



Helia Group Limited 2025 Annual General Meeting CEO's Address

7 May 2025: Thank you, Leona. Good morning everyone – welcome, and thank you for joining us.

I am Pauline Blight-Johnston, Helia's Chief Executive Officer and Managing Director. I'm delighted to be here with you once again today to discuss Helia's 2024 performance, as well as our recent results and outlook for the business.

Delivering on our purpose

Helia's purpose of accelerating financial wellbeing through home ownership has become increasingly critical over the last 12 months. Ongoing house price increases and a shortage in housing stock are making the goal of home ownership even harder to achieve for a growing number of Australians.

Over the past year, we continued to work closely with our customers to support more aspiring home owners, delivering on our multi-year strategy to innovate our business, improve customer experiences and deepen borrower and broker understanding of the value that LMI can create for them.

Strong financial performance

In 2024, Helia again delivered a strong financial performance, demonstrating its resilience in spite of a challenging environment. We reported a full year statutory net profit after tax (NPAT) of \$232 million and underlying NPAT of \$221 million, reflecting another year of focused operational execution and benign claims experience.

New business volumes improved with Gross Written Premium (GWP) increasing 6% to \$196 million, as we witnessed some recovery in high loan-to-value-ratio lending, as well as the benefits of client wins in recent years increasing Helia's market share. However, industry new business volumes remained subdued due to the ongoing impact of the Federal Government's Home Guarantee Scheme, as Leona has discussed.

During the year, households continued to experience cost of living pressures and ongoing high interest rates. However, continued labour market strength has enabled most homeowners to continue to meet their mortgage obligations, despite the increasingly challenging circumstances.

Total incurred claims were again negative at minus \$37 million. As I have said previously, a negative claims outcome is a very unusual occurrence, resulting from extraordinarily benign claims experience again in 2024, and not something we would expect to continue in the medium term.

Helia's PCA coverage ratio increased to 2.1 times as at 31 December 2024. This reflected the strong profitability in 2024 and capital releases from in-force business exceeding capital requirements for new business.

Importantly for our shareholders, the underlying return on equity for the period was 19.9% and net tangible assets (NTA) per share rose 5% to \$3.93, with the sum of NTA and contractual service margin closing the year at \$5.58 per share.

As noted in last week's first quarter trading update, similar trends have continued so far into 2025, with benign claims experience driving strong profitability and new business growth continuing. This growth in the LMI industry, supported by Helia customer wins over recent years, should partially mitigate the reduction in new business from the expected loss of the CBA contract and expansion of the Home Guarantee Scheme.

Implementing strategic initiatives

In 2024, we progressed a range of strategic initiatives under our multi-year business strategy to deliver our purpose and create sustainable long-term value for our shareholders.

We continued to innovate with our market-leading technology to strengthen our ability to service existing customers and enhance customer acquisition.

A key initiative delivered in the period is an industry-first digital onboarding system that can reduce the transition time for new lender customers from months to only weeks, positioning us well as we engage with prospective customers.

We invested further in technology to leverage automation, elevate our service delivery and improve efficiency. Over the year, we successfully delivered digital integrations for six customers and five industry platforms. These integrations make it easier and more efficient for LMI to be included as part of the loan origination process.

Our industry leading technology and customer service was recognised externally, with Helia winning:

- the Australian Broker 5-Star Mortgage Innovator Award
- the Informatica Innovation Award in the Risk and Compliance category, recognising the quality and security of our data governance programs; and
- the Mortgage & Finance Association of Australia Excellence Awards national 'Support Service Provider Award – Large Company' for excellence across customer service, growth and innovation.

Delivering customer service excellence

In most instances, LMI is sold in Australia via exclusive supply agreements with lender customers, with terms typically between 3 to 5 years. Negotiation of these important contracts can take many months, and Helia is typically in discussions to retain existing customers and/or win new customers at any point in time. In 2024, Helia retained 100% of customer contract renewals and the trust and satisfaction of our customers was reflected in our strong Net Promoter Score of +83, which was up 4 points on 2023.

Against this backdrop of delivery, service excellence and market momentum, we were of course disappointed in March this year to hear news that CBA had entered into exclusive negotiations with an alternative provider for its LMI services, likely ending a 50-year relationship between CBA and Helia for new LMI business.

Helia will generate new business from CBA until the end of this year, and we will recognise revenue from in-force policies for the next 15 years.

We are confident that Helia retains a differentiated position in the Australian LMI market and will continue to pursue opportunities to retain and strengthen our relationships with existing customers, as well as build and extend our market footprint with new customers.

Growing the market for LMI

Given the nation's ongoing housing affordability and cost of living challenges show no signs of abating, we continue to believe there is a need for LMI, despite the proposed increase in the government's First Home Guarantee Scheme. LMI remains an important tool for home upgraders and investors.

Key to unlocking this is improving the awareness and understanding of the benefits of LMI – for lenders, mortgage brokers and borrowers.

In recognition of the important role that brokers play in home lending, last year we launched our inaugural Mortgage Broker LMI Sentiment Index to better understand broker perceptions of LMI. This research is assisting us to educate and support brokers in the use of LMI as a tool to help customers achieve their financial goals, such as through our current LMI Lets Me In campaign.

Delivering results through world-class performance

The Company's achievements in 2024 were only possible because of the hard work of our talented and dedicated people.

I am pleased that in 2024, we achieved an employee engagement score of 78%, placing us in the top quartile of financial services companies in Australia. Helia was also named a Top Insurance Employer by Insurance Business

Our commitment to diversity, equity, and inclusion remains a cornerstone of our culture. We are especially proud to have achieved and maintained gender pay equity and are one of a small number of financial services businesses in Australia have done so. We were also recognised as a Workplace Gender Equality Agency Employer of Choice for Gender Equality for the tenth consecutive year.

Looking ahead

As we look forward, Helia is well-prepared and well-capitalised to adapt to the evolving environment, supporting Australians to achieve the goal of home ownership.

We continue to deliver our business strategy, including technology innovations to ensure the Company remains agile, adaptable and efficient. These efforts position us to respond effectively to future economic and market conditions, the needs of lenders and aspiring homeowners.

Our capital strength ensures we can continue to support our customers, invest in our business and reward our shareholders.

Closing remarks

In closing, I express my thanks to Leona and the Board, the Helia leadership team and all Helia employees for your hard work. Thank you also to our customers and partners without whom it would not be possible for us to have the impact that we do.

I would also like to thank you, shareholders for your trust and support over the years. We are proud to have delivered strong returns for you and remain focussed on this continuing.

I will now hand back to Leona to conduct the formal business of the meeting.

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The release of this announcement was authorised by the Disclosure Committee.