



NOBLEOAK

APPENDIX 4D

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

NobleOak Life Limited

ACN 087 648 708





HY25 PERFORMANCE HIGHLIGHTS

**NobleOak continues to outperform,
with premiums ahead of guidance, while
investing for growth and enhancing capability.**

In-force premium¹
\$423m

+20% Growth vs. HY24

**In-force premium
market share³**
3.7%

+0.7ppts vs. Dec-23

New business
\$30m

+15% Growth vs. HY24

**New Business
market share³**
12.9%

2.9% above long-term target

**Regulatory
capital multiple**
194%

HY24 193%

Underlying NPAT²
\$8.7m

+11% Growth vs. HY24

Note:

1. Excludes the Genus administration business.
2. Underlying NPAT is a non-IFRS financial measure, defined as net profit after tax excluding the impact of one-off and recurring items. Disclosing an underlying measure of profits, allows the users of financial information to better assess the underlying performance of the business (as is contemplated by ASIC RG 230 Disclosing non-IFRS financial information). More details on the recurring and non-recurring adjustment are provided in the Statutory to Management Result Reconciliation Section of this Directors' Report.
3. NobleOak Market share and Industry Lapse Rates are calculated using APRA's half-yearly life insurance performance statistics (Excluding Group, CCI and Funeral insurance premiums). Note that APRA market data had anomalies in it as at 30 June 2024, so NobleOak has supplemented this APRA data with data published by Plan for Life.

APPENDIX 4D

Results for announcement to the market

NobleOak's Underlying NPAT for the six months to 31 December 2024 was \$8.7 million, up 11% from the prior corresponding period (\$7.8 million).

On a statutory reporting basis, NPAT increased by 184% to \$8.3 million (Restated¹ HY24: \$2.9 million), after including the impact of recurring items such as changes in economic assumptions on the valuation of policy liabilities and non-recurring costs such as those pertaining to the AASB implementation project.

Consolidated	31-Dec-24 \$'000	Restated 31-Dec-23 \$'000	Movement \$'000	Movement %
In force premiums (ex Genus) at period end	422,927	351,431	71,496	20%
New business sales (annualised premium)	30,370	26,503	3,867	15%
Net insurance premium revenue	58,194	48,722	9,472	19%
Net profit after tax	8,281	2,911	5,370	184%
Underlying net profit after tax	8,659	7,835	824	11%
Basic earnings per share (cents)	9.53	3.38	6.15	182%
Diluted earnings per share (cents)	9.27	3.30	5.97	181%
Underlying basic earnings per share (cents)	9.96	9.11	0.86	9%
Underlying diluted earnings per share (cents)	9.70	8.88	0.82	9%

Net Tangible Assets Per Share

Consolidated	31-Dec-24	Restated 31-Dec-23
Net tangible assets per share:	\$0.98	\$0.71

Dividends

	Amount per ordinary share	Franked amount per ordinary share
Dividend paid	-	-

At the date of this report the directors consider that the best returns on capital in the near-term will be achieved by reinvesting operating cash flows into the business to support its ongoing growth. Accordingly, no dividend has been declared in the period.

In FY25 NobleOak's capital position relative to its regulatory capital requirement has continued to strengthen as the company generates capital organically.

This represents a significant milestone in NobleOak's growth journey, with capital generated from the in-force portfolio adequate to cover the capital required to support both the continued organic growth of the business and regulatory capital requirements. This opens up strategic options for the business, including accelerating organic growth, investing in inorganic growth and the potential for dividends in the future.

1. Prior period comparatives for the six months to 31 December 2024 have been restated to correct an error in the impact of economic changes recognised in interest rates in the movement in reinsurance liabilities in the period. The impact of this correction is a \$1.3 million reduction in reported (statutory) net profit after tax for the six months ending 31 December 2023. This restatement only impacts the statutory reported results, with no impact on the company's underlying NPAT for that period. Having been identified and addressed ahead of the lodgement of the Company's full year accounts for the 12 months ending 30 June 2024, there is no impact on the Company's full year results to 30 June 2024.

APPENDIX 4D

continued

Results of operations

Over the six months to 31 December 2024, NobleOak continued to outperform the market, growing its market share of in-force premium across its Direct (digital and alliance partners) and Strategic Partner segments. Disciplined underwriting, expense management and investment strategies continue to drive profit growth and organic capital generation.

With in-force premium growth of 9% in the first half of FY25, the Company is on track to meet its guidance of 15% annual in-force premium growth for the full year to 30 June 2025, in a market that is expected to grow by around 5%.

As a result NobleOak's market share on in-force premium grew to 3.7% at June 2024 (Jun-23: 3.0%)

NobleOak is focused on maintaining its key financial disciplines which deliver margin stability.

The key performance metrics are outlined below:

- Active policies in place at 31 December 2024 now exceed 145,000 (13% growth in last 12 months);
- Underlying NPAT of \$8.7 million, up 11% on the prior corresponding period (pcp);
- In-force premium at 31 December 2024 grew by 20% to \$422.9 million in last 12 months;
- Net Insurance premium revenue increased by 19% to \$58.2 million from pcp;
- Underlying administration expense ratio reduced slightly to 7.3%; and
- Capital Adequacy increased by 1 percentage point to 194% in last 6 months.

NobleOak's Statutory Reported NPAT was \$8.3 million for the half year, up 184% from HY24 (Restated: \$2.9 million), largely due to the favourable impact of changing economic assumptions (interest rates) on policy liabilities (which was unfavourable in HY24) and an improved movement in provision for onerous contracts.

NobleOak retains surplus capital above its target and regulatory capital requirement, providing flexibility to continue its organic growth, while meeting its obligations to policyholders and other stakeholders.

APPENDIX 4D

continued

NobleOak delivered the following results for the half-year ended 31 December 2024 (HY25):

After Tax Results by Segment \$'000/%	Consolidated		Variance
	HY25	Restated HY24	
Direct	3,177	2,974	7%
Strategic Partners	5,038	4,520	11%
Genus	444	341	30%
Group Underlying NPAT¹	8,659	7,835	11%
<i>Recurring Adjustments</i>			
Impact of policy liability economic assumption changes (post tax)	816	(585)	
Impact of change in loss recognition reserves (post tax)	(2)	(1,232)	
<i>Non-Recurring Adjustments</i>			
Impact of AASB 17 implementation expenses (post tax)	(382)	(1,409)	
Impact of Product Development and IT transformation project expense (post tax)	(520)	(918)	
Impact of Corporate Transactions and Projects (post tax)	(290)	-	
Impact of funeral fund member allocation	-	(780)	
Reported NPAT²	8,281	2,911	184%
Reported Basic earnings per share (cents)	9.53	3.38	182%
Underlying Basic earnings per share (cents)	9.96	9.11	9%
Reported Diluted earnings per share (cents)	9.27	3.30	181%
Underlying Diluted earnings per share (cents)	9.70	8.88	9%

- Underlying NPAT is a non-IFRS financial measure, defined as net profit after tax excluding the impact on one-off and recurring items. Disclosing an underlying measure of profits, allows the users of financial information to better assess the underlying performance of the business (as is contemplated by ASIC RG 230 Disclosing non-IFRS financial information). More details on the recurring and non-recurring adjustment are provided in the Statutory to Management Result Reconciliation Section of the Directors' Report in the half-year financial report.
- Prior period comparatives for the six months to 31 December 2024 have been restated to correct an error in the impact of economic changes recognised in interest rates in the movement in reinsurance liabilities in the period. The impact of this correction is a \$1.3 million reduction in reported (statutory) net profit after tax for the six months ending 31 December 2023. This restatement only impacts the statutory reported results, with no impact on the company's underlying NPAT for that period. Having been identified and addressed ahead of the lodgement of the Company's full year accounts for the 12 months ending 30 June 2024, there is no impact on the Company's full year results to 30 June 2024.

APPENDIX 4D

continued

Key metrics¹

\$'000/%	Consolidated		Variance
	HY25	HY24	
In-force premiums (ex-Genus) at period end	422,927	351,431	+20%
New business	30,370	26,503	+15%
Lapse rate	11.6%	9.2%	(2.4)ppts
Net insurance premium revenue	58,194	48,722	+19%
Underlying gross insurance margin	11.6%	12.2%	(0.6)ppts
Underlying administration expense ratio	7.3%	7.5%	+0.2ppts
Investment return (% insurance premium)	1.5%	1.5%	+0.0ppts
Underlying NPAT	8,659	7,835	+11%

The following section provides an overview of some of the Group consolidated key metrics. More detailed commentary on the results and key metrics by Segment are included in the Operating Segment Review.

In-force premium and new business

As sales volumes in the Australian Life Insurance industry continued to improve during the period, up 18% on the prior year. NobleOak grew its new business sales by 15% year-on-year.

In-force premiums are the key value driver of NobleOak's business, and the Company achieved strong in-force premium growth of 20% on the pcp to \$422.9 million, significantly outperforming the industry, which grew by less than 3%. As a result, in-force premium market share grew to approximately 3.7% at 30 June 2024 (Jun-23: 3.0%).

This reflects a strong share of new business sales of approximately 12.9% for the 12 months to June 2024² (12 months to June 2023: 13.2%) and lapse rates that remain lower than industry average² across both the Direct and Strategic Partner Segments.

Net insurance premium revenue

Total net insurance premium revenue grew by 19% to \$58.2 million in HY25 (HY24: \$48.7 million), benefiting from the strong growth in sales volumes and ongoing favourable lapse experience.

Underlying Gross Insurance Margin (before admin expenses)

NobleOak's focus on expense management and disciplined investment in digital technology, actuarial, risk NobleOak delivered another strong underwriting performance during the period.

The gross insurance margin was slightly below the prior year in line with expectations as NobleOak claims experience trends towards industry averages as the portfolio grows and matures.

Underlying net premium and net claims experience remains stable and broadly in-line with expectations with some favourable experience in the Strategic Partner segment over the period.

NobleOak has observed the industry experience of increased claims experience on legacy income protection products. Pleasingly, NobleOak's disciplined underwriting, conservative risk retention strategy and limited exposure to these older products continues to deliver stable insurance margins.

The prior year included a one-off allocation of \$0.8 million of surplus assets within the legacy Funeral Fund to its members.

1. Key metrics of the business are based on the way management analyses business performance. See the Statutory to Management Result Reconciliation Section of the Directors' Report in the half-year financial report for more information.
2. NobleOak Market share and Industry Lapse Rates are calculated using APRA's half-yearly life insurance performance statistics (Excluding Group, CCI and Funeral insurance premiums). Note that APRA market data had anomalies in it as at 30 June 2024, so NobleOak has supplemented this APRA data with data published by Plan for Life

APPENDIX 4D

continued

Underlying administration expense ratio

NobleOak's focus on expense management and disciplined investment in digital technology, actuarial, risk and claims capabilities continues to drive operating leverage and support long-term sustainable growth.

The underlying administration expense ratio reduced slightly to 7.3% (HY24: 7.5%) with the business incurring some one-off costs in the period including:

- The transition to the new insurance accounting standard AASB 17 *Insurance Contracts*;
- Investment in new product development, with one new product expected to launch in FY25; and
- Costs associated with corporate transactions and initiatives primarily related to the acquisition of FiftyUp Club and associated trail commission and assets and a project to assess the efficiency of NobleOak's friendly society benefit fund structure.

Administration expenses in HY25 include depreciation and amortisation expense of \$1.1 million (HY23: \$1.0 million).

Investment returns

Investment returns (pre fees) increased to \$6.0 million (HY24: \$5.4 million), with the average return on invested assets improving to 4.6.% (HY24: 4.4%) driven by increased assets and higher interest rates.

The Investment portfolio benefits from additional deposit back assets held to support reinsurance concentration exposure in the Strategic Partner segment. Deducting fees for these arrangements and normal investment management fees bring reported investment returns (post fees) to \$2.8 million (HY23: \$2.7 million).

Moving forward, with interest rates expected to remain near their current levels the portfolio is expected to deliver consistent investment returns, which retains an overall low risk profile and short duration.

Capital Adequacy

NobleOak's capital strength, as measured by Regulatory Capital Adequacy Multiple, strengthened to 194% (Jun-24 193%). This includes the utilisation of \$2.7 million in capital to acquire the Revtech and FiftyUp trail commission and business.

This represents an important milestone for NobleOak with the business having organically generated capital sufficient to fund its growth over the period.

Operating segment review

Direct

\$'000/%	HY25	HY24	Variance
In-force premiums at period end	96,177	85,927	+12%
New business sales (annualised premium)	4,821	5,027	(4%)
Lapse rate	14.1%	11.3%	(2.8)ppts
Net insurance premium revenue	26,133	23,132	+13%
Underlying gross insurance margin	27.8%	28.0%	(0.2)ppts
Underlying administration expense ratio	20.4%	19.9%	(0.5)ppts
Investment return (% insurance premium)	2.3%	2.0%	+0.3ppts
Underlying NPAT	3,177	2,974	7%

Key metrics of the business are based on the way management analyses business performance. See the Statutory to Management Result Reconciliation Section of the Directors' Report in the half-year financial report for more information.

APPENDIX 4D

continued

NobleOak's Direct strategy continues to deliver results, with the Company's investment in digital marketing alongside a diverse and growing range of alliance partnerships contributing to strong market share gains.

Direct Channel in-force premiums grew by 12% to \$96.2 million (HY24: \$85.9 million). Direct market share has grown to 9.1% (of Direct Market) at 30 June 2024 (Jun-23: 8.3%).

Lapse rates are increasing to more normal industry levels as the portfolio matures, increasing to 14.1% in the first half but remaining -2% below the industry average.

The Company pulled back on acquisition costs in the Direct Channel during the period to conserve capital to support the RevTech trailing commissions and FiftyUp Club acquisition. This had an expected moderating effect on new business sales which reduced by 4% on the pcp.

With an improved capital position confirmed at 31 December 2024, sales growth is expected to recover as NobleOak reinvests in growth including commencing a new brand campaign.

NobleOak's market share of Direct sales was 14.8% over the 12 months to 30 June 2024 (Jun-23: 15.8%) driving Direct in-force premium market share up to 9.1% (FY23: 8.3%).

The underlying insurance margin remained strong at 27.8%, with the net claims experience broadly in line with expectation.

The underlying administration expense ratio of 20.4% includes investment in technology and capability within the business with the ratio expected to improve in the second half.

Underlying NPAT grew by 7% on the pcp to \$3.2 million.

NobleOak's focus on delivering high quality products and service has yet again resulted in positive industry and customer feedback, including:

- A 4.7/5 Feefo customer rating as at 31 December 2024, with a sixth Platinum Trusted Service award;
- A 4.2/5 Google customer satisfaction rating as at 31 December 2024; and
- NobleOak was again Australia's most awarded Direct Life Insurer in 2024, for the sixth year in a row (2019-2024). We were also the only Life Insurer to win the prestigious Canstar Outstanding Value Award for our Premium Life Direct Life Insurance and Income Protection product for nine years running. In 2024 NobleOak also won Mozo, Money Magazine and WeMoney awards for the quality and value of our Life Insurance and Income Protection products and received awards for our customer service from Feefo and GRIST. In 2023 NobleOak became an Employer of Choice winner at The Australian Business Awards, and maintained this title yet again in 2024.

APPENDIX 4D

continued

Strategic Partners

\$'000/%	HY25	HY24	Variance
In-force premiums at period end	326,751	265,504	+23%
New business Sales (annualised premium)	25,549	21,476	+19%
Lapse rate	10.8%	8.4%	(2.4)ppts
Net insurance premium revenue	30,814	24,315	+27%
Underlying gross insurance margin	5.5%	5.5%	+0.0ppts
Underlying administration expense ratio	2.4%	2.0%	(0.4)ppts
Investment return (% insurance premium)	1.3%	1.3%	(0.0)ppts
Underlying NPAT	5,038	4,520	+11%

Key metrics of the business are based on the way management analyses business performance. See the Statutory to Management Result Reconciliation Section of the Directors' Report in the half-year financial report for more information.

In the Strategic Partners channel, NobleOak's contemporary products, high quality service and strong partnerships with NEOS and PPS continue to deliver market share gains.

In-force premium grew by 23% to \$326.8 million as at 31 December 2024 (Dec 23: \$265.5 million), with NobleOak's market share of advised business having grown to 3.1% as at 30 June 2024 (Dec-23: 2.5%).

New business sales grew by 19%, supported by improved industry sales volumes, which continue to bounce back, with market growth of 20% in the 12 months to 30 June 2024.

NobleOak's market share of advised sales was 12.5% in the 12 months to 30 June 2024 (FY23: 12.5%).

As expected, lapse rates continue to normalise as the portfolios mature, but remain well below the industry average of -16%.

The underwriting performance in the Strategic Partner channel was strong during the period, with overall net premium and net claims broadly in-line with expectations in the period.

Investment returns have benefited higher interest rates, with the return achieved on additional deposit back assets held (supporting reinsurance asset exposures) largely offset by higher fees associated with holding these assets.

The underlying administration expense ratio remains low at 2.4%.

Underlying NPAT of \$5.0 million for HY25 was up 11% pcp.

APPENDIX 4D

continued

Genus

\$'000/%	HY25	HY24	Variance
In-force premiums at period end	23,899	24,526	(3%)
Underlying administration expenses (excluding amortisation)	2,511	2,611	+4%
Amortisation of portfolio acquisition cost	155	155	+0%
Underlying NPAT	444	341	30%

Key metrics of the business are based on the way management analyses business performance. See the Statutory to Management Result Reconciliation Section of the Directors' Report in the half-year financial report for more information.

In-force premiums under management by Genus have reduce to \$23.9 million at December 2024 in line with expectations. Moving forward, the business expects to return to a more normal run-off pattern of c.5% to 10% per year.

Genus generated \$0.4 million of Underlying NPAT in the half, which is an increase from the prior year, driven by expense efficiency and improved investment returns.

Subsequent events

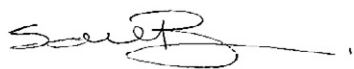
No matters or circumstances have arisen since the reporting date that significantly affect, or may significantly affect, the operations of the Group, or the state of affairs of the Group in future years.

Compliance statements

The information provided in this report has been prepared in accordance with AASB standards, other AASB authoritative pronouncements or other standards acceptable to ASX.

The NobleOak Life Limited Condensed Consolidated Financial Report for the half-year ended 31 December 2024 has been subject to review by our external auditors. A copy of the independent review report to the members of NobleOak Life Limited is included in the Half-Year Condensed Consolidated Financial Report.

Signed:



Sarah Brennan
Chair

27 February 2025
Sydney



Anthony Brown
CEO



NOBLEOAK
LIFE INSURANCE

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