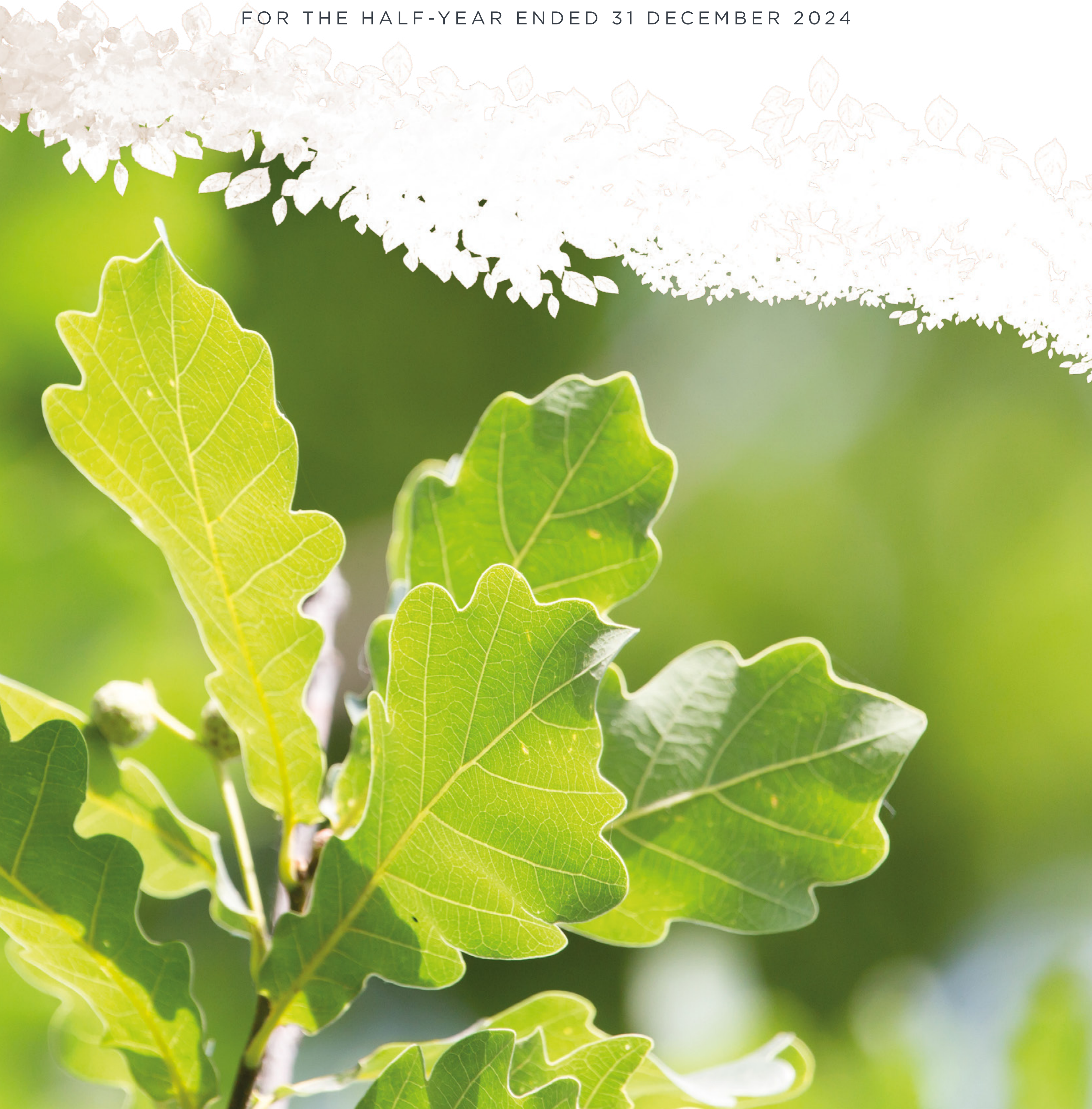
NOBLEOAK

HALF-YEAR CONDENSED CONSOLIDATED FINANCIAL REPORT

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024



HALF-YEAR CONDENSED CONSOLIDATED FINANCIAL REPORT

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

NobleOak Life Limited
ACN 087 648 708

DIRECTORS' REPORT

The Directors present their report of NobleOak Life Limited and its subsidiaries (the Group) for the half-year ended 31 December 2024.

Directors

The following Directors held office during the half-year and up to the date of this report:

- Sarah Brennan (Appointed Chair from 1 January 2025)
- Stephen Harrison (Held the position of Chair until 31 December 2024)
- Anthony Brown (CEO)
- Andrew Boldeman
- Andrew Gale (Appointed 1 September 2024)
- Kevin Hamman (Retired 31 December 2024)
- Inese Kingsmill

Company Secretary

- Suzanne Barron

Principal Activities

The principal activities of the Group during the period were the manufacture and distribution of Life Insurance products (including death, total and permanent disability, trauma, income protection and business expenses insurance) through both its Direct and Strategic Partnership (Advised) channels.

NobleOak also provides administration services for run-off life insurance portfolios through its subsidiary Genus Life Insurance Services Pty Ltd.

Review of Operations

Information on the Group's performance and outlook is set out in the operation and financial review section, and operating segment review section of this half-year report.

Dividend Payments

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.

DIRECTORS' REPORT

continued

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.

Auditor's Independence Declaration

The auditor's independence declaration is included on page 19 of the half-year report.

Rounding of amounts

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, dated 24 March 2016 and in accordance with that Corporations Instrument amounts in this report, and the half-year financial report, are rounded off to the nearest thousand dollars, unless otherwise indicated.

Signed in accordance with a resolution of Directors made pursuant to s.306(3) of the *Corporations Act 2001*.

On behalf of the Directors

Sarah Brennan
Chair

Anthony Brown
CEO

27 February 2025
Sydney

HY25 PERFORMANCE HIGHLIGHTS

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

In-force premium[1]
$423m
+20% Growth vs. HY24

In-force premium market share[3]
3.7%
+0.7ppts vs. Dec-23

New business
$30m
+15% Growth vs. HY24

New Business market share[3]
12.9%
2.9% above long-term target

Regulatory capital multiple
194%
HY24 **193%**

Underlying NPAT[2]
$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.

OPERATING AND FINANCIAL REVIEW

Overview of NobleOak's operations

NobleOak is a challenger brand to the more traditional life risk insurance market incumbents, The Company operates across the Life Insurance value chain, including product design and manufacturing, marketing distribution, administration, underwriting and claims.

NobleOak operates across three business lines:

- **Direct Channel:** more affordable and accessible Life Insurance products delivered through an omnichannel customer acquisition strategy. These products are mostly NobleOak-branded policies marketed and distributed by NobleOak, direct-to-market and through Alliance Partners, without personal financial advice;
- **Strategic Partner Channel:** white labelled tailored Life Insurance products designed and delivered in partnership with developers and distributors of intermediated life risk insurance policies ("Strategic Partners") on an advised basis; and
- **Genus:** administration business, managing insurance portfolios which are no longer issuing new policies (entirely reinsured).

By operating across three business lines, NobleOak is able to generate diversified revenue streams with varying exposures to different customer demographics and parts of the life risk insurance value chain which are exposed to structural growth trends.

Strategy and focus for FY25

NobleOak continues to focus on disciplined growth and sustainability, operating within a well-defined culture and risk framework. Key priorities for the long-term sustainability at NobleOak are:

- a service focused business model;
- disciplined underwriting;
- robust claims management and reinsurer relationships; and
- prudent capital management.

NobleOak's purpose is to financially protect Australian lives and wealth with integrity. The Company's value proposition is to provide:

- secure cover;
- best personal service; and
- value for money,

from a provider that customers can trust.

NobleOak's strategy continues to focus on achieving organic growth in the Direct Channel, complemented by growth in its Strategic Partner Channel and Genus administration business.

In FY25, the NobleOak management team has three main strategic priorities.

- Firstly, to build on the Company's position as Australia's fastest-growing Direct life insurer. The Direct Channel is NobleOak's key long-term growth engine, and the Company remains committed to continuing to invest in its strong brand, technology and diversified network of distribution partners;
- Secondly, to build and support NobleOak's network of adviser partners in the Strategic Partner Channel. The advised market remains an important growth opportunity, and the Company is committed to working closely with its partners to continue to grow market share; and
- Thirdly, focusing on optimising the business to achieve economies of scale. This will be driven by growth and further assisted by our ongoing investment in technology.

These strategic priorities are underpinned by ongoing investment in NobleOak's people, who are the heart of the business.

We remain well capitalised to continue our strong growth trajectory. In FY25, NobleOak has also been considering opportunities for moving into adjacent areas of direct wealth.

OPERATING AND FINANCIAL REVIEW

continued

Focus on sustainability

NobleOak continues to invest towards ensuring the sustainability of its growth in line with its ESG (Environmental, Social, and corporate Governance) strategy and framework.

HY25 results overview

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. At period end, NobleOak had more than 145,000 active policies, up 6% from June 24.

- Total In-force premium grew by 20% over the 12 month period to $422.9 million as at 31 December 2024 (Dec-23: $351.4 million).
- Total market share grew to 3.7% at June 2024 (Jun-23: 3.0%).

Disciplined underwriting, expense management and investment strategies continue to drive profit growth and organic capital generation.

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

	Consolidated		
After Tax Results by Segment $'000/%	**HY25**	**Restated[2] HY24**	**Change**
Direct	3,177	2,974	7%
Strategic Partners	5,038	4,520	11%
Genus	444	341	30%
Group Underlying NPAT[1]	**8,659**	**7,835**	**11%**
Recurring Adjustments			
Impact of policy liability economic assumption changes (post tax)	816	(585)	
Impact of change in loss recognition reserves (post tax)	(2)	(1,232)	
Non-Recurring Adjustments			
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 NPAT	**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%

1. 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.
2. 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. The prior period restatement is addressed in Note 1.2.c. of the financial statements.

OPERATING AND FINANCIAL REVIEW
continued

Key metrics[1]

$'000/%	Consolidated HY25	Consolidated HY24	Change
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%	(0.2) ppts
Investment return (% insurance premium)	1.5%	1.5%	+0.0 ppts
Underlying NPAT	8,659	7,835	+11%

$'000/%	Dec-24	Jun-24	Change
Capital Base	46,023	42,213	+9%
Prescribed Capital Amount	22,306	20,359	+10%
Capital Adequacy Multiple	194%	193%	+1 ppts

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 for more information.

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.

The following section provides an overview of some of the Group's consolidated key metrics. More detailed commentary is included in the Operating Segment Review beginning on page 12.

OPERATING AND FINANCIAL REVIEW

continued

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 (June 2023: 3.0%).

This reflects a strong share of new business sales of approximately 12.9% for the 12 months to June 2024[1] (12 months to June 2023: 13.2%) and lapse rates that remain lower than industry average[1] 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 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.

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).

1. 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.

OPERATING AND FINANCIAL REVIEW

continued

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.

Outlook

In an environment of improving industry sales volumes, NobleOak expects to continue to outperform and achieve above-market in-force premium growth, driven by a high share of new business sales and lapse rates that are expected to remain favourable to the market.

Higher interest rates remain a tailwind, benefiting investment returns, with inflation-linked premiums helping to mitigate inflationary pressures on costs and protect profit margins.

NobleOak remains committed to maximising the efficient use of capital, maintaining strong financial disciplines while investing in innovation to drive growth.

Having reached an important inflexion point towards free cash flow and organic capital generation, the Company is well capitalised to deliver its organic growth plans. Achieving this significant milestone marks an exciting phase for NobleOak and opens future strategic options.

Over the longer-term, the Quality of Advice Review is expected to benefit NobleOak by supporting its Direct model and providing opportunities to expand into related areas of Direct wealth.

In FY25, the Company is focusing on executing its diversified growth strategy, including the following key strategic priorities:

- Driving growth through innovation by developing and testing new products in Direct and Strategic Partners channels;
- Accelerating organic growth by further strengthening the brand and expanding partnerships;
- Enhancing the omnichannel experience by investing in digital transformation and automation;
- Improving customer retention by implementing personalised strategies to reduce policy lapses due to affordability;
- Delivering economies of scale and sustainable margins, implementing pricing disciplines and pricing changes to deliver stronger margins;
- Delivering the Company's data strategy to leverage analytics and AI for better customer insights and optimised underwriting and marketing;
- Further enhancing the Company's risk management framework and ensuring robust compliance; and
- Investigating options for a more capital efficient structure for the group.

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%.

OPERATING AND FINANCIAL REVIEW

continued

Life insurance and regulatory environment

The regulatory landscape in 2024/2025 continues to remain active, as the industry introduces further reforms.

NobleOak's key regulators, ASIC and APRA, have prioritised a number of focus areas for life insurers such as NobleOak, including operational and cyber resilience and the need to balance financial sustainability with affordability and availability.

A new prudential standard, *Prudential Standard CPS 230 Operational Risk Management*, will come into effect from 1 July 2025. This will require life insurers to identify critical operations and strengthen oversight of material service providers requiring them to operate within robust control frameworks and with effective business continuity arrangements.

The Financial Accountability Regime (FAR) will come into effect for life insurers in March 2025. The FAR will require a strengthened accountability and consequence framework for those with senior executive responsibility for APRA regulated entities. This will be supported by strict governance and monitoring activities.

Consumer protections remain at the forefront of ASIC's strategic priorities, including enforcement action targeting poor distribution of financial products, claims handling, compliance with the reportable situation regime and financial hardship obligations. Ongoing changes to Australia's privacy laws are increasing organisational requirements to protect data and demonstrate adequate governance, controls and monitoring.

NobleOak welcomes reforms and industry efforts which are designed to deliver better outcomes for customers and establish increased transparency and trust.

NobleOak believes it is well positioned to drive further sustainable growth in the business and continues to monitor regulatory changes.

Risk management

NobleOak's Risk Management Framework (RMF) sets out the approach to the management of risk at NobleOak with a focus on empowering employees to identify, promptly report and manage risk in consultation with specialist risk resources. NobleOak's senior leadership team is responsible for managing material risks in the business under the guidance of a Chief Risk Officer.

NobleOak's Risk Committee ultimately considers material risks and refers high rated risks under the RMF and the Risk Appetite Statement (RAS) to the Board for decision-making on risk taking or recommendation on risk management actions.

Material risks to NobleOak have been segregated into eight categories:

- Capital Risk: refers to the risk that Target Capital levels are not adequately maintained, there is an insufficient supply of capital to execute the NobleOak Business Plan, and/or capital cannot be accessed when required.

  NobleOak closely monitors capital requirements for each benefit fund to ensure a prudent level of capital adequacy at all times, and transfers capital from the management fund to the benefit fund where required to support growth activities and increasing capital requirement as the business grows. Profits accumulated in the benefit funds in excess of projected capital requirements are transferred (centralised) to the management fund with Board approval and supporting advice from the Appointed Actuary.

OPERATING AND FINANCIAL REVIEW

continued

- Life Insurance Risk: refers to the potential for loss or adverse impacts resulting from activities involved in manufacturing and distributing life insurance products as well as operating a life insurance business. This risk category includes:
  - premium and reserving risks;
  - underwriting risk, including mortality, morbidity and longevity risks;
  - adverse movements in claims liabilities;
  - reinsurance risk including reinsurer terms and reinsurance asset concentration capital charges;
  - discontinuance (lapse) risk; and
  - concentration of insurance risk in relation to higher risk income protection products.

  As a result of NobleOak's strong growth, the Company's reinsurance asset concentration exposures continue to increase. This growth requires ongoing assessment of measures required to mitigate asset concentration risk. Current mitigation arrangements include:
  - *Claims Settlement Terms* – this represents changes to reinsurance arrangements, where funds are provided from reinsurers to the Company on a 'claims reserved' basis for certain claims categories, rather than on a 'claims paid' basis;
  - *Deposit Back Arrangement* – this represents changes to reinsurance arrangements, where the reinsurer provides assets to the Company in support of and as security over estimated reinsurance exposures; and
  - *Letters of credit (LOC)* – this represents guarantees from banks with suitable credit ratings, that provide security to NobleOak against the default risk of its reinsurance asset exposure.

  These arrangements, whilst effective, have varying levels of efficiency and cost, therefore NobleOak is continually considering alternative structures that may be more efficient and cost effective over the longer term.

  NobleOak also mitigates these risks by applying its underwriting strategy to diversify the type of insurance risks accepted and the level of insured benefits.

- Asset Risk: refers to the potential for financial loss or adverse impacts arising from NobleOak's assets. This risk category includes:
  - asset-liability mismatch risk;
  - market and investment risk (volatility of investments);
  - macro economic risks impacting insurance liability management including rising inflation and interest rates;
  - liquidity risk;
  - credit risk (changing credit spreads and actual defaults); and
  - reinsurance asset concentration risk.

  NobleOak mitigates asset and investment risks by applying its investment strategy and policy, which are aligned to the NobleOak RAS.

OPERATING AND FINANCIAL REVIEW

continued

- Operational Risk (including Compliance and Outsourcing Risk): refers to the potential losses or adverse impacts resulting from inadequate or failed internal processes, people, systems, projects (including implementation of alliance partner relationships) or from external events. This risk category includes:
  - cyber risk;
  - regulatory, compliance and outsourcing risk;
  - risks associated with the retention, capability and capacity of people; and
  - failure to comply with, applicable laws and regulations.

  NobleOak mitigates operational risk through the implementation of controls to monitor compliance with policies and procedures, such as quality assurance, staff training, resource planning to manage staff capacity.
- Regulatory Risk: refers to the risk of damage to the relationship with regulators, as well as the adverse impacts arising from a change in laws and regulations. A regulatory change can increase the costs of operating, change the competitive landscape and impact business objectives.

  NobleOak mitigates this risk via an open and transparent engagement with regulators. Regulatory change is monitored and assessed for impact to any part of the NobleOak business. If applicable, the regulatory change is implemented, with oversight by the Risk team.
- Strategic, Reputational and Contagion Risk: refers to the potential for loss or adverse impacts arising from poorly designed and implemented strategies or significant unforeseen business events. Examples of risks in this category includes partner risk, modern slavery risk, climate change, market disruption risk and ESG risk.

  NobleOak mitigates these risks by monitoring its carbon footprint, establishing governance frameworks for partners and annual review of the business plan.
- Culture and Conduct Risk: refers to the potential for loss or adverse impacts associated with poor behaviours or decisions, including those that give rise to outcomes that do not demonstrate good value, sound customer service and fairness and transparency in decision making, particularly in the management of claims.

  NobleOak mitigates these risks by implementing quality assurance and peer reviews of sales processes and claims management, as well as having a consequence management framework and an incident and breach management process for escalation of issues.
- Listed Market Risk: refers to the risk associated with being an entity listed on the ASX and includes compliance and market transparency risk and the potential contagion risk on NobleOak's purpose, operations and culture.

  NobleOak mitigates these risks by regular monitoring of compliance requirements, staff training to ensure awareness of requirements, and appropriate approvals prior to the disclosure of market information.

NobleOak is committed to ensuring it remains in compliance with its regulatory obligations as well as maintaining strong governance across all areas of the business.

OPERATING SEGMENT REVIEW

Direct

$'000/%	HY25	HY24	Change
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 for more information.

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.

OPERATING SEGMENT REVIEW

continued

Strategic Partners

$'000/%	HY25	HY24	Change
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%	0.0ppts
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 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.

Genus

$'000/%	HY25	HY24	Change
In-force premiums at period end	23,899	24,526	(3%)
Underlying administration expenses	2,511	2,611	+4%
Amortisation of portfolio acquisition cost (included above)	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 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.

STATUTORY TO MANAGEMENT RESULT RECONCILIATION

The following overview of the profit or loss statement shows both statutory presentation and the management analysis in italics.

The insurance operating result is further analysed as net insurance revenue, net claims, net commissions and other revenue, policy acquisition costs, changes in policy liabilities and expenses for the purposes of explaining the key drivers of the Group's operating result and calculating key metrics. Analysis of the nature of income and expenses within the insurance operating result provides useful additional information about underlying trends in relation to the different components of underwriting profitability. An unaudited reconciliation from the Statutory presentation to the management analysis is provided on page 15.

STATUTORY TO MANAGEMENT RESULT RECONCILIATION

continued

For the half-year ended	Direct 31-Dec-24 $'000	Direct Restated 31-Dec-23 $'000	Strategic Partnerships 31-Dec-24 $'000	Strategic Partnerships 31-Dec-23 $'000	Genus 31-Dec-24 $'000	Genus 31-Dec-23 $'000	Consolidated 31-Dec-24 $'000	Consolidated Restated 31-Dec-23 $'000
Insurance revenue	45,331	39,996	154,724	124,174	5,406	5,398	205,461	169,568
Insurance service expenses	(31,356)	(24,413)	(137,871)	(97,511)	(2,069)	(3,165)	(171,296)	(125,090)
Reinsurance expenses	(21,343)	(20,224)	(124,413)	(101,073)	(4,163)	(4,151)	(149,919)	(125,448)
Reinsurance income	16,800	14,455	116,168	78,809	2,012	1,874	134,980	95,138
Insurance service result	9,432	9,814	8,608	4,399	1,186	(44)	19,226	14,168
Net finance income on insurance and reinsurance contracts	442	(2,431)	(347)	1,288	-	-	95	(1,143)
Fees & other revenue	353	29	(450)	-	1,873	1,874	1,776	1,904
Other operating expenses	(6,422)	(6,874)	(3,016)	(2,644)	(2,484)	(1,596)	(12,468)	(13,126)
Insurance operating result	**3,805**	**539**	**4,795**	**3,043**	**575**	**234**	**8,629**	**1,803**
Management analysis of operating profit								
Insurance premium revenue	*46,207*	*41,633*	*164,401*	*134,118*	*5,417*	*5,490*	*216,025*	*181,241*
Reinsurance expenses	*(20,074)*	*(18,501)*	*(133,587)*	*(109,803)*	*(4,170)*	*(4,215)*	*(157,831)*	*(132,519)*
Net insurance premium revenue	*26,133*	*23,132*	*30,814*	*24,315*	*1,247*	*1,275*	*58,194*	*48,722*
Net claims expense	*(7,084)*	*(4,932)*	*(6,451)*	*(4,104)*	-	*(16)*	*(13,535)*	*(9,052)*
Net commissions and other revenue	*2,009*	*2,716*	*(1,206)*	*3,082*	*1,843*	*1,874*	*2,646*	*7,672*
Policy acquisition costs	*(12,130)*	*(13,554)*	*(12,224)*	*(14,055)*	-	*(38)*	*(24,354)*	*(27,647)*
Change in net policy liabilities	*5,448*	*2,541*	*(2,220)*	*(3,458)*	*(4)*	*(29)*	*3,224*	*(946)*
Insurance profit	***14,376***	***9,903***	***8,713***	***5,780***	***3,086***	***3,066***	***26,175***	***18,749***
Administration expenses	(10,571)	(9,362)	(3,918)	(2,737)	(2,511)	(2,833)	(17,546)	(16,945)
Insurance operating profit	**3,805**	**539**	**4,795**	**3,043**	**575**	**233**	**8,629**	**1,803**
Net investment income	1,083	825	2,055	1,803	59	32	3,197	2,660
Profit before tax	**4,888**	**1,364**	**6,850**	**4,846**	**634**	**265**	**11,826**	**4,463**
Income tax expense	(1,463)	(622)	(2,056)	(1,454)	(190)	(80)	(3,545)	(1,552)
Profit after tax	**3,425**	**742**	**4,794**	**3,392**	**444**	**186**	**8,281**	**2,911**
Recurring and Non-Recurring Adjustments								
Impact of policy liability economic assumption changes (post tax)	(1,058)	689	242	(104)	-	-	(816)	585
Impact of change in loss recognition reserves (post tax)	-	-	2	1,232	-	-	2	1,232
Impact of AASB 17 implementation expenses (post tax)	-	-	-	-	-	-	382	1,409
Impact of Product Dev and IT transformation expense (post tax)	520	763	-	-	-	155	520	918
Impact of Corporate Transactions and Projects (post tax)	290	-	-	-	-	-	290	-
Impact of funeral fund member allocation	-	780	-	-	-	-	-	780
Underlying NPAT	**3,177**	**2,974**	**5,038**	**4,520**	**444**	**341**	**8,659**	**7,835**

Prior period comparative numbers for the six-months ending 31 December 2023 have been restated. Refer to the HY25 Results Overview section of the Operating and Financial Review for more detail.

STATUTORY TO MANAGEMENT RESULT RECONCILIATION

continued

The company manages the business through analysis of key insurance metrics and ratios.

Insurance metrics based on management analysis are defined as:

- Underlying gross insurance margin = Insurance profit/Insurance premium revenue (after removing the impact of policy liability economic assumption changes, impact of change in loss recognition reserves and impact of funeral fund member allocation);
- Underlying administration expense ratio = Administration expenses/Insurance premium revenue (after removing the impact of AASB 17 implementation expenses and impact of IT transformation project expense); and
- Investment return (% insurance premium) = Net investment income/Insurance premium revenue.

The following provides an unaudited reconciliation of the statutory presentation of the profit or loss statement to the management analysis.

	Statutory		Management Analysis											
			Net insurance		Net claims+ expense		Net commission and other revenue		Policy acquisition costs		Administration expenses		Change in policy liabilities	
For the half-year ended	31-Dec-24 $'000	Restated 31-Dec-23 $'000	31-Dec-24 $'000	31-Dec-23 $'000	31-Dec-24 $'000	31-Dec-23 $'000	31-Dec-24 $'000	31-Dec-23 $'000	31-Dec-24 $'000	31-Dec-23 $'000	31-Dec-24 $'000	31-Dec-23 $'000	31-Dec-24 $'000	Restated 31-Dec-23 $'000
Continuing operations														
Insurance revenue	205,461	169,568	216,025	181,241	–	–	(31,531)	(28,866)	(10,083)	(11,269)	–	–	31,050	28,462
Insurance service expenses	(171,296)	(125,090)	–	–	(99,077)	(61,738)	(41,669)	(29,517)	(14,271)	(16,371)	(5,078)	(3,826)	(11,200)	(13,637)
Reinsurance expenses	(149,919)	(125,448)	(157,831)	(132,518)	–	–	36,291	33,657	–	–	–	–	(28,379)	(26,587)
Reinsurance income	134,980	95,138	–	–	85,541	52,685	37,779	30,494	–	–	–	–	11,660	11,959
Insurance service result	**19,226**	**14,168**	**58,194**	**48,723**	**(13,536)**	**(9,053)**	**870**	**5,768**	**(24,354)**	**(27,640)**	**(5,078)**	**(3,826)**	**3,130**	**197**
Net insurance finance income	95	(1,143)	–	–	–	–	–	–	–	–	–	–	95	(1,143)
Net commission and other revenue	1,776	1,904	–	–	–	–	1,776	1,904	–	–	–	–	–	–
Other operating expenses	(12,468)	(13,126)	–	–	–	–	–	–	–	(7)	(12,468)	(13,119)	–	–
Insurance operating profit	**8,629**	**1,803**	**58,194**	**48,723**	**(13,536)**	**(9,053)**	**2,646**	**7,672**	**(24,354)**	**(27,647)**	**(17,546)**	**(16,945)**	**3,225**	**(946)**

Prior period comparative numbers for the six-months ending 31 December 2023 have been restated. Refer to the HY25 Results Overview section of the Operating and Financial Review for more detail.

STATUTORY TO MANAGEMENT RESULT RECONCILIATION

continued

Adjustments

The statutory results have been adjusted for the following items when discussing the results to provide more transparency in the underlying performance of the company. Disclosing an underlying measure of profits, which excludes the impact of items that do not relate to current period performance or non-recurring costs, 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).

The following adjustments as set out in page 5 and 15 of this report have been made in the current period:

Recurring adjustments

Economic assumptions

Economic assumptions are driven by external economic market conditions and can generate volatility in statutory profits. The primary driver relates to movements in interest rates that affect the valuation of future cash flows within the policy liabilities reserves and also generate mark to market adjustments within the valuation of investment assets. Management results remove the impact of these items which create volatility in reported results but will balance out over time.

Loss recognition reserves

The new AASB 17 *Insurance Contracts* accounting standard requires the insurance portfolio to be assessed by profitability at a much lower level of granularity than was the case under the prior accounting standard.

This assessment, which is now at a policy level, requires the present value of all future losses on policies considered "onerous" (loss making) at inception (or upon reassessment each reporting period), to be recognised immediately. Where the overall portfolio is assessed as profitable, the management result is adjusted to exclude the movement in these "loss recognition reserves" which create volatility in reported results but will balance out over time.

Non-recurring adjustments

AASB 17 Costs

Insurers were required to implement AASB 17 *Insurance Contracts* for periods beginning on or after 1 January 2023. For NobleOak, the first full financial year under AASB 17 was the year ending 30 June 2024. A project team was established in order to meet the requirements of the standard.

NobleOak spent approximately $6.5 million on its project. No further cost are expected to be attributed to this project. Of the total spent, the costs incurred and reported as other expenses in the half-year to 31 December 2024 were $0.5 million (HY24: $2.0 million).

Product Development and IT transformation project costs

During HY25 NobleOak invested in innovation projects to support the growth of the business. These included:

- Design and development of potential new Strategic Partner product; and
- Design and market testing of a wealth management platform, "*Wealth Maximiser*".

NobleOak is focused on developing these opportunities as well as others in the pipeline. These initiatives are in design stage and updates will be provided to market as these they progress towards market launch.

In FY23 NobleOak completed an IT transformation project that was commenced FY23. The initiative included:

- Major upgrade of the policy administration system;
- Establish Customer Portal capability; and
- Establishment of an enterprise data warehouse.

Given the importance of these projects and one off nature of the cost, NobleOak has separately disclosed the investment in its financial statements to distinguish it from underlying business performance.

NobleOak spent $0.7 million on these projects in HY25 (HY24: $1.3 million).

STATUTORY TO MANAGEMENT RESULT RECONCILIATION

continued

Corporate transactions and Initiatives

During HY25 NobleOak incurred cost for two corporate transactions:

- Acquisition of Revtech trail commission and 'FiftyUp club' business. This acquisition was completed in December 2024. The cost incurred have been separately distinguished, with the reduced commission expense effective from mid December 2024; and
- Exploration of potential options to improve capital efficiency including a review of the current NobleOak friendly society benefit fund structure.

NobleOak spent $0.4 million on these projects in HY25.

Funeral Fund

The Funeral Fund is a legacy fund of policies taken out by former Druid members. The Fund was established in such a way that, absent financial stress within the Company, any surplus assets of the fund would ultimately be allocated to members.

In the prior half-year to 31 December 2023, given the level of security of the group, the substantial majority ($0.7 million) of remaining surplus assets of the funds were allocated to members. This allocation is recorded as a reduction in net assets and an insurance service expense to the fund.

Given the one-off nature of this member allocation, which is not expected to occur again at this volume (remaining surplus <$0.1 million), management results have excluded the impact of this member allocation.

AUDITOR’S INDEPENDENCE DECLARATION

Deloitte Touche Tohmatsu
ABN 74 490 121 060

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Sydney, NSW, 2000

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The Board of Directors
NobleOak Life Limited
Level 4,44 Market Street
Sydney, NSW,2000

27 February 2025

Dear Directors

Auditor’s Independence Declaration to NobleOak Life Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the Directors of NobleOak Life Limited.

As lead audit partner for the review of the half year financial report of NobleOak Life Limited for the half year ended 31 December 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- The auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- Any applicable code of professional conduct in relation to the review.

Yours faithfully

Deloitte Touche Tohmatsu.

DELOITTE TOUCHE TOHMATSU

Imogen Connors
Partner
Chartered Accountants

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

		Consolidated	
	Note	31-Dec-24 $'000	Restated 31-Dec-23 $'000
Insurance revenue	2.1	205,461	169,568
Insurance service expenses	2.2	(171,296)	(125,090)
Reinsurance expenses	2.3	(149,919)	(125,448)
Reinsurance income	2.4	134,980	95,138
Insurance service result		**19,226**	**14,168**
Net finance income/(expense) on insurance and reinsurance contracts	2.5	95	(1,143)
Fees & other revenue		1,776	1,904
Other operating expenses		(12,468)	(13,126)
Insurance operating result		**8,629**	**1,803**
Net investment income	2.6	3,197	2,660
Profit before tax		**11,826**	**4,463**
Income tax		(3,545)	(1,552)
Profit after tax		**8,281**	**2,911**
Other comprehensive income		–	–
Total comprehensive income		**8,281**	**2,911**
Earnings per share			
Basic (cents per share)		9.53	3.38
Diluted (cents per share)		9.27	3.30

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes to the financial statements.

Prior period comparative numbers for the six-months ending 31 December 2023 have been restated. Refer to note 1.2c. for more details.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

	Note	Consolidated 31-Dec-24 $'000	Consolidated 30-Jun-24 $'000
Assets			
Cash and cash equivalents		76,411	63,960
Receivables		5,144	13,137
Insurance contract assets	3.1a	78,080	65,781
Reinsurance contract assets	3.1b	91,482	81,257
Financial assets	5	218,307	207,546
Plant and equipment		369	410
Right-of-use asset		4,385	4,817
Intangibles		3,261	3,799
Deferred tax asset		18,739	23,026
Total assets		**496,178**	**463,733**
Liabilities			
Payables		110,673	121,452
Insurance contract liabilities	3.1a	187,479	175,081
Reinsurance contract liabilities	3.1b	104,974	90,536
Lease liability		4,938	5,257
Total liabilities		**408,064**	**392,326**
Net assets		**88,114**	**71,407**
Equity			
Issued share capital	6	104,727	96,403
Share-based payment reserve		1,204	1,102
Accumulated losses		(17,817)	(26,098)
Total equity		**88,114**	**71,407**

The above Statement of Financial Position should be read in conjunction with the accompanying notes to the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

	Note	Issued share capital	Share-based payment reserve	Accumulated losses	Total equity
		$'000	$'000	$'000	$'000
Balance at 1 July 2024		96,403	1,102	(26,098)	**71,407**
Ordinary shares issued	6	8,324	–	–	**8,324**
Share-based payment reserve movements		–	102	–	**102**
Profit after tax		–	–	8,281	**8,281**
Balance at 31 December 2024		**104,727**	**1,204**	**(17,817)**	**88,114**
Balance at 1 July 2023		95,727	1,293	(35,380)	**61,640**
Ordinary shares issued		676	–	–	**676**
Share-based payment reserve movements		–	(365)	–	**(365)**
Profit after tax (restated)		–	–	2,911	**2,911**
Balance at 31 December 2023 (restated)		**96,403**	**928**	**(32,469)**	**64,862**

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes to the financial statements.

Prior period comparative numbers for the six-months ending 31 December 2023 have been restated. Refer to note 1.2c. for more details.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

	Note	Consolidated 31-Dec-24 $'000	Consolidated 31-Dec-23 $'000
Cash flows from operating activities			
Premium received		217,409	180,386
Reinsurance premium payments		(141,903)	(128,472)
Reinsurance concentration mitigants received		610	–
Reinsurance recoveries received		131,894	104,801
Claims and other insurance service expenses paid		(131,462)	(90,554)
Interest received		3,694	1,580
Dividends and distribution received		1,013	1,804
Fees and other income received		1,776	1,633
Marketing and policy acquisition costs[1]		(59,500)	(42,453)
Other operating expenses paid		(12,928)	(12,189)
Net operating cash flows		**10,603**	**16,536**
Cash flows from investing activities			
Proceeds from sale of financial assets	5a	104,417	–
Purchase of financial assets	5a	(110,000)	(20,349)
Purchase of plant and equipment		(49)	(74)
Purchase of intangible assets		–	(115)
Net investing cash flows		**(5,632)**	**(20,538)**
Cash flows from financing activities			
Repayment of leasing liabilities		(320)	(273)
Lease interest paid		(200)	(224)
Proceeds from issue of shares	6	8,000	–
Net financing cash flows		**7,480**	**(497)**
Net cash flows during the period		**12,451**	**(4,499)**
Cash and cash equivalents at the beginning of the period		63,960	50,415
Cash and cash equivalents at the end of the period		**76,411**	**45,916**

The above Statement of Cash Flows should be read in conjunction with the accompanying notes to the financial statements.

1. Marketing and policy acquisition costs includes $10.7 million net cost to acquire the RevTech Media trail commission (refer note 1.2e).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

1. Financial Report Information

1.1 About NobleOak

NobleOak Life Limited (the Company) is a public company limited by shares, incorporated and domiciled in Australia.

NobleOak Life Limited (ASX:NOL) was admitted to the Official List of the Australian Securities Exchange (ASX) and its ordinary shares commenced trading on Thursday, 22 July 2021.

Principle place of business and registered head office:

Level 4, 44 Market Street,
Sydney, NSW, 2000

The Group comprises the Company and its subsidiaries and controlled entities:

		Ownership Interest	
	ACN	31-Dec-24	30-Jun-24
NobleOak Services Limited	112 981 718	100%	100%
Genus Life Insurance Services Pty Ltd	631 536 537	100%	100%
NobleOak Aspire Pty Ltd	128 157 139	100%	100%
NobleOak Corporate Beneficiary Pty Ltd	149 535 204	100%	100%

The Group is a for-profit entity and is primarily involved in the sale and management of Life Insurance products.

The Group's operations are located in New South Wales and its customers are located across all states and territories of Australia.

1.2 About this report

This financial report was authorised for issue by the Directors on 27 February 2025. The report may be amended and reissued by the Directors.

a. Statement of compliance

The half-year financial report is a general purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134 *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 Interim Financial Reporting. The half-year report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the most recent annual financial report and any public announcements by the Company during the half-year in accordance with continuous disclosure obligations under the Corporations Act and the ASX Listing Requirements.

b. Basis of preparation

The condensed consolidated financial statements have been prepared on an accruals basis with all amounts determined in accordance with the relevant Australian Accounting Standards.

All amounts are presented in Australian dollars, unless otherwise noted.

The Company is a company of the kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, dated 24 March 2016, and in accordance with that Corporations Instrument, amounts in the half-year financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

Amounts throughout the report may not add precisely due to rounding.

The accounting policies adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Group's annual financial report for the year ended 30 June 2024. The accounting policies are consistent with Australian Accounting Standards and where applicable with International Financial Reporting Standards.

Where necessary, comparative information has been restated to conform to the current year's disclosures.

1. Financial Report Information (continued)

1.2 About this report (continued)

c. Restatement

Prior period comparatives for the six months to 31 December 2023 have been restated to correct an error in the impact of economic changes recognised in the movement in reinsurance liabilities in the period. The impact of this correction is a reduction in reported (statutory) net profit after tax for the six-months ended 31 December 2023 as set out in the following table.

	31-Dec-24 $'000	Restated 31-Dec-23 $'000	Impact of Restatement 31-Dec-23 $'000	As Reported 31-Dec-23 $'000
Net finance income/(expense) on insurance and reinsurance contracts	95	(1,143)	(1,900)	757
Insurance operating result	**8,629**	**1,803**	**(1,900)**	**3,703**
Profit before tax	**11,826**	**4,463**	**(1,900)**	**6,363**
Income tax	(3,545)	(1,552)	570	(2,122)
Profit after tax	**8,281**	**2,911**	**(1,330)**	**4,241**
Basic Earnings per share (cents per share)	9.53	3.38	(1.55)	4.93
Diluted Earnings per share (cents per share)	9.27	3.30	(1.50)	4.80

Having been identified and addressed ahead of the lodgement of the Company's full year accounts for the 12 months ended 30 June 2024, there is no impact upon the Company's full year results to 30 June 2024.

Please refer to page 5 of the Operating and Financial Review of the Directors' report which outlines the impact on the management analysis of the prior period results of the Company.

d. Use of estimates, assumptions and judgements

The preparation of these Condensed Consolidated Financial Statements requires the use of management judgement, estimates and assumptions that affect reported amounts and the application of accounting policies.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. The Board believes that the estimates used in preparing the financial report are reasonable. Actual results in the future may differ from those reported and it is therefore reasonably possible, on the basis of existing knowledge, that outcomes within the next financial period that are different from the Consolidated Entity's assumptions and estimates could require an adjustment to the carrying amounts of the reported assets and liabilities.

e. Acquisition of RevTech trail commission and FiftyUp Club business

NobleOak has historically paid commission (acquisition costs) to RevTech Media Pty Ltd (RTM) for its distribution of NobleOak products under a distribution agreement dating back to 2014.

On 1 October 2024 NobleOak announced that it had purchased the Revtech right to future commission on NobleOak policies and the FiftyUp Club business for the consideration of $11 million. The $11 million purchase price was settled by $3 million paid in cash and the issue of $8 million of NobleOak shares (refer note 6d). The acquisition was completed on 13 December 2024.

The share purchase agreement to acquire RTM included a Put option for NobleOak to sell RTM back to RevTech Media Australia Pty Ltd for $100, that could be executed after removing the specified assets acquired. The specified assets acquired included the entitlement to all referral fees and trail commission on policies sold by RTM, a registered business name, two registered domain names (and associated websites and technology IP), a registered trademark and a membership base and $0.3 million in surplus cash.

Following the transfer of the specified assets acquired, on 18 December 2024, NobleOak exercised the put option and completed the sale of RTM back to RevTech Media Australia Pty Ltd.

NobleOak has recognised the entitlement to all referral fees and trail commission (the primary asset acquired) in accordance with AASB17 as an asset for insurance acquisition cash flows (AIACF) which are deferred and expensed over the period of the expected future life of the policies to which it relates.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

continued

2. Results for the half-year

2.1 Insurance revenue

	Consolidated	
	31-Dec-24 $'000	31-Dec-23 $'000
From contracts measured under the PAA	50,819	46,229
From contracts not measured under the PAA (for changes in liabilities for remaining coverage):	143,771	114,524
– *Expected incurred claims and other insurance service expenses*	*107,053*	*86,299*
– *Change in risk adjustment recognised for non-financial risk*	*3,319*	*2,620*
– *CSM recognised for service provided*	*34,643*	*29,152*
– *Other*	*(1,244)*	*(3,547)*
Recovery of insurance acquisition cashflows	10,871	8,815
Total insurance revenue	**205,461**	**169,568**

2.2 Insurance service expenses

	Consolidated	
	31-Dec-24 $'000	31-Dec-23 $'000
Incurred claims from current period	85,378	52,875
Other incurred directly attributable expenses	61,130	50,568
Changes to liabilities for incurred claims from prior periods	13,588	8,008
Amortisation of insurance acquisition cash flows	12,068	8,975
Losses on onerous contracts and reversals of those losses	(868)	4,664
Total insurance service expenses	**171,296**	**125,090**

2.3 Reinsurance expenses

	Consolidated	
	31-Dec-24 $'000	31-Dec-23 $'000
From contracts measured under the PAA	4,163	4,151
From contracts not measured under the PAA (for changes in liabilities for remaining coverage):	133,596	112,241
– *Expected claims and other expense recoveries*	*98,558*	*82,640*
– *Change in risk adjustment recognised for expired risk*	*3,397*	*2,777*
– *CSM recognised for service provided*	*34,167*	*31,880*
– *Other*	*(2,526)*	*(5,056)*
Recovery of reinsurance acquisition cashflows	12,160	9,056
Total reinsurance expenses	**149,919**	**125,448**

2.4 Reinsurance income

	Consolidated	
	31-Dec-24 $'000	31-Dec-23 $'000
Recoverable incurred claims from current period	70,885	44,608
Other incurred reinsurance recoveries	37,848	30,621
Recoverable changes to liabilities for incurred claims from prior periods	14,587	7,950
Amortisation of reinsurance acquisition cash flows	12,160	9,056
Recoverable losses on onerous contracts and reversal of those losses	(500)	2,903
Total reinsurance income	**134,980**	**95,138**

2. Results for the half-year (continued)

2.5 Net finance income/(expense) on insurance and reinsurance contracts

	Consolidated	
	31-Dec-24 $'000	Restated 31-Dec-23 $'000
a. Finance income on insurance contracts	8,616	9,312
b. Finance expense on reinsurance contracts	(8,521)	(10,455)
Net finance income/(expense) on insurance and reinsurance contracts	**95**	**(1,143)**

a. Finance income on insurance contracts

	Consolidated	
	31-Dec-24 $'000	31-Dec-23 $'000
Interest accreted using current financial assumptions	8,309	10,685
Interest accreted using locked-in rate	(10,283)	(7,311)
Changes in interest rates and other financial assumptions	10,590	5,938
Total finance income on insurance contracts	**8,616**	**9,312**
Finance income using locked-in discount rates	300	7,232
Differential in current financial assumptions and locked-in rate and changes in interest rate	8,316	2,080
Total finance income on insurance contracts	**8,616**	**9,312**

b. Finance expense on reinsurance contracts

	Consolidated	
	31-Dec-24 $'000	Restated 31-Dec-23 $'000
Interest accreted using current financial assumptions	(9,968)	(12,440)
Interest accreted using locked-in rate	10,774	8,185
Changes in interest rates and other financial assumptions	(9,327)	(6,200)
Total finance expense on reinsurance contracts	**(8,521)**	**(10,455)**
Finance expense using locked-in discount rates	(1,341)	(7,539)
Differential in current financial assumptions and locked-in rate and changes in interest rate	(7,180)	(2,916)
Total finance expense on reinsurance contracts	**(8,521)**	**(10,455)**

Prior period comparative numbers for the six-months ending 31 December 2023 have been restated. Refer to note 1.2c. for more details.

2. Results for the half-year (continued)

2.6 Net investment income

	Consolidated	
	31-Dec-24 $'000	31-Dec-23 $'000
Interest income	4,087	3,489
Dividends and distribution income	656	1,830
Realised gains on investments (refer note 5a)	74	–
Unrealised gains on investments	1,153	104
Total investment income	**5,970**	**5,423**
Reinsurer deposit back fee (refer note 4.2b)	(2,680)	(2,598)
Investment management expenses	(93)	(165)
Net investment income	**3,197**	**2,660**

2.7 Dividends

	Consolidated	
	31-Dec-24 $'000	30-June-24 $'000
Dividends declared	–	–
Dividends paid	–	–
Franking credit utilisation	–	–
Franking credits available for subsequent years	8,392	8,382

2.8 Segment information

AASB 8 *Operating Segments* requires disclosure of operating segments that engage in business activities and whose results are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess performance.

The information reported to the Group's Board of Directors, being the chief operating decision maker, for the purpose of resource allocation and assessment of performance is focused on the products and services of each reporting segment.

The principal operating segments within the insurance operations of NobleOak are as follows:

a. Direct business

The term 'Direct' reflects insurance products that are sold directly to customers under various brands. This segment also includes the results of the management fund (comprising unallocated Group expenses and investment income) and the Funeral Fund which is closed and maintained for existing Druid members.

Products sold under the 'Premium Life Direct' or 'My Protection Plan' brands include life, total and permanent disability, trauma, income protection and business continuity cover.

b. Strategic partners

The term 'Strategic Partners' reflects the NobleOak life insurance protection products which are primarily sold through advisors under the partner brands of PPS Mutual (established 2016), Avant Mutual (established 2017) and Neos (established 2018).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

continued

2. Results for the half-year (continued)

2.8 Segment information (continued)

c. Genus

Genus refers to life insurance administration services performed by the Group company Genus Life Insurance Services Pty Ltd.

Genus receives revenue from the insurer/reinsurer of the policies it administers.

The Genus segment also includes the residual results of the Freedom Benefit Fund and the Reward Benefit Fund which are both closed funds.

	Direct		Strategic Partnerships		Genus		Consolidated	
	31-Dec-24 $'000	Restated 31-Dec-23 $'000[2]	31-Dec-24 $'000	31-Dec-23 $'000	31-Dec-24 $'000	31-Dec-23 $'000	31-Dec-24 $'000	Restated 31-Dec-23 $'000[2]
Insurance revenue	45,331	39,996	154,724	124,174	5,406	5,398	205,461	169,568
Insurance service expenses	(31,356)	(24,413)	(137,871)	(97,511)	(2,069)	(3,165)	(171,296)	(125,090)
Reinsurance expenses	(21,343)	(20,224)	(124,413)	(101,073)	(4,163)	(4,151)	(149,919)	(125,448)
Reinsurance income	16,800	14,455	116,168	78,809	2,012	1,874	134,980	95,138
Insurance service result	**9,432**	**9,815**	**8,608**	**4,399**	**1,186**	**(44)**	**19,226**	**14,168**
Net finance income/(expense) on insurance and reinsurance contracts	442	(2,431)	(347)	1,288	–	–	95	(1,143)
Fees & other revenue	353	29	(450)	–	1,873	1,874	1,776	1,904
Other operating expenses	(6,422)	(6,874)	(3,016)	(2,644)	(2,484)	(1,596)	(12,468)	(13,126)
Insurance operating result	**3,805**	**539**	**4,795**	**3,043**	**575**	**234**	**8,629**	**1,803**
Net investment income	1,083	825	2,055	1,803	59	32	3,197	2,660
Profit before tax	**4,888**	**1,364**	**6,850**	**4,846**	**634**	**266**	**11,826**	**4,463**
Income tax	(1,463)	(622)	(2,056)	(1,454)	(190)	(80)	(3,545)	(1,552)
Profit after tax	**3,425**	**742**	**4,794**	**3,392**	**444**	**186**	**8,281**	**2,911**
After tax impact of:								
Policy liability economic assumption changes	(1,058)	689	242	(104)	–	–	(816)	585
Loss recognition reserve changes	–	–	2	1,232	–	–	2	1,232
AASB 17 implementation expenses	–	–	–	–	–	–	382	1,409
Product Development and IT transformation projects	520	763	–	–	–	155	520	918
Corporate transactions and projects	290	–	–	–	–	–	290	–
Funeral fund member allocation	–	780	–	–	–	–	–	780
Underlying NPAT[1]	**3,177**	**2,974**	**5,038**	**4,520**	**444**	**341**	**8,659**	**7,835**

1. 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 one-off adjustment are provided in the statutory to management reconciliation section of the Directors' report.
2. Prior period comparative numbers for the six-months ending 31 December 2023 have been restated. Refer to note 1.2c. for more details.

3. Insurance and reinsurance contracts

3.1 Net Asset/(Liability) for Remaining Coverage and Liability for Incurred Claims

a. Insurance contract assets and liabilities

	Consolidated									
	6 months ending 31-Dec-24 $'000					12 months ending 30-Jun-24 $'000				
		Asset/(Liability) for remaining coverage					Asset/(Liability) for remaining coverage			
	Asset for insurance acquisition cash flows	Excluding loss component	Loss component	Liability for incurred claims	Total	Asset for insurance acquisition cash flows	Excluding loss component	Loss component	Liability for incurred claims	Total
Net opening balance	**44,097**	**88,689**	**(35,535)**	**(206,551)**	**(109,300)**	**22,691**	**42,305**	**(29,435)**	**(141,050)**	**(105,489)**
Opening assets	21,496	86,640	(1,509)	(40,846)	**65,781**	22,691	50,607	(15,942)	(24,696)	**32,660**
Opening liabilities	22,601	2,049	(34,026)	(165,705)	**(175,081)**	–	(8,302)	(13,493)	(116,354)	**(138,149)**
Changes in profit or loss and OCI										
Insurance revenue	**-**	**205,461**	**-**	**-**	**205,461**	**(91)**	**366,914**	**-**	**-**	**366,823**
Contracts under the fair value transition approach	–	77,492	–	–	**77,492**	–	206,112	–	–	**206,112**
Other contracts	–	127,969	–	–	**127,969**	(91)	160,802	–	–	**160,711**
Insurance service expenses	**(1,186)**	**(10,909)**	**868**	**(160,069)**	**(171,296)**	**(1,832)**	**(17,910)**	**(5,496)**	**(271,473)**	**(296,711)**
Incurred claims and other insurance service expenses	–	(27)	–	(146,481)	**(146,508)**	–	–	–	(241,244)	**(241,244)**
Amortisation of insurance acquisition cash flows	(1,186)	(10,882)	–	–	**(12,068)**	(1,832)	(17,910)	–	–	**(19,742)**
Losses and reversals of losses on onerous contracts	–	–	868	–	**868**	–	–	(5,496)	–	**(5,496)**
Adjustments to liabilities for prior period incurred claims	–	–	–	(13,588)	**(13,588)**	–	–	–	(30,229)	**(30,229)**
Insurance service result	**(1,186)**	**194,552**	**868**	**(160,069)**	**34,165**	**(1,923)**	**349,004**	**(5,496)**	**(271,473)**	**70,112**
Finance income/(expense) on insurance contracts	–	9,219	(603)	–	**8,616**	–	5,352	(604)	–	**4,748**
Total changes in profit or loss and OCI	**(1,186)**	**203,771**	**265**	**(160,069)**	**42,781**	**(1,923)**	**354,356**	**(6,100)**	**(271,473)**	**74,860**
Net cash flows	**20,771**	**(188,066)**	**-**	**124,415**	**(42,880)**	**23,329**	**(307,972)**	**-**	**205,972**	**(78,671)**
Premiums received	–	(217,409)	–	–	**(217,409)**	–	(374,516)	–	–	**(374,516)**
Claims and other insurance service expenses paid	–	(6,069)	–	124,415	**118,346**	–	–	–	205,972	**205,972**
Insurance acquisition cash flows	20,771	35,412	–	–	**56,183**	23,329	66,544	–	–	**89,873**
Net closing balance	**63,682**	**104,394**	**(35,270)**	**(242,205)**	**(109,399)**	**44,097**	**88,689**	**(35,535)**	**(206,551)**	**(109,300)**
Closing assets	31,646	104,499	(7,235)	(50,830)	**78,080**	21,496	86,640	(1,509)	(40,846)	**65,781**
Closing liabilities	32,036	(105)	(28,035)	(191,375)	**(187,479)**	22,601	2,049	(34,026)	(165,705)	**(175,081)**

3. Insurance and reinsurance contracts (continued)

3.1 Net Asset/(Liability) for Remaining Coverage and Liability for Incurred Claims (continued)

b. Reinsurance contract assets and liabilities

	Consolidated							
	6 months ending 31-Dec-24 $'000				12 months ending 30-Jun-24 $'000			
	Asset/(Liability) for remaining coverage				Asset/(Liability) for remaining coverage			
	Excluding loss component	Loss component	Liability for incurred claims	Total	Excluding loss component	Loss component	Liability for incurred claims	Total
Net opening balance	**(197,750)**	**28,068**	**160,403**	**(9,279)**	**(124,958)**	**23,719**	**106,689**	**5,450**
Opening assets	(55,888)	26,731	110,414	**81,257**	18,154	11,051	33,928	**63,133**
Opening liabilities	(141,862)	1,337	49,989	**(90,536)**	(143,112)	12,668	72,761	**(57,683)**
Changes in profit or loss and OCI								
Reinsurance expense								
Reinsurance premium recognised	(149,919)	–	–	**(149,919)**	(271,277)	–	–	**(271,277)**
Reinsurance income	**12,160**	**(500)**	**123,320**	**134,980**	**19,999**	**3,613**	**207,542**	**231,154**
Recoveries of incurred claims and other insurance service expenses	–	–	108,733	**108,733**	–	–	180,104	**180,104**
Amortisation of reinsurance acquisition cash flows	12,160	–	–	**12,160**	19,999	–	–	**19,999**
Recoveries and reversals of recoveries on onerous contracts	(500)	(500)	–	**3,613**	–	3,613		
Adjustments to assets for prior period incurred claims	–	–	14,587	**14,587**	–	–	27,438	**27,438**
Insurance service result	**(137,759)**	**(500)**	**123,320**	**(14,939)**	**(251,278)**	**3,613**	**207,542**	**(40,123)**
Finance (expense)/income on reinsurance contracts	(8,741)	220	–	**(8,521)**	(5,512)	736	–	**(4,776)**
Total changes in profit or loss and OCI	**(146,500)**	**(280)**	**123,320**	**(23,460)**	**(256,790)**	**4,349**	**207,542**	**(44,899)**
Net cash flows	**111,012**	**-**	**(91,765)**	**19,247**	**183,998**	**-**	**(153,828)**	**30,170**
Reinsurance premiums paid	141,903	–	–	**141,903**	262,595	–	–	**262,595**
Reinsurance recoveries received for incurred claims and expenses	–	–	(91,765)	**(91,765)**	–	–	(153,828)	**(153,828)**
Reinsurance recoveries received for insurance acquisition cash flows	(30,891)	–	–	**(30,891)**	(78,597)	–	–	**(78,597)**
Net closing balance	**(233,238)**	**27,788**	**191,958**	**(13,492)**	**(197,750)**	**28,068**	**160,403**	**(9,279)**
Closing assets	(67,545)	21,849	137,178	**91,482**	(55,888)	26,731	110,414	**81,257**
Closing liabilities	(165,693)	5,939	54,780	**(104,974)**	(141,862)	1,337	49,989	**(90,536)**

Reinsurance concentration risk mitigants are detailed in note 4.2.

3. Insurance and reinsurance contracts (continued)

3.2 Contracts not measured under the PAA

a. Insurance contract assets and liabilities

	Consolidated									
	6 months ending 31-Dec-24 $'000					12 months ending 30-Jun-24 $'000				
			Contract Service Margin					Contract Service Margin		
	Estimate of present value of future cash flows	Risk adjustment for non-financial risk	Contracts under fair value transition approach	Other contracts	Total	Estimate of present value of future cash flows	Risk adjustment for non-financial risk	Contracts under fair value transition approach	Other contracts	Total
Net opening balance	**540,060**	**(78,168)**	**(283,714)**	**(265,995)**	**(87,817)**	**441,594**	**(65,711)**	**(210,166)**	**(242,089)**	**(76,372)**
Opening assets	404,542	(31,450)	(172,847)	(155,924)	**44,321**	442,162	(41,787)	(197,810)	(169,905)	**32,660**
Opening liabilities	135,518	(46,718)	(110,867)	(110,071)	**(132,138)**	(568)	(23,924)	(12,356)	(72,184)	**(109,032)**
Changes in profit or loss and OCI										
Current service changes	**(5,771)**	**1,141**	**23,733**	**10,910**	**30,013**	**(1,061)**	**5,618**	**32,803**	**32,668**	**70,028**
CSM recognized for services provided	–	–	23,733	10,910	**34,643**	–	–	32,803	32,668	**65,471**
Change in risk adjustment for non-financial risk expired	–	3,319	–	–	**3,319**	–	5,618	–	–	**5,618**
Experience adjustments	(5,771)	(2,178)	–	–	**(7,949)**	(1,061)	–	–	–	**(1,061)**
Future service changes	**(21,252)**	**(12,069)**	**1,705**	**30,683**	**(933)**	**153,786**	**(14,600)**	**(99,222)**	**(48,428)**	**(8,464)**
Contracts initially recognized in the year	49,710	(8,636)	–	(48,664)	**(7,590)**	84,577	(13,357)	–	(80,285)	**(9,065)**
Change in estimates that adjust the CSM	(78,707)	(2,345)	1,705	79,347	**-**	68,012	(647)	(99,222)	31,857	**-**
Change in estimates of losses and reversal of losses on onerous contracts	7,745	(1,088)	–	–	**6,657**	1,197	(596)	–	–	**601**
Past service changes										
Adjustments to liabilities for incurred claims	(14,613)	764	–	–	**(13,849)**	(18,258)	(2,366)	–	–	**(20,624)**
Insurance service result	**(41,636)**	**(10,164)**	**25,438**	**41,593**	**15,231**	**134,467**	**(11,348)**	**(66,419)**	**(15,760)**	**40,940**
Finance income/(expense) on insurance contracts	20,007	(1,108)	(5,956)	(4,327)	**8,616**	21,132	(1,109)	(7,129)	(8,146)	**4,748**
Total changes in profit or loss and OCI	**(21,629)**	**(11,272)**	**19,482**	**37,266**	**23,847**	**155,599**	**(12,457)**	**(73,548)**	**(23,906)**	**45,688**
Net cash flows	**(41,829)**	**-**	**-**	**-**	**(41,829)**	**(57,133)**	**-**	**-**	**-**	**(57,133)**
Premiums received	(165,073)	–	–	–	**(165,073)**	(278,735)	–	–	–	**(278,735)**
Claims and other insurance service expenses paid	88,270	–	–	–	**88,270**	162,867	–	–	–	**162,867**
Insurance acquisition cash flows	34,974	–	–	–	**34,974**	58,735	–	–	–	**58,735**
Net closing balance	**476,602**	**(89,440)**	**(264,232)**	**(228,729)**	**(105,799)**	**540,060**	**(78,168)**	**(283,714)**	**(265,995)**	**(87,817)**
Closing assets	340,924	(36,959)	(130,108)	(127,077)	**46,780**	404,542	(31,450)	(172,847)	(155,924)	**44,321**
Closing liabilities	135,678	(52,481)	(134,124)	(101,652)	**(152,579)**	135,518	(46,718)	(110,867)	(110,071)	**(132,138)**

3. Insurance and reinsurance contracts (continued)

3.2 Contracts not measured under the PAA (continued)

b. Reinsurance contract assets and liabilities

	Consolidated									
	6 months ending 31-Dec-24 $'000					12 months ending 30-Jun-24 $'000				
			Contract Service Margin					Contract Service Margin		
	Estimate of present value of future cash flows	Risk adjustment for non-financial risk	Contracts under fair value transition approach	Other contracts	Total	Estimate of present value of future cash flows	Risk adjustment for non-financial risk	Contracts under fair value transition approach	Other contracts	Total
Net opening balance	**(676,998)**	**78,719**	**262,803**	**323,978**	**(11,498)**	**(571,447)**	**71,820**	**266,988**	**235,938**	**3,299**
Opening assets	(157,614)	34,975	93,552	108,125	**79,038**	(35,323)	20,277	23,242	54,937	**63,133**
Opening liabilities	(519,384)	43,744	169,251	215,853	**(90,536)**	(536,124)	51,543	243,746	181,001	**(59,834)**
Changes in profit or loss and OCI										
Current service changes	**4,168**	**2,802**	**(24,429)**	**(9,738)**	**(27,197)**	**5,019**	**(5,881)**	**(30,140)**	**(36,874)**	**(67,876)**
CSM recognized for services provided	-	-	(24,429)	(9,738)	**(34,167)**	-	-	(30,140)	(36,874)	**(67,014)**
Change in risk adjustment for non-financial risk expired	-	(3,397)	-	-	**(3,397)**	-	(5,881)	-	-	**(5,881)**
Experience adjustments	4,168	6,199	-	-	**10,367**	5,019	-	-	-	**5,019**
Future service changes	**31,676**	**10,420**	**45,471**	**(86,428)**	**1,139**	**(140,408)**	**12,940**	**19,397**	**114,412**	**6,341**
Contracts initially recognized in the year	(46,765)	7,701	-	45,450	**6,386**	(83,306)	12,105	-	78,791	**7,590**
Change in estimates that adjust the CSM	78,441	2,719	49,060	(130,220)	**-**	(57,102)	835	19,397	36,870	**-**
Change in estimates of losses and reversal of losses on onerous contracts	-	-	(3,589)	(1,658)	**(5,247)**	-	-	-	(1,249)	**(1,249)**
Past service changes										
Adjustments to liabilities for incurred claims	14,243	(972)	-	-	**13,271**	28,808	(1,579)	-	-	**27,229**
Insurance service result	**50,087**	**12,250**	**21,042**	**(96,166)**	**(12,787)**	**(106,581)**	**5,480**	**(10,743)**	**77,538**	**(34,306)**
Finance (expense)/income on reinsurance contracts	(20,457)	1,162	6,444	4,330	**(8,521)**	(23,255)	1,419	6,558	10,502	**(4,776)**
Total changes in profit or loss and OCI	**29,630**	**13,412**	**27,486**	**(91,836)**	**(21,308)**	**(129,836)**	**6,899**	**(4,185)**	**88,040**	**(39,082)**
Net cash flows	**16,989**	**-**	**-**	**-**	**16,989**	**24,285**	**-**	**-**	**-**	**24,285**
Reinsurance premiums paid	137,758	-	-	-	**137,758**	253,476	-	-	-	**253,476**
Recoveries of incurred claims and expenses	(120,769)	-	-	-	**(120,769)**	(163,328)	-	-	-	**(163,328)**
Recoveries of insurance acquisition cash flows	-	-	-	-	**-**	(65,863)	-	-	-	**(65,863)**
Net closing balance	**(630,379)**	**92,131**	**290,289**	**232,142**	**(15,817)**	**(676,998)**	**78,719**	**262,803**	**323,978**	**(11,498)**
Closing assets	(172,763)	46,308	131,535	84,077	**89,157**	(157,614)	34,975	93,552	108,125	**79,038**
Closing liabilities	(457,616)	45,823	158,754	148,065	**(104,974)**	(519,384)	43,744	169,251	215,853	**(90,536)**

3. Insurance and reinsurance contracts (continued)

3.3 Issued contracts initially recognised in the period

	Consolidated											
	6 months ending 31-Dec-24 $'000						12 months ending 30-Jun-24 $'000					
	Insurance Contracts			Reinsurance Contracts			Insurance Contracts			Reinsurance Contracts		
	Profitable contracts	Onerous contracts	Total	Net gain on initial recog-nition	No net gain on initial recognition	Total	Profitable contracts	Onerous contracts	Total	Net gain on initial recog-nition	No net gain on initial recognition	Total
Present value of estimated future cash flows:												
Premium	(259,558)	(62,055)	**(321,613)**	–	(326,937)	**(326,937)**	(420,865)	(87,291)	**(508,156)**	–	(524,286)	**(524,286)**
Insurance acquisition	26,514	6,110	**32,624**	–	36,291	**36,291**	48,215	10,000	**58,215**	–	65,863	**65,863**
Claims and other expenses	178,212	61,066	**239,278**	–	243,881	**243,881**	282,442	82,925	**365,367**	–	375,121	**375,121**
Net cash flows	**(54,832)**	**5,121**	**(49,711)**	**-**	**(46,765)**	**(46,765)**	**(90,208)**	**5,634**	**(84,574)**	**-**	**(83,302)**	**(83,302)**
Risk adjustment for non-financial risk	6,168	2,469	**8,637**	–	7,701	**7,701**	9,926	3,431	**13,357**	–	12,104	**12,104**
Contract service margin	48,664	–	**48,664**	–	45,450	**45,450**	80,282	–	**80,282**	–	78,788	**78,788**
Adjusted net cash flows	**-**	**7,590**	**7,590**	**-**	**6,386**	**6,386**	**-**	**9,065**	**9,065**	**-**	**7,590**	**7,590**

3. Insurance and reinsurance contracts (continued)

3.4 Maturity profiles

	Consolidated											
	31-Dec-24 $'000						30-Jun-24 $'000					
	Contracts Not Under PAA Contract Service Margin Release			Asset for Insurance Acquisition Cash Flows Derecognition			Contracts Not Under PAA Contract Service Margin Release			Asset for Insurance Acquisition Cash Flows Derecognition		
	Insurance	Rein-surance	Net	Insurance	Rein-surance	Net	Insurance	Rein-surance	Net	Insurance	Rein-surance	Net
Less than one year	48,986	(48,285)	**701**	(2,578)	-	**(2,578)**	53,684	(53,351)	**333**	(1,561)	-	**(1,561)**
One to two years	45,283	(44,834)	**449**	(2,031)	-	**(2,031)**	50,150	(50,008)	**142**	(1,428)	-	**(1,428)**
Two to three years	41,140	(41,027)	**113**	(1,889)	-	**(1,889)**	45,814	(45,999)	**(185)**	(1,280)	-	**(1,280)**
Three to four years	36,979	(37,230)	**(251)**	(1,909)	-	**(1,909)**	41,304	(41,871)	**(567)**	(1,295)	-	**(1,295)**
Four to five years	33,232	(33,821)	**(589)**	(1,936)	-	**(1,936)**	37,114	(38,047)	**(933)**	(1,317)	-	**(1,317)**
More than five years	287,341	(317,234)	**(29,893)**	(53,339)	-	**(53,339)**	321,643	(357,505)	**(35,862)**	(37,216)	-	**(37,216)**
Total	**492,961**	**(522,431)**	**(29,470)**	**(63,682)**	**-**	**(63,682)**	**549,709**	**(586,781)**	**(37,072)**	**(44,097)**	**-**	**(44,097)**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

continued

4. Regulatory Capital

NobleOak is subject to minimum capital regulatory capital requirements in accordance with APRA Life Insurance Prudential Standards. NobleOak is required to maintain adequate capital against the risks associated with its business activities and measure its capital to the 'Prudential Capital Requirement' (PCR).

NobleOak has in place an Internal Capital Adequacy Assessment Process (ICAAP) that sets out how NobleOak manages its capital. The ICAAP determines the level of capital to be maintained within each benefit fund including regulatory prescribed capital amounts, Pillar 2 capital requirements and a target level of surplus to reduce the likelihood of falling below regulatory capital requirements and is approved by the Directors.

4.1 Company regulatory capital position

	31-Dec-24 $'000	30-Jun-24 $'000
i. Capital Base	46,023	42,213
ii. Prescribed capital amount	23,717	21,855
Capital in excess of/(below) prescribed capital amount (i-ii)	**22,306**	**20,358**
Capital adequacy multiple (%) (i/ii)	**194%**	**193%**
Capital Base components:		
Common Equity Tier 1 Capital	87,828	71,100
Regulatory adjustment applied in calculation of Tier 1 capital	(41,805)	(28,887)
A. Common Equity Tier 1 Capital	**46,023**	**42,213**
Additional Tier 1 Capital		
Regulatory adjustment applied in calculation of Additional Tier 1 capital	–	–
B. Total Additional Tier 1 Capital	**–**	**–**
Tier 2 Capital		
Regulatory adjustment applied in calculation of Tier 2 capital	–	–
C. Total Tier 2 Capital	**–**	**–**
Total capital base (A + B + C)	**46,023**	**42,213**

The regulatory capital adequacy position is also calculated and monitored internally at a benefit fund level in accordance with APRA's capital management standards.

4.2 Reinsurance asset concentration risk mitigation

APRA's capital management standard LPS 117 Capital Adequacy: Asset Concentration Risk Charge provides concentration of counterparty risk limits.

NobleOak's successful growth continues to increase its reinsurance assets concentration exposures. This growth along with the changing prudential standards requires a continual reassessment of mitigating measures.

The mitigation arrangements in place and being monitored and updated on an ongoing basis include:

	31-Dec-24 $'000	30-Jun-24 $'000
a. Claims Settlement Terms A reinsurer has provided funding for specified claims categories on a 'claims reserved' rather than on a 'claims paid' basis.	16,467	15,856
b. Deposit Back Arrangement A reinsurer has provided funding in support of and as security over estimated reinsurance exposure. The assets are included in Financial Assets and the liability is included in Payables in the Statement of Financial Position.	100,300	100,300
c. Letters of credit (LOCs) LOCs have been obtained from APRA approved financial institutions guaranteeing funding in the event of reinsurer defaults. Refer to note 8 for more details.	111,000	111,000

Whilst effective in the short to medium term, the above mitigation arrangements may be changed to more efficient and cost-effective arrangements to support the Company's growth ambitions over the longer term.

5. Financial assets

Financial assets comprise assets held to fund policyholder liabilities, provide security against reinsurance asset exposures, and excess shareholder assets.

	Consolidated	
	31-Dec-24 $'000	30-Jun-24 $'000
At cost:		
Term Deposits	88,984	112,902
At fair value through profit or loss:	**129,323**	**94,644**
Level 1: Listed unit trusts	–	77,949
Level 2: Unlisted unit trusts	129,323	16,695
Total financial assets	**218,307**	**207,546**
Current	50,682	73,536
Non-current	167,625	134,010
Reinsurance concentration mitigant arrangements (refer note b and note 4.2)	**116,767**	**116,156**
Claims settlement terms	16,467	15,856
Deposit back arrangement	100,300	100,300

Notes

a. Restructure of investment portfolio

During September 2024 the Group liquidated its entire portfolio of listed unit trusts realising a gain of $74k (refer note 2.6).

The Group invested $110 million in a newly created fixed interest unlisted unit trust fund at UBS Asset Management (Australia) Ltd. The investment was funded by proceeds from the listed unit trust liquidation and other matured term deposits and cash.

b. Reinsurance concentration mitigation assets

Financial assets include assets (valued as per c below) held in support of the reinsurance concentration mitigant arrangements presented above at cash values.

c. Fair value measurement/estimation hierarchy

The fair value of financial instruments is measured/estimated as follows:

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

6. Issued share capital

Fully paid ordinary shares

	NobleOak Life Limited					
	31-Dec-24			30-Jun-24		
Movement in issued share capital	Number of Shares	Issue Price	Value ($'000)	Number of Shares	Issue Price	Value ($'000)
Balance at beginning of period	86,385,174		96,403	85,959,682		95,727
a. Long term incentives	166,090	1.95	324	342,642	1.55	531
b. IPO related bonus	–		–	22,324	1.75	39
c. Employee share gift offer	–		–	60,526	1.75	106
d. RevTech Media acquisition	5,141,388	1.556	8,000	–		–
Balance at end of period	**91,692,652**		**104,727**	**86,385,174**		**96,403**

Notes

a. Ordinary Shares issued to KMP and senior management under long term incentive plans with performance criteria:
FY25: issued on 28 November 2024 under the 2021 long term incentive plan
FY24: issued on 16 October 2023 under the 2020 long term incentive plan.

b. Ordinary Shares issued to KMP in recognition of the achievement of a successful IPO.

c. Ordinary Shares issued to employees under the employee Gift Offer on 26 October 2023.

d. Ordinary Shares issued as part consideration for the acquisition of RevTech Media Pty Ltd (refer note 1.2e).

7. Key management personnel (KMP)

Remuneration arrangements of KMP are disclosed in the annual financial report.

The following table details the performance rights exercised by KMP during the half-year:

	31-Dec-24	31-Dec-23
Number of performance rights exercised		
Anthony Brown	66,464	140,813
Scott Pearson	47,054	107,980
Total performance rights exercised	**113,518**	**248,793**
Fair value at vesting date ($'000)		
Anthony Brown	130	221
Scott Pearson	92	169
Total fair value at vesting date	**222**	**390**

8. Contingent assets

Letters of credit (LOCs)

To protect against the default risk of its reinsurance asset exposure the Group is the beneficiary of the following irrevocable LOCs:

Issued by:	31-Dec-24 $'000	30-Jun-24 $'000
DBS bank on behalf of Swiss Re Life and Health Australia Limited	22,000	22,000
Australia and New Zealand Banking Group Limited on behalf of Swiss Re Life and Health Australia Limited	22,000	22,000
National Australia Bank on behalf of Hannover Life Re of Australasia Limited	22,000	22,000
Australia and New Zealand Banking Group Limited on behalf of Pacific Life Re (Australia) Pty Limited	45,000	45,000
Aggregate LOCs	**111,000**	**111,000**

9. Contingent liabilities

Bank Guarantee

The Group has provided a bank guarantee of $806,641 to support the commercial lease on its office premises at Level 4, 44 Market Street, Sydney NSW 2000.

Indemnity

The Company has provided indemnity in favour of the insurer or reinsurer if its subsidiary Genus breaches the Freedom administration arrangements (other than those relating to remediation) and the insurer or reinsurer suffers loss.

The indemnity is limited to $1 million for all indemnified breaches during the three years from 1 June 2019 and in each subsequent three-year period of the administration agreement.

10. 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.

DIRECTORS' DECLARATION

The Directors declare that in their opinion:

a. There are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable; and

b. The attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with AASB134 *Interim Financial Reporting*, and provide a true and fair view of the financial position and performance of the consolidated entity.

Signed in accordance with a resolution of the Directors made pursuant to s.303(5) of the *Corporations Act 2001*.

On behalf of the Directors

Sarah Brennan
Chair

Anthony Brown
CEO

27 February 2025
Sydney

INDEPENDENT AUDITOR'S REPORT

Deloitte.

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Independent Auditor's Review Report to the Members of NobleOak Life Limited

Conclusion

We have reviewed the half-year financial report of NobleOak Life Limited (the "Company") and its subsidiaries (the "Group"), which comprises the condensed consolidated statement of financial position as at 31 December 2024, and the condensed consolidated of profit or loss and other comprehensive income, the condensed consolidated statement of cash flows and the condensed consolidated statement of changes in equity for the half-year ended on that date, notes to the financial statements, including material accounting policy information and other explanatory information, and the directors' declaration as set out on pages 20-40.

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

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

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Half-year Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* ("the Code") that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Directors' Responsibilities for the Half-year Financial Report

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

Auditor's Responsibilities for the Review of the Half-year Financial Report

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

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

Deloitte Touche Tohmatsu.

DELOITTE TOUCHE TOHMATSU

Imogen Connors
Partner
Chartered Accountants

Sydney, 27 February 2025

DIRECTORY

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Sarah Brennan

Anthony Brown

Andrew Gale

Stephen Harrison

Inese Kingsmill

Chief Executive Officer

Anthony Brown

Company Secretary

Suzanne Barron

Appointed Actuary

Martin Paino

Chief Risk Officer

Kirsten Booth

Auditors

Deloitte Touche Tohmatsu

Stock Listing

NobleOak Life Limited is listed on the Australian Securities Exchange (ASX) under the ASX code 'NOL'.

Share Registry

For all enquiries relating to shareholdings, dividends and related matters, please contact the share registry:

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