative will mirror the terms of the actual hedging instruments. For a hedge to be deemed effective, the change in fair values should be within 80% and 125% of each other. If the results fall outside this range the hedge would be deemed ineffective and is recognised immediately through profit or loss in line with hedge accounting policy.

Source of hedge ineffectiveness affecting hedge accounting are:

- Change in the credit risk of the hedging instrument; and
- Mismatches between the contractual terms of the hedged item and the hedging instrument.

No other sources of hedge ineffectiveness have arisen during the period.

The amounts relating to hedging instruments and hedge ineffectiveness are presented in the tables below.

The average exchange rates were as follows for JPY cross-currency interest rate swaps: 0.0109 (June 2024: 0.0109).

The average fixed interest rate was 4.5% (June 2024: 5.3%).

LIBERTY GROUP
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5 FINANCIAL RISK MANAGEMENT (cont.)

(g) Derivative assets and liabilities (cont.)

Cash flow hedges	As at 31 December 2024			During the half year ended 31 December 2024					
	Nominal amount - maturity			Carrying amount ¹		Change in the value of the hedging instrument recognised in OCI	Hedging ineffectiveness recognised in profit or loss	Amounts reclassified from hedging reserve to profit or loss	
\$'000	1-6 months	7-12 months	More than one year	Assets	Liabilities				
Interest rate risk									
Interest rate swaps	-	-	2,298,154	9,061	(8,996)	(17,100)	-	-	
Currency risk									
Cross currency interest rate swaps	245,539	-	714,093	-	(54,406)	123,841	-	(125,094)	
Total hedges	245,539	-	3,012,247	9,061	(63,402)	106,741	-	(125,094)	

¹ The line items in the Statement of Financial Position that include the hedging instruments are Derivative assets and Derivative liabilities.

Cash flow hedges	As at 30 June 2024			During the year ended 30 June 2024					
	Nominal amount - maturity			Carrying amount ¹		Change in the value of the hedging instrument recognised in OCI	Hedging ineffectiveness recognised in profit or loss	Amounts reclassified from hedging reserve to profit or loss	
\$'000	1-6 months	7-12 months	More than one year	Assets	Liabilities				
Interest rate risk									
Interest rate swaps	1,159	-	2,287,679	24,862	(374)	(10,720)	-	-	
Currency risk									
Cross currency interest rate swaps	-	294,651	939,451	-	(177,710)	(59,434)	-	59,904	
Total hedges	1,159	294,651	3,227,130	24,862	(178,084)	(70,154)	-	59,904	

¹ The line items in the Statement of Financial Position that include the hedging instruments are Derivative assets and Derivative liabilities.

6 SEGMENT INFORMATION

(a) Description of Segments

The Liberty Group has identified three operating segments:

- **Residential Finance:** The Residential Finance segment includes revenues and direct expenses associated with residential mortgage lending in Australia and New Zealand.
- **Secured Finance:** The Secured Finance segment includes revenues and direct expenses associated with motor vehicle, commercial and self-managed superannuation fund lending in Australia.
- **Financial Services:** The Financial Services segment includes revenues and direct expenses associated with the activities of Mike Pero Mortgages, Liberty Network Services, National Mortgage Brokers, Australian Life Insurance, LFI, Unsecured Lending, Liberty Financial Limited and Mike Pero Real Estate.
- **Corporate:** administration expenses and interest income and expense not directly related to operating segments.

The Liberty Group's segments operate principally in Australia and New Zealand. A segment overview is presented below. During the half-year ended 31 December 2024, \$727 million of external revenue was generated within Australia (31 December 2023: \$679 million) and \$34 million of external revenue was generated within New Zealand (31 December 2023: \$41 million). At 31 December 2024 there were \$14,097 million non-current assets in Australia (June 2024: \$14,018 million) and \$438 million non-current assets in New Zealand (June 2024: \$406 million).

Australia charges New Zealand a management fee. Sales between segments are carried out at arm's length and are eliminated on consolidation when they arise within the Liberty Group.

LIBERTY GROUP
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6 SEGMENT INFORMATION (cont.)

(b) Segment Overview	Residential Finance \$'000	Secured Finance \$'000	Financial Services \$'000	Corporate \$'000	Total \$'000
31 December 2024					
Interest income	307,746	258,602	46,373	27,304	640,025
Effective yield fee income	6,683	14,778	67	-	21,528
Other finance income	4,144	10,525	84,621	494	99,784
Other operating income	-	-	234	129	363
Interest expense	(248,264)	(165,298)	(25,885)	(18,099)	(457,546)
Recoveries/(impairment expense)	1,213	(5,786)	(9,725)	-	(14,298)
Other finance expenses	(21,079)	(34,202)	(67,914)	(4,115)	(127,310)
Net margin as reported by the Liberty Group	50,443	78,619	27,771	5,713	162,546
Operating expenses	(16,043)	(7,660)	(14,888)	(39,067)	(77,658)
Depreciation and amortisation	-	-	-	(9,685)	(9,685)
Tax expense	-	-	-	(9,570)	(9,570)
Profit from continuing operations	34,400	70,959	12,883	(52,609)	65,633
31 December 2024 Segment Balance Sheet Information					
Total Segment Assets	8,299,389	6,088,067	1,114,835	853,141	16,355,432
Total Assets reported by the Liberty Group	8,299,389	6,088,067	1,114,835	853,141	16,355,432
Total Segment Liabilities	7,874,655	5,689,236	891,490	708,747	15,164,128
Total Liabilities reported by the Liberty Group	7,874,655	5,689,236	891,490	708,747	15,164,128
Segment Overview					
	Residential Finance \$'000	Secured Finance \$'000	Financial Services \$'000	Corporate \$'000	Total \$'000
31 December 2023					
Interest income	307,717	222,824	34,275	27,506	592,322
Effective yield fee income	9,727	11,519	241	-	21,487
Other finance income	4,516	7,773	91,572	1,024	104,885
Other operating income	-	-	775	422	1,197
Interest expense	(244,710)	(137,528)	(18,418)	(14,407)	(415,063)
Recoveries/(impairment expense)	1,220	(10,928)	(6,696)	-	(16,404)
Other finance expenses	(23,056)	(26,077)	(70,900)	(4,053)	(124,086)
Net margin as reported by the Liberty Group	55,414	67,583	30,849	10,492	164,338
Operating expenses	(15,275)	(7,507)	(18,698)	(40,446)	(81,926)
Depreciation and amortisation	-	-	-	(9,704)	(9,704)
Goodwill impairment	-	-	(6,036)	-	(6,036)
Tax expense	-	-	-	(8,615)	(8,615)
Profit from continuing operations	40,139	60,076	6,115	(48,273)	58,057
30 June 2024 Segment Balance Sheet Information					
Total Segment Assets	8,338,005	5,965,026	1,074,482	928,210	16,305,723
Total Assets reported by the Liberty Group	8,338,005	5,965,026	1,074,482	928,210	16,305,723
Total Segment Liabilities	8,201,101	5,293,440	779,078	836,235	15,109,854
Total Liabilities reported by the Liberty Group	8,201,101	5,293,440	779,078	836,235	15,109,854

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	Note	Six months to 31 December 2024 \$'000	Six months to 31 December 2023 \$'000
7 OTHER FINANCE INCOME			
Lending fee income		23,998	22,415
Commission income		75,292	81,448
External dividend income		494	541
Net foreign exchange gain		-	434
Unrealised gain on assets and liabilities		-	47
		<u>99,784</u>	<u>104,885</u>
Lending fee income and commission income is recognised in accordance with AASB 15 <i>Revenue from Contracts with Customers</i> .			
8 FINANCE EXPENSE			
Interest expense on financial liabilities measured at amortised cost		465,703	423,867
Net interest income on interest rate swaps		(8,157)	(8,804)
Effective yield costs on financial liabilities measured at amortised cost		4,361	5,608
Interest on lease liabilities		153	202
Lending costs		9,573	7,683
Commission expense		113,223	110,593
		<u>584,856</u>	<u>539,149</u>
9 PERSONNEL EXPENSE			
Wages, salaries and on-costs		34,635	36,775
Share-based payment expense - cash settled		944	921
Share-based payment expense - equity settled		1,191	975
Superannuation		3,620	3,461
Long service leave		237	352
Annual leave		2,236	2,291
Other personnel expenses		2,405	2,452
		<u>45,268</u>	<u>47,227</u>
10 OTHER EXPENSES			
Occupancy expenses		2,211	1,978
Loan establishment and management		8,391	7,538
Technology, communications and marketing		11,062	12,347
Depreciation		3,327	3,356
Amortisation		6,358	6,348
Goodwill impairment	17	-	6,036
Other operating expenses and professional fees		10,726	12,836
		<u>42,075</u>	<u>50,439</u>
11 INCOME TAX EXPENSE			
Recognised in profit or loss			
<i>Current period</i>		9,333	7,107
<i>Deferred tax expense</i>			
Origination and reversal of temporary differences		286	1,508
Prior year adjustments		(49)	-
Income tax expense		<u>9,570</u>	<u>8,615</u>
Recognised in other comprehensive income			
Unrealised gain on fair value of financial assets at FVOCI		439	(342)
		<u>10,009</u>	<u>8,273</u>

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Six months to **Six months to**
31 December 2024 **31 December 2023**
\$'000 **\$'000**

11 INCOME TAX EXPENSE (cont.)

Reconciliation between tax expense and profit

Profit before income tax	75,203	66,672
Income tax using domestic corporation tax rate of 30% (Dec 2023: 30%)	22,561	20,002
Net movement in income tax due to:		
International differential in tax rate	(64)	75
Non-deductible expenses	1,509	2,819
Non-assessable income (distribution income)	(13,856)	(13,152)
Fees transferred	(531)	(1,129)
Prior year adjustments	(49)	-
Income tax expense on profit	9,570	8,615

12 SHARE-BASED PAYMENT ARRANGEMENTS

(a) Description of share-based payment arrangements

During the half year ended 31 December 2024, the Liberty Group made the following share-based payment arrangements.

(i) Long Term Incentive Plan (equity settled)

On 16 December 2024 the Liberty Group granted Long Term Incentive deferred equity awards under the Equity Incentive Plan, to Executive Key Management Personnel (KMP) and Group Managers. This award represents the Long Term Incentive for the financial year ended 30 June 2024. In total 7,962,534 awards were granted with a total value at grant date of \$2,979,127. Each award represents a right to receive one stapled security in the capital of the Liberty Group at an exercise price of \$3.40 per stapled security.

Each award is subject to gateway vesting conditions, which will be tested on 1 December 2027. Those awards that meet the gateway vesting conditions are then subject to service vesting conditions as follows:

- 1/3 of the Awards will vest on 1 December 2027;
- 1/3 of the Awards will vest on 1 December 2028;
- 1/3 of the Awards will vest on 1 December 2029.

The fair value of the Long Term Incentive plan was determined using the Monte Carlo simulation option pricing model and the Black-Scholes model.

Details of awards granted to Executive KMP are as follows:

Grant date/employees entitled	Number of awards	Vesting conditions	Contractual life of awards
Awards granted to Executive KMP on 16 December 2024	5,077,368	Refer to vesting conditions of the Long Term Incentive Plan. The Plan is unchanged from the year ended 30 June 2024.	15 years

LIBERTY GROUP
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

12 SHARE-BASED PAYMENT ARRANGEMENTS (cont.)

(a) Description of share-based payment arrangements (cont.)

(ii) Medium Term Incentive Plan (cash settled)

On 16 December 2024 the Liberty Group granted Medium Term Incentive deferred equity awards to eligible employees, including Executive KMP and Group Managers, under the Equity Incentive Plan. This award represents the two-thirds deferred equity portion of the Medium Term Incentive for the financial year ended 30 June 2024. In total 893,098 awards were granted with a total value at grant date of \$2,531,933. Each award represents a right to receive one stapled security in the capital of the Liberty Group at no cost. The Liberty Group has the discretion to make a cash payment of equivalent value instead of issuing the stapled securities. The remaining one-third totalling \$1,325,900 was paid to employees in cash in December 2024.

The awards will vest as follows:

- 50% of the Awards will vest on 1 December 2025, subject to the relevant employee remaining continuously employed by a member of the Liberty Group from the grant date until that time; and
- 50% of the Awards will vest on 1 December 2026, subject to the relevant employee remaining continuously employed by a member of the Liberty Group from the grant date until that time.

The fair value of the Medium Term Incentive plan was determined using the Black-Scholes model.

Details of awards granted to Executive KMP are as follows:

Grant date/employees entitled	Number of awards	Vesting conditions	Contractual life of awards
Awards granted to Executive KMP on 16 December 2024	183,840	Refer to vesting conditions of the Medium Term Incentive Plan. The Plan is unchanged from the year ended 30 June 2024.	15 years

(b) Measurement of grant date fair values

The following table discloses the metrics relevant to the measurement of grant date fair values, for Long Term Incentive deferred equity awards granted to Executive KMP during the half year ended 31 December 2024.

	Long Term Incentive Plan		
	Tranche 1 (see (a)(i))	Tranche 2 (see (a)(i))	Tranche 3 (see (a)(i))
Grant dates	16-Dec-24	16-Dec-24	16-Dec-24
Fair value	\$0.40	\$0.40	\$0.40
Security price	\$3.21	\$3.21	\$3.21
Exercise price	\$3.40	\$3.40	\$3.40
Expected volatility (Weighted average volatility)	32.5%	32.5%	32.5%
Security right life (expected weighted average life)	8 years	8 years	8 years
Expected distributions	9.00%	9.00%	9.00%
Risk-free interest rate (based on government bonds)	4.20%	4.20%	4.20%

LIBERTY GROUP
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

12 SHARE-BASED PAYMENT ARRANGEMENTS (cont.)

(b) Measurement of grant date fair values (cont.)

The following table discloses the metrics relevant to the measurement of grant date fair values, for Long Term Incentive deferred equity awards granted to Group Managers during the half year ended 31 December 2024.

Long Term Incentive Plan			
	Tranche 1 (see (a)(i))	Tranche 2 (see (a)(i))	Tranche 3 (see (a)(i))
Grant dates	16-Dec-24	16-Dec-24	16-Dec-24
Fair value	\$0.33	\$0.33	\$0.33
Security price	\$3.21	\$3.21	\$3.21
Exercise price	\$3.40	\$3.40	\$3.40
Expected volatility (Weighted average volatility)	32.5%	32.5%	32.5%
Security right life (expected weighted average life)	8 years	8 years	8 years
Expected distributions	9.00%	9.00%	9.00%
Risk-free interest rate (based on government bonds)	4.20%	4.20%	4.20%

The following table discloses the metrics relevant to the measurement of grant date fair values, for Medium Term Incentive deferred equity awards granted to all eligible employees, including Executive KMP and Group Managers, during the half year ended 31 December 2024.

Medium Term Incentive Plan		
	Tranche 1 (see (a)(ii))	Tranche 2 (see (a)(ii))
Grant dates	16-Dec-24	16-Dec-24
Fair value	\$2.96	\$2.71
Security price	\$3.21	\$3.21
Exercise price	-	-
Expected volatility (Weighted average volatility)	32.5%	32.5%
Security right life (expected weighted average life)	1 year	2 years
Expected distributions	9.00%	9.00%
Risk-free interest rate (based on government bonds)	4.10%	3.90%

Annualised volatility is based on the historical volatility of the Liberty Group and benchmark listed companies.

	Note	31 December 2024 \$'000	30 June 2024 \$'000
(c) Carrying value and intrinsic value of liabilities			
Total carrying amount of liabilities for share-based payments	18	4,399	3,807
Total intrinsic value of liabilities for vested benefits		-	-

LIBERTY GROUP
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

13 CASH AND CASH EQUIVALENTS

Restricted cash is cash reserves, maintained in accordance with the legal requirements of relevant securitisation Trust Deeds and available to meet certain shortfalls in respect of losses and liquidity. This cash is not available as free cash for the operations of the Liberty Group.

In addition to cash reserves, the Liberty Group held liquidity facilities at 31 December 2024 of \$22,109,000 (June 2024: \$26,089,000) with third parties. These liquidity facilities are available to meet liquidity shortfalls from time to time. To date, no reserves available to the Liberty Group have ever been utilised for the abovementioned purposes.

	Note	31 December 2024 \$'000	30 June 2024 \$'000
Reconciliation of cash and cash equivalents			
Cash and cash equivalents at bank		767,235	796,609
Restricted cash		137,500	143,819
		<hr/>	<hr/>
Total as disclosed in the statement of cash flows		904,735	940,428
		<hr/>	<hr/>

14 TRADE RECEIVABLES AND OTHER ASSETS

Loans to related parties	21	43,472	96,087
Insurance commission receivable		145,246	145,711
Other assets		43,885	38,912
Other loans		94	94
		<hr/>	<hr/>
		232,697	280,804
		<hr/>	<hr/>

Current trade receivables and other assets are \$106,077,000 (June 2024: \$153,686,000) and non-current are \$126,620,000 (June 2024: \$127,118,000). Loans to related parties are unsecured.

15 FINANCIAL ASSETS

(a) Financial assets comprises:

Gross financial assets		14,799,332	14,637,853
Net financial assets		14,896,655	14,736,547
		<hr/>	<hr/>
Less:			
Specific provision for financial asset impairment		(26,781)	(22,965)
Collective provision for financial asset impairment		(69,926)	(75,449)
		<hr/>	<hr/>
		14,799,948	14,638,133
		<hr/>	<hr/>

Net financial assets include unamortised effective yield fees and other adjustments.

(b) Contractual maturity analysis

Not longer than 12 months		660,047	635,100
Longer than 12 months and less than 5 years		2,656,864	2,697,643
Greater than 5 years		11,483,037	11,305,390
		<hr/>	<hr/>
		14,799,948	14,638,133
		<hr/>	<hr/>

(c) Geographic concentration of financial assets

New South Wales/ACT		4,109,554	4,151,069
Victoria/Tasmania		5,201,078	5,210,048
Queensland		2,765,089	2,715,902
Western Australia		1,512,959	1,453,775
South Australia/Northern Territory		765,150	702,361
New Zealand		446,118	404,978
		<hr/>	<hr/>
		14,799,948	14,638,133
		<hr/>	<hr/>

LIBERTY GROUP
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

31 December 2024 **30 June 2024**
\$'000 **\$'000**

16 OTHER INVESTMENTS

Other equity investments	68,789	71,093
	68,789	71,093

Current other investments are \$40,000 (June 2024: \$40,000) and non-current other investments are \$68,749,000 (June 2024: \$71,053,000) for the Liberty Group.

17 INTANGIBLE ASSETS

	Goodwill \$'000	Brand Name \$'000	Development costs \$'000	Intellectual property \$'000	Total \$'000
(a) Carrying value					
30 June 2024					
Cost and carrying value					
Balance at 1 July 2023	39,384	700	2,430	221,578	264,092
Additions	-	-	187	-	187
Impairment	(6,964)	-	-	-	(6,964)
Amortisation	-	(141)	(727)	(11,835)	(12,703)
Foreign exchange movements	75	(1)	-	-	74
Balance at 30 June 2024	32,495	558	1,890	209,743	244,686
	Goodwill \$'000	Brand Name \$'000	Development costs \$'000	Intellectual property \$'000	Total \$'000
31 December 2024					
Cost and carrying value					
Balance at 1 July 2024	32,495	558	1,890	209,743	244,686
Additions	-	-	12	-	12
Amortisation	-	(69)	(372)	(5,918)	(6,359)
Foreign exchange movements	(17)	(6)	-	-	(23)
Balance at 31 December 2024	32,478	483	1,530	203,825	238,316

\$177,525,000 (June 2024: \$183,443,000) of the intellectual property intangible asset relates to a separately identifiable copyright with a useful life of 20 years. \$26,300,000 (June 2024: \$26,300,000) is not separately identifiable and has been classified as an indefinite life intangible asset.

31 December 2024 **30 June 2024**
\$'000 **\$'000**

18 PAYABLES

Distribution payable	129	39,565
Share-based payment liability	4,399	3,807
Interest payable	40,098	39,429
Insurance commission payable	48,569	48,998
Payables and accruals	48,896	47,211
Income tax payable	4,611	11,960
	146,702	190,970

Current payables are \$103,995,000 (June 2024: \$147,458,000) and non-current are \$42,707,000 (June 2024: \$43,512,000).

19 FINANCING

Debt issues	10,316,100	10,273,863
Finance facilities	4,459,325	4,288,503
Deposits and unitholder liabilities	75,467	63,937
Loans from related parties	222	638
	14,851,114	14,626,941

Current financing are \$4,274,071,000 (June 2024: \$3,722,907,000) and non-current are \$10,577,043,000 (June 2024: \$10,904,034,000).

LIBERTY GROUP
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

19 FINANCING (cont.)

Debt issuances

The Liberty Group utilises a variety of flexible funding programmes to issue independently rated debt securities to investors. Security for these debt issues is a combination of fixed and floating charges over the financial assets of the relevant SPE.

The Liberty Group has issued unsecured debt of \$1,150,000,000 (June 2024: \$1,150,000,000) which is due to mature between March 2025 and March 2029 and is recorded at fair value.

Debt issues include transactions between related parties in the normal course of business and on an arm's length basis. All transactions between Liberty Group entities are eliminated on consolidation.

31 December 2024 **30 June 2024**
\$'000 **\$'000**

Finance facilities

The consolidated entity has access to the following lines of credit:

Total facilities available	8,875,908	8,679,638
Facilities utilised at balance date	4,459,325	4,288,503
Facilities not used at balance date	4,416,583	4,391,135

The Liberty Group's financing facilities comprise wholesale and commercial paper facilities. These facilities are provided by a range of institutions with whom the Liberty Group has long-standing relationships. The security for advances under these arrangements is a combination of fixed and floating charges over assets of the Liberty Group.

Bank guarantees

Bank guarantees totalling \$1,836,000 (June 2024: \$1,839,000) have been provided by the Liberty Group in relation to credit card facilities, lease on premises and other matters. These guarantees are secured by the assets of the Liberty Group.

20 CAPITAL AND RESERVES

31 December 2024 **30 June 2024**
\$ **\$**

(a) Capital

Contributed equity

Liberty Financial Group Limited - 303,600,000 ordinary shares, fully paid (June 2024: 303,600,000 ordinary shares, fully paid)	719,000,100	719,000,100
Liberty Financial Group Trust - 303,600,000 units, fully paid (June 2024: 303,600,000 units, fully paid)	100	100
303,600,000 stapled securities, fully paid (June 2024: 303,600,000 stapled securities, fully paid)	719,000,200	719,000,200

The holders of stapled securities are entitled to receive dividends and/or distributions as declared from time to time and are entitled to one vote per stapled security at meetings of the Liberty Group.

The Company does not have par value in respect of its stapled securities.

In the event of winding up, the stapled security holders are fully entitled to any proceeds of liquidation.

Distributions are paid from the Liberty Financial Group Trust (ARSN 644 813 847) and dividends are paid from the Company.

(b) Dividends and distributions

31 December 2024	Cents per	Total amount	Date of payment
Distribution information	stapled	\$'000	
	security	\$'000	
Interim 2025 distribution per stapled security	12.000000	36,432	13-Dec-24
Total		36,432	

LIBERTY GROUP
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

20 CAPITAL AND RESERVES (cont.)

(b) Dividends and distributions (cont.)

31 December 2024	Cents per stapled security	Total amount \$'000	Date of payment	Franked
Dividend information				
Special dividend per stapled security	5.000000	<u>15,180</u>	13-Dec-24	100%
Total		<u>15,180</u>		
 30 June 2024				
Distribution information				
Interim 2024 distribution per stapled security	12.000000	36,432	15-Dec-23	
Final 2024 distribution per stapled security	13.000000	<u>39,468</u>	30-Aug-24	
Total		<u>75,900</u>		

(c) Reserves

Translation reserve

The translation reserve comprises all foreign exchange differences arising from the following events:

- (a) Translation of the financial statements of foreign operations where their functional currency is different to the presentation currency of the reporting entity.
- (b) Long term intercompany loan revaluation taken to the foreign exchange reserve at balance sheet date.

Cash flow hedge reserve

The cash flow hedge reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedges over the variability of cash flows arising from floating rate debt and cross currency cash flows.

Revaluation reserve

The revaluation reserve comprises the cumulative net change in fair value on assets measured at fair value through other comprehensive income.

Common control reserve

The difference between the purchase consideration and the net assets acquired on the restructure under common control, which took place on 18 December 2019, were accounted for in equity and transferred to a common control reserve.

Share-based payment reserve

Share-based payment reserve comprises of the Long Term Incentive Plan and the IPO Bonus Security Rights.

LIBERTY GROUP
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

21 RELATED PARTIES

The following table provides the particulars in relation to controlled entities of the Liberty Group, for which the ultimate parent entity is Hestia Holdings BV. The immediate parent entity of the Company is Vesta Funding BV.

(a) Particulars in relation to controlled entities of Liberty Financial Group Limited and Liberty Financial Group Trust:

Entity name	31 December 2024	Ownership interest
	%	30 June 2024 %
A.L.I. Group Pty Ltd	100	100
ALI Corporate Pty Ltd	100	100
ALI Equity Pty Ltd	100	100
Assured Credit Management Pty Ltd	100	100
Australian Life Insurance Administration Pty Ltd	100	100
Australian Life Insurance Distribution Pty Ltd	100	100
Australian Life Insurance Pty Ltd	100	100
Hero Trust	-	-
LFI Group Pty Ltd	100	100
Liberty 2022-1 Wholesale Auto Trust	100	100
Liberty 2023-1 Wholesale Auto Trust	100	100
Liberty Borrowdale Trust	100	100
Liberty Charlotte Trust	100	100
Liberty Credit Enhancement Company NZ Limited	100	100
Liberty Credit Enhancement Company Pty Ltd	100	100
Liberty Dealer Finance Pty Ltd	100	100
Liberty Fiduciary Ltd	100	100
Liberty Financial Limited	100	100
Liberty Financial Pty Ltd	100	100
Liberty Funding Pty Ltd	100	100
Liberty High Yield Fund	100	100
Liberty Network Services Pty Ltd	100	100
Liberty Novated Leasing Pty Ltd	100	100
Liberty NZ Warehouse Trust No.1	100	100
Liberty PRIME Series 2021-1 Trust	100	100
Liberty PRIME Series 2021-2 Trust	100	100
Liberty PRIME Series 2022-1 Trust	100	100
Liberty Repts Funding Trust	100	100
Liberty Scarborough Trust	100	100
Liberty Series 2020-1 SME Trust	-	100
Liberty Series 2020-1 Trust	-	100
Liberty Series 2020-3 Trust	-	100
Liberty Series 2020-4 Trust	100	100
Liberty Series 2021-1 SME Trust	100	100
Liberty Series 2021-1 Trust	100	100
Liberty Series 2022-1 Auto Trust	100	100
Liberty Series 2022-1 SME Trust	100	100
Liberty Series 2022-1 Trust	100	100
Liberty Series 2022-2 Trust	100	100
Liberty Series 2023-1 Auto Trust	100	100
Liberty Series 2023-1 SME Trust	100	100
Liberty Series 2023-1 Trust	100	100
Liberty Series 2023-2 Trust	100	100
Liberty Series 2023-3 Trust	100	100
Liberty Series 2023-4 Trust	100	100
Liberty Series 2024-1 Auto Trust	100	100
Liberty Series 2024-1 Trust	100	100
Liberty Series 2024-1 SME Trust	100	-
Liberty Series 2024-2 Trust	100	-
Liberty Sirius Trust	100	100
Liberty Term Investment Fund	56	60
Liberty Warehouse Trust 2012-1	100	100
Liberty Warehouse Trust No.1	100	100
Liberty Wholesale Series 2021-1 Trust	100	100
Liberty Wholesale Series 2021-2 Trust	100	100
Liberty Wholesale Series 2024-1 Trust	100	100
Liberty Wholesale Trust 2018-1	100	100

LIBERTY GROUP
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

21 RELATED PARTIES (cont.)

(a) Particulars in relation to controlled entities of Liberty Financial Group Limited and Liberty Financial Group Trust (cont.):

Entity name	31 December 2024	Ownership interest
	%	30 June 2024
		%
LoanNET Pty Ltd	100	100
Mike Pero Pty Ltd	100	100
Mike Pero Australia Pty Ltd	100	100
Mike Pero (New Zealand) Limited	100	100
Mike Pero Group Limited	100	100
Mike Pero Insurances Limited	100	100
Mike Pero Mortgages Limited	100	100
Mike Pero Real Estate Limited	100	100
Minerva Fiduciary Pty Ltd	100	100
Minerva Funding Pty Ltd	100	100
Minerva Funds Management Limited	100	100
Minerva Holding Trust	100	100
Money Place ACL Pty Ltd	100	100
Money Place Assets Pty Ltd	100	100
Money Place Australia Pty Ltd	100	100
Money Place Holdings Pty Ltd	100	100
MoneyPlace Lending Platform	-	-
MoneyPlace Pty Ltd	100	100
Mosaic Financial Services Pty Ltd	100	100
MPMH Limited	100	100
MPRE Limited	100	100
National Mortgage Brokers (WA) Pty Ltd	100	100
National Mortgage Brokers Pty Ltd	100	100
Priceware Pty Ltd	50	50
Secure Credit Pty Ltd	100	100
Secure Funding Limited	100	100
Secure Funding Pty Ltd	100	100

MPRE Limited

On 28 March 2024 the Liberty Group sold the business operations of MPRE Limited. The Liberty Group continues to own 100% of the equity in MPRE Limited.

Hero Trust and Priceware Pty Ltd

On 30 June 2016, the Liberty Group acquired equity in Priceware Pty Ltd which has an interest in Hero Trust. Hero Trust and Priceware Pty Ltd were consolidated into the Liberty Group financial statements on the basis that the Liberty Group exercised power over the entities and was subject to variability of returns in accordance with relevant accounting standards.

(b) Transactions with related parties

	Six months to	Six months to
	31 December 2024	31 December 2023
	\$	\$
Statement of profit or loss and other comprehensive income items arising from related party transactions		
Distribution paid/payable to the immediate parent of the Liberty Group	(27,387,269)	(27,387,269)
Dividend paid/payable to the immediate parent of the Liberty Group	(11,411,362)	-
Interest income from the immediate parent of the Liberty Group	3,170,392	3,989,340

LIBERTY GROUP
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

21 RELATED PARTIES (cont.)

(b) Transactions with related parties (cont.)

	31 December 2024	30 June 2024
	\$	\$
Assets and liabilities arising from related party transactions		
Aggregate loans to related parties:		
Immediate parent entity	43,453,358	96,068,773
Other related parties	18,937	18,222
	43,472,295	96,086,995
Aggregate loans from related parties:		
Controlled entities	221,673	638,025
	221,673	638,025

Loans to immediate parent entity are unsecured and repayable in cash by 30 September 2025. Interest is calculated at the rate of 180-day BBSW plus a margin of 2.5% and is compounded semi-annually.

Loans to other related parties are non-interest bearing, unsecured and payable in cash on demand.

22 CAPITAL COMMITMENTS AND CONTINGENCIES

There are no capital commitments as at 31 December 2024 (30 June 2024: nil). Contingent liabilities exist in relation to claims and/or possible claims against the Liberty Group which have not yet been resolved. An assessment of the likely outcome and potential loss to the Liberty Group has been made in respect of the identified claims, on a claim by claim basis, and specific provision has been made where it is considered probable that an outflow of economic benefits will occur and the amount can be reliably estimated. The Liberty Group does not consider that the outcome of any current known or potential claim or proceedings, either individually or in aggregate, is likely to materially affect its operations or financial position.

During prior year a class action was brought against a subsidiary of the Liberty Group in the Federal Court of Australia. The subsidiary will defend the allegations made. The outcome and potential total costs associated with the matter remain uncertain and are unable to be reliably estimated. This matter has no financial impact on the Liberty Group Consolidated Financial Statements for the period ended 31 December 2024.

23 EVENTS SUBSEQUENT TO BALANCE DATE

There has not arisen in the interval between the end of the interim reporting period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Liberty Group, to affect significantly the operations of the Liberty Group, the results of those operations or the state of affairs of the Liberty Group, in future financial years.

**LIBERTY GROUP
DIRECTORS' DECLARATION
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**

In the opinion of the Directors of the Liberty Financial Group Limited and the Directors of Liberty Fiduciary Ltd as responsible entity of the Liberty Financial Group Trust (Liberty Group):

- (a) the consolidated financial statements and notes, set out on pages 8 to 42 are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Liberty Group's financial position as at 31 December 2024 and of its performance for the half-year ended 31 December 2024; and
 - (ii) complying with the Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and
- (b) there are reasonable grounds to believe that the Liberty Group will be able to pay its debts as and when they become due and payable.

The Directors of the Liberty Group draw attention to note 2 (a) to the consolidated financial statements, which includes a statement of compliance with International Financial Reporting Standards.

Signed in accordance with a resolution of the Directors of the Liberty Group:



Peeyush Gupta
Chair

Dated at Melbourne on 21 February 2025.

**LIBERTY GROUP
CORPORATE DIRECTORY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**

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Stock Listing

Liberty Group is listed on the Australian Securities Exchange (ASX Code: LFG)



Independent Auditor's Review Report

To the stapled security holders of Liberty Financial Group (Liberty Group)

Conclusion

We have reviewed the accompanying **Condensed Interim Financial Report** of Liberty Financial Group (the Stapled Group).

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

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

The **Condensed Interim Financial Report** comprises:

- Consolidated statement of financial position as at 31 December 2024
- Consolidated statement of profit or loss and other comprehensive income, Consolidated statement of changes in equity and Consolidated statement of cash flows for the Interim Period ended on that date
- Notes 1 to 23 comprising material accounting policies and other explanatory information
- The Directors' Declaration.

The **Stapled Group** comprises Liberty Financial Group Limited and the entities it controlled at the Interim Period's end or from time to time during the Interim Period and Liberty Financial Group Trust.

The **Interim Period** is the 6 months ended on 31 December 2024.

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 Liberty Group and Liberty Financial Group Limited and Liberty Fiduciary Ltd (the Responsible Entity) in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

Responsibilities of the Directors for the Condensed Interim Financial Report

The Directors of the Liberty Financial Group Limited and the Directors of Liberty Fiduciary Ltd as responsible entity of the Liberty Financial Group Trust are responsible for:

- the preparation of the Condensed Interim Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*
- such internal control as the Directors determine is necessary to enable the preparation of the Condensed Interim Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Condensed Interim Financial Report

Our responsibility is to express a conclusion on the Condensed Interim Financial Report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the Condensed Interim Financial Report does not comply with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 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 a Condensed Interim Period Financial Report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with *Australian Auditing Standards* and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

KPMG

KPMG



Joshua Pearse

Partner

Melbourne

21 February 2025