

22 August 2025

Companies Announcements Office
Australian Securities Exchange
20 Bridge Street
Sydney NSW 2000

Helia Group Limited (ASX:HLI)
Appendix 4D (Half-year report)

In accordance with ASX Listing Rule 4.2A, we attach a copy of the Appendix 4D (Half-year report) for Helia Group Limited and its controlled entities for the period ended 30 June 2025.

The release of this announcement was authorised by the Board.

Yours faithfully

A handwritten signature in black ink, appearing to read "Brady Weissel", with a long horizontal flourish extending to the right.

Brady Weissel
General Counsel and Company Secretary

For more information, analysts, investors and other interested parties should contact:

Paul O'Sullivan
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Helia Group Limited

ABN 72 154 890 730

Appendix 4D – Half year financial report

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Appendix 4D – Half year financial report

30 June 2025

Helia Group Limited and its controlled entities

Results for announcement to the market

For the half year ended 30 June	Up/Down	% change	2025 \$millions	2024 \$millions
Revenue from ordinary activities ¹	Up	20.8%	286.6	237.2
Profit from ordinary activities after income tax attributable to equity holders of the company	Up	37.8%	133.7	97.0
Net profit for the period attributable to ordinary equity holders of the company	Up	37.8%	133.7	97.0

1 Includes Insurance revenue and Investment revenue.

Dividends	Record date	Payment date	Amount per security (cents)	Franked amount per security (cents)
Interim dividend	1 September 2025	16 September 2025	16.0	16.0
Special dividend	1 September 2025	16 September 2025	27.0	0.0

The interim dividend is fully franked at a corporate tax rate of 30%. The special dividend is unfranked.

There was no dividend re-investment plan available to shareholders during the period.

For the half year ended 30 June	2025 \$	2024 \$
Net tangible assets per security	3.72	3.63

Additional Appendix 4D disclosure requirements can be found in the Helia Group Limited Half Year Financial Report for the period ending 30 June 2025 (Attachment A). The Half Year Financial Report should be read in conjunction with market or public announcements made by Helia Group Limited in accordance with the continuous disclosure requirements of the Corporations Act 2001 and ASX listing rules.

The independent auditors review report is included on page 25 of the Half Year Financial report.

ATTACHMENT A

Helia Group Limited and its controlled entities

Half Year Financial Report for the period ended 30 June 2025

Helia Group Limited and its Controlled Entities

ABN 72 154 890 730

FINANCIAL REPORT
FOR THE HALF YEAR ENDED 30 JUNE 2025

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Directors' report

The Directors present their report together with the consolidated financial report of Helia Group Limited (the Company) and its controlled entities (the Group) for the half year ended 30 June 2025 and the independent auditor's review report thereon.

Directors

The Directors of the Company at any time during or since the end of the half year ended 30 June 2025 are as follows:

Pauline Blight-Johnston (resigned on 30 June 2025)

Andrew Moore

Alistair Muir

Leona Murphy (Chair)

JoAnne Stephenson

Andrea Waters

Duncan West

Principal activity

The principal activity of the Company during the reporting period was the provision of lenders mortgage insurance (LMI) under authorisation from the Australian Prudential Regulation Authority (APRA). In Australia, LMI facilitates residential mortgage lending by transferring risk from lenders to LMI providers, predominantly for high loan to value ratio residential mortgage loans.

Review and results of operations

The Group has delivered a strong result for shareholders supported by the ongoing low claims environment. The Group reported a net profit after tax of \$133.7 million for the half year to 30 June 2025 compared with the net profit after tax of \$97.0 million for the half year to 30 June 2024, primarily driven by significantly higher investment revenue and continuing benign claims experience.

Insurance revenue for the half year reduced to \$182.2 million (30 June 2024: \$194.8 million) reflecting lower levels of GWP in recent years. However, premiums received in the half year increased to \$120.6 million (30 June 2024: \$93.6 million) driven by increased levels of industry new housing loans above an 80% LVR. Despite this growth, GWP continues to be negatively impacted by the Home Guarantee Scheme and higher levels of lender self-insurance.

Commonwealth Bank of Australia (CBA) has notified the Group that the current Supply and Service contract will not be renewed upon its expiry on 31 December 2025. Additionally, on 2 July 2025, ING Bank Australia (ING) notified the Group that as part of a Request for Proposal (RFP) process relating to its LMI requirements, they have decided to proceed with negotiations with an alternate provider. The LMI business underwritten under these contracts represented approximately 40% (CBA) and 21% (ING) of premium in the six months to 30 June 2025. The Group will continue to generate premium from CBA until the end of 2025 and until 30 June 2026 from ING subject to a right to terminate earlier with 3-months' notice. The Group will recognise revenue associated with in-force policies over the next 15 years, in accordance with AASB 17 *Insurance Contracts*. Accordingly, the financial impact of ceasing to write new business from CBA and ING during 2026, as well as any potential additional impacts from an expanded Federal Government Home Guarantee Scheme, will emerge gradually over time.

The Board has commenced a comprehensive business review which will consider the business response to the expected loss of new business from two significant customers and the broader impact of the recently announced changes to the Government's Home Guarantee Scheme for first home buyers on our operating environment.

Directors' report cont'd.

Insurance service expense (including incurred claims) reduced to \$25.2 million (30 June 2024: \$41.7 million). There was continued benefit from favourable claims experience and the resulting reserve releases led to a negative claims incurred.

Despite lower insurance revenue, the insurance service result of \$150.9 million increased (30 June 2024: \$141.2 million) due to the lower insurance service expense and lower reinsurance expenses.

Investment revenue was higher for 30 June 2025 at \$104.4 million (30 June 2024: \$42.5 million) from realised and unrealised investment gains on bonds and equities market in the current period compared to unrealised investment losses in the prior comparative period.

Regulatory capital

The Group's regulatory capital at 30 June 2025 was 2.30 times the Prescribed Capital Amount (PCA) on a level 2 basis and the Common Equity Tier 1 (CET1) ratio was 2.04 times. Regulatory capital is above the Board's target capital range of 1.40 to 1.60 times PCA and reflects the Company's strong capital position.

Corporate structure

The Company is a company limited by shares incorporated and domiciled in Australia, whose shares are publicly traded on the Australian Securities Exchange (ASX).

Share buy-back

On 10 May 2024, the Company announced its intention to commence, with effect from 13 May 2024, an on-market share buy-back for shares up to a maximum aggregate value of \$100.0 million. On 25 February 2025, the Company announced an increase in the on-market share buy-back to a maximum aggregate value of \$200.0 million. The Company had acquired 19.3 million shares for a total consideration of \$79.3 million of which 20,911 shares for a total consideration of \$84,356 was acquired during the half year ended 30 June 2025. On 26 June 2025, the on-market share buy-back end date was extended from 30 June 2025 to 31 December 2025.

Market capitalisation

The market capitalisation of the Company at 30 June 2025 was \$1,534.1 million based on the closing share price of \$5.63.

Dividends

The Company paid an ordinary dividend per share of 16 cents amounting to \$43.6 million (fully franked) and a special dividend of 53 cents amounting to \$144.4 million (fully franked) to its shareholders on 3 April 2025.

On 22 August 2025, the Directors declared an interim dividend of 16 cents per share amounting to \$43.6 million (fully franked) and a special dividend of 27 cents amounting to \$73.6 million (unfranked) to be paid on 16 September 2025. The unfranked special dividend was declared in lieu of on-market share buy-back activity.

Environmental regulations

The Company's operations are not subject to any significant environmental regulations under either Commonwealth or State legislation.

Directors' report cont'd.

Events subsequent to reporting date

For details of subsequent events, refer to note 6.3 in the financial report.

Likely developments

Information about likely developments in the operations of the Company and the expected results of those operations in future financial years has not been included in this report because the Directors believe it would likely result in unreasonable prejudice to the Company.

Rounding off

The Group is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 dated 24 March 2016 and amounts in the Directors' Report have been rounded off to the nearest \$100,000 and presented in the form of a whole number of millions of dollars and one place of decimals, in accordance with this instrument, unless otherwise stated.

Lead auditor's independence declaration

The lead auditor's independence declaration is set out on page 6 and forms part of the Directors' report.

Signed in accordance with a resolution of the Directors:



Leona Murphy

Chair

Dated: 22 August 2025



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

To the Directors of Helia Group Limited

I declare that, to the best of my knowledge and belief, in relation to the review of Helia Group Limited for the half-year ended 30 June 2025 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. no contraventions of any applicable code of professional conduct in relation to the review.

A stylized, handwritten-style logo of the letters 'KPMG' in black ink.

KPMG

A handwritten signature in black ink, appearing to read 'Leann Yuen'.

Leann Yuen
Partner

Sydney

22 August 2025

Consolidated financial statements

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Consolidated statement of comprehensive income

for the half year ended 30 June 2025

	Note	30 June 2025 \$m	30 June 2024 \$m
Insurance revenue	3.1	182.2	194.8
Insurance service expense	3.2	(25.2)	(41.7)
Net expense from reinsurance contracts		(6.1)	(11.9)
Insurance service result		150.9	141.2
Investment revenue	3.3(a)	104.4	42.5
Investment expense		(1.4)	(1.2)
Net finance expense from insurance contracts	3.3(b)	(42.6)	(24.7)
Net finance (expense)/income from reinsurance contracts		(0.2)	0.1
Net financial result		60.2	16.7
Other operating expenses		(8.0)	(8.4)
Financing costs		(9.2)	(9.3)
Share of loss of equity-accounted investees, net of tax		(1.6)	(1.9)
Profit before income tax		192.3	138.3
Income tax expense		(58.6)	(41.3)
Profit for the year		133.7	97.0
Total comprehensive income for the period		133.7	97.0
Earnings per share			
Basic earnings per share (cents per share)	2.2	49.1	32.8
Diluted earnings per share (cents per share)	2.2	48.7	32.6

The consolidated statement of comprehensive income is to be read in conjunction with notes to the financial statements.

Consolidated statement of financial position

as at 30 June 2025

	Note	30 June 2025 \$m	31 December 2024 \$m
Assets			
Cash and cash equivalents		267.9	112.4
Investment income receivable		20.2	24.6
Investments	4	2,512.0	2,720.2
Derivative financial instruments		2.5	1.0
Trade and other receivables		12.6	17.5
Prepayments		9.2	9.8
Equity-accounted investees		14.1	15.7
Plant and equipment		1.3	1.6
Lease assets		5.5	6.4
Deferred tax assets		16.3	19.3
Goodwill		9.1	9.1
Total assets		2,870.7	2,937.6
Liabilities			
Derivative financial instruments		2.1	11.4
Trade payables and other liabilities		94.8	25.9
Current tax liabilities		48.8	52.3
Lease liabilities		6.0	6.8
Insurance contract liabilities	3.4	1,495.1	1,557.0
Reinsurance contract liabilities	3.4	3.3	6.1
Employee benefits provision		8.7	8.0
Interest bearing financial liabilities	5.1	190.0	189.7
Total liabilities		1,848.8	1,857.2
Net assets		1,021.9	1,080.4
Equity			
Share capital	5.2	635.2	637.3
Share-based payment reserve		7.2	8.2
Other reserves		(476.6)	(476.6)
Retained earnings		856.1	911.5
Total equity		1,021.9	1,080.4

The consolidated statement of financial position is to be read in conjunction with notes to the financial statements.

Consolidated statement of changes in equity

for the half year ended 30 June 2025

	Share capital \$m	Other reserves \$m	Retained earnings \$m	Share- based payment reserve \$m	Total \$m
Balance at 1 January 2024	750.7	(476.6)	862.0	5.2	1,141.3
Profit after taxation	-	-	97.0	-	97.0
Dividend declared and paid	-	-	(135.0)	-	(135.0)
Buy-back of shares, including transaction costs	(42.0)	-	-	-	(42.0)
Share-based payment expense recognised	-	-	-	1.8	1.8
Share-based payment settled	-	-	(0.5)	(1.2)	(1.7)
Balance at 30 June 2024	708.7	(476.6)	823.5	5.8	1,061.4
Balance at 1 January 2025	637.3	(476.6)	911.5	8.2	1,080.4
Profit after taxation	-	-	133.7	-	133.7
Dividend declared and paid	-	-	(188.0)	-	(188.0)
Buy-back of shares, including transaction costs	(0.1)	-	-	-	(0.1)
Shares issued under employee share scheme	0.2	-	-	-	0.2
Shares acquired and held in trust	(2.2)	-	-	-	(2.2)
Share-based payment expense recognised	-	-	(1.1)	2.3	1.2
Share-based payment settled	-	-	-	(3.3)	(3.3)
Balance at 30 June 2025	635.2	(476.6)	856.1	7.2	1,021.9

The consolidated statement of changes in equity is to be read in conjunction with notes to the financial statements.

Consolidated statement of cash flows

for the half year ended 30 June 2025

	30 June 2025 \$m	30 June 2024 \$m
Cash flows from operating activities		
Premiums received	120.6	93.6
Interest and other income	53.5	53.7
Claims paid	(7.3)	(9.8)
Outwards reinsurance premium expense paid	(9.2)	(16.3)
Interest paid	(9.0)	(9.3)
Cash payments in the course of operations	(62.2)	(70.1)
Income tax paid	(59.2)	(25.5)
Net cash provided by operating activities	27.2	16.3
Cash flows from investing activities		
Payments for plant and equipment and intangibles	-	(0.1)
Payments for the purchase of investments	(669.3)	(565.5)
Proceeds from sale of investments	988.7	704.9
Net cash provided by investing activities	319.4	139.3
Cash flows from financing activities		
Dividends paid	(188.0)	(135.0)
Payments for the on-market share buy-back	(0.1)	(42.0)
Payments for purchase of treasury shares	(2.2)	-
Payment of lease liabilities	(0.8)	(0.6)
Net cash used in financing activities	(191.1)	(177.6)
Net increase/(decrease) in cash and cash equivalents held	155.5	(22.0)
Cash and cash equivalents at the beginning of the financial year	112.4	57.0
Cash and cash equivalents at the end of the financial period	267.9	35.0

The consolidated statement of cash flows is to be read in conjunction with notes to the financial statements.

Notes to the financial statements

1 Basis of preparation

1.1 Reporting entity

This general purpose consolidated financial report is for the half year ended 30 June 2025 and comprises the consolidated financial statements of Helia Group Limited (the Company) and its controlled entities (together referred to as the Group). The Company is a for-profit entity domiciled in Australia and its shares are publicly traded on the Australian Securities Exchange (ASX). The Group operates in one business and operating segment consisting of lenders mortgage insurance business in Australia, therefore no segment information is presented.

The consolidated financial statements were authorised for issue by the Board of Directors on 22 August 2025.

The consolidated half year financial report does not include all the information required for full annual financial reports and should be read in conjunction with the annual report for the year ended 31 December 2024 and any public announcements made during the half year reporting period in accordance with the continuous disclosure reporting requirements of the *Corporations Act 2001*.

1.2 Material accounting policies

(a) Statement of compliance

This report has been prepared in accordance with the Corporations Act 2001, Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the recognition and measurement requirement of applicable Australian Accounting Standards adopted by the Australian Accounting Standards Board (AASB) and the ASX listing rules. International Financial Reporting Standards (IFRS) form the basis of Australian Accounting Standards adopted by the AASB, being Australian equivalents to IFRS. The financial report also complies with IFRS, and interpretations adopted by the International Accounting Standards Board (IASB).

Selected explanatory notes are included to explain events and transactions that are material to an understanding of the changes in financial position and performance of the Group.

(b) Basis of preparation of the financial report

The consolidated financial report is presented in Australian dollars.

The consolidated statement of financial position has been prepared using the liquidity format of presentation, in which the assets and liabilities are presented broadly in order of liquidity.

The consolidated financial report is prepared on historical cost basis except for investments, derivative financial instruments, equity accounted investees and leases being stated at fair value, and insurance and reinsurance contracts in line with AASB 17 *Insurance Contracts*.

All values are rounded to the nearest \$100,000 and presented in the form of a whole number of millions of dollars and one place of decimals, unless otherwise stated, in accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191.

1.2 Material accounting policies cont'd.

(c) Accounting policies adopted

The accounting policies adopted in the preparation of this financial report have been applied consistently by the Group and consistent with those in the annual report for the year ended 31 December 2024.

(i) New and amended standards adopted by the Group

No new accounting standards have been adopted by the Group for the half year ended 30 June 2025. There have been no amendments to existing accounting standards that have had a material impact on the Group's consolidated financial statements.

(ii) New accounting standards and amendments issued but not yet effective

There are no new accounting standards or amendments to existing accounting standards that are not yet effective that are expected to have a material impact on the Group's consolidated financial statements.

(d) Critical accounting estimates and judgements

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

Except as disclosed in note 3.6 to this financial report, the estimates, associated assumptions and judgements for this reporting period are consistent with those used in the annual report for the year ended 31 December 2024.

(e) Goodwill impairment assessment

Goodwill is to be tested for impairment annually or more often if there is an indication of impairment under AASB 136 *Impairment of Assets*. Utilising the same methodology and approach as for the test at 31 December 2024, but utilising updated accounting estimates and assumptions based upon the latest management forecasts, it is determined that there is no impairment of goodwill.

(f) Reclassification of comparatives

In prior reporting periods, the assets for insurance acquisition cash flows (AIACF) were netted off against insurance contract liabilities in note 3.4 to the financial statements. Effective 2025, the Group has included the AIACF as part of prepayments in the consolidated statement of financial position. Accordingly, comparatives are adjusted to improve comparability of information.

2 Results for the period

2.1 Dividends

Accounting policy

A provision for dividends is made in respect of ordinary shares when dividends have been declared and approved on or before the reporting date but have not yet been distributed at that date.

	30 June 2025		30 June 2024	
	Cents per share	\$m	Cents per share	\$m
2024 (2023) final dividend paid on 3 April 2025 fully franked (22 March 2024 fully franked) ¹	16.0	43.6	15.0	45.0
2024 (2023) special dividend paid on 3 April 2025 fully franked (22 March 2024 unfranked) ¹	53.0	144.4	30.0	90.0
Total	69.0	188.0	45.0	135.0

(a) Dividends not recognised at reporting date

In addition to the above dividends, the Board determined to pay the following dividends after the reporting date but before the finalisation of the relevant financial report and therefore it has not been recognised in the financial report.

	30 June 2025		30 June 2024	
	Cents per share	\$m	Cents per share	\$m
2025 (2024) Interim dividend to be paid on 16 September 2025 (19 September 2024) fully franked ²	16.0	43.6	15.0	43.1
2025 special dividend to be paid on 16 September 2025 unfranked	27.0	73.6	-	-
Total	43.0	117.2	15.0	43.1

¹ The 2023 final and special dividend paid differs from the 2023 proposed dividend as the number of shares on issue were reduced at payment date due to on-market share buy-backs.

² The 2024 interim dividend paid differs from the 2024 proposed interim dividend as the number of shares on issue were reduced at payment date due to on-market share buy-backs.

2.2 Earnings per share

Accounting policies

Basic earnings per share is calculated by dividing the profit after tax by the weighted average number of shares on issue during the reporting period.

Diluted earnings per share is calculated by dividing the profit after tax adjusted for any costs associated with dilutive potential ordinary shares by the weighted average number of ordinary shares and dilutive potential ordinary shares.

	30 June 2025	30 June 2024
Basic earnings per share (cents per share)	49.1	32.8
Diluted earnings per share (cents per share)	48.7	32.6

(a) Reconciliation of earnings used in calculating earnings per share

	30 June 2025 \$m	30 June 2024 \$m
Net profit used in calculating basic and diluted earnings per share	133.7	97.0

(b) Reconciliation of weighted average number of ordinary shares used in calculating earnings per share

	30 June 2025 Number of shares in millions	30 June 2024 Number of shares in millions
Weighted average number of shares used in the calculation of basic earnings per share	272.5	295.5
Weighted average number of unallocated treasury shares held in trust	0.0	-
<i>Weighted average number of dilutive potential ordinary shares</i>		
Bonus element of shares	1.8	1.7
Weighted average number of shares used in the calculation of diluted earnings per share	274.3	297.2

3 Insurance contracts

3.1 Insurance revenue

Accounting policy

Insurance revenue is recognised as performance obligations for the group of insurance contracts are satisfied. The insurance revenue relating to services provided for the year represents the total of the changes in the liability for remaining coverage that relates to services that have been rendered during the period.

	30 June 2025 \$m	30 June 2024 \$m
Amounts relating to changes in liability for remaining coverage:		
Expected insurance service expenses incurred in the period	63.7	75.4
Risk adjustment recognised in revenue for non-financial risk	15.6	20.0
Premium experience variations	(0.8)	(6.5)
Amount of CSM recognised in profit or loss	74.3	74.4
Allocation of the portion of premiums that relate to the recovery of insurance acquisition cash flows	29.4	31.5
Total insurance revenue	182.2	194.8

3.2 Insurance service expense

Accounting policy

Insurance service expenses arising from insurance contracts are recognised in profit or loss as they are incurred.

	30 June 2025 \$m	30 June 2024 \$m
Incurred claims from current period	24.9	35.7
Decrease in liabilities for incurred claims from prior periods	(51.9)	(45.6)
Insurance expenses	26.0	27.2
Amortisation of insurance acquisition cash flows	29.4	31.5
Losses on onerous contracts and (reversals) of those losses	(3.2)	(7.1)
Insurance service expense	25.2	41.7

3.3 Net financial result

(a) Investment revenue

Accounting policy

Interest revenue

Interest revenue is recognised as it accrues, considering the coupon rate on investments, and interest rates on cash.

Dividend/distribution revenue

Dividends/distributions are recognised on the date equity securities/unit trusts go ex-dividend/ex-distribution. Dividends and unit trust distributions are recognised net of franking credits and gross of withholding tax.

3.3 Net financial result cont'd.

	30 June 2025 \$m	30 June 2024 \$m
Interest revenue	46.2	46.0
Dividend/distribution revenue	4.3	14.7
Unrealised gains/(losses) (including derivative financial instruments) measured at FVTPL	35.4	(19.6)
Realised gains (including derivative financial instruments) measured at FVTPL	18.5	1.4
Total investment revenue	104.4	42.5

(b) Net finance expense from insurance contracts

Accounting policy

Insurance finance expenses comprise changes in the carrying amounts of groups of insurance contracts arising from the effects of the time value of money, financial risk and changes in assumptions.

	30 June 2025 \$m	30 June 2024 \$m
Interest accreted to insurance contracts using current financial assumptions at start of period	(20.3)	(25.2)
Interest accreted to insurance contracts using locked-in rate	(8.0)	(6.7)
Impact of changes in interest rates and other financial assumptions	(14.3)	7.2
Total insurance finance expense from insurance contracts	(42.6)	(24.7)

3.4 Insurance and reinsurance contracts

	30 June 2025 \$m	31 December 2024 \$m
Insurance contract liabilities:		
• Liability for remaining coverage (LRC)		
- Present value of future cashflows	497.6	522.1
- Risk adjustment	120.9	125.3
- CSM	635.9	642.8
Sub-total	1,254.4	1,290.2
• Liability for incurred claims (LIC)		
- Present value of future cashflows	206.8	229.4
- Risk adjustment	33.9	37.4
Sub-total	240.7	266.8
Total of LRC and LIC	1,495.1	1,557.0
Reinsurance contract liabilities:		
• Liability for remaining coverage (LRC)	3.3	6.1

3.5 Contracts initially recognised

Effects of insurance contracts initially recognised in the period

	30 June 2025 \$m	30 June 2024 \$m
Claims and other insurance service expenses payable	(53.9)	(49.8)
Insurance acquisition cash flows	(23.9)	(23.8)
Estimates of present value of cash outflows	(77.8)	(73.6)
Estimates of present value of cash inflows	121.8	97.9
Risk adjustment for non-financial risk	(10.8)	(9.5)
CSM	(33.2)	(14.8)
Losses recognised on initial recognition	-	-

3.6 Actuarial assumptions and methods

The Group makes judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The assumptions and approach for half year ended 30 June 2025 are consistent with those in the annual report for the year ended 31 December 2024.

The areas where critical accounting estimates and judgements have deviated from 31 December 2024 are noted below.

(a) Claims and expense cash flows

The estimates and adjustments for this reporting period are consistent for the liability for remaining coverage, liability for incurred claims, and liability from reinsurance as those in the annual report for the year ended 31 December 2024. Claims assumptions have been updated to reflect latest experience and outlook. In most other material aspects, movements in estimates have been limited and are consistent with prior experience.

(b) Discounting

The table below sets out the rates used to discount cash flows of insurance contracts:

Discount rate at tenor	30 June 2025	31 December 2024
Six months	3.6%	4.3%
One year	3.5%	4.2%
Three years	3.4%	4.0%
Five years	3.7%	4.1%
Ten years	4.3%	4.6%
Fifteen years	4.6%	4.7%

These rates include an illiquidity premium of 16bps (31 December 2024: 16bps).

4 Investments

Under AASB 9 *Financial Instruments*, on initial recognition, financial assets need to be classified into one of the three measurement categories:

- (a) amortised cost
- (b) fair value through other comprehensive income (FVOCI), or
- (c) fair value through profit or loss (FVTPL).

This classification depends on the following elements:

- contractual cash flow characteristics test (at instrument level), and
- business model assessment in which investment assets are managed.

Financial assets – FVTPL

AASB 9 *Financial Instruments* requires investments to be measured at FVTPL if they are not held within either a business model whose objective is to hold assets to collect contractual cash flows or within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

This applies to the Group's business model where the investments are all managed on a fair value basis. The investments are managed with the objective of realising cash flows through the sale of the assets. Decisions are made based on the assets' fair values and the assets are managed to realise those fair values, resulting in active buying and selling.

Equity securities and unit trusts - FVTPL

Equity securities are measured at FVTPL as required under AASB 9 *Financial Instruments*.

Fair value hierarchy

The Group's investments carried at fair value have been classified under the three levels of the AASB 13 *Fair Value Measurement* as follows:

- Level 1 - fair value investments which are quoted in active and known markets. The quoted prices are those at which transactions have regularly and recently taken place within such markets.
- Level 2 - fair value investments using inputs other than quoted prices within Level 1 that are observable either directly or indirectly. Australian government and state-government bonds, and corporate bonds and others, are all valued based on the quoted prices provided from external data provider. The unlisted units are valued based on the Group's share of the net asset value of the unlisted trusts, as advised by the external investment manager, using valuation techniques where significant inputs are based on observable market data adjusted for illiquidity factors. All derivative assets and derivative liabilities are classified as Level 2.
- Level 3 - fair value investments using valuation techniques that include inputs that are not based on observable market data. The unlisted units are valued based on the Group's share of the net asset value of the unlisted trusts, as advised by the external investment manager, using valuation techniques where significant inputs are based on unobservable market data. The unlisted equities are valued based on the most recent capital raising price of the investment.

4. Investments cont'd.

30 June 2025	Level 1 \$m	Level 2 \$m	Level 3 \$m	Total \$m
Investments measured at FVTPL				
Australian government and state-government bonds	-	576.5	-	576.5
Corporate bonds and others	234.3	1,481.1	-	1,715.4
Unlisted unit trusts – infrastructure	-	-	212.0	212.0
Unlisted unit trusts – other	-	-	0.4	0.4
Unlisted equities	-	-	7.7	7.7
Total	234.3	2,057.6	220.1	2,512.0

31 December 2024	Level 1 \$m	Level 2 \$m	Level 3 \$m	Total \$m
Investments measured at FVTPL				
Australian government and state-government bonds	-	641.5	-	641.5
Corporate bonds and others	228.3	1,464.8	-	1,693.1
Unlisted unit trusts – equities	-	167.5	-	167.5
Unlisted unit trusts – infrastructure	-	-	210.0	210.0
Unlisted unit trusts – other	-	-	0.4	0.4
Unlisted equities	-	-	7.7	7.7
Total	228.3	2,273.8	218.1	2,720.2

There have not been any transfers between levels during the current and prior years. Level 1 includes short term deposits and negotiable certificates of deposit (NCD).

The reconciliation from the beginning balances to the ending balances for fair value measurements in Level 3 of the fair value hierarchy is set out in the table below:

	Balance at 1 January 2025	Purchases	Disposals	Movement in fair value	Balance at 30 June 2025
	\$m	\$m	\$m	\$m	\$m
Investments					
Unlisted unit trusts – infrastructure	210.0	-	-	2.0	212.0
Unlisted unit trusts – other	0.4	-	-	-	0.4
Unlisted equities	7.7	-	-	-	7.7
Total	218.1	-	-	2.0	220.1

5 Capital management and financing

5.1 Interest bearing financial liabilities

Accounting policies

Interest bearing financial liabilities are initially recognised at fair value less transaction costs that are directly attributable to the transaction. After initial recognition, the financial liabilities are carried at amortised cost using the effective interest rate method.

Finance related costs include interest, which is accrued at the contracted rate and included in payables, and amortisation of transaction costs which are capitalised, presented together with borrowings, and amortised over the life of the borrowings.

	30 June 2025 \$m	31 December 2024 \$m
Subordinated notes	190.0	190.0
Less: capitalised transaction costs	-	(0.3)
	190.0	189.7

Key terms and conditions are:

- Interest is payable quarterly in arrears, with the rate each calendar quarter being the average of the 90-day bank bill swap rate at the end of the prior quarter plus a margin equivalent to 5.0% per annum.
- The notes mature on 3 July 2030 (non-callable for the first five years) with the issuer having the option to redeem at par from 3 July 2025. Redemption at maturity, or any earlier date is provided for in the terms and conditions of issue and is subject to prior approval by APRA.

Finance costs presented in the consolidated statement of comprehensive income include interest and amortised transaction costs related to subordinated notes amounting to \$8.7 million (30 June 2024: \$8.9 million).

Pursuant to approval by APRA on 1 May 2025, the Group exercised the option to redeem these interest-bearing subordinated notes at par on 3 July 2025.

5.2 Share capital

	30 June 2025	30 June 2025	31 December 2024	31 December 2024
	Number of shares in millions	\$m	Number of shares in millions	\$m
Issued fully paid capital				
Balance as at 1 January	272.5	637.3	300.8	750.7
Buy-back of shares, including transaction costs	(0.0)	(0.1)	(28.3)	(113.4)
Shares issued under employee share scheme (ESS)	0.0	0.2	-	-
Total shares on issue	272.5	637.4	272.5	637.3
Treasury shares acquired and held in trust to be vested	(0.4)	(2.2)	-	-
Closing balance	272.1	635.2	272.5	637.3

On 5 June 2025, the Company issued 32,064 ordinary shares totalling \$167,005 to the participants of the Company's employee share scheme (ESS) via Employee Share Ownership Trust.

The Company's issued shares do not have a par value. All ordinary shares are fully paid. Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held.

Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

On-market share buy-back

On 10 May 2024, the Company announced its intention to commence, with effect from 13 May 2024, an on-market share buy-back for shares up to a maximum aggregate value of \$100.0 million. On 25 February 2025, the Company announced an increase in the on-market share buy-back to a maximum aggregate value of \$200.0 million. The Company had acquired 19.3 million shares for a total consideration of \$79.3 million of which 20,911 shares for a total consideration of \$84,356 was acquired during the half year ended 30 June 2025. On 26 June 2025, the on-market share buy-back end date was extended from 30 June 2025 to 31 December 2025.

The shares acquired by the Company as part of the on-market share buy-back programs have been cancelled and removed from the share register.

5.3 Treasury shares held in Trust

Commencing from 1 January 2025, the Company enabled the Trust, which acquires and transfer shares in Helia Group Limited (Helia/Company) to participants, to be used as a warehousing trust, where shares can be purchased in advance for employee share-based payment plans.

Treasury shares are ordinary shares of the Company bought on market by the trustee (as an Agent of the Group) of an employee share plan to meet future obligations under that plan when rights vest and shares are allocated to participants.

6 Other disclosures

6.1 Controlled entities

The consolidated financial statements incorporate the assets, liabilities and results of the following controlled entities.

Name of entity	Country of incorporation	Class of shares	Equity holding (%)	
			30 June 2025	31 December 2024
Helia Insurance Pty Limited	Australia	Ordinary	100	100
Helia Indemnity Limited	Australia	Ordinary	100	100

6.2 Related party disclosure

Transactions with related parties are undertaken on normal commercial terms and conditions.

6.3 Events subsequent to reporting date

On 22 August 2025, the Directors declared an interim dividend of 16 cents per ordinary share totalling \$43.6 million (fully franked) and a special dividend of 27 cents amounting to \$73.6 million (unfranked) for the half year ended 30 June 2025.

The Group exercised the option to redeem its Tier 2 interest-bearing subordinated notes at par on 3 July 2025 pursuant to approval by APRA received on 1 May 2025.

On 2 July 2025, ING Bank Australia (ING) notified the Group that as part of a Request for Proposal (RFP) process relating to its Lenders Mortgage Insurance (LMI) requirements, they have decided to proceed with negotiations with an alternate provider.

The Directors are conducting a comprehensive business review that is considering a broad range of alternatives to best position the Company for the future and maximise value for shareholders. The review will consider the business response to the expected loss of new business from two significant customers and the broader impact of the recently announced changes to the Government's Home Guarantee Scheme for first home buyers on our operating environment.

There are no other events that have arisen since 30 June 2025 to the date of this report that, in the opinion of the Directors, have significantly affected or may significantly affect the operations of the Group or the state of affairs of the Group in future years.

Directors' declaration

In the opinion of the Directors of Helia Group Limited (the Company):

- a) the consolidated financial statements and notes set out on pages 8 to 23 are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Group's financial position as at 30 June 2025 and of its performance, as represented by the results of its operations and its cash flows for the half year ended on that date; and
 - (ii) complying with Australian Accounting Standards AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and
- b) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors.



Leona Murphy

Chair

Dated: 22 August 2025



Independent Auditor's Review Report

To the shareholders of Helia Group Limited

Conclusion

We have reviewed the accompanying **Half-year Financial Report** of Helia Group Limited.

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

- giving a true and fair view of the Group's financial position as at 30 June 2025 and of its performance for the Half-year ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The **Half-year Financial Report** comprises:

- Consolidated statement of financial position as at 30 June 2025
- Consolidated statement of comprehensive income, Consolidated statement of changes in equity and Consolidated statement of cash flows for the Half-year ended on that date
- Notes 1 to 6 comprising material accounting policies and other explanatory information
- The Directors' Declaration.

The **Group** comprises Helia Group Limited (the Company) and the entities it controlled at the Half year's end or from time to time during the Half-year.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report.

We are independent of the 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 these requirements.



Responsibilities of the Directors 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
- 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 does not comply with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 30 June 2025 and its performance for the Half-Year ended on that date, and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* 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.

KPMG

Leann Yuen
Partner

Sydney

22 August 2025