FY24

Full Year Results Presentation

12 months to 30 June 2024

Presentation Outline

AFG	**30 years** Experience in financial services. Proven through market cycles	**4,000+** AFG Group brokers across Australia – our core asset	**$800B+** Residential & Commercial mortgage market. Resilient with strong economic momentum	**Portfolio of investments** Investments across the value chain – providing growth options Thinktank fintelligence BrokerEngine
Our scale	**74%** Broker is the preferred channel. Banks continue to close branches at record rate	**1 in 10** Residential mortgages in Australia written by an AFG broker	**500K+** Customers helped by an AFG broker	
Diverse business models	**Distribution** **$214B** Trail book 20+ consecutive years of book growth. Provides predictable cash flow	**Manufacturing** **$4.4B** AFG Securities loan book Creating opportunities to deliver alternative lending when market conditions are right	**Broker services** **4.6K** Tech subscribers[1] Market leading service backed by industry-leading technology and 30 years of data	**$190M** Liquid assets Portfolio of growth options, backed by a conservatively geared balance sheet

1. Includes Flex, Fintelligence Ambition Cloud and BrokerEngine

AFG's strategy – to be the aggregator of choice, delivering higher margin products through its national network

Our purpose...	Fairer financial future for all		
Delivered through our competitive advantage…	4,000+ active brokers		
Creating…	Competition and choice for brokers, customers and lenders		
With growth via our strategic pillars…	Grow our broker network	Provide market leading technology	Deliver higher margin through our distribution
Based on our foundation of…	Whole of business broker support proposition, 'you grow, we grow'	Extensive industry experience and rich transaction history	Financial discipline and strong balance sheet
Through our segments…	**Distribution** 82% of FY24 gross profit	**Manufacturing** 18% of FY24 gross profit	

FY24 RESULTS

FY24 Highlights

AFG operating highlights – FY24

30 years of industry experience and a market leader - AFG is positioned to deliver earnings growth, benefiting from the continual building of demand for brokers in the growing Australian finance market

Growing our network – through our leading broker proposition and continued investment in the channel	**74%** Broker channel share of the Australian residential mortgage market Record high	• Australian housing market - $536b settlements per annum. Property prices strong & resilient • Broker market share growing – supporting customers as banks continue to close branches • 1 in 10 residential mortgages written by an AFG broker
	4,000+ AFG Group brokers Record high	• Record broker recruitment in FY24 with 186 groups onboarded • Including several large groups expected to contribute ~$2.5bn settlements annualised • Broker facing technology enhancements and cyber safety well progressed with expenditure expected to normalise in FY25
Delivering new products and services to increase average earnings per broker	**$200 billion** Residential loan book Record high	• AFG residential settlements up 10% in Q4 and over 20 consecutive years of book growth • Commercial leasing and consumer asset finance settlements up 21% • Launched Partner Connect – for residential brokers to grow into new products
AFG Securities, well positioned as the funding and competition cycle return	**$4.4 billion** AFG Securities loan book Up 8% on December 2023 and building into FY25	• Q4 lodgements up 153% compared to last year, utilising new loan origination system • No losses on the book in FY24 with arrears declining in H2 • Two upsized term outs, combined $1.5bn

AFG

AFG financial highlights – FY24

Distribution earnings grew 20%. Manufacturing negatively affected by market cycle, which is turning.
AFG's proven cash generation and market share positions it well to execute its growth strategy creating continued shareholder value.

Total revenue
$1.1bn
+7%

Annuity style earnings
70%

Operating expenses
$86.0m
3% lower

Reported NPAT
$29.0m
(22)%

Underlying NPATA[1]
$36.1m
(25)%

Quality cash generation and strong balance sheet – ability to fund growth

Investments and liquid assets
$190m

Cash realisation
107%

Unrestricted Cash
$67m

Profit before tax
$44.0m
(18)%

Diversified income streams – notable growth in Distribution

Distribution
$54.1m
+20%

+13% Broker subscriptions
+7% Fintelligence gross profit
$3m cost reduction

Manufacturing
$15.5m
(53)%

$(10)m NIM[2] impact
$(4)m Thinktank contribution

Central services
$(25.6)m
(6)%

$2m cost increase predominately related to new technology projects

1. Detail on slide 40
2. Net interest margin (NIM) impact including market pricing and funding market conditions

FY24 RESULTS

Strategy & market update

Delivering against our strategic pillars

Grow our broker network

Delivering a growing broker network for AFG to provide financial products

- **Growth in AFG share of the broker market** through record recruitment
- **Introduced Partner Connect.** Spot & refer product for residential brokers with 367 brokers accredited
- **122% increase in Fintelligence** brokers since acquisition

Provide market leading technology broker proposition

A differentiated offer meeting customer demand for a more efficient digital experience

- **Investing** to improve broker efficiency, 1st to market proposition. On track to be delivered H1 FY25
- **Continue to invest in Fintelligence's market leading platform,** launch of updated version in FY25
- **+1.4k subscribers** in FY24 to recurring revenue streams[1] including market leading compliance & marketing services

Deliver higher margin through our distribution network

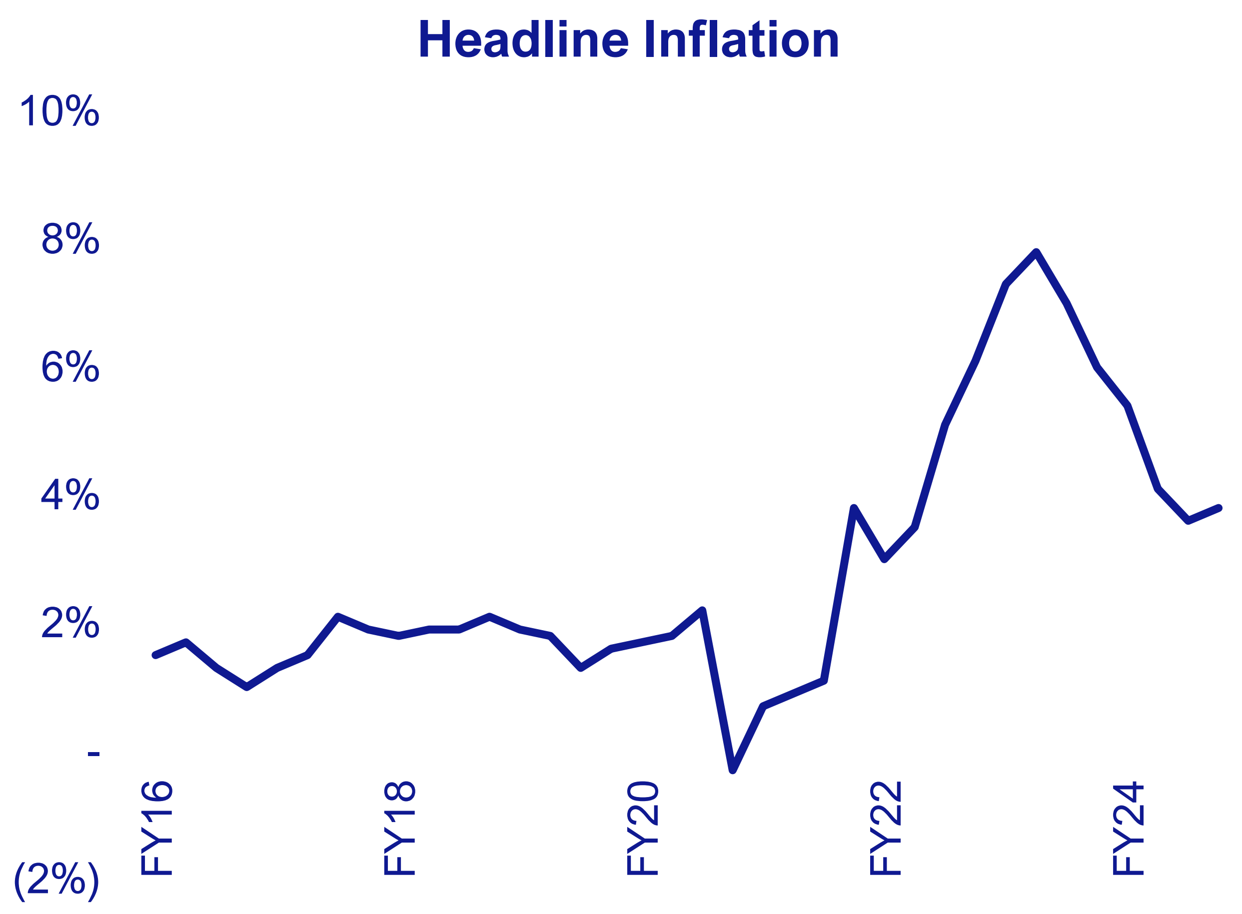
Delivering additional products and further earnings growth & diversification

- **Manufacturing** loan book returned to growth, reaching $4.4bn, up 8% on December 2023
- Continuing to deliver **alternative lending products.** 3x market share[2] of the nearest non-bank lender
- New lending platform, delivering operational cost efficiencies as we grow the book

1. *Services include Lodgement technology, SMART marketing platform, BrokerEngine CRM, Compliance and Professional Indemnity Insurance*
2. *AFG Securities share of the AFG Residential lender panel*

Economic conditions:
Resilience of the Australian market

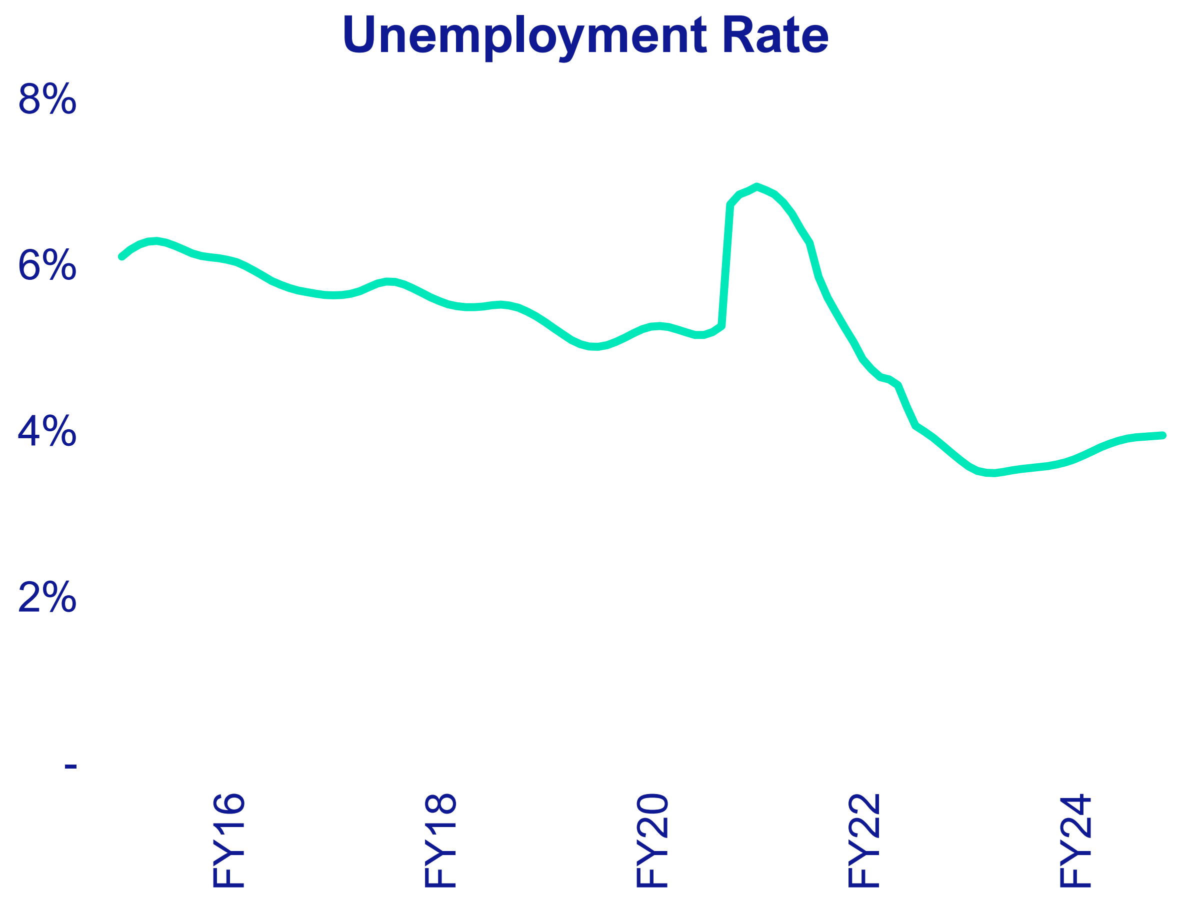
Inflation continues to impact cost of living but is trending down



Source: ABS

- Despite recent cost of living pressures, the Australian property market remains healthy

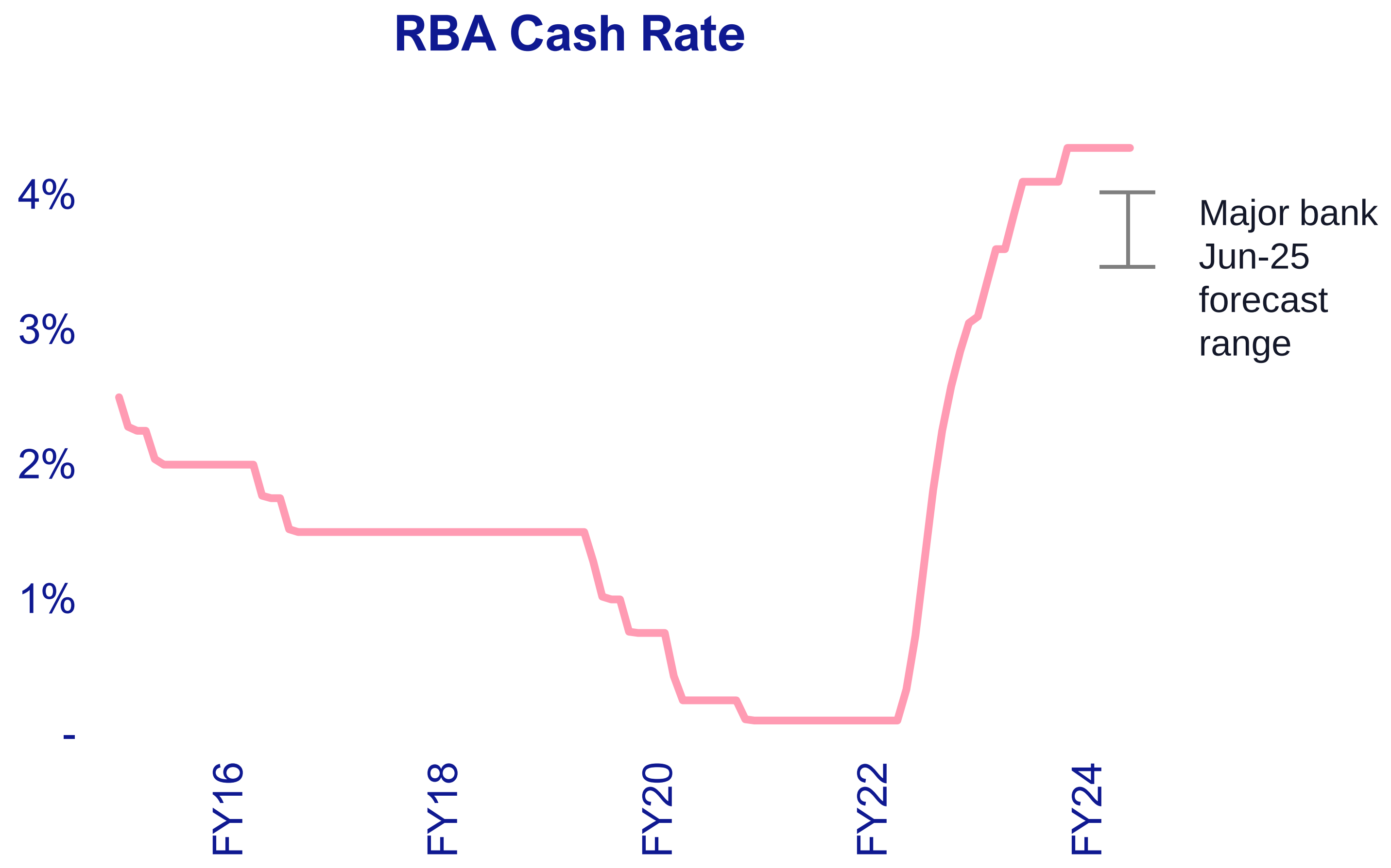
Unemployment increasing, however well below the long-term average



Source: ABS

- Low unemployment continues to support the demand for finance products and credit growth

While some uncertainty remains, cash rate reductions are expected in 2025



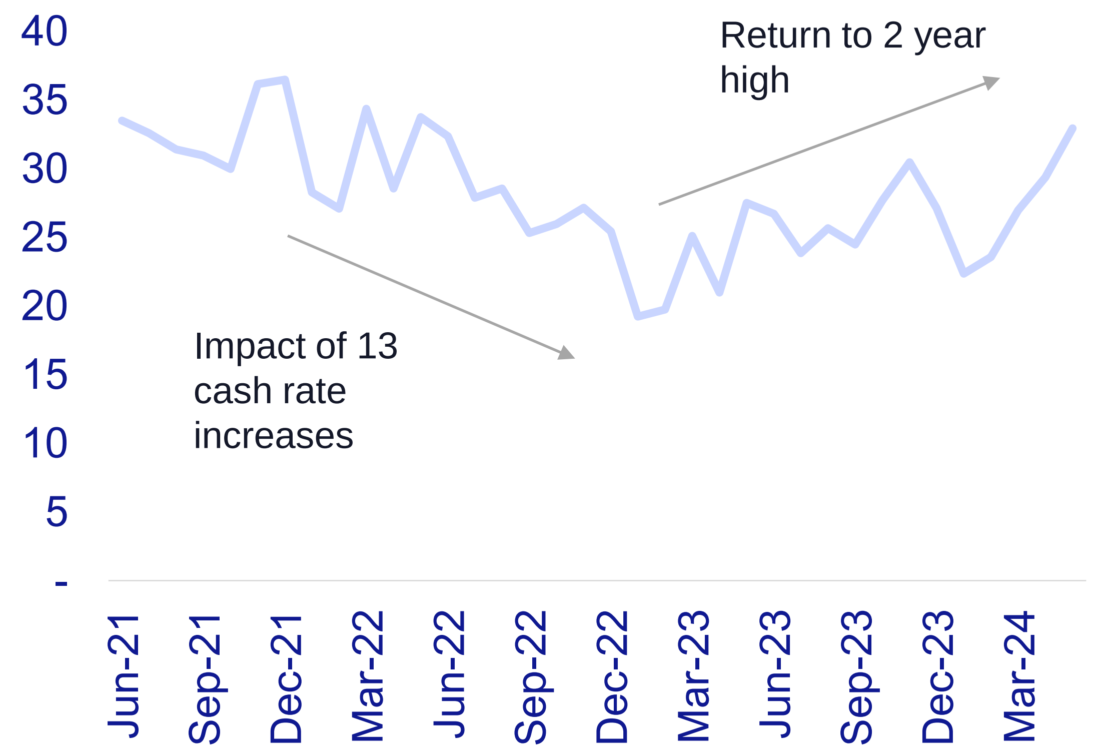
Source: RBA

- All 4 major banks forecast between 3 and 5 rate reductions by the end of 2025
- Reductions to benefit customers as well as the funding market that supports non-bank lenders

Finance markets:
Return to growth – with a positive outlook

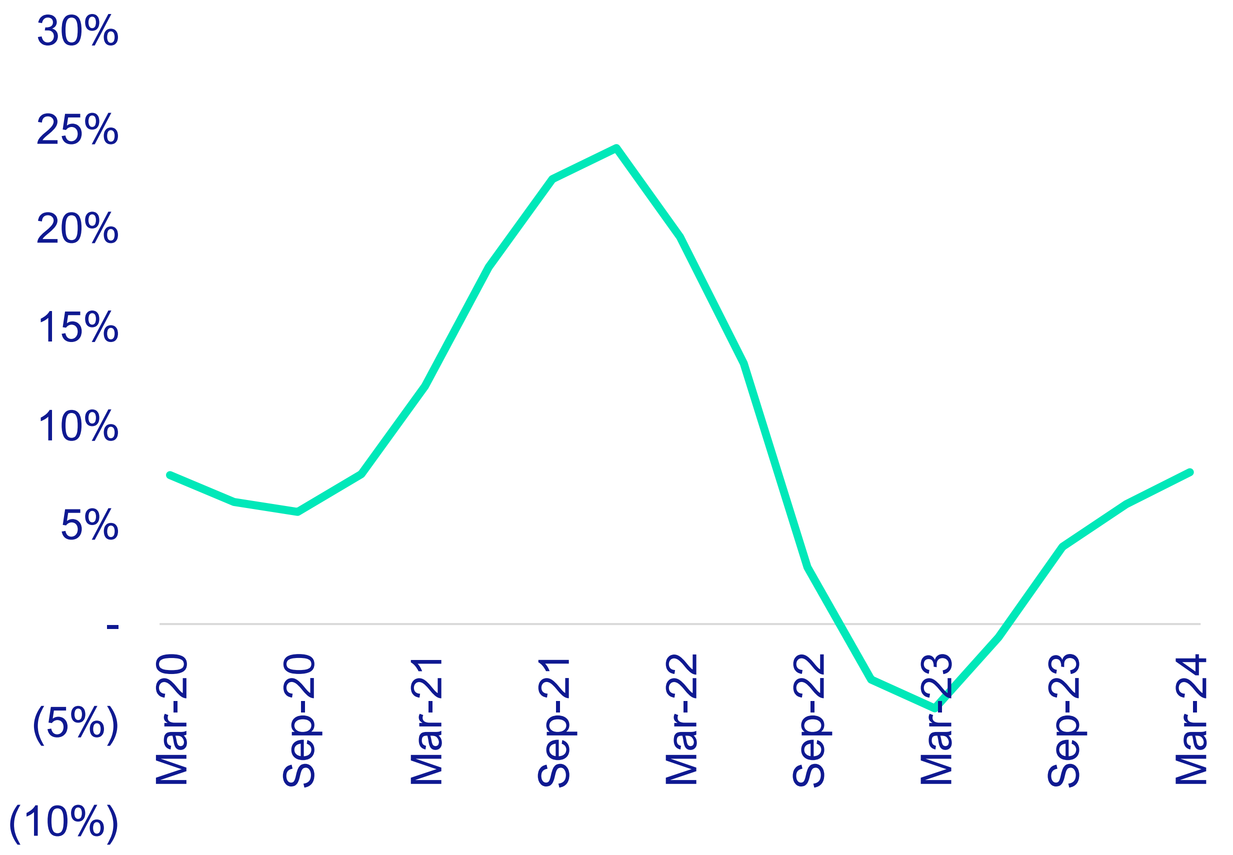
Confidence in the housing market is growing	House prices have seen growth for the past 6 months	Resulting in strong credit growth across both Residential and Commercial

New Loan Commitments ($B)



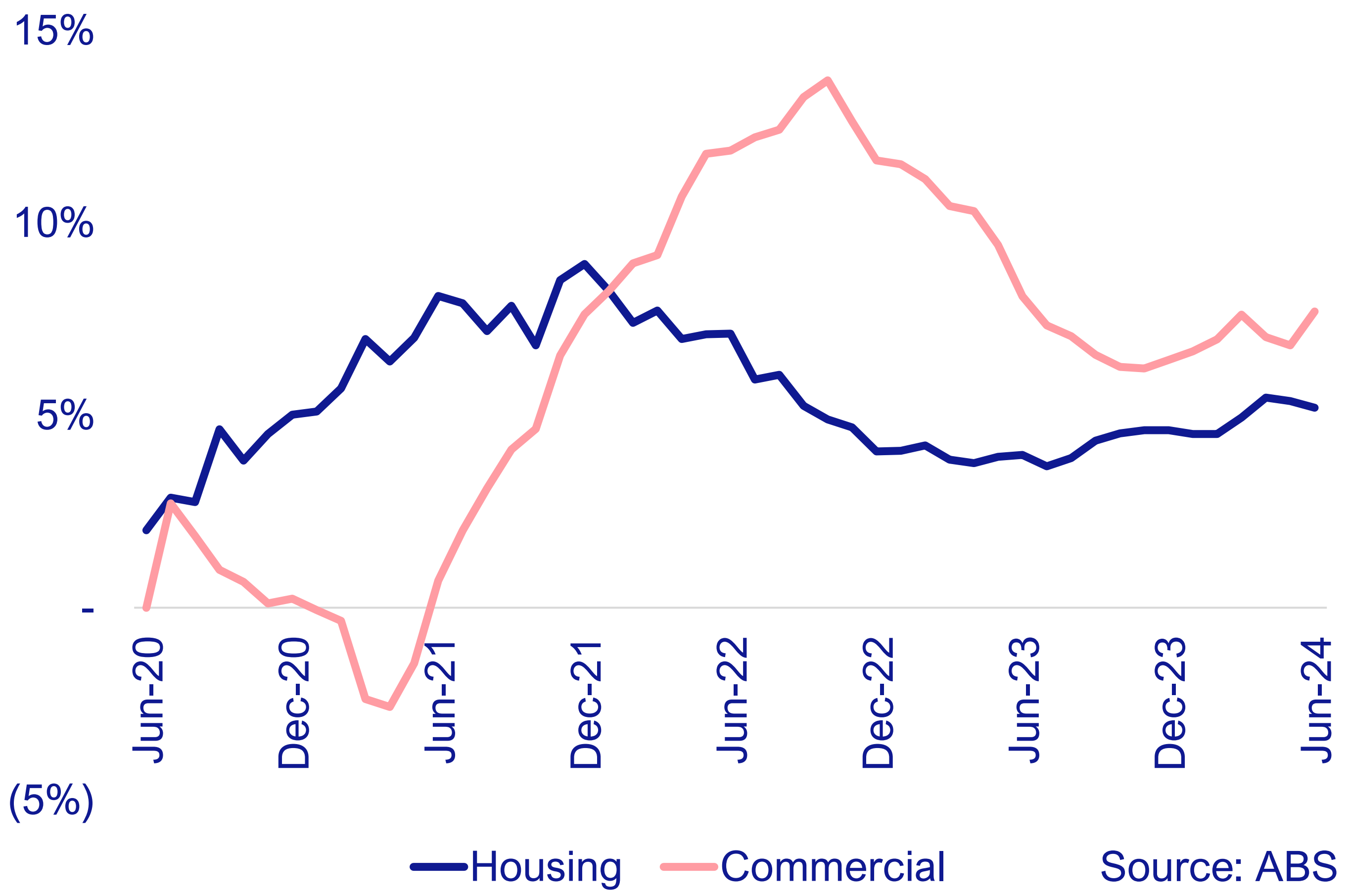
Source: ABS

Annual House Price Growth



Source: ABS

Annual Credit Growth



Source: ABS

- New loan commitments up 21% in the June quarter
- Cash rate reductions will further fuel confidence to take on new commitments

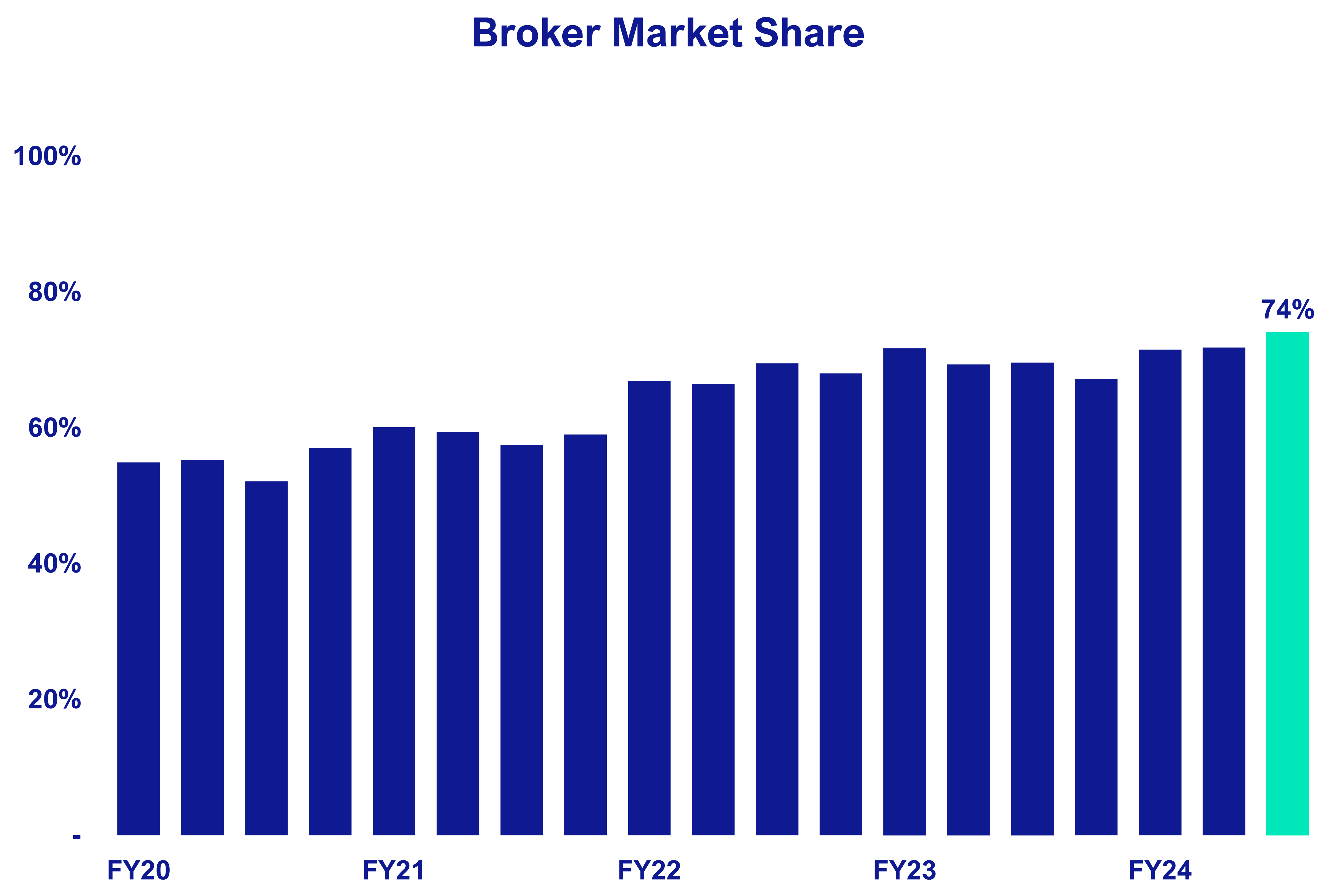
- House price growth increased to 8% pa fueled by population growth, high rental yields and housing supply constraints

- Residential credit growth of 5% pa in June quarter
- Commercial credit growth continues to outperform the Residential market, growing at 8% pa

Broker market share:

Proven channel of choice for customers & lenders

Broker share[1] continues to grow, expected to increase above 80%



The preferred distribution channel in the residential market

- AFG continues to embed itself as provider of crucial services in Australia's finance system
- Over 2,100 bank branches closed over the last 6 years, including 800 in regional areas[2]. Lenders are relying on the broker channel
- Brokers provide a trusted support to customers and local communities, seeking a convenient experience that provides competition and choice
- Demand is growing for aggregators that provide leading compliance and effective service supported by technology

AFG's delivery of new broker technology enables broking groups to grow efficiently, and as a result it expects to continue to increase broker numbers

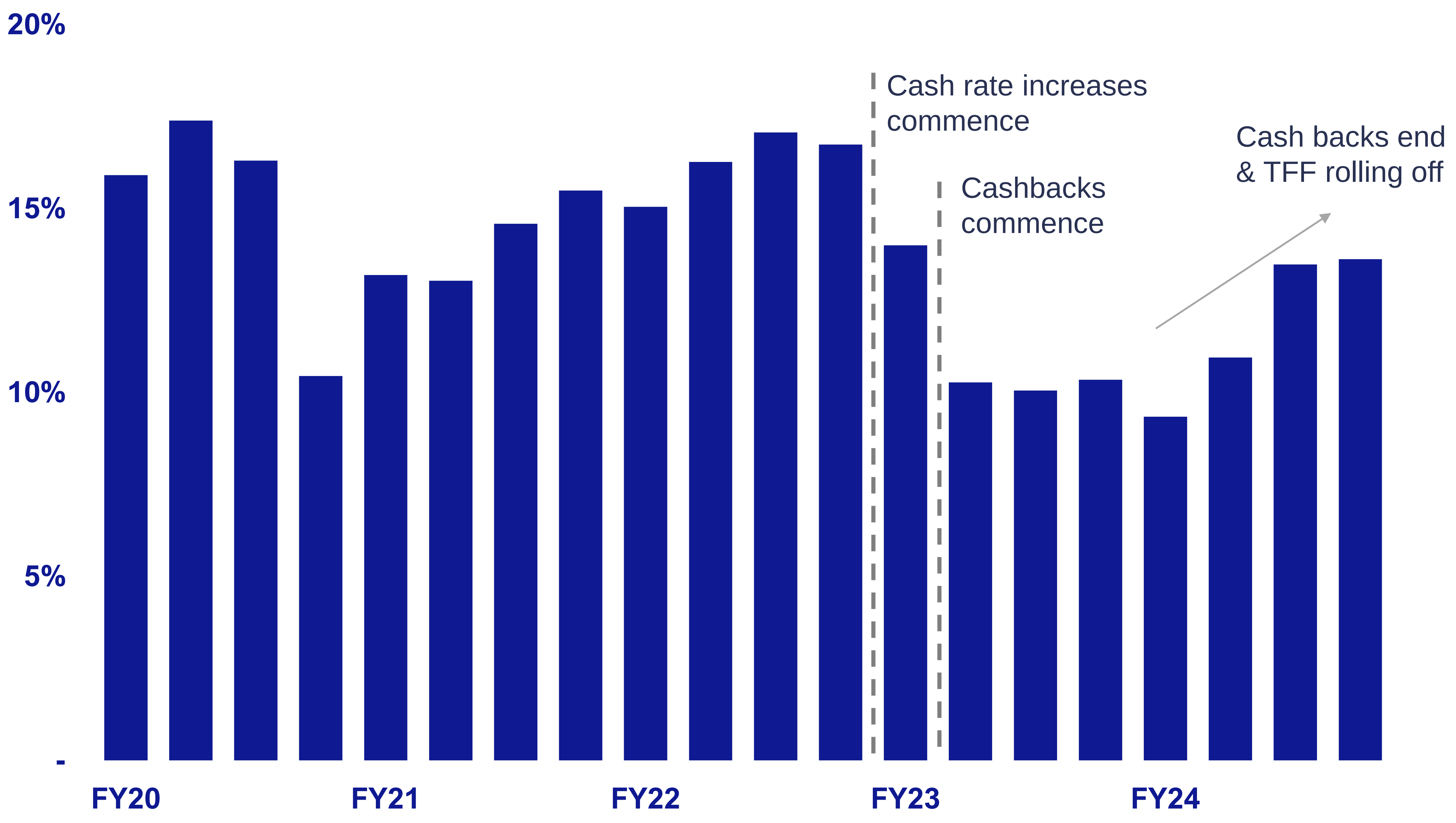
1. *Source: MFAA, Australian Market*
2. *May 2024 'Bank closures in regional Australia' Senate report*

Non-bank market share:

Market conditions deliver rebound in non-bank share

Non-bank lender share of market is back to 2 year high

Non-Banks Market Share



Source: AFG Mortgage Index

Benefiting from improved funding market conditions

- TFF[1] delivered a funding advantage to ADI's[2] . All TFF repaid by June 24
- Front book, back book pricing differential closed to 9bps (peaked at 52bps)
- Positive trends in the funding market and cash rate reductions expected to enhance the competitiveness of non-bank lenders in FY25
- AFG's business model allows the option for accelerated growth in AFG Securities (non-bank lender) as market conditions improve

AFG is investing funding cost benefits to grow its loan book, which as NIMs build once more will provide uplift in earnings

1. *Term Funding Facility (TFF) was established by the RBA as part of its policy response to the effects of the pandemic to offer low-cost three-year funding to ADIs*
2. *Authorised deposit-taking institution (ADIs)*

FY24 RESULTS

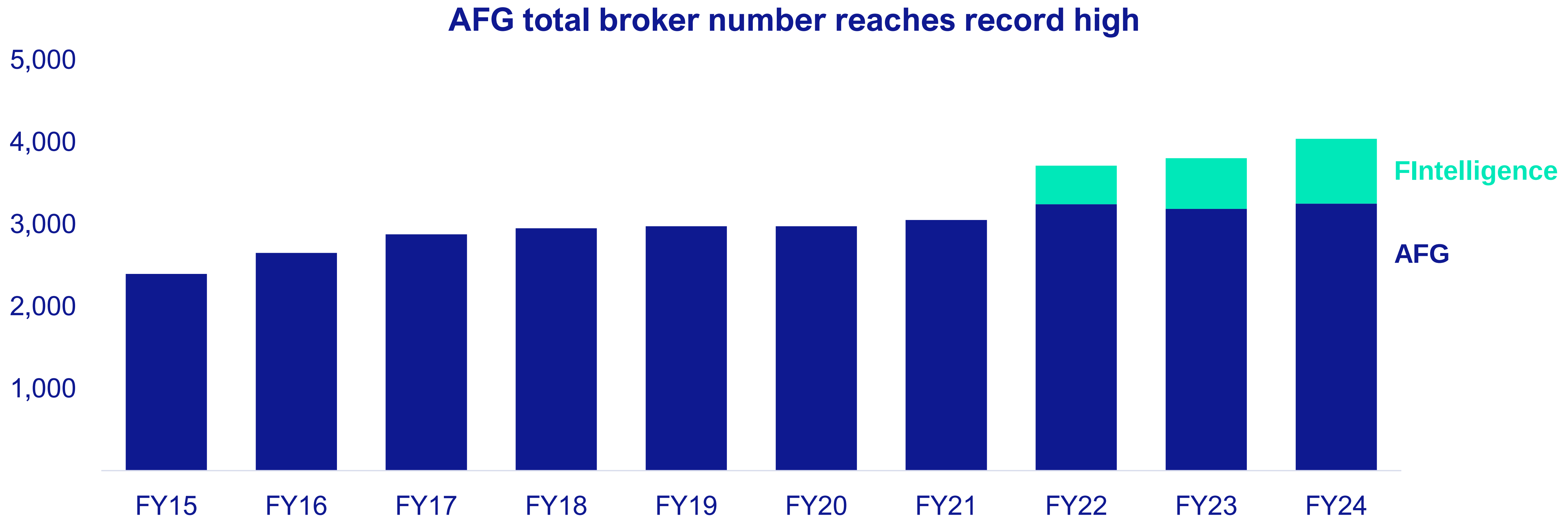
Operations update

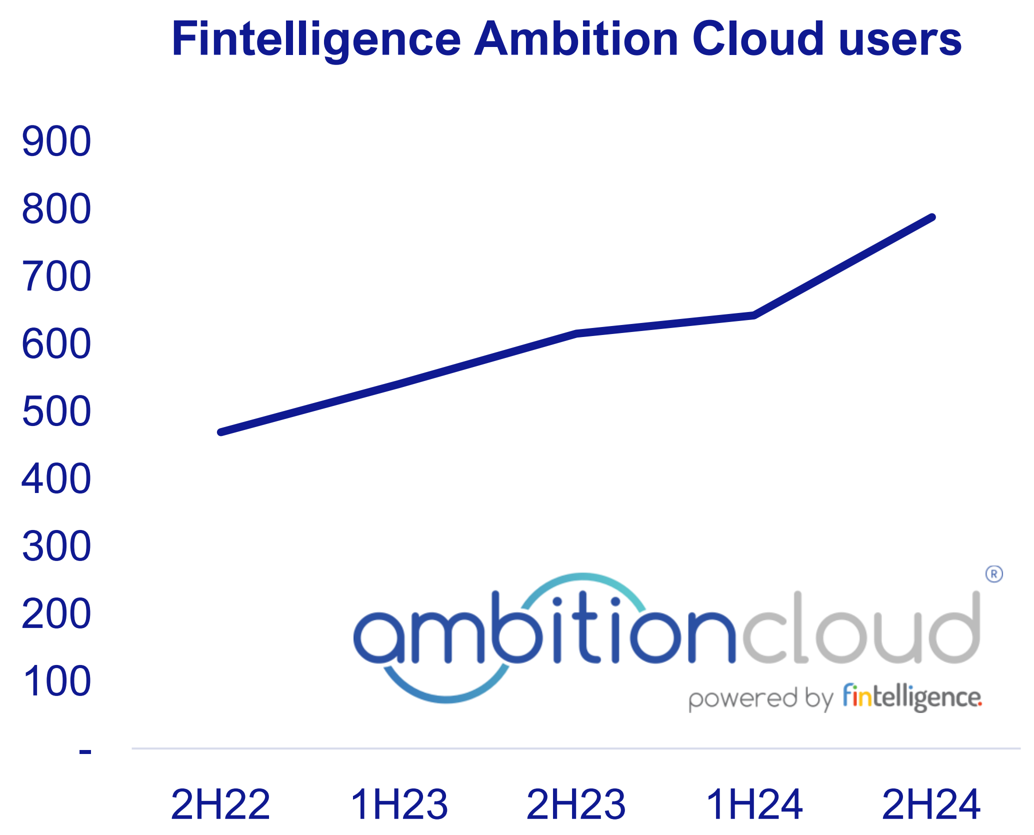
Growing our broker network through recent investments

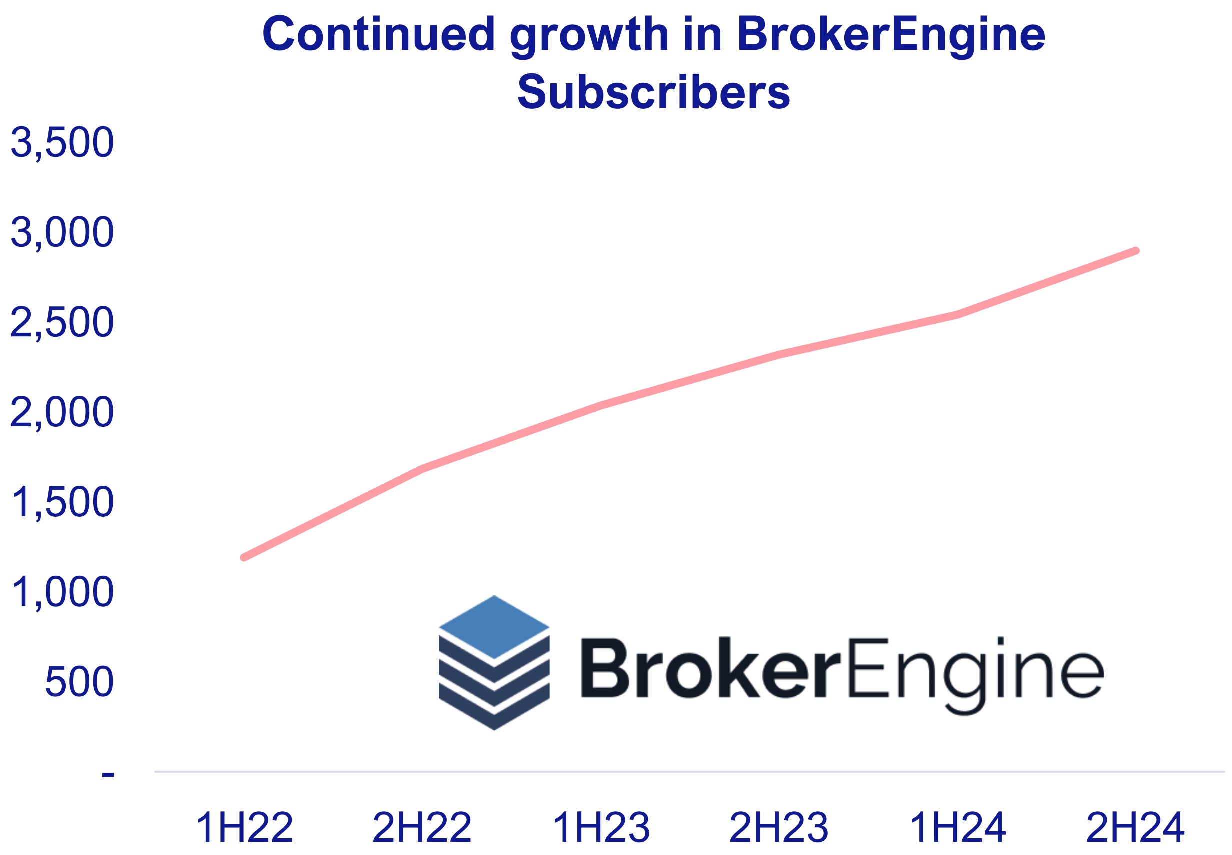
AFG's service offering delivers value to growth focused broker groups
BrokerEngine 'Direct Lodgement' further enhances our differentiated proposition, which will deliver market share growth

- AFG Group broker network increased to over 4,000 brokers
  - +63 AFG brokers
  - +7 Large[1] AFG broker groups recruited
  - +173 Fintelligence brokers, up 122% since acquisition
- 3k BrokerEngine subscribers, up 140% since acquisition
  - 1k subscribers that are not currently AFG brokers

- Broker fee revenue increased 13% to $14m in FY24, with more services[2] per AFG broker
- BrokerEngine Direct Lodgement and Fintelligence Ambition Cloud v3, will be delivered in H1 FY25, delivering efficiency for brokers and their customers – **accelerating broker recruitment**







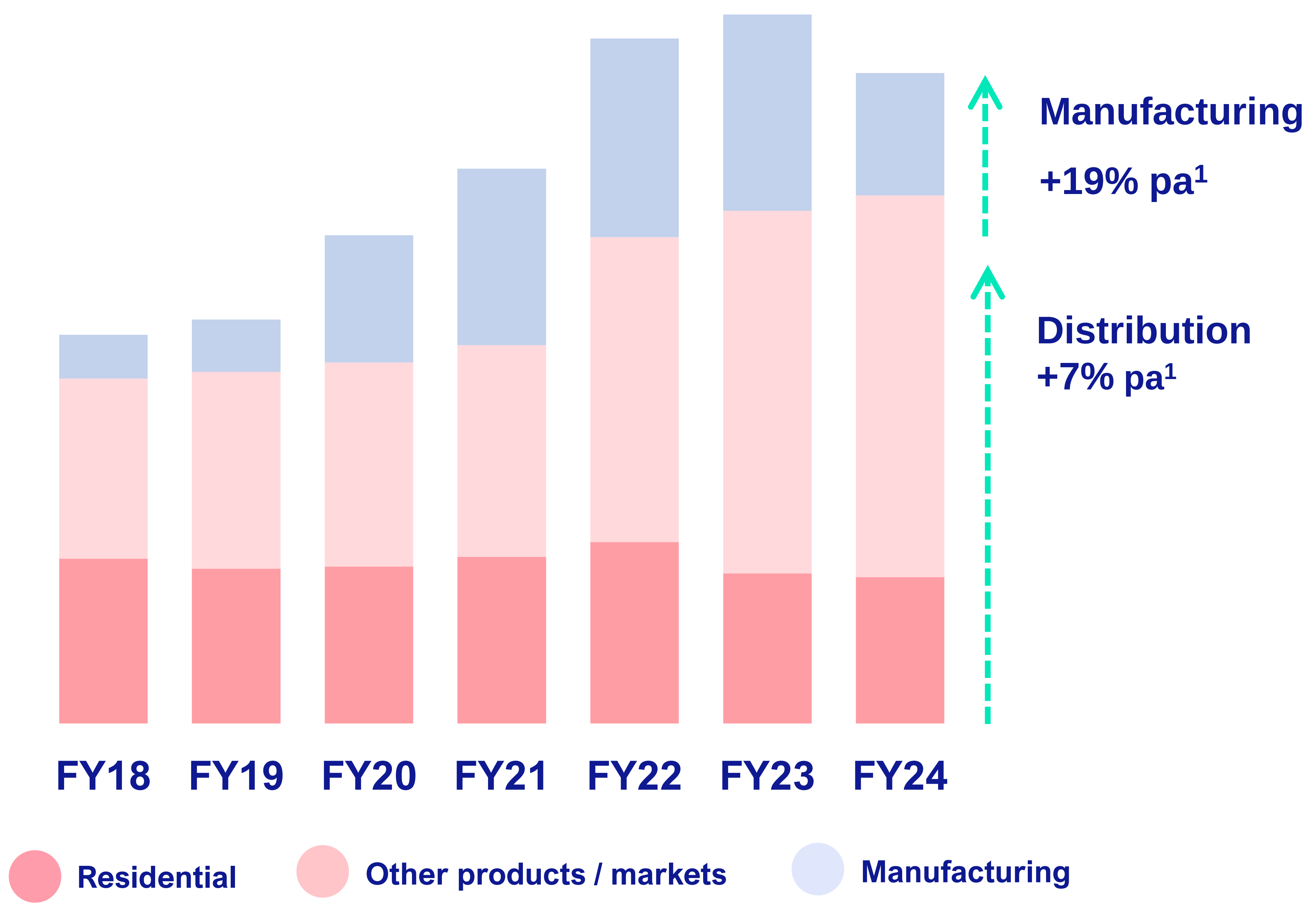
1. *Large broker groups indicated by 6 or more brokers*
2. *Services include Lodgement technology, SMART marketing platform, BrokerEngine CRM, Compliance and Professional Indemnity Insurance*

While increasing average earnings per broker

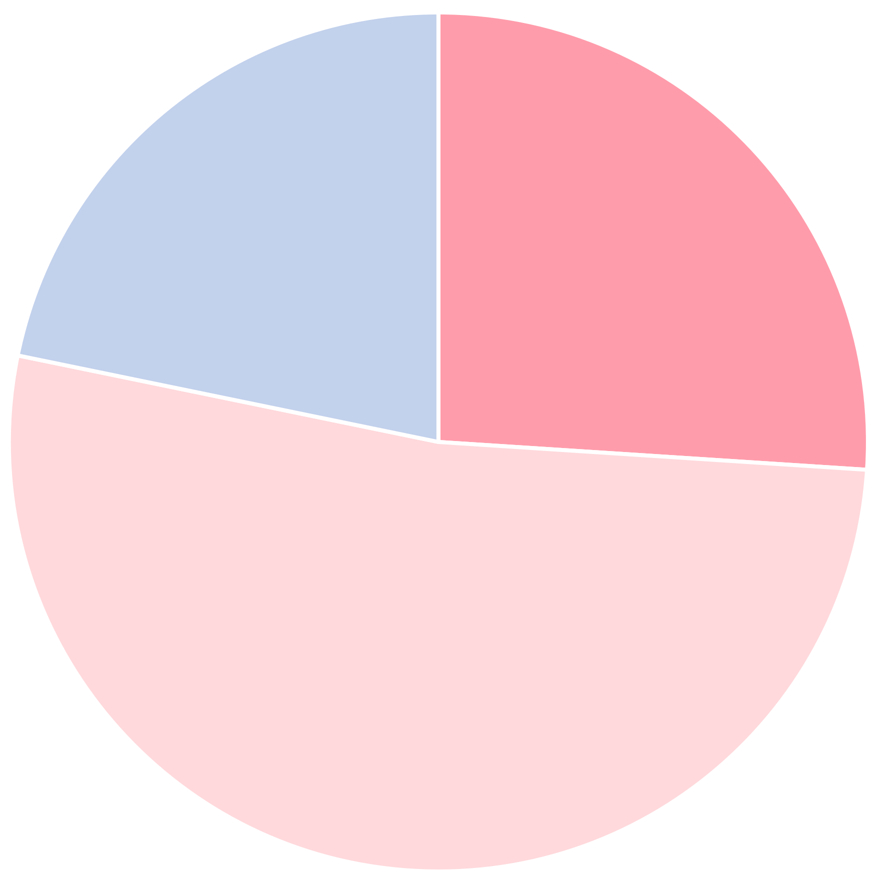
Our 4,000+ brokers are at the core of our business model – a quality distribution network delivering 1 in 10 mortgages

Product diversification has driven growth in AFG's gross profit (9% pa[1])

AFG Underlying Gross Profit



Generating $36k gross profit per AFG broker in FY24
74% of earnings from diversified products[2]



Residential

$9k per AFG broker or 26% (slide 17)

Other products / markets

$19k per AFG broker or 52% including

- Higher margin and other products (slide 18)
- Broker services (slide 15)

Manufacturing

$8k per AFG broker or 22% (slide 20)

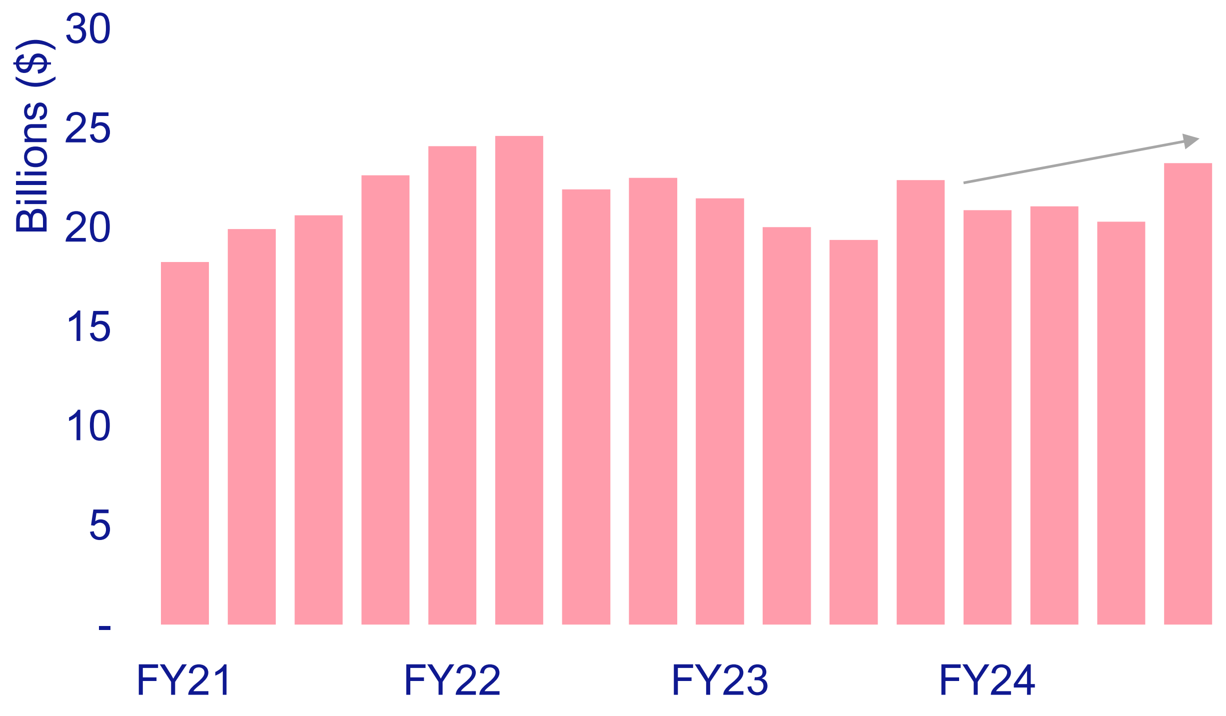
1. *Compound annual growth rate (CAGR) since FY18*
2. *Diversified products include all products outside of traditional Residential mortgage aggregation margin such as Commercial, White Label, Asset finance and Manufacturing*

Residential volumes showing solid momentum

FY25 settlements will benefit from strong Q4 lodgements, and recruited broker groups building volumes

Growth in residential lodgements

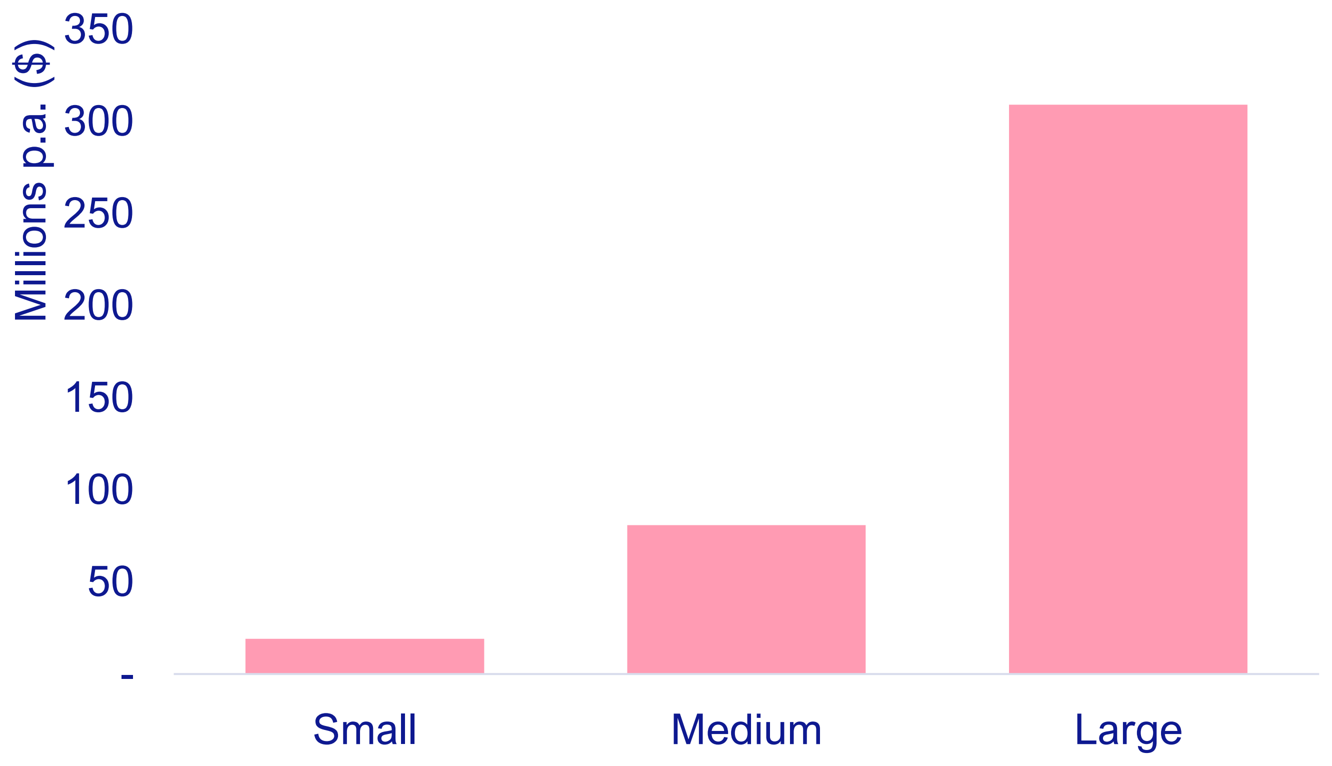
AFG residential lodgements



- Strong finish to FY24, Q4 settlements +10% and lodgements +15%, at $23bn
- Growth in house prices & broker market share, combined with AFG's successful broker recruitment is expected to deliver lodgement growth in FY25

Large groups generate significant scale

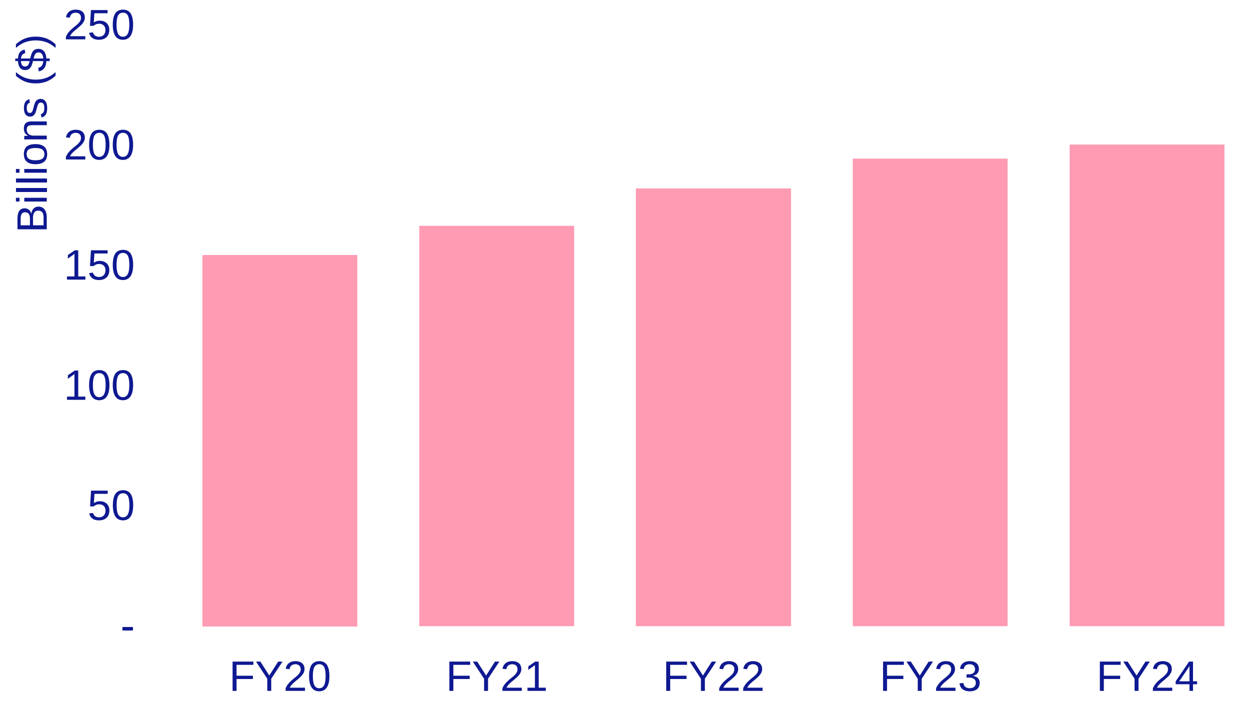
Settlements per broker group size



- Small and medium groups represent 60% of volume
- Large broker groups settle 10x more than average. Recent recruitment of 7 large groups expected to generate over $2.5bn on an annualised basis
- Payout ratio increased to 96% in FY24, including shift towards large groups with higher payouts

Loan book now at $200bn A stable annuity revenue stream

Residential trail book



- Trail book represents an ongoing annuity style revenue stream for brokers and AFG
- Delivering $19m gross profit in FY24
- Runoff improved in H2 FY24 to 23% compared to 27% in H1 FY24 which was elevated by major bank price competition

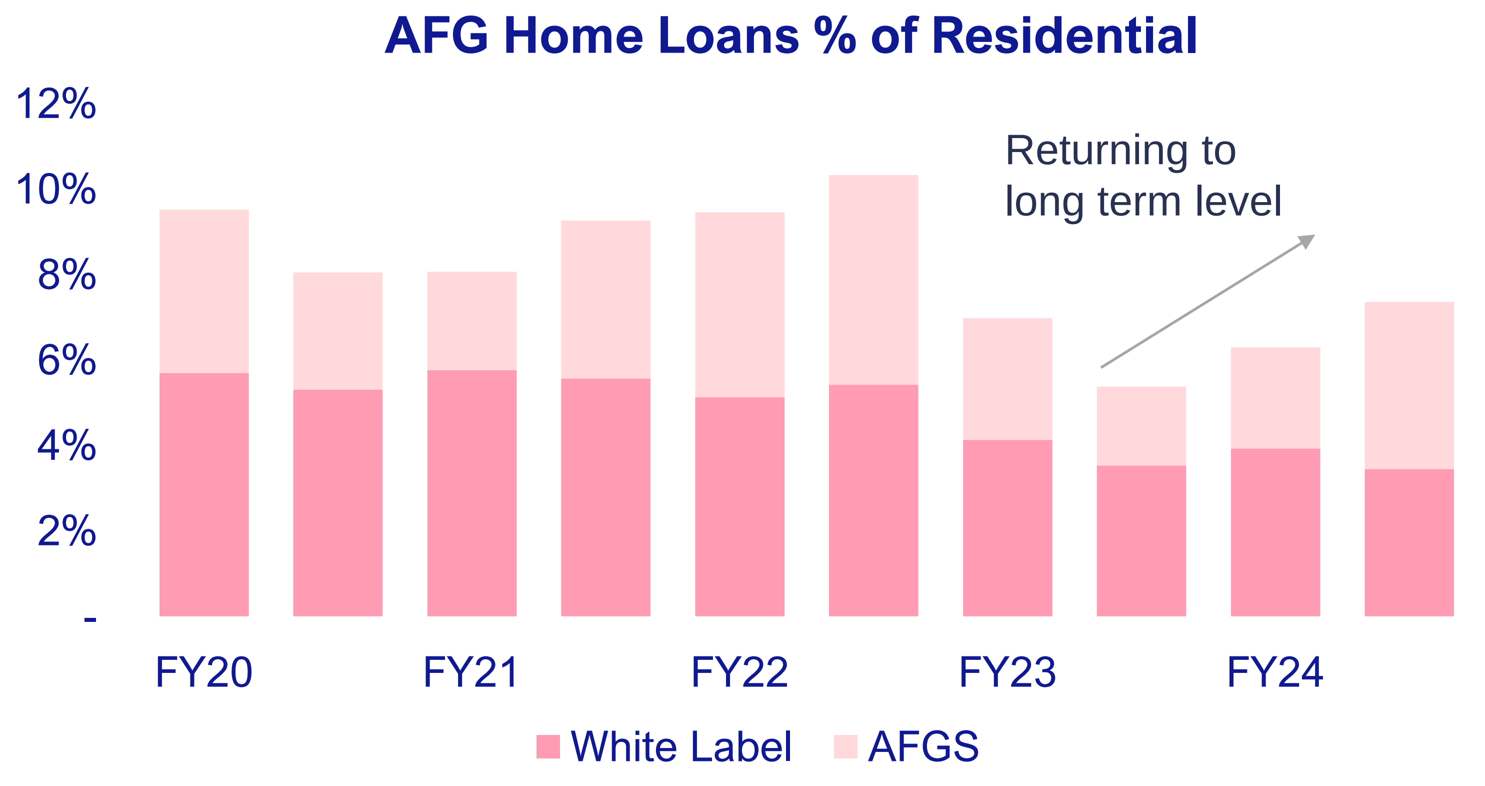
Higher margin and other products continue to grow

50% of all AFG brokers generate earnings from more than one asset class

AFG Home Loans

Higher margin residential products

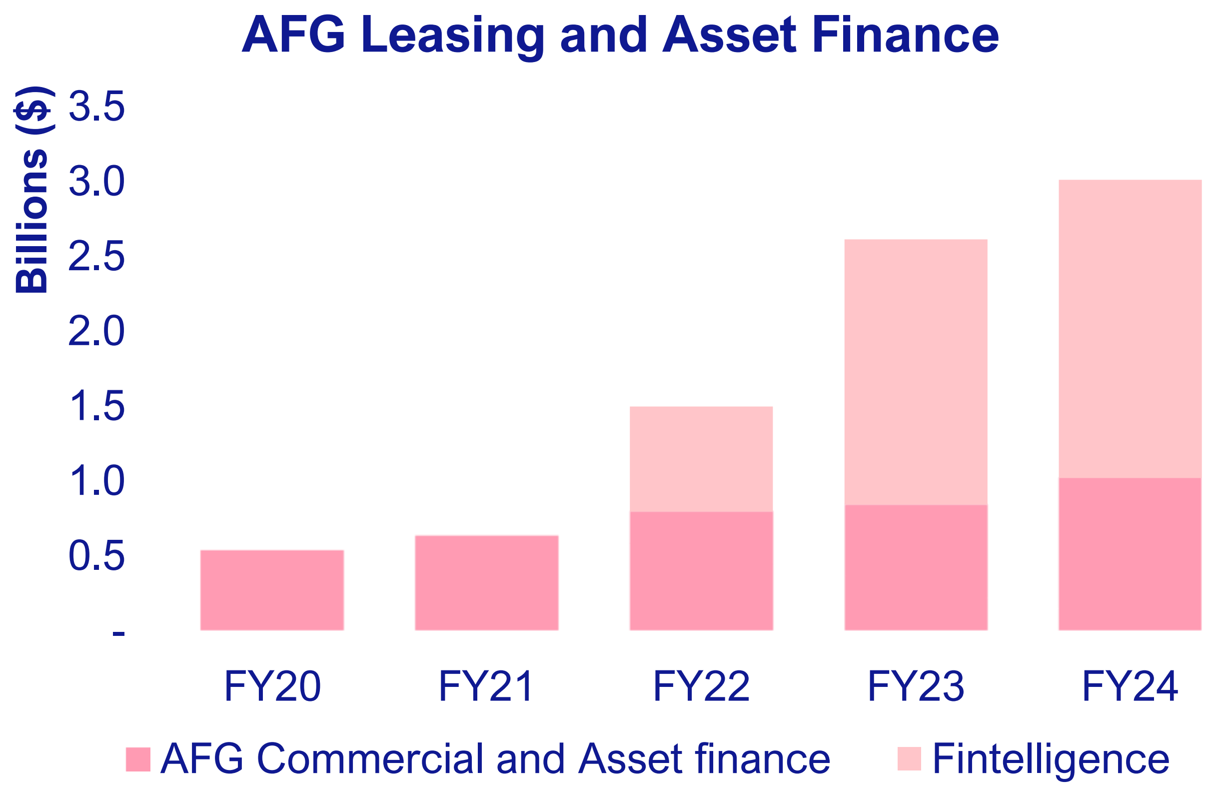
- AFG Home Loans market share 7% in H2 (H1: 6%)
- Includes AFG Securities and white label funders to provide residential customer solutions
- Launched new white label partnership with Brighten and Longview to service different customer needs



Asset Finance

Leading technology and significant scale

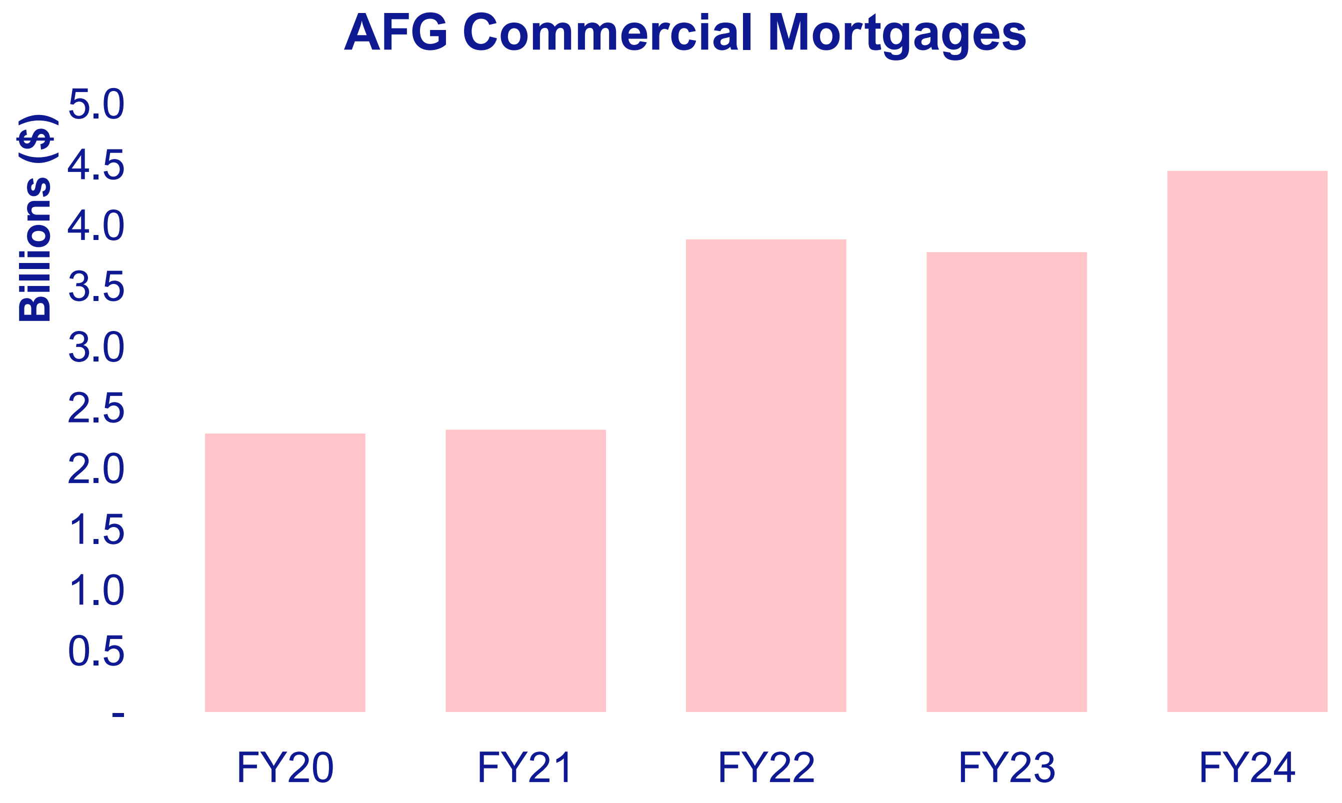
- Asset finance settlements grew 21% to $3bn, now 5% market share (FY23: 3%)
- Launched 'Partner Connect' – a referral solution for residential brokers to refer Asset finance within AFG
- Scale provides the opportunity to move into higher margin products



Commercial

Growing market is an opportunity for brokers

- Commercial credit growth at 8% in FY24
- AFG settlements up 18% to $4.5bn, with a $13bn trail book including Thinktank White Label
- Opportunity to increase broker market share of commercial, to replicate success of residential



Digital strategy – provide market leading technology

Significant technology improvements have been delivered through the year with ongoing focus on delivering differentiated broker experience that meets customer demand for a more efficient digital performance

Platform Services
Refreshed technology stack

- Modern API services
- Cloud Native Platform
- Flex CRM upgraded interface

Data
Enhanced digital trust & data transformation

- Multi-factor authentication
- Enhanced 24/7/365 monitoring

Accelerate
Asset finance technology

- Partner Connect launch
- Ambition Cloud V3 (H1 FY25)

Delivers: Reduced risk, complexity and cost.
A more modern, scalable architecture – built for growth.

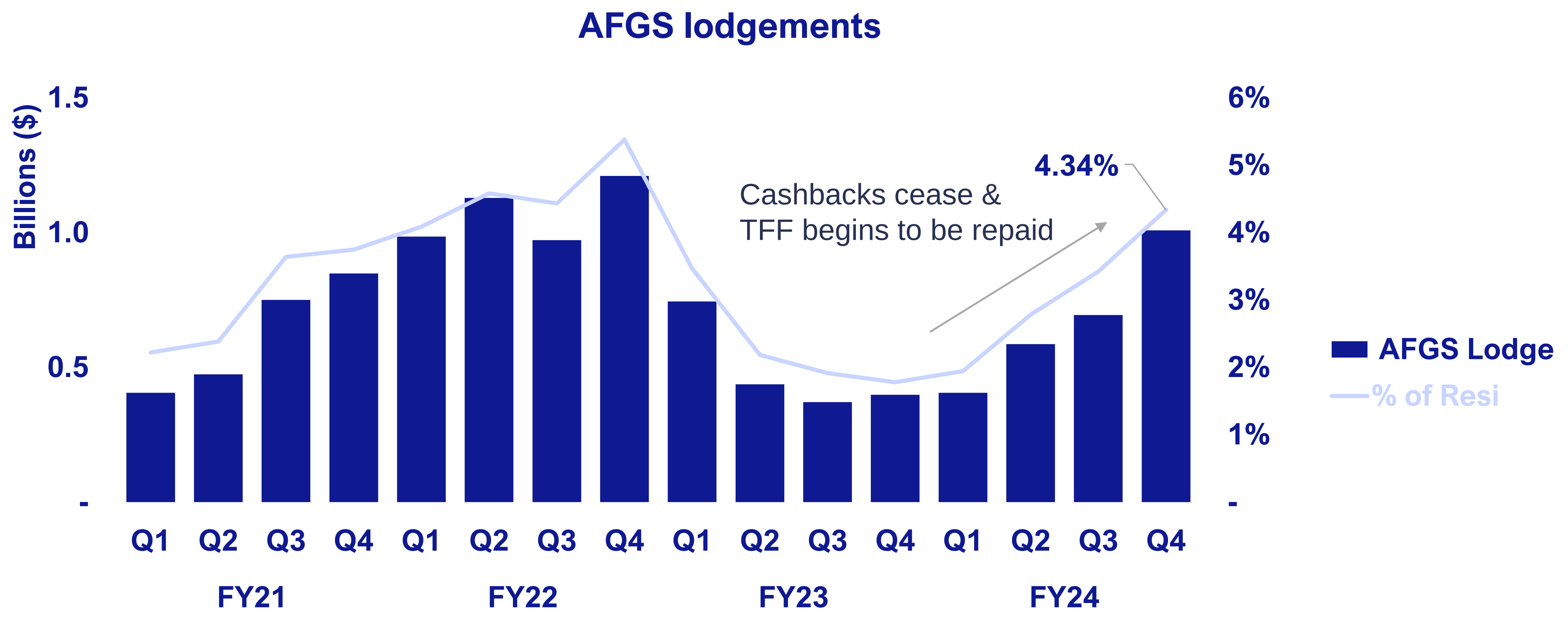
Increase Broker Productivity
Direct Lodgement with BrokerEngine

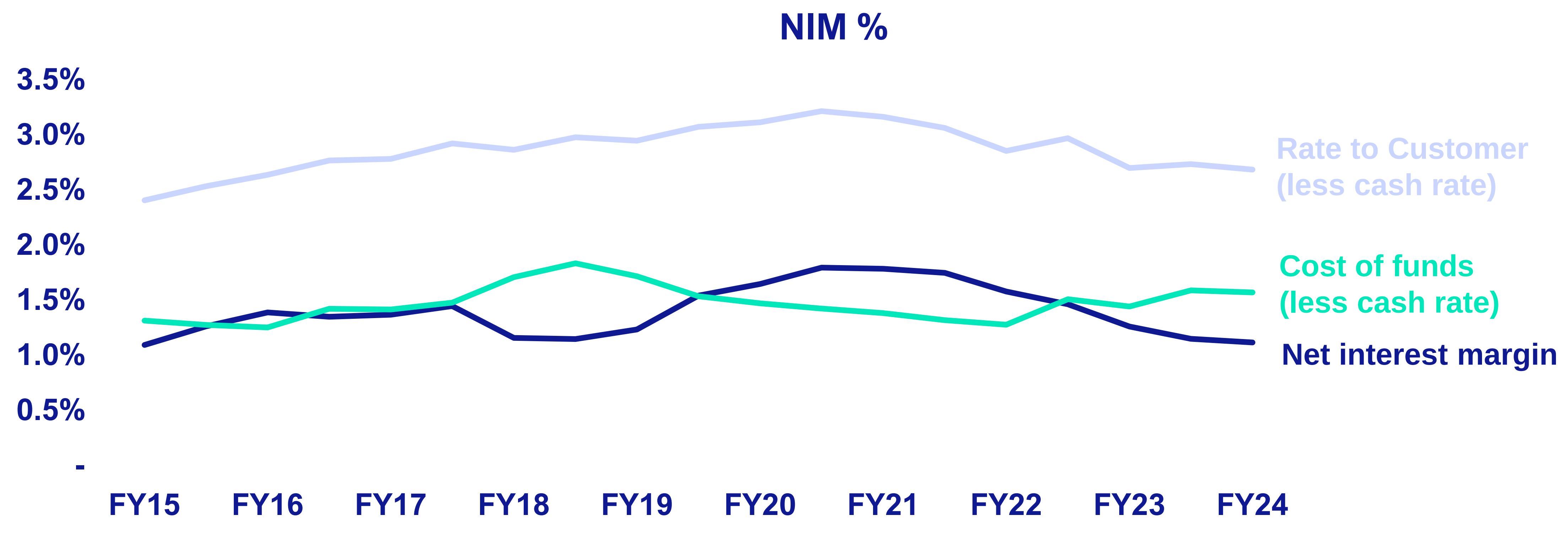
- Significant project to enhance BrokerEngine, our workflow management service for brokers and their customers
- Delivered new user interface and additional functionality in FY24
- Further integration allowing for lodgement direct from BrokerEngine due for completion in H1 FY25

Delivering benefits to our brokers:

- **Productivity:** Up to 90 min saved per deal
- **Reduced costs:** Documentation embedded in the platform
- **Quality:** Significantly better customer experience
- **Safety:** Improved security

AFG Securities more than doubled market share[1], footprint begins to build once more





AFG Securities (AFGS)[2]

- A return to more stablised market conditions has seen non-banks able to become more competitive
- Remains #1 non-bank on the AFG panel. Lodgements steadily grew in FY24 with Q4 delivering $1bn, the third highest recorded result. Settlements from this will flow through in FY25
- Front to back book differential has significantly narrowed, which should result in lower run-off (already evidenced)
- NIM remains below long-term average, affected by competition and multi-year high price warehouse. June exit NIM was 109bps
- New origination platform is live, delivering scale efficiencies

Investment in Thinktank (32%)

A Commercial and Residential non-bank lender

- Thinktank earnings have been affected by similar market conditions as AFGS, lower NIM and higher runoff
- Loan book grew to $5.8b from $5.3b at June 2023 and $0.8b at time of AFG's original investment in 2018
- Contribution from Thinktank was $2.1m, 65% below FY23

1. *Market share of AFG brokers Residential lodgement volumes. Source: AFG Index*
2. *AFG Securities refers to AFG funded products within AFG Home Loans. White Label products with a range of funding partners are also included in AFG Home Loans*

AFG Securities: quality loan book performance

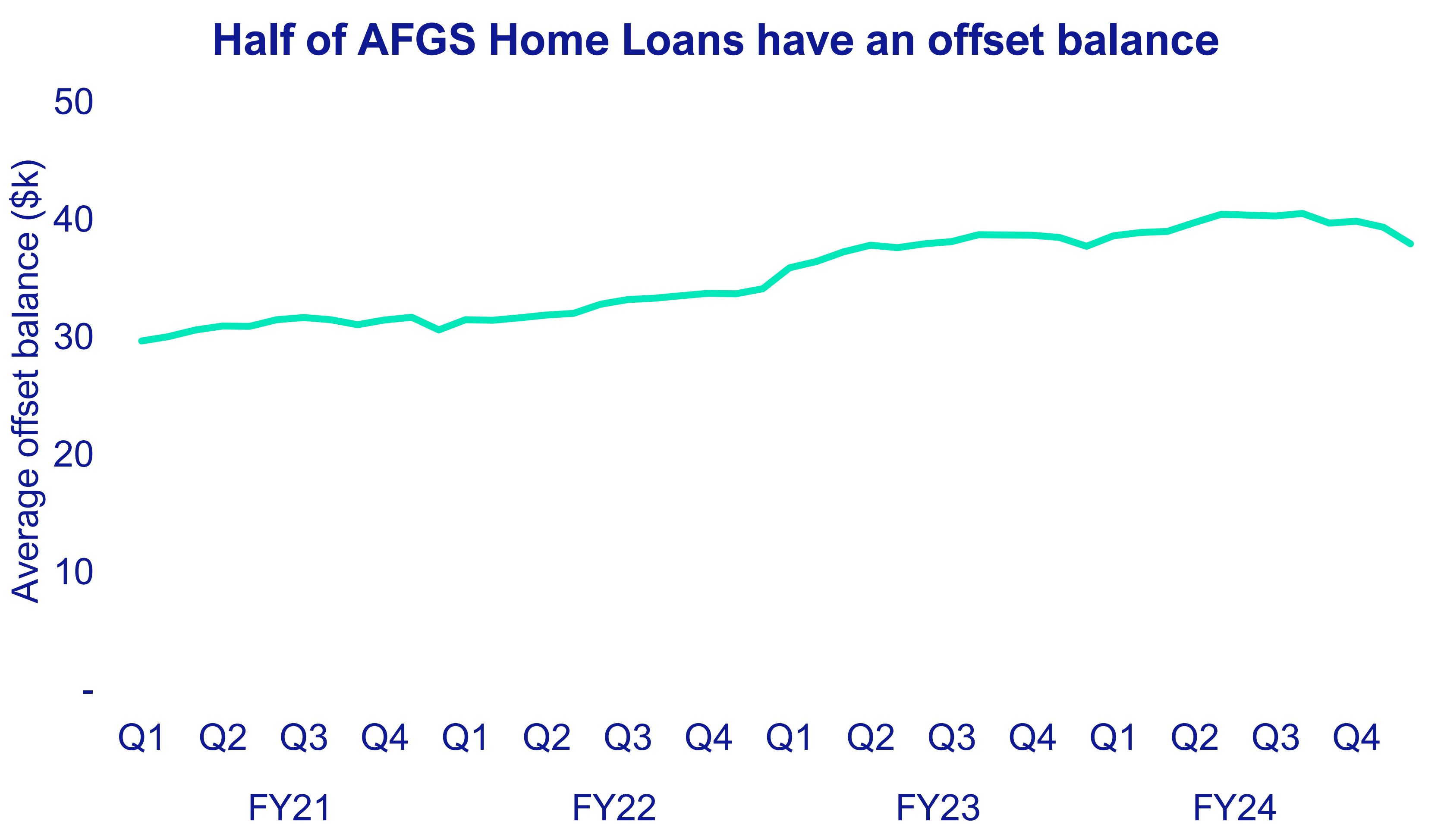
As anticipated, arrears have begun reducing from their peak. No losses currently expected, reflecting a disciplined approach to risk.

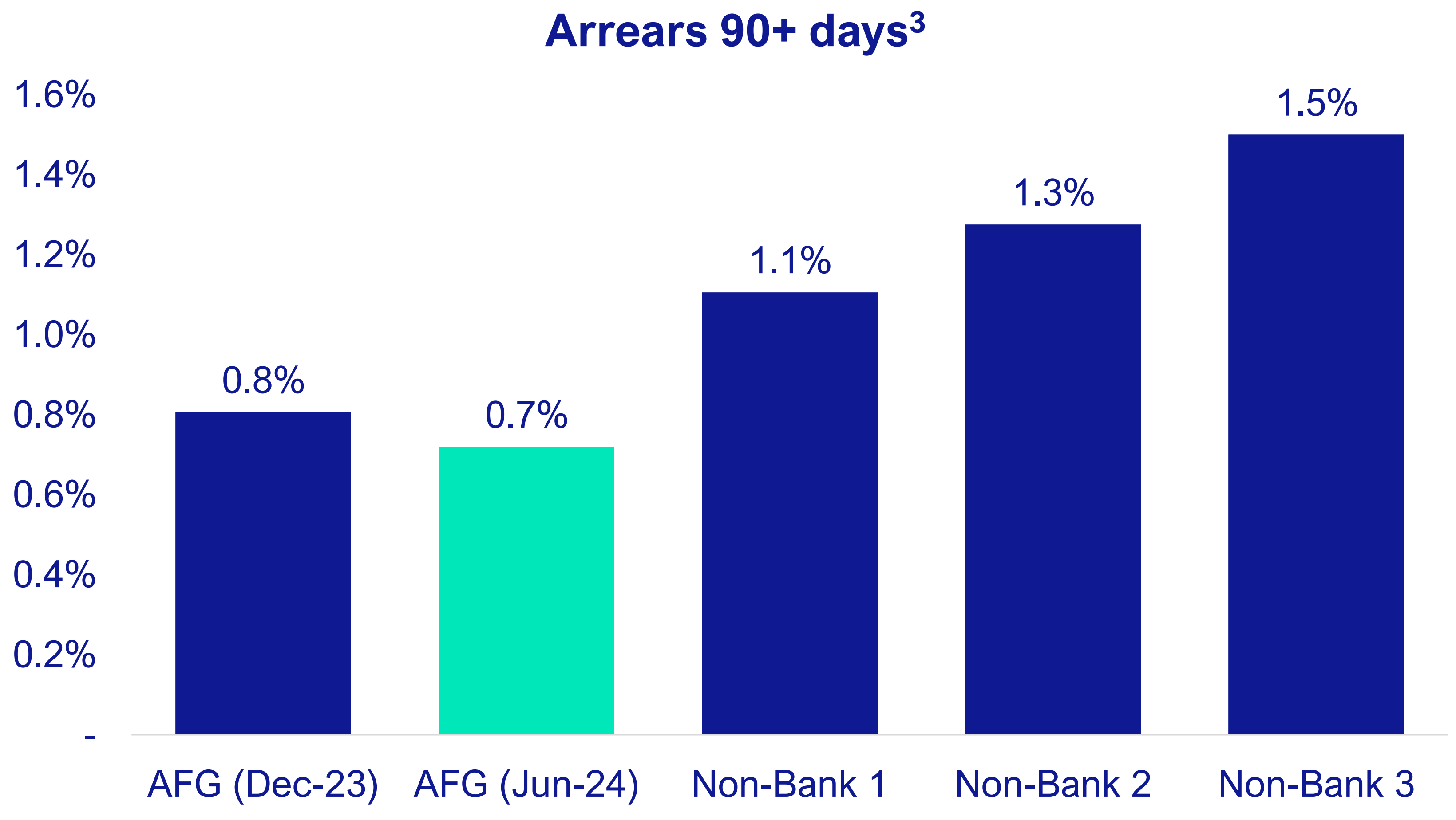
Portfolio characteristics are strong and support book performance

- 75% prime mortgages
- 40% of balances are below $500k and 85% have an LVR[1] below 80%
- All prime loans originated above 80% LVR require individual LMI[2], all underwritten on a per loan basis

Well positioned – with arrears beginning to decrease

- Established credit assessment process and insights from 30 years
- No losses in FY24, with cumulative losses over 15 years just $260k
- Offset balances are slightly reducing, but still above historical levels
- Total loss provision prudently maintained at $3.3m
- Arrears have improved in H2 FY24





1. *LVR = Loan-to-value ratio*
2. *LMI = Lenders mortgage insurance*
3. *Data sourced from most recent publicly disclosed financial reports, as at 30 June 2024; Arrears calculated as 90 days past due as a percentage of total credit exposure*

AFG Securities: funding costs showing positive signs

Returned to book growth, with warehouse capacity and established RMBS program to fund growth

AFG Securities loan book at $4.4bn

- Run-off was 35% in H2 FY24 a reduction from H1 42% (10-year average 29%)
- Loan book consistently grew in H2, up 8% compared to December 2023

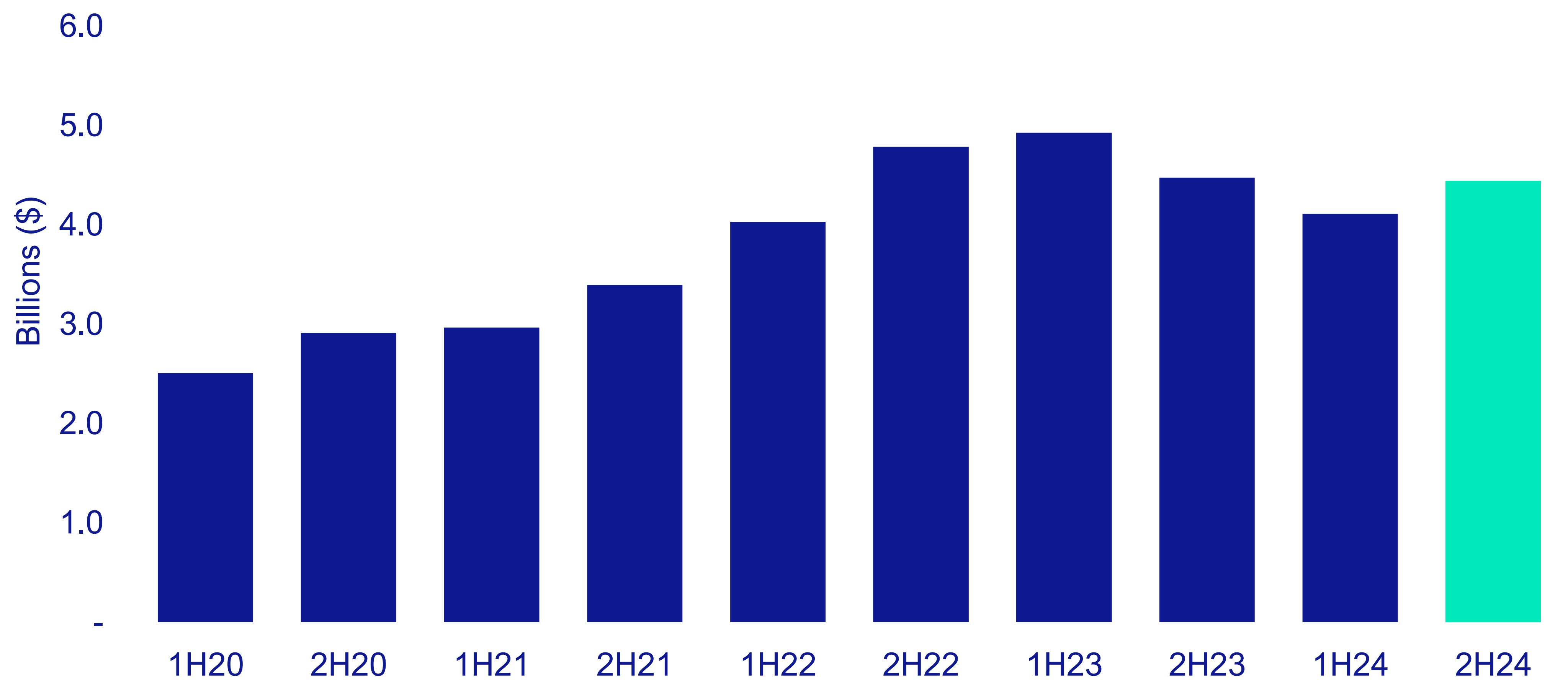
Warehouse Funding

- Funding markets have improved, with lower warehouse funding costs achieved in FY24
- FY24 average NIM was 113bps

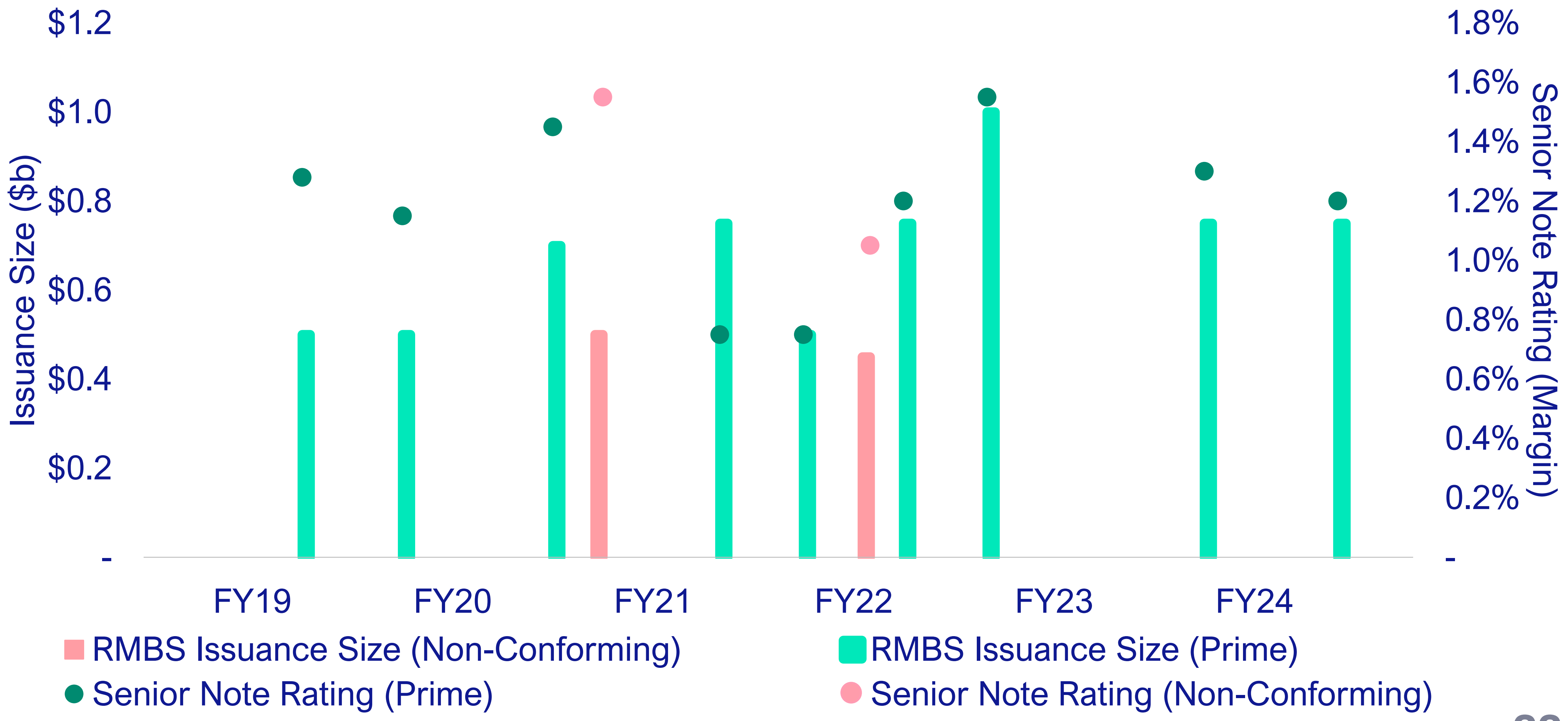
Residential mortgage-backed securitisation (RMBS)

- Successful completion of two large RMBS issuances in FY24 totalling $1.5bn, including $750m in June 2024

AFGS Closing Book



AFG RMBS Issuance history - Size and Senior Note Rating



FY24 RESULTS

Financial update

Financial results

- Reported NPAT of $29.0m, down 22%
- Gross profit[1] $15m lower, with Manufacturing down $16m, following lower NIM, down to 113bps from 136bps
- Thinktank earnings down $4m to $2.1m, following similar themes which affected Manufacturing gross profit
- Core Distribution segment gross profit up marginally, driven by investments & subscription income
- Operating expenses $2.6m lower driven by reduced headcount, advertising and discretionary spend
- Trail book adjustment of $5.6m reflecting higher runoff in the market. This has improved compared to FY23
- Net finance income includes higher rates on cash balances, offset by an increase in debt cost
- Fully franked final dividend of 4.0cps, ex-dividend date is 9 September and payable on 11 October 2024

$m	FY24	FY23	Variance
Gross profit [1]	129.5	144.7	(10%)
Trail book adjustment	(5.6)	(9.7)	(42%)
Operating expenses	(86.0)	(88.6)	3%
Net finance income	3.9	1.2	225%
Share of profit from Thinktank	2.1	6.1	(65%)
Profit before tax	44.0	53.6	(18%)
Reported NPAT [2]	29.0	37.3	(22%)
Underlying NPATA [2,3]	36.1	48.3	(25%)

Financial metrics	Units	FY24	FY23	Variance
Net cash from operating activities		38.8	52.1	(25%)
Underlying EPS	cps	13.4	17.9	(25%)
Dividends % of Underlying NPATA	%	60%	60%	-
Underlying ROE	%	17%	24%	(27%)
Net Interest Margin	bps	113	136	(17%)
Average FTE [4]	#	304	313	(3%)
Underlying Cost to Income [5]	%	66%	61%	(8%)

1. *Gross profit and Other income excluding trail book accounting adjustment*
2. *Reconciliation between Reported NPAT and Underlying NPATA detailed on slide 40*
3. *Includes trail book adjustment and deferred tax adjustment on put/call revaluation*
4. *Average for reporting period*
5. *Total Operating Expenditure / (Gross Profit (adjusted for Trail) + Other Income)*

Distribution provides earnings growth, with higher margins from Manufacturing when market economics make sense

Distribution

Profit before tax FY24

$54M

+20% on FY23

Underlying ROE 38%

- Largest segment representing 78% of earnings (81% in H2)[1]
- Underlying ROE of 38% - consistently strong returns with no credit exposure
- Invested $17m in broker technology as well as further acquisition of Fintelligence to drive further earnings growth
- $3m lower operating costs, with reductions in FTE and discretionary costs

Investments to deliver returns in FY25

Manufacturing

$15M

(53)% on FY23

Underlying ROE 12%

- Underlying ROE of 12%, which is a function of competition and funding market cycle
- Higher capital requirement, with the option to further invest in the right market conditions
- No losses expected, despite increased arrears across the market. Loan book has returned to growth in H2, reaching $4.4 bn
- $1m (10%) lower operating costs including lower FTE and term out set up costs

Well positioned to grow as market cycle improves

Central services

-$26M

(6)% on FY23

- Includes various centralised cost support functions, including IT, Finance, HR among other functions and costs
- $2m higher operating costs driven by:
  - Investments in IT projects including cyber
  - Headcount related to technology and broker experience projects
- H2 operating costs represent a reduction compared to H1, with lower IT costs

Efficiency initiatives to offset wage growth & amortisation

1. *Profit before tax excluding Central*

AFG

Distribution represents 82% of gross profit
Subscription income & investments delivered 12% growth

Distribution: Growth in volumes and subscriptions with H2 up 4%

- **Residential upfront** lower ($0.8m) with increase in settlement volumes (3%) offset by higher payout ratios driven by the shift towards large groups[1] who grew 5% and have higher payout
- **Residential trail** average book grew 4% with higher payout ratio and elevated runoff impacting margin which is down 4%
- **Other product** commissions up $0.9m with increase in product volumes, including commercial leasing up 23%
- **Fintelligence and BrokerEngine up $2.1m** reflecting growth in broker and subscribers to the market leading technology
- **Broker subscription income** increased by 13% as brokers continue to take-up AFG's value add broker services[5]
- **Other income** impacted by timing of sponsorship income offset by lower conference expenses in FY24 (slide 27)

Loan manufacturing: Affected by market cycle conditions. Loan book returned to growth in H2

- Lower NIM rate at 113bps for FY24, impact -$9.8m
- Lower average book size of $4.2bn impact -$8.2m

$m (unless otherwise stated)	FY24	FY23	Var $	Var %
Gross profit[2]	129.5	144.7	(15.1)	(10%)
Distribution	106.2	105.8	0.4	0%
Residential upfront	13.3	14.1	(0.8)	(6%)
Settlements ($b)	55.2	53.6	1.6	3%
Retained[3] (%)	4.0%	4.4%	(0.4%)	(9%)
Residential trail	18.5	19.3	(0.8)	(4%)
Average book ($b)	196.5	188.8	7.7	4%
Retained[3] (%)	5.8%	6.2%	(0.4%)	(7%)
Other products / markets[4]	34.7	34.8	(0.1)	(0%)
Fintelligence / BrokerEngine	19.9	17.9	2.1	12%
Subscription income	14.0	12.5	1.6	13%
Other income	5.8	7.3	(1.5)	(21%)
Manufacturing	22.6	38.4	(15.8)	(41%)
AFG Securities NIM	47.7	65.7	(18.0)	(27%)
AFG Securities average book ($b)	4.2	4.8	(0.6)	(12%)
NIM (bps)	113	136	(23.2)	(19%)
AFG Securities commission	(23.1)	(25.5)	2.3	9%
AFG Securities settlements ($b)	1.6	1.6	0.1	4%
Other fees / costs	(2.0)	(1.9)	(0.1)	(7%)

1. *Large Group based on number of brokers*
2. *Gross profit and Other income excluding trail book accounting adjustment. Central gross profit includes inter-segment commission eliminations*
3. *Retained % = (1- Payout ratio %)*
4. *Other product commissions includes white label, commercial, asset finance and personal loans*
5. *Includes Technology, Marketing, Compliance and Professional Indemnity insurance*

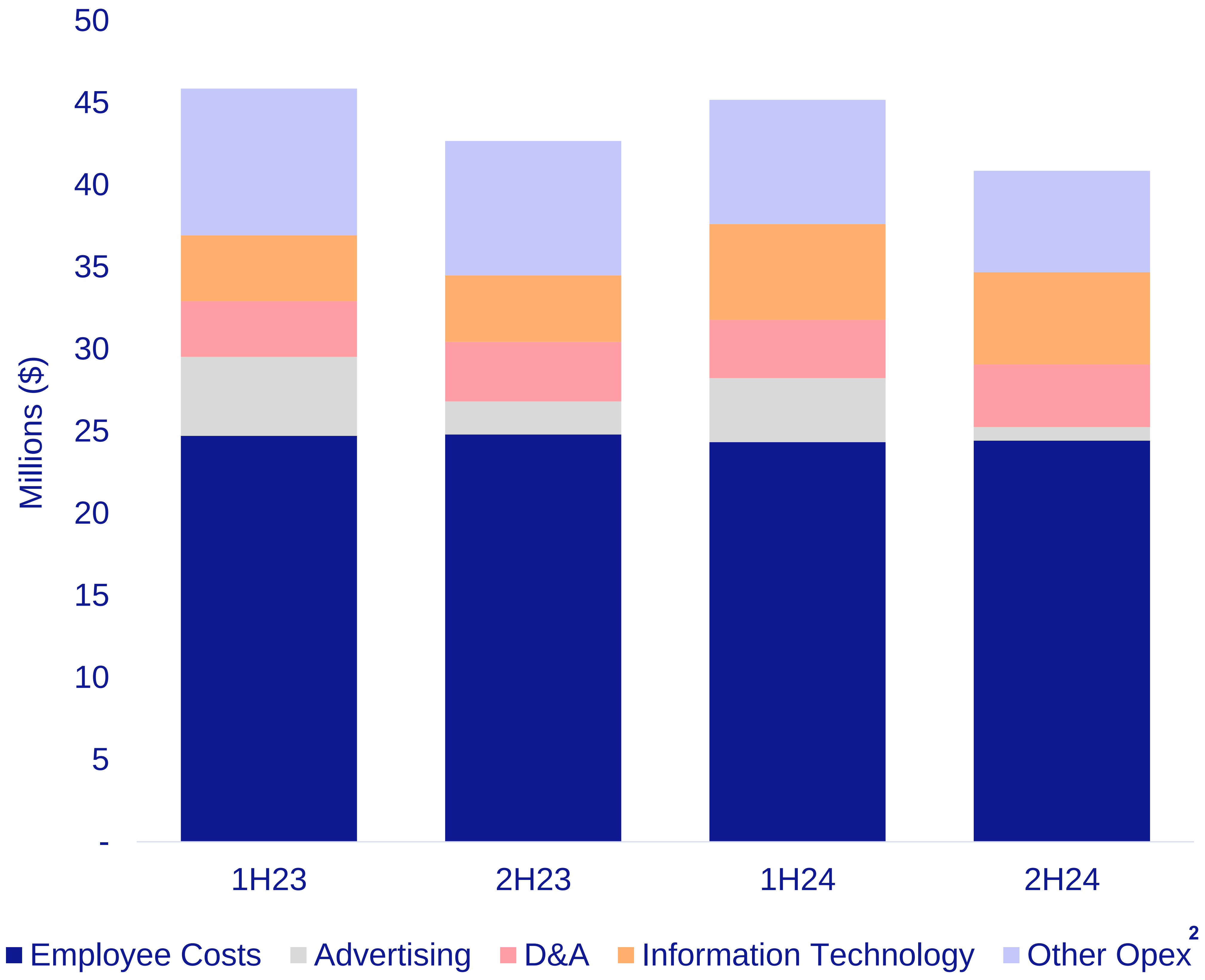
OpEx reduced 3%, while still investing to deliver key business initiatives

Operating costs improved $2.6m year on year driven by:

- Lower discretionary spend ($2.1m) primarily associated with lower advertising, and lower conference expenses offset by lower sponsorship income
- Depreciation & Amortisation (D&A) expense increased by $0.4m
- Information technology costs increased by $3.4m primarily driven by increased consumption of cloud based technology and cost of transitioning to new platforms
- Underlying CTI[1] in FY24 was 66%, with H2 3% below H1 at 65%
    - H2 Distribution CTI down 7% on H1 at 38%
    - H2 Manufacturing CTI up 2% on H1 at 64%

Impact of technology projects on future periods

- Technology project spend of $17m recognised in Capital Work in Progress and will commence amortisation during H1 FY25
- Anticipate amortising over 8 years

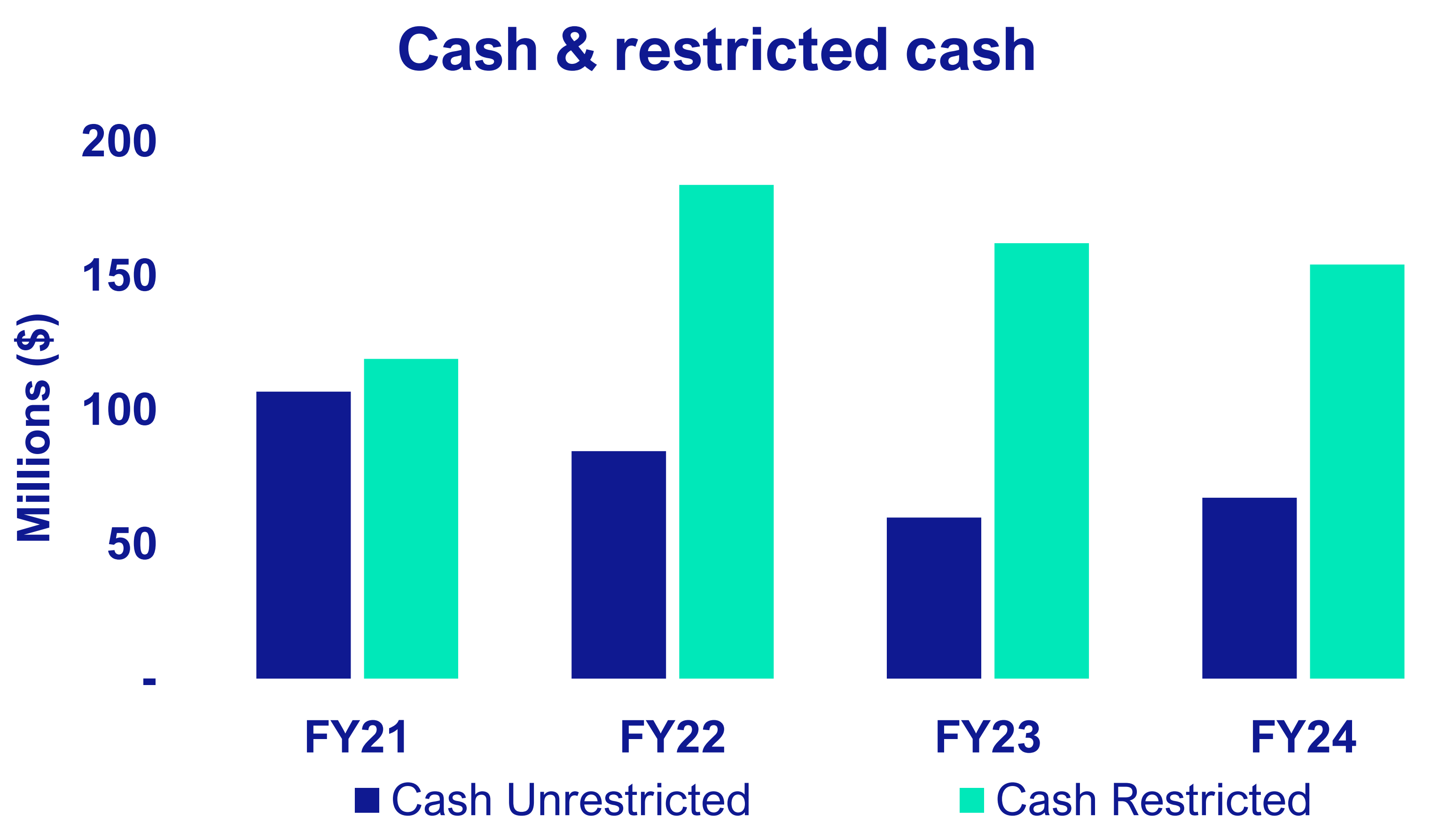


1. CTI = Cost to Income
2. "Other Opex" includes insurances, consultancy, and travel among other things

AFG

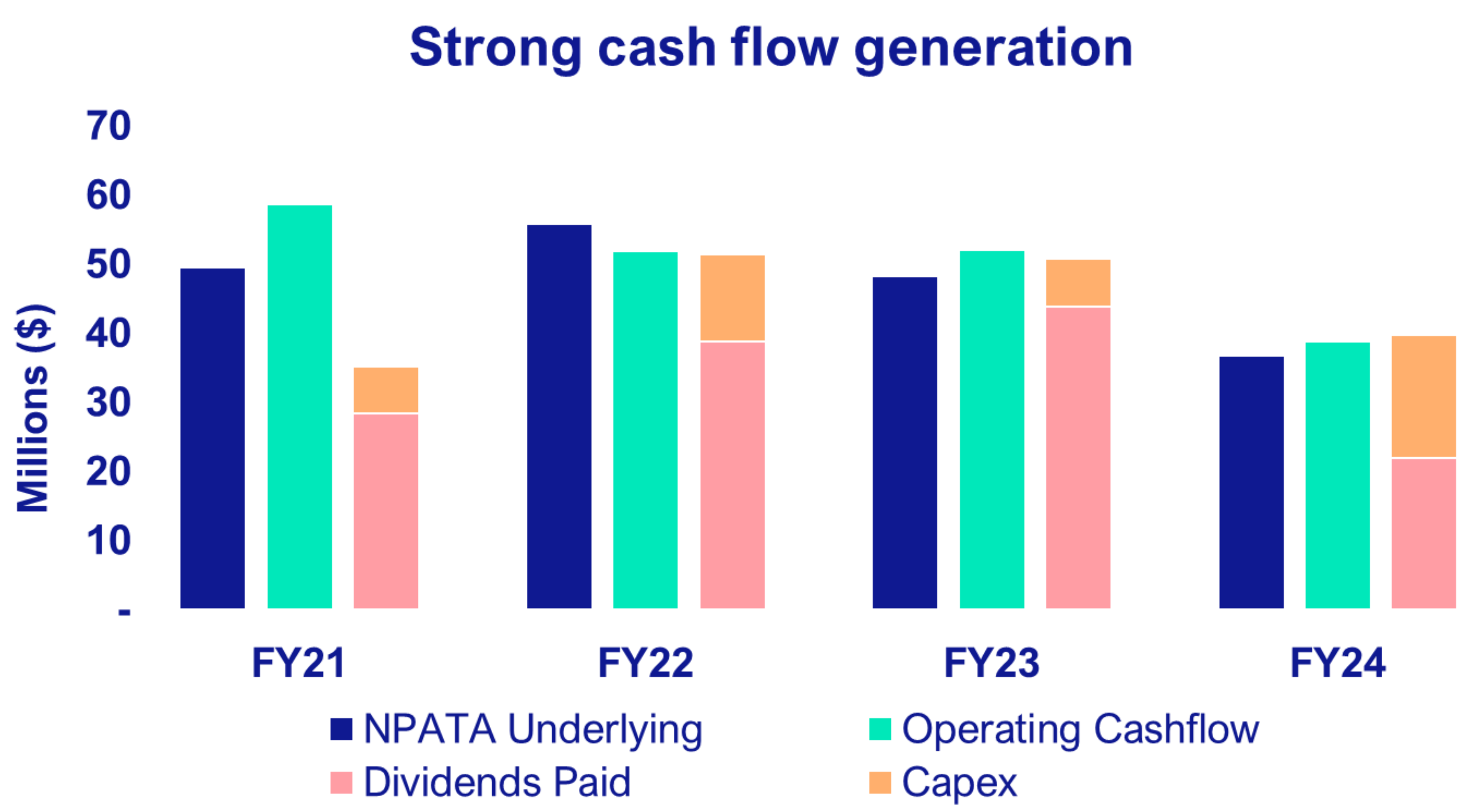
Strong balance sheet and cash generating assets deliver capacity to fund growth

Conservatively geared with a growing net cash position



- $67m unrestricted and $154m restricted cash (AFGS Trusts)
- Intra-month working capital cycle reduces unrestricted cash by up to c$30m per month
- Debt facility of $47m primarily related to Fintelligence acquisition

Cash flow generation underpinned by annuity-style income streams



- 107% cash conversion for FY24
- Capex funded from cash and the temporary reduction to dividend payout ratio of 50% to 60% for up to 24 months[1]
- Elevated period of technology investment largely complete in FY24, with a return to more normalised levels looking forward

AFG

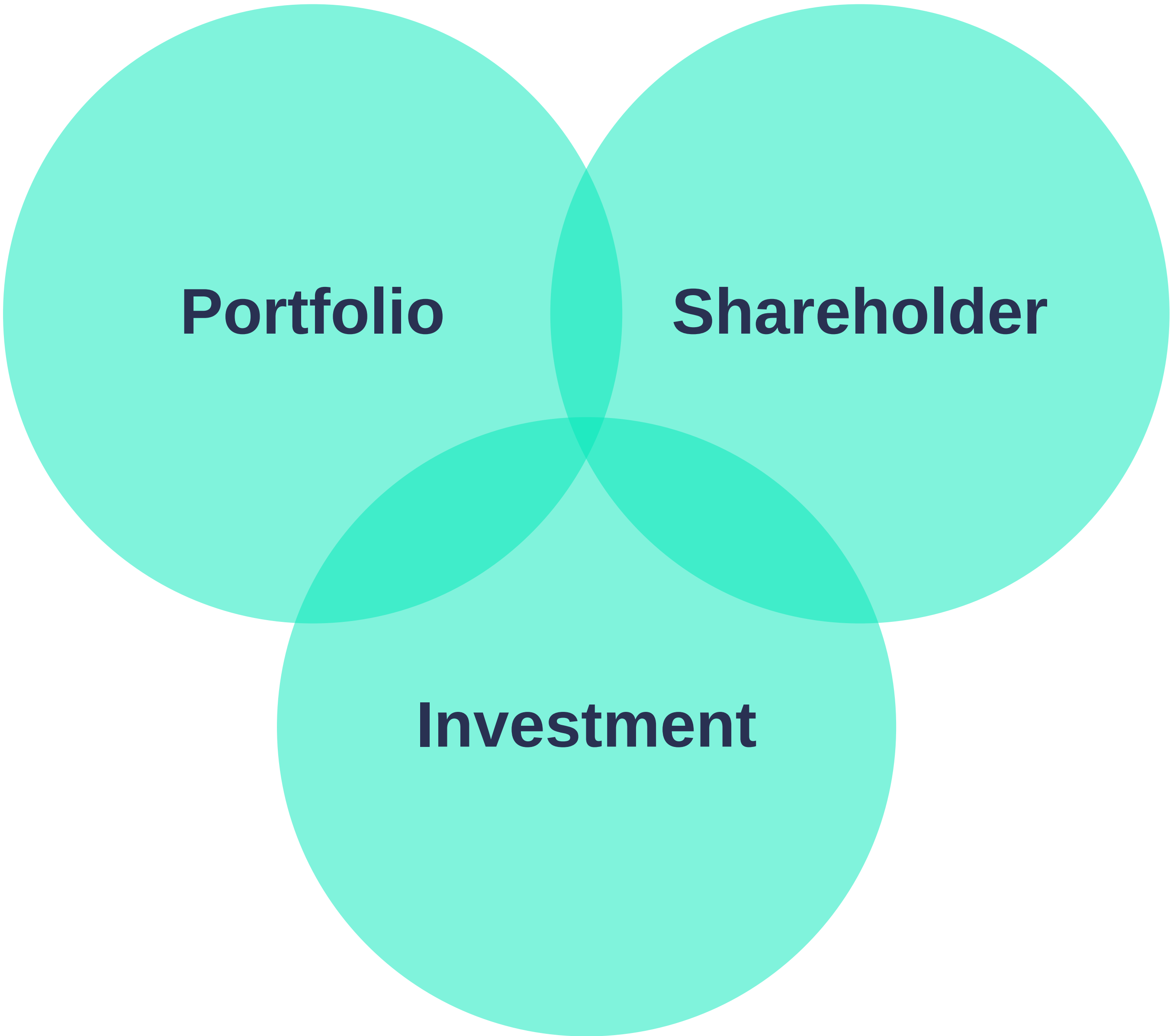
1. *Announced as part of FY23 results, for the FY23 and FY24 periods*

Invested in FY24 to deliver shareholder returns

AFG takes a disciplined through the cycle investment approach to create sustainable shareholder value

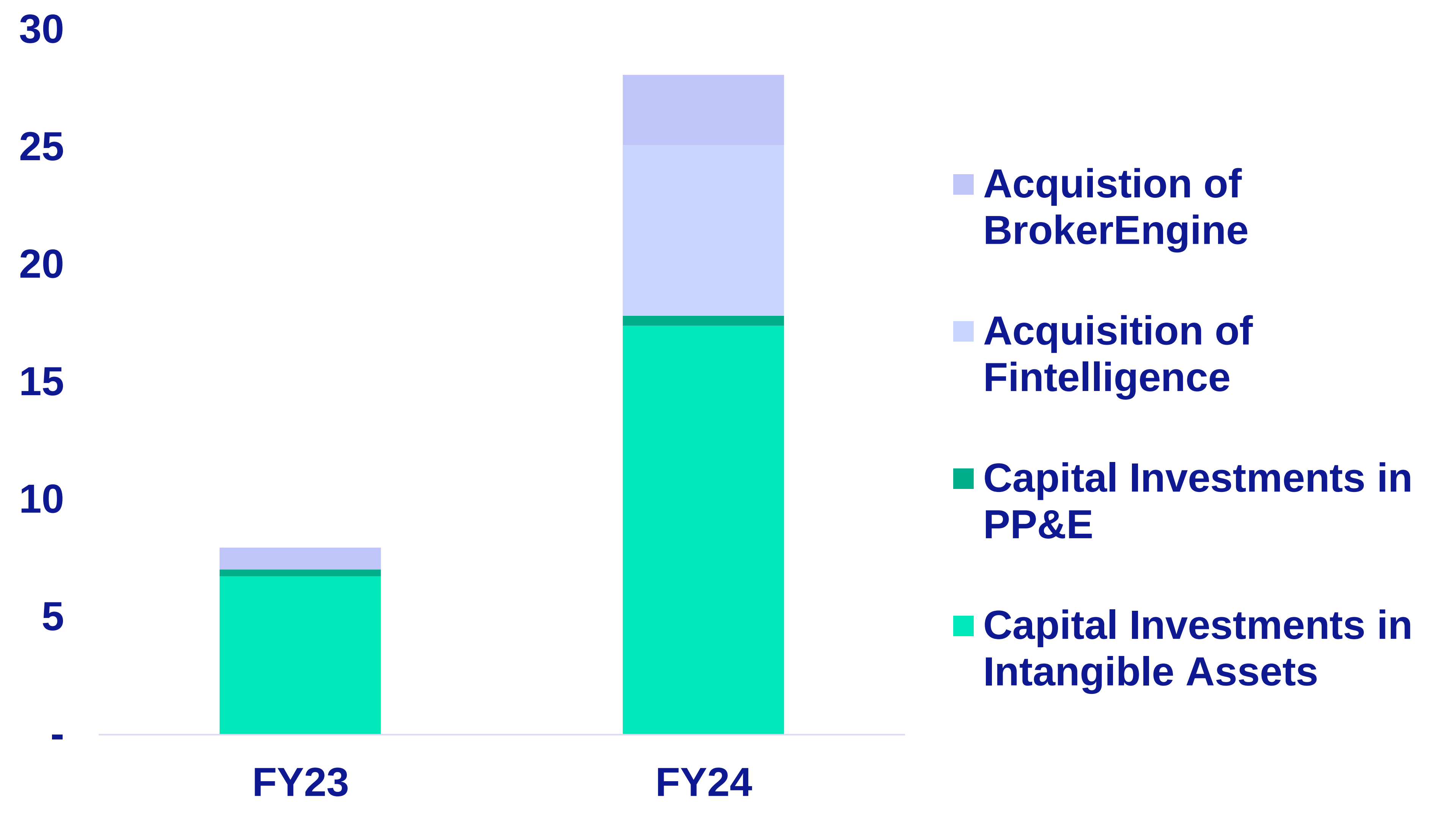
Return on Capital
Free cash flow
Optionality

Long term value creation
Cash returns
Share price



Strategic fit
EPS accretion
Valuation multiple, IRR, payback

Capital invested in Distribution – segment with highest return
Tech investment peaked and on track for delivery H1 FY25



Capital Investments

- $1.0m in Platform Services
- $2.1m in digital trust & data transformation
- $14.1m in BrokerEngine direct
- $0.6m in integration & efficiency

Acquisitions

- $7m to acquire additional equity in Fintelligence, up to 83%, final equity option following June 2025
- $3m remaining equity in BrokerEngine

A portfolio of growth options

	Industry trend	Strategic fit	FY25 impact
Fintelligence	Diversification is critical; Technology to drive efficiency	Digital business, provides brokers efficient processes to scale and diversify income. Strengthens AFG's Asset Finance presence, reaching brokers beyond AFG network. Optionality to distribute higher margin products.	Grow commission income
BrokerEngine Direct	Bigger and busier; Technology to drive efficiency; Consolidation is coming	Digital business delivering streamlined workflows allowing brokers to scale efficiently. Accelerates AFG's technology transition, providing new services income. Provides access to brokers outside AFG network.	Grow subscription income
Platform Services and Digital Capability	Bigger and busier; Technology to drive efficiency; Consolidation is coming	Delivery of broker-first experiences enhancing the digital experience. Simplifying processes, increasing automation and improving productivity. Creating broker demand and increasing speed AFG delivers higher margin products.	Grow subscription income
Thinktank	Bigger and busier; Diversification is critical	Exposure to higher margin and volumes. Provides insights to product innovation.	Upside if NIM improves
Broker investment	Bigger and busier; Technology to drive efficiency; Consolidation is coming	Continued investment in the channel	New income streams

Industry trends (slide 33)

Bigger and busier

Diversification is critical

Technology to drive efficiency

Consolidation is coming

FY24 RESULTS

Outlook

Strong volume momentum continuing in FY25

Market conditions and confidence driving strong volume momentum across Distribution and Manufacturing segments

Distribution

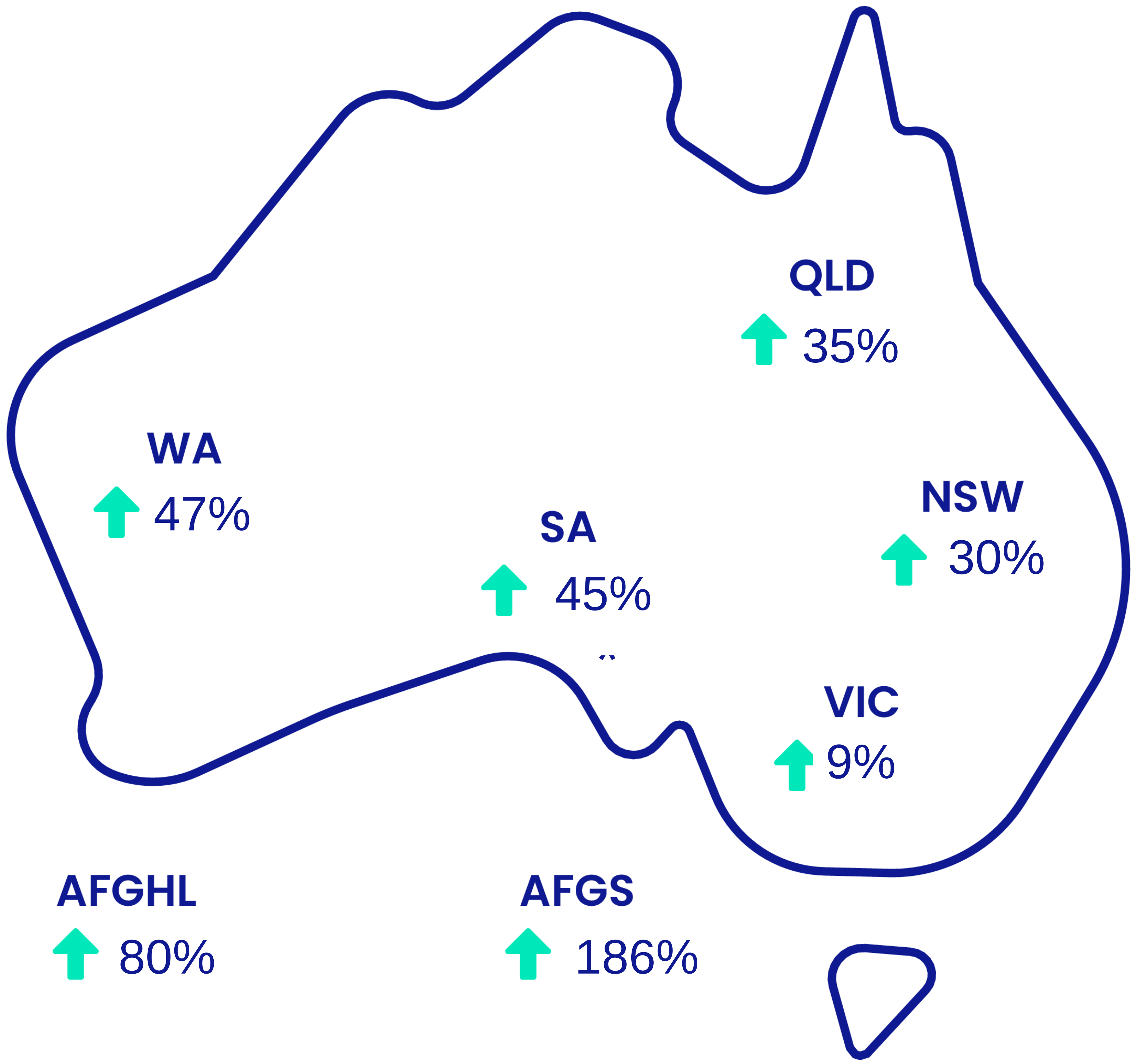
- Residential lodgements up 29% on July 2023 with settlements at their highest level since July 2022
  - Growth across all states
  - WA & SA recording highest growth
  - VIC volumes impacted by recent regulatory changes
- AFG Home Loans white label lodgements up 26% on July 2023 at 4% market share

Manufacturing

- AFG Securities lodgements up 186% on July 2023 with settlements at their highest level since June 2022
- Thinktank Commercial lodgements up 131% on July 2023

Comparison of July lodgements

July 2024 change on July 2023



AFG plays a vital role in the financial system

AFG brokers write 1 in 10 residential mortgages in Australia, connecting with 500k customers.
Annuity style cash flow create capacity to capitalise on emerging industry trends, generating sustainable shareholder returns.

Bigger and busier

Industry average broker settlement growth of 7% pa[1]

Demand growing faster than broker numbers

Movement away from contractor model to enhance customer experience

Consolidation is coming

Broker market is fragmented with an aging demographic

Increasing fixed costs – regulatory, technology, insurance

Technology enabling broker organisations to grow larger

Technology to drive efficiency

New brokers are looking for technology solutions to business problems

Compliance and cyber security requirements are growing

Customers' growing demand for a more digital experience

Diversification is critical

Residential growth has kept brokers busy

Commercial and asset are opportunities to continue broker earnings growth

Provides a broader offering improving customer retention

1. *Source: MFAA*

Strategically positioned to deliver earnings growth

AFG is well positioned, with upward momentum evident across our business segments

Credit market conditions improving
Expected sustained growth in housing and finance markets

Broker is a critical channel, 74% share growing to over 80%
AFG will continue to add brokers, grow share & earnings per broker

Return of non-bank competition
ADI funding advantage declines, with AFG book growing

AFG's product diversity generates 74% of earnings
AFG has scale to continue its push into Commercial / Asset Finance

Strong cashflows and conservative balance sheet
AFG's technology spend has peaked. Capacity to make strategic investments as the industry transitions

Supported by a strategy to increase shareholder returns

Growth strategy based on 3 strategic pillars

- **Grow our broker network**
- **Provide market leading technology**
- **Deliver higher margin through distribution**

To deliver our purpose: Fairer financial future for all

FY24 RESULTS

Appendices

Settlements and Loan Book

Settlements ($m)	FY24	FY23	FY22	FY24 v FY23	FY23 v FY22
Residential	55,181	53,630	59,393	3%	(7%)
AFGHL	3,564	3,604	5,586	(1%)	(36%)
White Label[1]	1,927	2,023	2,866	(5%)	(33%)
AFG Securities[1]	1,637	1,581	2,720	4%	(40%)
Commercial	4,453	3,783	3,887	18%	15%
Thinktank	133	370	239	(64%)	(44%)
Leasing and Asset finance[2]	3,171	2,611	1,505	21%	111%
Loan Book ($m)					
Residential	200,478	194,546	182,161	3%	10%
AFGHL	12,808	13,150	13,286	(3%)	(4%)
White Label[1]	8,366	8,675	8,500	(4%)	(2%)
AFG Securities[1]	4,442	4,475	4,786	(1%)	(7%)
Commercial	13,234	11,942	10,873	11%	22%

1. *Is a subset of AFG Home Loans (AFGHL)*
2. *Includes Fintelligence settlements from acquisition at January 2022*

Key metrics

Key movements

- Distribution operating income up 12% on H2 FY23, driven by a 65% increase in AFG Home Loans volumes and increased Residential Settlements and loan book size
- Manufacturing operating income flat on H1 FY24, due to an increased average book size offset by a lower NIM
- Total Operating Costs down 10% on H1 FY24, due to reduced discretionary spend and IT costs
- Underlying cost to income (CTI) ratio was 3% lower on H1 FY24 at 65%
- Dividend of 4.0 cents per share represents a yield of 5.8% in H2 FY24

$m (unless otherwise stated)	Units	2H24	1H24	2H23	2H24 v 1H24	2H24 v 2H23
Operating income						
Distribution		383.7	428.2	343.7	(10%)	12%
Manufacturing		142.2	141.6	142.4	0%	(0%)
Central		(11.7)	(8.7)	(8.4)	(35%)	(39%)
Total		514.2	561.1	477.7	(8%)	8%
Profitability						
Trail Book Net Asset		90.6	94.2	96.2	(4%)	(6%)
Residential Upfront Payout Ratio	%	96.1	96.0	95.8	(0.1%)	(0.3%)
NIM	bps	111	116	127	(5%)	(16%)
Operating Costs						
Employee Costs		24.4	24.3	24.8	(0%)	1%
IT		6.4	5.1	4.0	(26%)	(58%)
Total Operating Costs		40.9	45.2	42.7	10%	4%
Average FTE[1]	#	306	301	310	2%	(1%)
Underlying Cost to Income Ratio[2]	%	64.6	68.8	62.1	6%	(2%)
Credit Quality						
Total Losses		0.0	0.0	0.0	-	-
Other						
Brokers	#	4,039	3,850	3,802	5%	6%
Underlying ROE	%	18.1	17.6	22.6	3%	(20)%
Dividend Yield[3]	%	5.8	4.9	4.6	18%	26%

1. *Average for reporting period*
2. *Total Operating Expenditure / (Gross Profit (adjusted for Trail) + Other Income)*
3. *Based on share price as at 30 June 2024, 23 February 2024, 21 August 2023*

Summary P&L

Key movements

- Total revenue is up 7% to a record result of $1.08bn driven by
  - Growth in Residential settlements and trail book (3%) as well as other products
  - Higher AFG Securities interest income
- Gross Profit was $10.9m below FY23 driven by Manufacturing with lower NIM from both rate and lower average book
- Total opex was $2.6m lower than FY23, due to reduced conference and advertising expenses, while employee and discretionary costs were also lower
- Share of profit from associate lower from Thinktank investment, also impacted by the NIM market cycle

$m	FY24	FY23	FY24 v FY23
Commissions	704.1	650.2	53.9
Interest on trail commission income receivable	80.8	82.3	(1.5)
Mortgage management services	0.3	0.3	-
Securitisation transaction fees	5.1	4.4	0.7
Securitisation interest income	278.5	260.0	18.5
Subscription income	4.7	3.6	1.1
Other income	1.7	1.9	(0.2)
Total Revenue	1,075.3	1,002.8	72.5
Securitisation interest expense	(246.6)	(210.6)	(36.0)
Commission and other cost of sales	(726.5)	(679.1)	(47.4)
Gross Profit	102.2	113.1	(10.9)
Other income	21.7	21.9	(0.2)
Administration expenses	(9.3)	(10.8)	1.5
Other expenses	(69.4)	(70.8)	1.4
Depreciation and amortisation	(7.4)	(7.0)	(0.4)
Result from operating activities	37.9	46.4	(8.5)
Net finance income	3.9	3.0	0.9
Share of profit of an associate	2.2	6.1	(3.9)
Net change in fair value of financial liability	-	(1.8)	1.8
Profit before tax	44.0	53.6	(9.6)
Income tax expense	(13.5)	(14.5)	1.0
Net Profit after tax related to FY	30.5	39.1	(8.6)
Non-controlling interest	1.5	1.8	(0.3)
Net Profit attributable to equity holders	29.0	37.3	(8.3)

Securitisation interest income and commission expense is net of $15.8m and $16.4m in FY24 and FY23 respectively

Strategic Investments

	Thinktank	fintelligence	BrokerEngine
Investment Date	April 2018	December 2021	January 2022
FY24 NPAT contribution	$2.1m	$6.2m	$0.5m
Carrying value at 30 Jun	$36.4m	$61.8m	$7.6m
Current AFG Ownership	32%	83%	100%
Primary income type	Commercial / Residential Net interest on securitisation	Asset Finance Commission payments	Broker Services Subscription income
Reporting segment	Manufacturing	Distribution	Distribution

Reported NPAT to Underlying NPATA reconciliation

Key movements

- The trail commission adjustment represents the non-cash change in the carrying value of the trailing commissions contract assets and liability. Additional information in relation to trail book accounting and key assumptions are provided on slide 42
- The net change in fair value of the put / call liability for Fintelligence represents the increase in the value of AFG's exclusive option to acquire the remaining equity
- The value of the put / call liability for Fintelligence is assessed each reporting period
- Tax adjustment related to Fintelligence / BrokerEngine

$m	FY24	FY23	FY24 v FY23
Reported NPAT	29.0	37.3	(8.3)
Amortisation of acquired intangible assets	2.4	2.4	-
Trail commission adjustment	3.9	6.8	(2.9)
Net change in fair value put/call option	-	1.8	(1.8)
Deferred tax adjustment on put/call revaluation	0.9	-	0.9
Underlying NPATA	36.1	48.3	(12.2)

AFG holds $190m in liquid assets and high performing investments

Key movements

- Net unrestricted cash of $21m, up from $17m at December 2023, resulting from strong cash generation in H2
- Trail book net asset at $90.6m with the reduction representing higher runoff in FY24. Key assumptions are provided on slide 42
- Investments are valued at carrying value as per the balance sheet
- Subordinated notes value relates to the notes held by AFG in the Securities loan book which is $4.4bn at June 2024. Reduction following recent term out in June 2024

$m	Jun 2024	Jun 2023	FY24 v FY23
Unrestricted cash	67.4	60.0	7.4
Debt facility	(46.7)	(44.3)	(2.4)
Net unrestricted cash	20.7	15.7	5.0
Trail book	90.6	96.2	(5.6)
Investments (Thinktank and MAB)	39.7	37.5	2.2
Subordinated notes	39.3	52.8	(13.5)
Net unrestricted cash, trail book & investments	190.2	202.1	(11.9)

Cash reconciliation			
Unrestricted cash	67.4	60.0	7.4
Restricted cash (Securities)	154.2	162.2	(8.0)
Total cash	221.6	222.2	(0.6)

Trail book asset

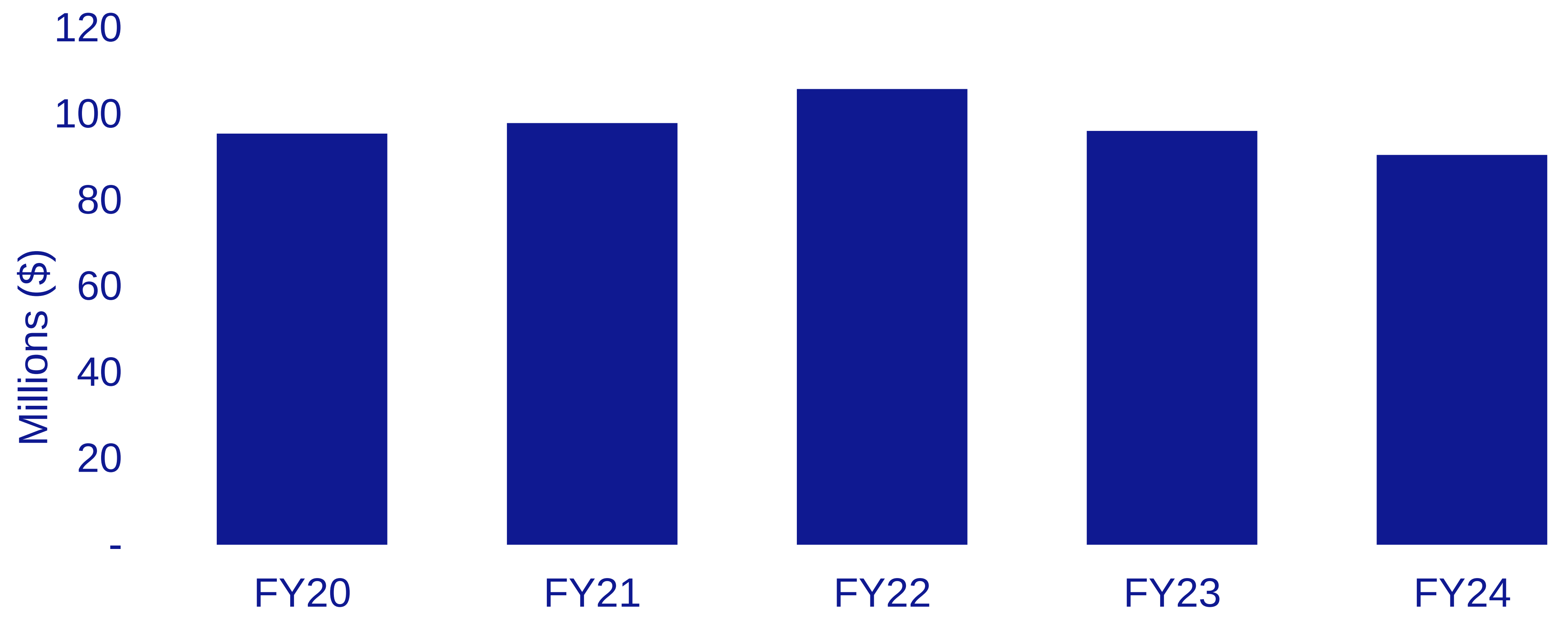
Key movements

- Trailing commissions are received from lenders on settled loans over the life of the loan based on the outstanding loan book balance
- The net present value of our future trail commissions, represent recurring income, without having to perform further services
- Future trail commissions had a NPV of $90.6m at Jun 2024 ($96m at Dec 2023)
- The valuation is assessed on a six-monthly basis, with movements in valuation recorded in the P&L
- The main valuation drivers are run-off rates and new business. While run-off in FY24 was above the long-term average, it was below the peak levels in FY22 and FY23
- The discount rate applied to each tranche is applied across the life of the loan. Any current movements in the discount rates will only affect the latest trail commission tranche
- The discount rate is calculated as the risk-free rate + counterparty risk factor

The table below outlines key assumptions used to value trail commissions

Key Assumptions	Jun 2024	Jun 2023
Average loan life	Between 3.5 and 4.3 years	Between 3.6 and 4.5 years
Discount rate per annum[1]	Between 4.0% and 13.5%	Between 4.0% and 13.5%
Percentage paid to brokers[2]	Between 85% to 95.9%	Between 85% to 95.5%

The chart below shows the change in the net trail book asset over time



1. *Discount rates once set are not adjusted during the life of the loan. The spread in discount rate captures loans settled in previous as well as the current financial year*
2. *The percentage paid to brokers is set at the time of settlement of the loan*

Summary
Balance Sheet

Key movements

- Unrestricted cash, which consists of cash at bank and short term deposits, increased to $67.4m
- Restricted cash, which primarily represents amounts held in special purpose securitised trusts and series on behalf of the warehouse funders and the bondholders decreased to $154m
- Contract Assets primarily represents our trail book commission asset and is partially offset by the trail book commission liability recorded in Trade and Other payables.
- Loans and advances represents the AFG Securities program, with the debt facility represented in Interest bearing liabilities
- Growth in investment in associates represents AFG's share of profit received in the past 12 months from Thinktank
- Non-interest bearing liabilities includes the Fintelligence put / call option at Jun 2024. Reduction since Jun 2023 with acquired equity in Fintelligence and BrokerEngine in FY24

$m	Jun 2024	Jun 2023	FY24 v FY23
Assets			
Unrestricted cash	67.4	60.0	7.4
Restricted cash	154.2	162.2	(8.0)
Trade and other receivables	13.1	15.1	(2.0)
Other assets	5.4	7.3	(1.9)
Contract assets	1,137.3	1,139.5	(2.2)
Loans and advances	4,452.4	4,488.0	(35.6)
Investment in associates	39.7	37.5	2.2
Goodwill	61.1	61.1	-
Intangible assets	46.8	34.2	12.6
Total assets	5,977.3	6,004.9	(27.6)
Liabilities			
Trade and other payables	1,148.7	1,145.2	3.5
Interest bearing liabilities	4,565.3	4,590.9	(25.6)
Employee benefits	6.8	6.4	0.4
Non interest bearing liabilities	11.8	22.0	(10.2)
Deferred tax liability	24.4	22.8	1.6
Other liabilities	13.3	17.8	(4.5)
Total liabilities	5,770.3	5,805.1	(34.8)
Net assets	207.1	199.8	7.3
Equity			
Share capital	102.1	102.1	0.0
Reserves	(4.6)	(12.9)	8.3
Retained earnings	96.9	89.9	7.0
Non controlling interest	12.6	20.7	(8.1)
Total equity	207.1	199.8	7.3

Summary Cashflow

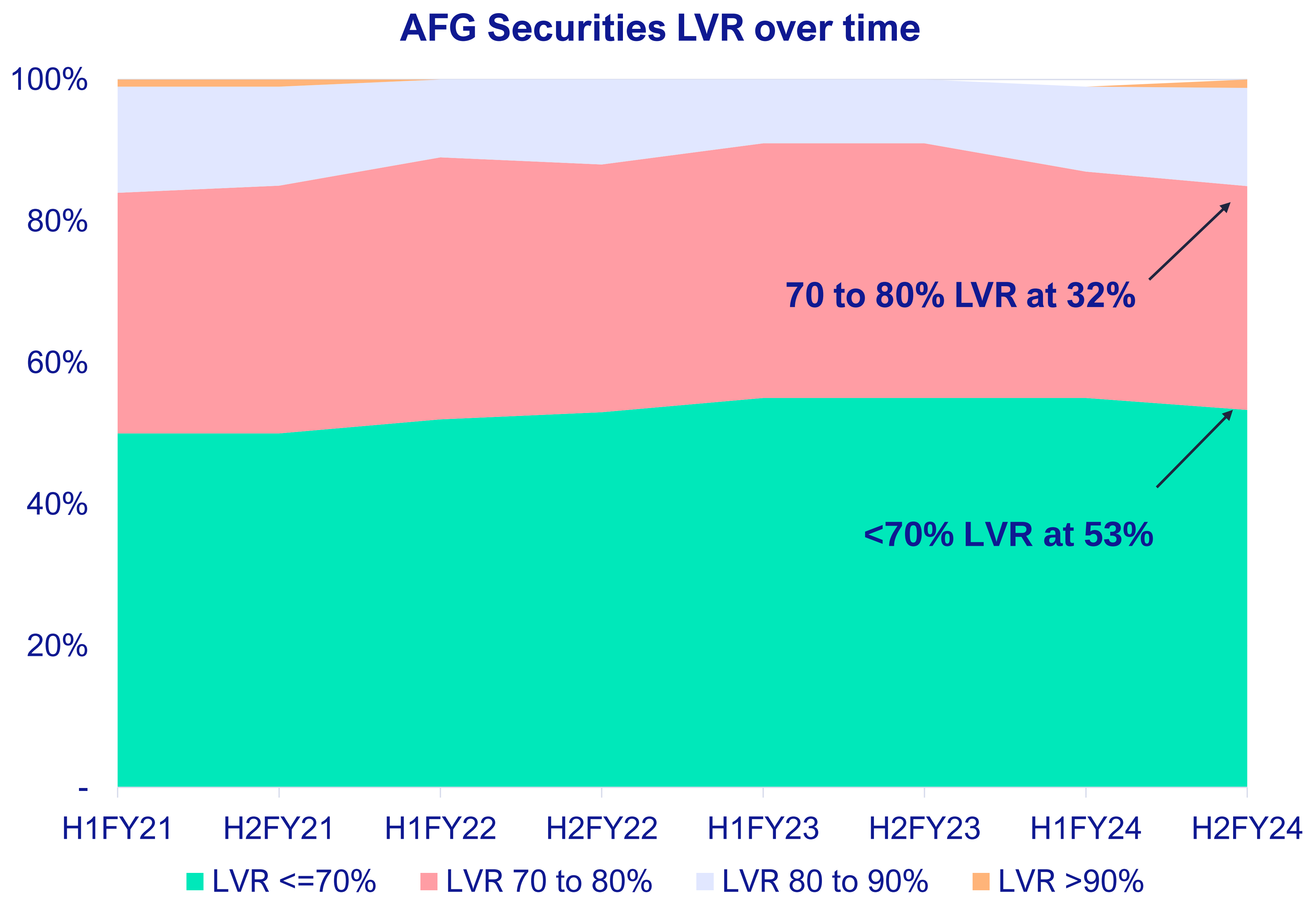
Key movements

- Lower Net interest received reflect lower AFG Securities book and lower NIM attributable to higher cost of funds
- Strategic investment reflect payments to increase equity stake in Fintelligence and BrokerEngine during H1 FY24
- Capital purchases of $17.8m reflects the investment in strategic initiatives. See further detail on these on slide 29
- Lower dividend paid from short term reduction in dividend payout
- Closing cash broadly in line with opening balance, at $222m

$m	FY24	FY23	FY24 v FY23
Cash receipts from customers	820.7	767.7	53.0
Cash paid to suppliers and employees	(794.6)	(749.5)	(45.1)
Net Interest received	28.4	46.5	(18.1)
Income taxes paid	(15.7)	(12.6)	(3.1)
Net cash generated by operating activities	38.8	52.1	(13.3)
Net Interest received	7.7	6.2	1.5
Capital purchases	(17.8)	(7.0)	(10.8)
Strategic and other investments	(10.2)	(0.9)	(9.3)
Net loans and advances to borrowers and brokers	33.6	311.4	(277.8)
Net cash used in investing activities	13.2	309.6	(296.4)
Repayments of facilities	(3,011.0)	(2,416.7)	(594.3)
Proceeds from facilities	2,984.7	2,057.1	927.6
Payment of principal proportion of lease liability	(2.6)	(2.4)	(0.1)
Dividends paid	(21.9)	(43.8)	21.9
Dividend to non controlling interest	(1.8)	(2.2)	0.5
Net cash generated by financing activities	(52.6)	(408.1)	355.5
Net increase in cash and cash equivalents	(0.6)	(46.3)	45.7
Cash and cash equivalents at the beginning of the period	222.2	268.6	(46.3)
Cash and cash equivalents at the end of the period	221.6	222.2	(0.6)

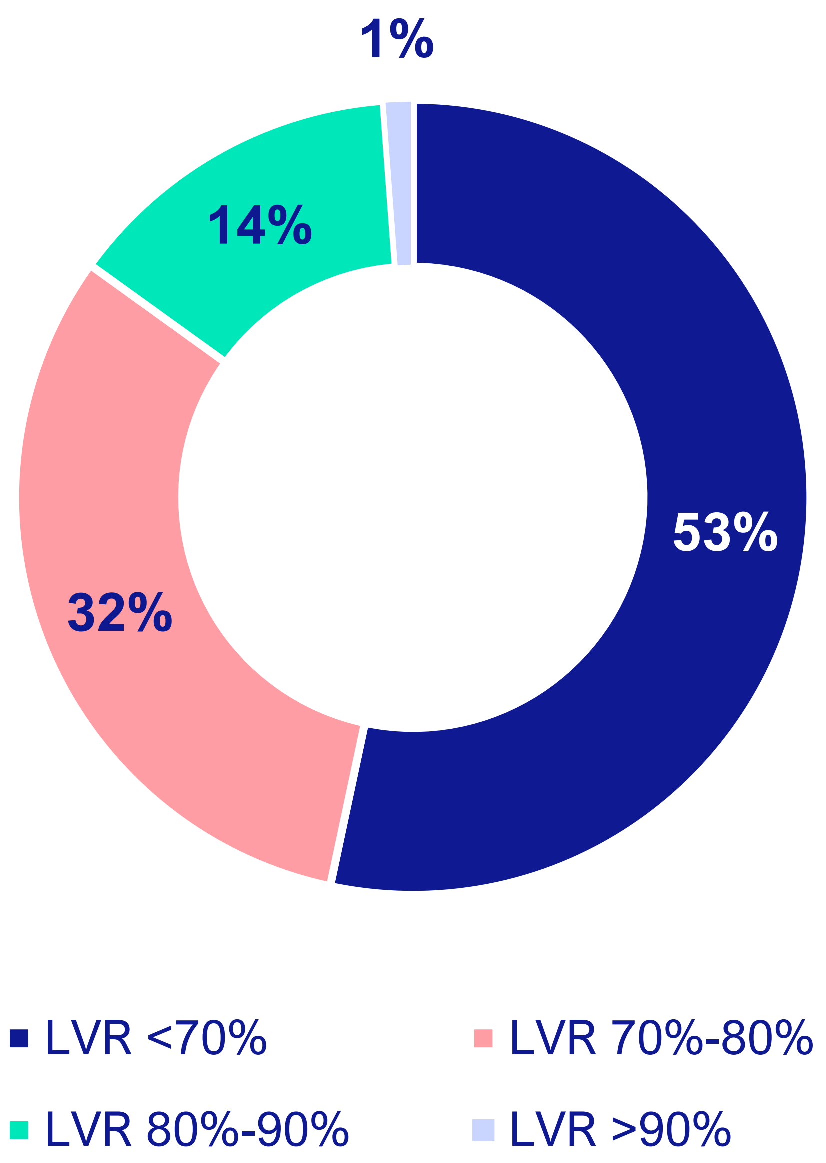
Expected credit loss provisions

- AFG has a strong history of low credit losses, as a result of insights from almost 30 years of data and extensive industry experience
- Arrears have historically outperformed the Australian non-bank sector of the S&P Global Ratings Mortgage Performance Index
- The Expected Credit Loss (**ECL**) provision provides an estimate of credit risk associated with AFG's residential mortgages
- The ECL model (**the model**) considers the different risk profiles across the different loan portfolios, with assumptions the same across the portfolios
- The model calculates the probability of Default and Loss Given Default at an individual loan level
- The model uses a probability-weighted loss provision for each loan, with 3 scenarios: a base case, mild deterioration and significant deterioration
- The model utilises a range of macroeconomic inputs, but is most sensitive to assumptions for property price changes, unemployment, delinquency status and interest rates
- The expected credit loss provision at 30 June 2024 remains unchanged at $3.3m
- At 30 June 2024, there were 133 loans in arrears greater than 30 days of 9,859 loans in total in the book

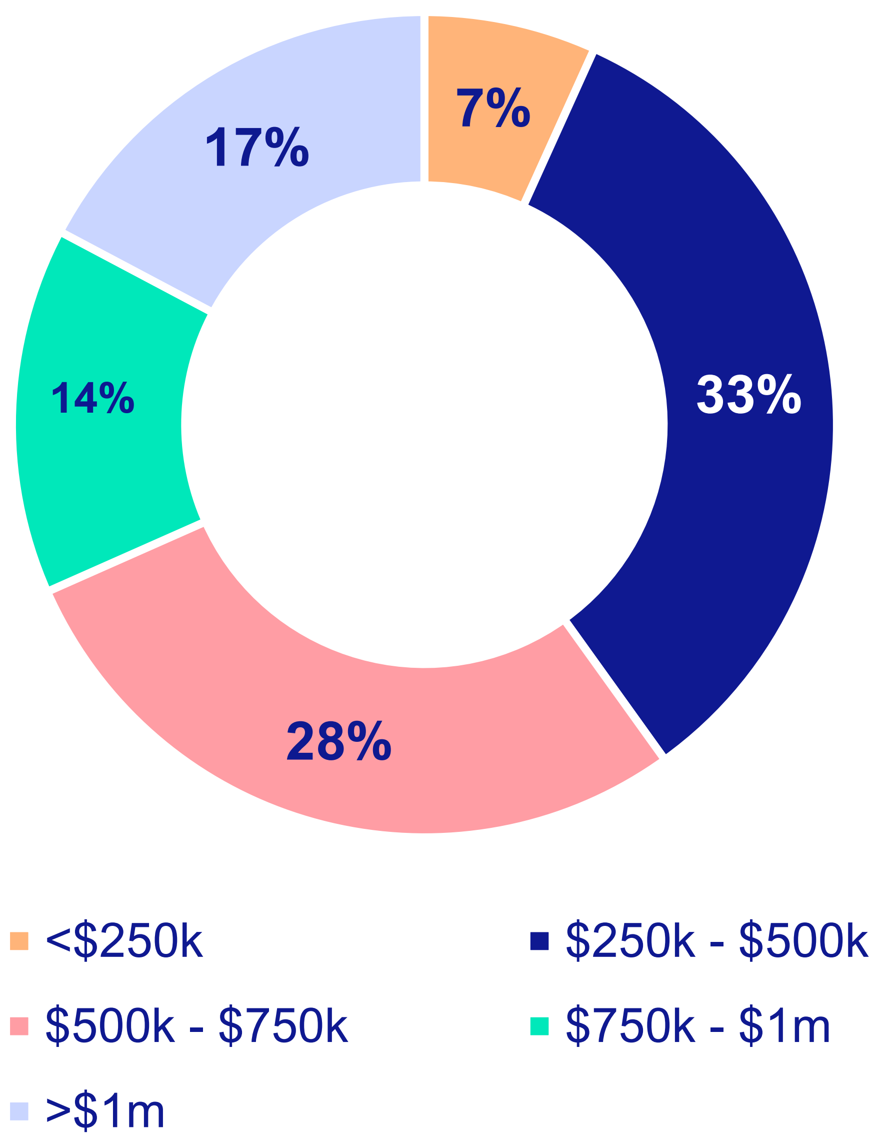


AFG Securities – Loan quality

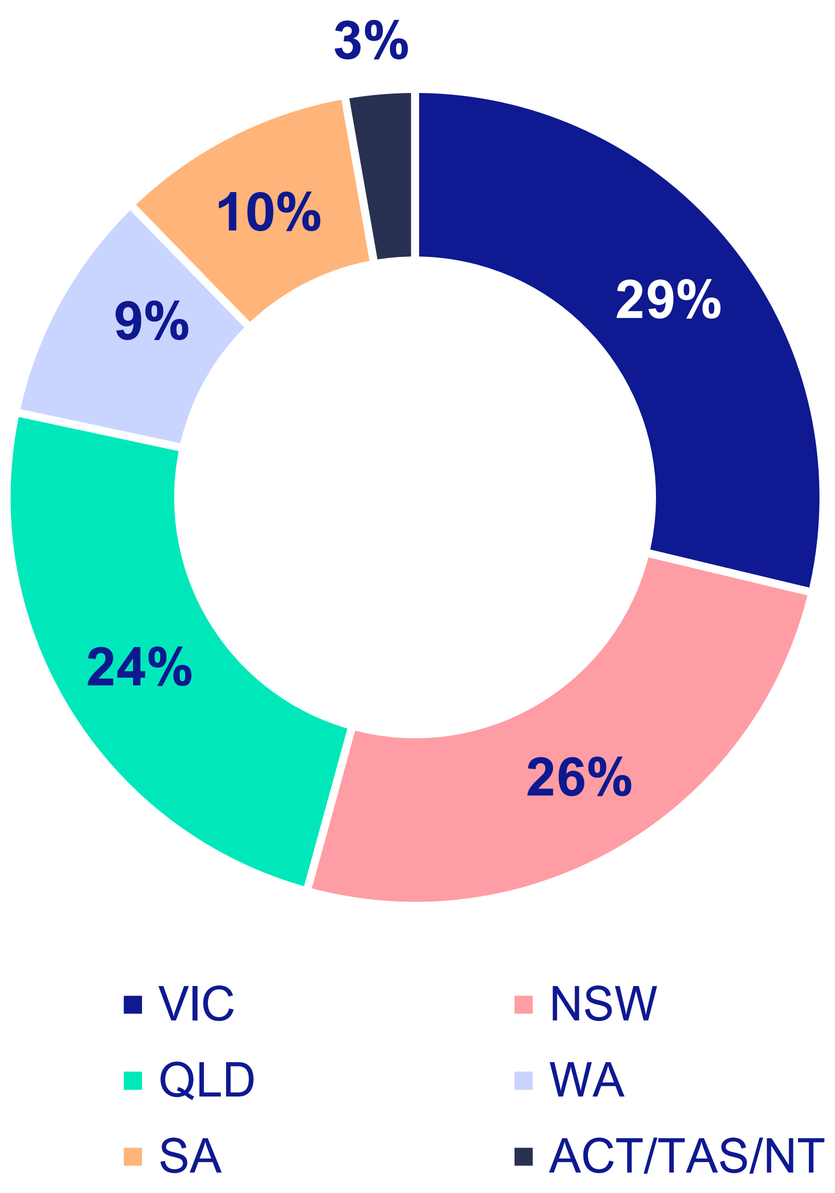
LVR



Loan balance



Geographic distribution



Important Disclaimer

This presentation contains general information which is current as at 29 August 2024.

The information is intended to be a summary of Australian Finance Group Ltd (AFG) and its activities as at 30 June 2024 and does not purport to be complete in any respect.

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