



Generation Development Group Limited  
ABN: 90 087 334 370

Interim Condensed Consolidated  
Financial Report 31 December 2023

For personal use only

## Corporate Information

**Company Directors**

Mr Robert Neil Coombe  
Mr William Eric Bessemer  
Ms Giselle Marie Collins

Non-Executive Chairman  
Non-Executive Director  
Non-Executive Director

**Company Secretary**

Ms Amanda Gawne

**Chief Financial Officer**

Mr Terence Wong

**Registered Office**

Level 17, 447 Collins Street  
Melbourne VIC 3000  
Telephone: +61 3 8601 2000  
Facsimile: +61 3 9200 2270

**Share Register**

Boardroom Pty Limited  
Level 12, 225 George Street  
Sydney NSW 2000

**Banker**

National Australia Bank  
330 Collins Street  
Melbourne VIC 3000

**Auditor**

KPMG  
Tower Two  
Collins Square  
727 Collins Street  
Melbourne VIC 3008

For personal use only

## Contents

Summary of Results (Unaudited) .....	4
Directors' Report.....	5
Auditor's Independence Declaration.....	7
Directors' Declaration .....	8
Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the six months ended 31 December 2023.....	9
Interim Condensed Consolidated Statement of Financial Position as at 31 December 2023.....	11
Interim Condensed Consolidated Statement of Changes in Equity for the six months ended 31 December 2023 .....	12
Interim Condensed Consolidated Statement of Cash Flows for the six months ended 31 December 2023 .....	13
Notes to the Interim Condensed Consolidated Financial Statements .....	14
Independent Auditor's Review Report.....	51

For personal use only

## Summary of Results (Unaudited)

Generation Development Group recorded a consolidated statutory net profit for the six months ending 31 December 2023 of \$4.4m (31 December 2022: \$1.0m). Statutory net profit/(loss) after tax has been prepared in accordance with the Corporations Act 2001.

The Group recorded an underlying operating profit from its Life/administration business of \$4.0m for the six months ended 31 December 2023 (31 December 2022: \$3.5m).

	Half year to 31 Dec 23 \$'000	Half year to 31 Dec 22 \$'000	Variance \$'000
Life – Fees from Benefit Funds	15,589	13,069	2,520
Administration services	206	194	12
Other income	1,014	860	154
<b>Total revenue<sup>1</sup></b>	<b>16,809</b>	<b>14,123</b>	<b>2,686</b>
Employment expenses	(6,841)	(5,771)	(1,070)
Occupancy	(208)	(175)	(33)
Communication	(32)	(30)	(2)
Finance	(68)	(67)	(1)
Dealing and settlement	(1,484)	(1,235)	(249)
Marketing and promotion	(606)	(450)	(156)
Depreciation and amortisation	(878)	(860)	(18)
Expenses relating to Benefit Funds	(2,731)	(2,463)	(268)
Other expenses	(5,201)	(4,801)	(400)
<b>Total expenses<sup>1</sup></b>	<b>(18,049)</b>	<b>(15,852)</b>	<b>(2,197)</b>
<b>Underlying loss before income tax</b>	<b>(1,240)</b>	<b>(1,729)</b>	<b>489</b>
Income tax benefit <sup>2</sup>	5,241	5,275	(34)
<b>Underlying profit after tax benefit – Life / administration business</b>	<b>4,001</b>	<b>3,546</b>	<b>455</b>
Income tax expense – parent entity (GDG)	(205)	(113)	(92)
Investment in associates – share of profit normalised operations <sup>3</sup>	3,165	1,747	1,418
Investment-linked lifetime annuity product – LifeIncome	(2,043)	(2,242)	199
<b>Underlying profit after tax</b>	<b>4,918</b>	<b>2,938</b>	<b>1,980</b>
<b>Other items (net of applicable tax)</b>			
Investment in associates – IPL acquisition and integration costs	(1,036)	(1,054)	18
Deferred tax asset on carry-forward losses (utilised) / recognised	(47)	(400)	353
<b>Profit after tax (excluding impact of AASB 17)</b>	<b>3,835</b>	<b>1,484</b>	<b>2,351</b>
AASB 17 impact on implementation <sup>4</sup>	550	(497)	1,047
<b>Statutory profit after tax</b>	<b>4,385</b>	<b>987</b>	<b>3,398</b>

### Notes:

- Revenue and expenses reflected in the summary of results are attributable to the Shareholders of the Company.
- For income taxation purposes Generation Life Limited is a single taxpayer comprising policyholder Benefit Funds and a central management or shareholder fund with all the Company's assessable income, allowable deductions and other tax offsets being pooled.
- Based on normalised profit after tax of associates for the six months period ended 31 December 2023.
- The Group has adopted AASB 17 Insurance Contracts from 1 July 2023. This represents the net profit and loss impact of adopting AASB 17.

## Directors' Report

The Directors of Generation Development Group Limited (the "Company") submit herewith the interim condensed consolidated financial report of the Company and its controlled entities (the "Group") for the six months ended 31 December 2023. In order to comply with the provisions of the Corporations Act 2001, the Directors report is as follows:

### Directors

The names and particulars of the Directors of the Company during or since the end of the interim period are set out below. Directors were in office for the entire period unless otherwise stated:

Mr Robert Neil Coombe	Non-Executive Chairman
Mr William Eric Bessemer	Non-Executive Director
Ms Giselle Marie Collins	Non-Executive Director

### Review of Operations

The statutory profit after tax of Generation Development Group Limited ('the Group') for the interim period to 31 December 2023 was \$4.4m, increased by 344% from prior comparative period of \$1.0m.

Underlying profit represents the Group's preferred measure of the result of the ongoing business activities of the Group. This is a non-statutory measure not subject to review by the external auditor which excludes non-core items, included in the statutory result, to derive the underlying profit. The adjustments made are included in the statutory profit which is subject to review by the external auditor in the context of their review of the interim condensed consolidated financial report.

The underlying net profit for the Life / Administration business increased by \$455k or 13% to \$4.0m for the six months ended 31 December 2023, compared to \$3.5m in the prior comparative period. The Group underlying NPAT of \$4.9m includes earnings from associates, LifeIncome and income tax expense of GDG but excludes other items as reflected in the summary of results.

The increase was largely a result of continued FUM growth, which reached \$2.9b at 31 December 2023, 12% higher than at the start of the financial year.

### Product Sales Results

Generation Life Investment Bond's sales momentum is strong with potential legislative tailwinds from the proposed changes to the taxation on earnings of superannuation balance above \$3m and revision of stage three tax cuts. This has seen increased sales activity and interest.

Investment Bond application levels were higher in 1HY24 with new applications at 12,764 up 21.1% from prior corresponding period of 10,540. This comprised 7,264 LifeBuilder Bonds up 18.6%, 4,990 ChildBuilder bonds up 23.9% and notably 510 Funeral Bonds up 31.1%.

Savings plans have risen to \$47.5m up 12.6% from prior corresponding period of \$42.2m. Over 50% of policies received during the period came with a saving plan attached.

The number of direct businesses has increased by 17.8% in 1HY24 with 3,642 applications received directly from clients worth \$12.4m.

Pleasingly, 284 financial advisers wrote business for the first time with Generation Life in 1HY24 and 1,490 individual financial advisers have written business during the period up 17.7% prior corresponding period.

LifeIncome sales stood at \$7.7m for 1HY24 with a closing FUM of \$24.4m.

### Balance Sheet and Capital

- The Group held cash and cash equivalents of \$19.7m at 31 December 2023 (30 June 2023: \$16.9m) which includes \$2.1m of term deposits greater than 90 days and excludes cash and cash equivalents of the benefit funds that are attributable to the policy holders, providing the Group with strong levels of capital to support growth ambitions.
- The Group has no drawn borrowing facilities and Generation Life Limited, the Group's main operating subsidiary, continues to meet all regulatory capital requirements.

1. Plan for Life, Investment Bonds Market Report for period ended 30 September 2023.

**Dividend Policy**

An interim dividend of 1 cent per share, partly franked, was declared on 28 February 2024 with payment date of 4 April 2024.

**Outlook**

Investment bond sales continue to garner strong sales momentum. This positions us well for the full financial year to potentially match or exceed our annual sales record.

LifelIncome is expected to produce continued solid results. In addition to growing sales, the focus in the next 6 to 12 months would be to leverage off the recent MetLife distribution agreement and enter arrangements with superannuation funds with whom MetLife currently provides group life insurance.

We continue to see strong growth in Lonsec's Self-Managed Accounts business and Lonsec Investment Solutions.

**Auditor's independence declaration**

The auditor's independence declaration is included on page 7 of the interim condensed consolidated financial report and forms part of this Directors' report.

**Rounding of amounts**

The Company is a company of the kind referred to in ASIC Corporation instrument 2016/191, and in accordance with the Class Order amounts in directors' report and the interim consolidated financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

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

On behalf of the Directors



Mr Robert Coombe  
Non-Executive Chairman  
Melbourne, 28 February 2024

For personal use only



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

To the Directors of Generation Development Group Limited

I declare that, to the best of my knowledge and belief, in relation to the review of Generation Development Group Limited for the half-year ended 31 December 2023 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.

KPMG

KPMG



Dean Waters

Partner

Melbourne

28 February 2024

For personal use only

## Directors' Declaration

In the opinion of the directors of Generation Development Group Limited ("the Company"):

1. the interim condensed consolidated financial statements and notes set out on pages 9 to 50, are in accordance with the Corporations Act 2001 including:
  - a. giving a true and fair view of the Group's consolidated financial position as at 31 December 2023 and of its performance for the six months ended on that date; and
  - b. complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001; and
2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors:

On behalf of the Directors



Mr Robert Coombe  
Non-Executive Chairman  
Melbourne, 28 February 2024

For personal use only

## Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the six months ended 31 December 2023

	Notes	Restated*	
		Half year ended 31 Dec 2023	Half year ended 31 Dec 2022
		\$'000	\$'000
<b>Revenue, other income and investment revaluations</b>			
Revenue from contracts with customers	12(a)	3,155	2,865
Interest income	12(b)	3,314	1,713
Revaluation of investments	12(c)	113,004	46,576
Other income	12(d)	471	629
Distribution and dividend income		24,822	19,265
<b>Total revenue excluding insurance revenue</b>		<b>144,766</b>	<b>71,048</b>
Insurance revenue		1,468	517
Insurance service expenses		(2,516)	(2,677)
<b>Insurance service result from insurance contracts issued</b>		<b>(1,048)</b>	<b>(2,160)</b>
Income from reinsurance contracts held		569	656
<b>Insurance service result</b>		<b>(479)</b>	<b>(1,504)</b>
<b>Net investment income/(expenses)</b>		<b>1,126</b>	<b>(110)</b>
Insurance finance income/ (expenses) from insurance contracts issued		(1,066)	(64)
Finance income/ (expenses) from reinsurance contracts held		(70)	(289)
<b>Net insurance finance income/(expenses)</b>		<b>(1,136)</b>	<b>(353)</b>
<b>Net insurance result</b>	13	<b>(489)</b>	<b>(1,967)</b>
<b>Expenses</b>			
Employment expenses		(7,344)	(6,138)
Occupancy expenses		(208)	(175)
Communication expenses		(32)	(30)
Finance expenses		(68)	(67)
Dealing and settlement expenses		(4,186)	(3,709)
Marketing and promotional expenses		(802)	(450)
Depreciation and amortisation expenses		(878)	(860)
Other expenses		(6,133)	(5,824)
Policyholder withdrawals		(50)	(55)
<b>Total expenses</b>		<b>(19,701)</b>	<b>(17,308)</b>

\*The Group adopted AASB 17 *Insurance Contracts* from 1 July 2023 and has restated the prior comparative period. The impacts of adoption are detailed in Note 3.

A subsidiary of the Company, Generation Life Limited, is a Friendly Society in accordance with the Life Insurance Act 1995. The funds operated by Generation Life Limited and any trusts controlled by those funds, are treated as statutory funds in accordance to the Life Insurance Act 1995. These statutory funds are required to be consolidated in accordance to Accounting Standards.

The notes on pages 14 to 50 are an integral part of these condensed consolidated interim financial statements.

## Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the six months ended 31 December 2023

	Notes	Half year ended 31 Dec 2023 \$'000	Restated* Half year ended 31 Dec 2022 \$'000
Investment in associates – share of profit	17	2,129	693
<b>Profit / (loss) before income tax expense</b>		<b>126,705</b>	<b>52,466</b>
Income tax (expense) / benefit	18	(13,445)	(19,932)
<b>Profit / (loss) after income tax expense</b>		<b>113,260</b>	<b>32,534</b>
(Profit) / loss attributable to policyholders	24	(108,875)	(31,547)
<b>Net profit / (loss) attributable to shareholders of the Company</b>		<b>4,385</b>	<b>987</b>
<b>Earnings per share</b>			
➤ Basic (cents per share)		2.30	0.53
➤ Diluted (cents per share)		2.30	0.53

\*The Group adopted AASB 17 *Insurance Contracts* from 1 July 2023 and has restated the prior comparative period. The impacts of adoption are detailed in Note 3.

A subsidiary of the Company, Generation Life Limited, is a Friendly Society in accordance with the Life Insurance Act 1995. The funds operated by Generation Life Limited and any trusts controlled by those funds, are treated as statutory funds in accordance to the Life Insurance Act 1995. These statutory funds are required to be consolidated in accordance to Accounting Standards.

The notes on pages 14 to 50 are an integral part of these condensed consolidated interim financial statements.

## Interim Condensed Consolidated Statement of Financial Position as at 31 December 2023

	Notes	As at 31 Dec 23 \$'000	Restated* As at 30 Jun 23 \$'000	Restated* As at 1 Jul 22 \$'000
<b>Assets</b>				
Cash and cash equivalents		88,475	93,660	89,443
Income tax receivable		5,735	14,644	6,229
Trade and other receivables		3,604	1,245	6,862
Other assets		13,589	30,028	61,604
Financial assets	19	2,914,061	2,551,673	2,003,840
Investment in associates	17	32,465	30,336	28,942
Right-of-use assets		3,259	3,629	4,185
Plant and equipment		384	414	499
Deferred tax assets		4,301	15,945	45,314
Intangible assets		2,429	2,780	3,217
Reinsurance contract assets	16	1,142	623	-
<b>Total assets</b>		<b>3,069,444</b>	<b>2,744,977</b>	<b>2,250,135</b>
<b>Liabilities</b>				
Trade and other payables		12,018	10,497	6,809
Current tax liabilities		816	14	9,208
Lease liabilities		3,459	3,807	4,238
Other liabilities		2,885	3,533	4,044
Financial liabilities		-	1,105	-
Provisions		1,729	1,558	1,436
Deferred tax liabilities		38,477	33,615	4,877
Insurance contract liabilities	15	32,332	24,200	8,889
Reinsurance contract liabilities		-	-	229
Investment contract liabilities	24	2,916,773	2,608,262	2,153,704
<b>Total liabilities</b>		<b>3,008,489</b>	<b>2,686,591</b>	<b>2,193,434</b>
<b>Net assets</b>		<b>60,955</b>	<b>58,386</b>	<b>56,701</b>
<b>Equity</b>				
Issued capital	20	89,134	89,045	88,517
Share based payment reserve		2,748	2,748	2,337
Profit reserve		52,391	28,648	16,432
Accumulated loss		(83,318)	(62,055)	(50,585)
<b>Total equity</b>		<b>60,955</b>	<b>58,386</b>	<b>56,701</b>

\*The Group adopted AASB 17 *Insurance Contracts* from 1 July 2023 and has restated the prior comparative period. The impacts of adoption are detailed in Note 3.

A subsidiary of the Company, Generation Life Limited, is a Friendly Society in accordance with the Life Insurance Act 1995. The funds operated by Generation Life Limited and any trusts controlled by those funds, are treated as statutory funds in accordance to the Life Insurance Act 1995. These statutory funds are required to be consolidated in accordance to Accounting Standards. The notes on pages 14 to 50 are an integral part of these condensed consolidated interim financial statements.

## Interim Condensed Consolidated Statement of Changes in Equity for the six months ended 31 December 2023

	Issued capital	Share based payment reserve	Other reserve	Profits reserve	Accumulated Loss	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Period ended 31 Dec 2023</b>						
Restated Balance at 1 Jul 2023*	89,045	2,748	-	28,648	(62,055)	58,386
Net profit/(loss) for the period	-	-	-	25,648	(21,263)	4,385
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25,648</b>	<b>(21,263)</b>	<b>4,385</b>
<b>Transactions with owners</b>						
Issue of ordinary shares	89	-	-	-	-	89
Share based payments	-	-	-	-	-	-
Dividend paid	-	-	-	(1,905)	-	(1,905)
Other items	-	-	-	-	-	-
<b>Balance at 31 Dec 2023</b>	<b>89,134</b>	<b>2,748</b>	<b>-</b>	<b>52,391</b>	<b>(83,318)</b>	<b>60,955</b>
<b>Period ended 31 Dec 2022</b>						
Balance at 1 Jul 2022	88,517	2,337	-	16,432	(49,935)	57,351
Adjustment on initial application of AASB17, net of tax	-	-	-	-	(650)	(650)
<b>Restated balance at 1 Jul 2022*</b>	<b>88,517</b>	<b>2,337</b>	<b>-</b>	<b>16,432</b>	<b>(50,585)</b>	<b>56,701</b>
Net profit/(loss) for the period	-	-	-	4,593	(3,606)	987
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,593</b>	<b>(3,606)</b>	<b>987</b>
<b>Transactions with owners</b>						
Issue of ordinary shares	148	-	-	-	-	148
Share based payments	-	-	-	-	-	-
Dividend paid	-	-	-	(1,887)	-	(1,887)
Other items	-	261	-	-	-	261
<b>Restated Balance at 31 Dec 2022*</b>	<b>88,665</b>	<b>2,598</b>	<b>-</b>	<b>19,138</b>	<b>(54,191)</b>	<b>56,210</b>

\*The Group adopted AASB 17 *Insurance Contracts* from 1 July 2023 and has restated the prior comparative period. The impacts of adoption are detailed in Note 3.

The notes on pages 14 to 50 are an integral part of these condensed consolidated interim financial statements.

## Interim Condensed Consolidated Statement of Cash Flows for the six months ended 31 December 2023

	Half year ended 31 Dec 23 \$'000	Restated* Half year ended 31 Dec 22 \$'000
<b>Cash Flows from Operating Activities</b>		
Receipts from customers	17,250	13,669
Distributions and dividends received	41,327	70,163
Payments to suppliers and employees	(29,968)	(28,124)
Interest received – benefit funds	2,553	1,072
Finance and borrowing costs	(68)	(23)
Income tax received/(paid)	13,153	(4,182)
Net cash outflow from sales and purchases of investments – benefit funds	(255,574)	(209,951)
Policyholder's contributions on insurance contracts – premiums received	7,552	7,403
Policyholder's withdrawals on insurance contracts – claims and other insurance service expenses paid	(1,522)	(1,423)
Acquisition cash flows	(933)	(1,166)
Net receipts / (payments) from/to reinsurers	(9)	(6)
Policyholders contributions received on investment contracts	309,356	250,209
Policyholders withdrawals paid on investment contracts	(107,098)	(88,684)
<b>Net cash flows from / (used in) operating activities</b>	<b>(3,981)</b>	<b>8,957</b>
<b>Cash Flows from Investing Activities</b>		
Interest received	442	263
Annuity project costs	-	(2,772)
Term deposit matured / (invested)	647	(2,232)
Purchase of property, plant and equipment	(71)	(79)
Payment of software	-	(276)
<b>Net cash flows (used in) / from investing activities</b>	<b>1,018</b>	<b>(5,096)</b>
<b>Cash Flows from Financing Activities</b>		
Dividends paid	(1,818)	(1,739)
Payment of lease liabilities	(444)	(389)
Interest paid on finance lease liabilities	40	-
<b>Net cash flows (used in) / from financing activities</b>	<b>(2,222)</b>	<b>(2,128)</b>
<b>Net (decrease) / increase in cash held</b>	<b>(5,185)</b>	<b>1,733</b>
Cash and cash equivalents at beginning of the period	93,660	89,443
<b>Cash and cash equivalents at the end of the period</b>	<b>88,475</b>	<b>91,176</b>

\*The Group adopted AASB 17 *Insurance Contracts* from 1 July 2023 and has restated the prior comparative period. The impacts of adoption are detailed in Note 3.

The notes on pages 14 to 50 are an integral part of these condensed consolidated interim financial statements.

## Notes to the Interim Condensed Consolidated Financial Statements

### 1. Reporting entity

Generation Development Group Limited (the “Company”) is a for profit public company listed on the Australian Securities Exchange (ASX: GDG) and incorporated in Australia. The Company operates as a Pooled Development Fund. This interim condensed consolidated financial report comprises the Company and its controlled entities (the “Group”) as at and for the six months ended 31 December 2023. The Group is primarily involved in the provision of Life investment products within the Australian Life Insurance Sector.

### 2. Basis of preparation

This interim condensed consolidated financial report for the six months ended 31 December 2023 (1HY24) has been prepared in accordance with AASB 134 *Interim Financial Reporting and the Corporations Act 2001*.

This 1HY24 financial report does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group’s annual financial statements as at 30 June 2023.

This 1HY24 financial report was approved by the Board of Directors on 28 February 2024. The Company is of a kind referred to in ASIC Corporation Instrument 2016/191, and amounts in the interim financial report have been rounded off to the nearest thousand dollars. All amounts are presented in Australian dollars, which is the functional currency of the Company and its subsidiaries.

The carrying values of amounts recognised on the Statement of financial position are often based on estimates and assumptions of future events. They key estimates and assumptions that have a significant risk of causing a material adjustment to the recognised amounts within the next annual reporting period are disclosed individually within each of the relevant notes to the financial statements.

The consolidated annual financial report of the Group as at and for the year ended 30 June 2023 is available upon request from the Company’s registered office and principal place of business at Level 17, 447 Collins Street, Melbourne, Victoria 3000 or at [www.gendevdevelopmentgroup.com.au](http://www.gendevdevelopmentgroup.com.au).

### 3. New standards, interpretations and amendments adopted

The Group has adopted the following new accounting standards for the reporting period beginning on 1 July 2023:

#### AASB 17 Insurance Contracts

AASB 17 is a new accounting standard for all types of insurance contracts and replaces AASB 4 Insurance Contracts, AASB 1023 General Insurance Contracts and AASB 1038 Life Insurance Contracts. AASB 17 applies to reporting periods beginning on or after 1 January 2023. A further amendment was approved in March 2022 to add a transition option that permits an entity to apply a classification overlay relating to comparative information about the financial assets presented on the initial application of AASB 17 and AASB 9 at the same time.

## Notes to the Interim Condensed Consolidated Financial Statements (continued)

### Impacts of adoption of AASB 17

The impacts of adoption of AASB 17 on the Group's consolidated statement of financial position from 1 July 2022 are as follows:

	30 Jun 2022 (previously reported)	AASB 17 Presentation changes	AASB 17 remeasurement	Restated 1 July 2022
	\$'000	\$'000	\$'000	\$'000
<b>Assets</b>				
Other assets	61,697	(93)	-	61,604
<b>Liabilities</b>				
Trade and other payables	6,909	(100)	-	6,809
Other liabilities	4,064	(20)	-	4,044
Insurance contract liabilities	-	8,470	419	8,889
Reinsurance contract liabilities	-	1	228	229
Investment contract liabilities	2,162,145	(8,441)	-	2,153,704
<b>Shareholder's equity</b>				
Retained earnings	(49,935)	(3)	(647)	(50,585)

	30 Jun 2023 (previously reported)	AASB 17 Presentation changes	AASB 17 remeasurement	Restated 1 July 2023
	\$'000	\$'000	\$'000	\$'000
<b>Assets</b>				
Other assets	30,074	(46)	-	30,028
Reinsurance contract assets	-	(248)	871	623
<b>Liabilities</b>				
Other liabilities	3,562	(29)	-	3,533
Insurance contract liabilities	-	24,122	78	24,200
Investment contract liabilities	2,631,191	(22,929)	-	2,608,262
<b>Shareholder's equity</b>				
Retained earnings	(61,390)	(1,458)	793	(62,055)

For personal use only

## Notes to the Interim Condensed Consolidated Financial Statements (continued)

### 4. Material accounting policies adopted

Except as described below, the accounting policies applied in these interim financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended 30 June 2023. Where appropriate, comparative information has been restated to be comparable with information presented in the current period.

The Group has applied the full retrospective approach on transition to AASB 17 for all groups of insurance contracts issued and reinsurance contract held. An additional statement of financial position as of 1 July 2022 is presented in these consolidated statements due to the retrospective application.

Changes in accounting policies are also expected to be reflected in the Group's consolidated financial statements as at and for the year ending 30 June 2024.

The Group has adopted AASB 17 for the reporting period beginning on 1 July 2023.

A qualitative assessment of the Group's distinct products was performed under AASB 17 B102 at the transition date and the following contracts were identified.

The Group has two distinct product groups:

1. Life Investment contracts – are currently measured under the financial instruments standard and will continue to be recognised under AASB 9. These contracts do not have “insurance risk”.
2. Investment linked lifetime annuity contracts with direct participating features (DPF) – launched in March 2022, Investment linked lifetime annuity contract (LifelIncome) is essentially investment related service contracts, for which the Group promises a return on investment and a lifetime annuity. LifelIncome contracts meet the definition of insurance contracts with direct participation features, the Group has an obligation to pay policy holders an amount equal to the value to specified underlying items, minus a variable fee for services, these contracts are measured at transition date by applying the Variable Fee Approach (VFA) under AASB 17. In addition, the acquired legacy business with discretionary participation features (DPF) are closed benefit funds (which are in their natural “run-off” mode and closed for new applications). Analysis indicates both the policy liability and the profit release pattern under AASB 17 and AASB 9 are not materially different. The Group will continue to account for these under AASB 9.

#### Insurance contract liabilities - LifelIncome

LifelIncome insurance contracts are contracts regulated under the Life Act that involve the acceptance of significant insurance risk. Insurance risk is defined as significant if, and only if, an insured event could cause an insurer to pay significant additional benefits in any scenario, excluding scenarios that lack commercial substance (i.e. have no discernible effect on the economics of the transaction).

The financial reporting methodology used to determine the value of insurance contract liabilities is referred to as Variable Fee Approach (VFA) under AASB 17. The main feature of VFA include:

- A measurement of the present value of future cash flows, incorporation an explicit risk adjustment, remeasured every reporting period, i.e. the fulfilment cash flows.
- The risk adjustments reflect the compensation the Group requires for bearing the uncertainty about the amount and timing of the cash flows for non-financial risk as the Group fulfils insurance contracts.
- A Contractual Service Margin (CSM) represents the unearned profitability of the insurance contract to be recognised in profit or loss over the service period (i.e., the coverage period). It represents the variable fee to shareholders, and it is adjusted to reflect the effect of changes in economics as well as experience variances and /or assumptions changes that relate to future services.

The key areas of judgement in the determination of the liabilities are actuarial assumptions for risk adjustment, coverage units, mortality, acquisition and maintenance expenses, and economic assumptions for discount rates and inflation rates.

## Notes to the Interim Condensed Consolidated Financial Statements (continued)

### Insurance contracts issued, and reinsurance contracts held

The Group issues investment-linked lifetime annuity insurance contracts which provide life insurance coverage and an investment component. Under the terms of insurance contracts issued, the Group has an obligation to pay policyholders an amount equal to the value to specified underlying items, minus a variable fee for service.

The Group accounts for these contracts applying the Variable Fee Approach (VFA) in accordance with AASB 17.

The Group reinsures longevity and mortality risk on insurance contracts issued, using proportional quota share reinsurance treaties and accounts for these contracts applying the General Measurement Model (GMM).

The determination of whether a contract or a group of contracts is onerous is based on the expectations as at the date of initial recognition, with fulfilment cash flow expectations determined on a probability-weighted basis. The Group determines the appropriate level at which reasonable and supportable information is available to assess whether the contracts are onerous at initial recognition and whether the contracts not onerous at initial recognition have a significant possibility of becoming onerous subsequently. The Group applies significant judgement in determining at what level of granularity the Group has sufficient information to conclude that all contracts within a set will be in the same group. In the absence of such information, the Group assesses each contract individually. The Group groups insurance contracts issued into annual cohorts based on financial year i.e., 1 July to 30 June.

The Fulfilment cash flows (FCF) are the current unbiased and probability-weighted estimates of the present value of the future cash flows, including a risk adjustment (RA) for non-financial risk. In arriving at a probability-weighted mean, the Group considers a range of scenarios to establish a full range of possible outcomes incorporating all the reasonable and supportable information available without undue cost or effort about the amount, timing, and uncertainty of expected future cash flows. The estimates of future cash flows reflect conditions existing at the measurement date including assumptions at that date about the future.

The Group estimates expected future cash flows for a group of contracts at a portfolio level and allocates them to the groups in that portfolio in a systematic and rational way.

The cash flow estimates include both market variables, which are consistent with observable market prices, and non-market variables, which are not contradictory with market information and based on internally and externally derived data.

The Group updates its estimates at the end of each reporting period using all newly available information, as well as historic evidence about trends. The Group determines its current expectations of probabilities of future events occurring at the end of the reporting period. In developing new estimates, the Group considers the most recent experience and earlier experience, as well as other information.

In accordance with AASB 17, onerous contracts are group of contracts which have costs in meeting the obligations under the contract exceed the economic benefits expected to receive from it. GDG's group of insurance contracts are onerous on initial recognition.

### Discount rates

The Group measures the time value of money using discount rates that reflect the liquidity characteristics of the insurance contracts and the characteristics of the cash flows, consistent with observable current market prices. They exclude the effect of factors that influence such observable market prices but do not affect the future cash flows of the insurance contracts.

The Group uses discount rates aligned with the single rate of expected investment return net of investment management fees on underlying assets. The discount rate varies across investment options.

For reinsurance contracts, the Group uses the bottom-up approach to determine discount rates in relation to reinsurance contracts held, calculated as risk free rates and an illiquidity premium. Reinsurance discount rate is considered at initial recognition as the date of treaty inception (or date of new addendum issued for subsequent cohorts).

All changes in the discount rates i.e., impact of locked-in rates vs. current rates, are recognised in profit or loss under Insurance finance income/(expenses) (IFIE).

## Notes to the Interim Condensed Consolidated Financial Statements (continued)

### Risk adjustment for non-financial risk

The Group measures the compensation it would require for bearing the uncertainty about the amount and timing of cash flows arising from insurance contracts, other than financial risk separately as an adjustment for non-financial risk. The Group uses the cost of capital method in estimating the risk adjustment. The level of capital and the cost of capital rate that feed this estimation technique are calibrated from the Group's regulatory capital and target capital and related return on equity and average earning rate on capital assets.

The Group is exposed to longevity risk and expense risk. No diversification is allowed between longevity risk and expense risk under AASB 17. For underlying insurance contracts issued, the risk adjustment is determined using the cost of capital (CoC) method at a total level and allocated down to groups of insurance contracts using PV Claims in the scalar approach.

The reinsurance risk adjustment is set equal to the gross risk adjustment for longevity risk only.

The Group has elected not to disaggregate and presents the entire change in the risk adjustment for non-financial risk as part of the insurance service result.

### Contractual Service Margin (CSM) and loss component

The Contractual Service Margin (CSM) is a component of the overall carrying amount of a group of insurance contracts representing unearned profit that the Group recognises as it provides insurance contract services over the coverage period.

If a group of contracts is onerous, the Group recognises a loss on initial recognition, resulting in the carrying amount of the liability for the group being equal to the fulfilment cash flows, and the CSM of the group being nil.

On initial recognition, the Group recognises any net cost or net gain on purchasing the group of reinsurance contracts held as a reinsurance CSM, unless the net cost of purchasing reinsurance coverage relates to events that occurred before the purchase of the group of reinsurance contracts, where the Group recognises such a cost immediately in profit or loss as an expense as part of insurance service result.

After the loss component (LC) is recognised, the Group allocates any subsequent changes in fulfilment cash flows relating to future service to the LC. Any changes not related to future service are allocated on a systematic basis between the LC and the LRC excluding LC.

Insurance acquisition cash flows included among the other FCF for an annual cohort of insurance contracts, in measuring the LRC, are amortised (expensed) on a straight-line basis over the coverage period, together with the same amount recognised in insurance revenue. See further details on insurance revenue and insurance service expense recognition in note (a) and note (b), respectively.

### Recognition and measurement

#### a. Insurance revenue

As the Group provides insurance services under a group of insurance contracts issued, it reduces its LRC and recognises insurance revenue, which is measured at the amount of consideration the Group expects to be entitled to in exchange for those services.

Insurance revenue consists of the sum of the changes in the liability for remaining coverage (LRC) related to the insurance service expense incurred in the period measured at the amounts expected at the beginning of the period, the change in the risk adjustment (RA) for non-financial risk, the amount of CSM for the services provided in the period, and other amounts, such as experience adjustments in relation to the difference between the expected cash flow estimate at the beginning of the period and the actual incurred amounts of insurance service expenses in the period (excluding insurance acquisition expenses).

#### b. Insurance service expense

Insurance service expense arising from groups of insurance contracts issued are recognised in profit and loss and includes incurred claims, attributable expenses incurred in the period, changes in the LIC related to claims and expenses incurred in the period, changes in the LRC related to future service that do not adjust the CSM, because they are changes in the Loss Components of onerous groups of contract and impairment and reversal of impairment of pre-acquisition DAC (as applicable).

## Notes to the Interim Condensed Consolidated Financial Statements (continued)

### c. Insurance finance income/(expenses) (IFIE)

IFIE present the effect of the time value of money and the change in the time value of money, together with the effect of financial risk and changes in financial risk of a group of insurance contracts issued and a group of reinsurance contracts held.

The Group recognises all IFIE in profit or loss only, with no disaggregation between profit or loss and OCI.

Changes in the obligation to pay the policyholder an amount equal to fair value of underlying items are presented in IFIE.

Where the amount directly attributable to the policyholder differs compared to expected due to investment return variance, the resulting impact will be reflected in IFIE.

For reinsurance contracts held, the Group adjusts the LRC for the time value of money using discount rates determined at initial recognition. The Group has elected not to disaggregate and presents the 'finance income/(expenses) from reinsurance contracts held' in profit or loss.

### d. Income or expenses from reinsurance contracts held

The Group has adopted a net presentation in the profit or loss for income or expenses from a group of reinsurance contracts held. Income or expenses from reinsurance contracts held consists of the following amounts:

- reinsurance premiums paid to the reinsurers
- annuity mortality adjustments receivable/payable based on expected vs actual mortality experience

### e. Income tax

*Income tax specifically chargeable to policyholders*

When income taxes are specifically chargeable to the policyholder under the terms of the contract, these are measured applying AASB 112, and the Group includes those amounts in the FCF applying AASB 17, in determining insurance liabilities/assets and insurance revenues/expenses. The Group accounts for them as a reduction in the liability for remaining coverage and recognises insurance revenue when incurred.

## 5. Use of estimates and judgements

In the application of the Group's accounting policies, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimate and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

In preparing this interim condensed consolidated financial report, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied in the consolidated annual financial statements as at and for the year ended 30 June 2023.

### Key assumptions and estimates applied in the valuation of the LifeIncome insurance contract liabilities

The following are key estimations that was used in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in financial statements:

- Technique for estimation of future cash flows

The estimate of future cash flows shall be an estimate of the probability-weighted mean of the full range of outcomes within the boundary of the contract. The Group estimates the expected cash flows for insurance contracts issued and reinsurance contracts held separately at an entity level. The cash flows are determined at a policy level and then aggregated into groups of insurance contracts issued. A different policy identifier is used for reinsurance contracts held at the policy level for aggregation purposes.

- Discount rates

For reinsurance contracts, the Group uses the bottom-up approach to determine discount rates in relation to reinsurance contracts held, calculated as risk free rates and an illiquidity premium. The illiquidity premium is determined by reference to observable market rates, including Australian Commonwealth Government Securities, treasury bonds and corporate bonds.

Reinsurance discount rate is considered at initial recognition as the date of treaty inception (or date of new addendum issued for subsequent cohorts). This discount rate is locked-in, per the GMM, and is, thus, also used for CSM re-measurement and interest accretion. For subsequent measurement of FCF, the discount rate is set using the bottom-up approach, with current risk-free rates and an illiquidity premium.

## Notes to the Interim Condensed Consolidated Financial Statements (continued)

- Risk adjustment (RA) for non-financial risk

The risk adjustment is held to reflect the compensation the Group requires to bear the uncertainty about the amount and timing of the cash flows that arise from non-financial risks. The Group is exposed to longevity risk on insurance contracts issued due to the guarantee that payments of a set number of units will be made until death of the policyholder. It is also exposed to expense risk, being the risk that expenses associated with the costs of servicing the underlying insurance contracts will be larger than expected.

The Group determines risk adjustment at a total entity level and allocates it down to groups of insurance contracts using PV Claims in the scalar approach. Risk adjustment for group of insurance contracts is calculated based on the ratio of total risk adjustment relative to total PV claims. This ratio is pro-rated for the PV claims amount in relation to groups of insurance contracts issued.

In estimating the risk adjustment, the Group uses the cost of capital (CoC) method. The method looks at estimating the additional amount of capital required for the amount of uncertainty, and then estimating the expected cost of that capital over the period of the risk. The Group uses the risk-free discount rates to discount the risk adjustment for insurance contracts issued and reinsurance contracts held.

Capital held for longevity risk is expected to constitute the material portion of total capital. The capital held of expense risk is short term in nature and hence, the CoC on expense risk is immaterial. The expected CoC is calculated as the difference between the Group's target return on equity and the average earning rate of the capital assets. No diversification will be allowed for due to no correlation between longevity and expense risks. The Group determines the implied confidence level using the risk adjustment and statistical techniques, assuming losses are normally distributed, referencing a mean of 0 at 50% confidence level and the required capital which assumes that losses over the next year will be covered at an 80% confidence level (2023: 80%). The implied confidence level will be recalculated annually.

Confidence levels are applied to LRC and LIC and are expected to be consistent unless facts and circumstances clearly indicate otherwise.

Reinsurance risk adjustment is set equal to the gross risk adjustment for longevity risk only.

- Coverage unit methodology and CSM release

Coverage units are required to be set using a measure that will demonstrate the relative quantity of benefits expected to be provided over the life of the contract (the policyholder's lifetime).

The benefit payments (which include both annuity outgo and death benefit payment) provide a reflection of the quantity of benefits expected to be provided over the life of the contract and are, thus, used as coverage units. The initial expected benefit payments are determined by considering the probability-weighted average duration of contracts at inception.

CSM release for period is based on the ratio of actual benefits paid during the period relative to (actual benefits paid during the period and PV of expected benefit amounts for end of period). For reinsurance contracts held, CSM release for period is determined using the same method, however, benefit amounts used relate to the underlying insurance contracts issued.

For personal use only

## Notes to the Interim Condensed Consolidated Financial Statements (continued)

### 6. Risk and capital management

#### Risk management governance and framework

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. The Board has adopted an approved Risk Management Plan, which reflects the Board's commitment to identifying, monitoring and mitigating risks as well as capturing opportunities.

The Board recognises the broad range of risks that the Group faces as a participant in the financial services industry. Increasingly, the risk of climate change is being considered within the investment process. The Group considers the risk of climate change within its risk management framework and work to ensure that these risks are mitigated where possible. The Group is not currently materially exposed to climate risk.

Day-to-day responsibility for risk management has been delegated to executive management, with review occurring at Audit and Risk Committees, and Board level. The Chief Executive Officer of Generation Life Limited and Chief Financial Officer of the Group are required to provide to the Board an annual certification that the Group's risk management system is operating efficiently and effectively in all material respects.

#### *Underwriting risk management*

Underwriting risk consists of insurance risk, lapse risk and expense risk.

Insurance risk is the risk of the loss event occurrence, or the timing and amount of the loss being different from expectation.

The Group is exposed to different elements of insurance risks on insurance contracts issued:

- a) Longevity risk – the guarantee that payments of a set number of units will be made until the death of the policyholder.
- b) Mortality risk – the risk of losses arising from death of policyholders being earlier than expected.

The Group mitigates these risks by having reinsurance arrangements in place.

The Group is also exposed to the following risk which is not insurance risk but related to insurance contracts:

- Expense risk – the risk that expenses associated with the costs of servicing the insurance contracts issued will be larger than expected.

The risk arises from all insurance contracts issued. A sensitivity analysis to changes in expense rates is presented later in the note. The Group frequently monitors the expense level of each business unit to address expense risk. In addition, expense risk is being managed by the Group's ability to increase management fees or the ability to change benefit fund rules that govern the management fees.

There were no significant changes in the Group's objectives, policies, and processes for managing the risks and the methods used to measure the risks from the previous period.

## Notes to the Interim Condensed Consolidated Financial Statements (continued)

### Sensitivities

The following table details the impact of changes in key assumptions on the Group's profit and loss, equity and CSM before and after risk mitigation from reinsurance contracts held. This analysis is based on a change in one risk variable with all other variables held constant. Sensitivity analysis assumes that changes to variables can be made independently, which is very unlikely to occur in practice. There were no changes made from the previous period in the methods and assumptions used in preparing the sensitivity analysis.

#### 31 Dec 2023

	Change in assumption	CSM		Profit or loss		Equity	
		Gross \$'000	Net \$'000	Gross \$'000	Net \$'000	Gross \$'000	Net \$'000
		Insurance contracts issued	Reinsurance contracts	Insurance contracts issued	Net of reinsurance	Insurance contracts issued	Net of reinsurance
Longevity	+10%	N/a	308	405	31	405	31
Longevity	-10%	N/a	(356)	(455)	(33)	(455)	(33)
Expenses	+10%	N/a	-	(419)	(419)	(419)	(419)
Expenses	-10%	N/a	-	388	388	388	388
Investment return	+1%	N/a	144	105	82	105	82
Investment return	-1%	N/a	(124)	(127)	(108)	(127)	(108)
Discount rate	+1%	N/a	-	-	(106)	-	(106)
Discount rate	-1%	N/a	-	-	125	-	125

#### 30 Jun 2023

	Change in assumption	CSM		Profit or loss		Equity	
		Gross \$'000	Net \$'000	Gross \$'000	Net \$'000	Gross \$'000	Net \$'000
		Insurance contracts issued	Reinsurance contracts	Insurance contracts issued	Net of reinsurance	Insurance contracts issued	Net of reinsurance
Longevity	+10%	N/a	176	289	38	289	38
Longevity	-10%	N/a	(211)	(325)	(41)	(325)	(41)
Expenses	+10%	N/a	-	(330)	(330)	(330)	(330)
Expenses	-10%	N/a	-	305	305	305	305
Investment return	+1%	N/a	184	83	50	83	50
Investment return	-1%	N/a	(159)	(100)	(73)	(100)	(73)
Discount rate	+1%	N/a	-	-	(134)	-	(134)
Discount rate	-1%	N/a	-	-	158	-	158

## 7. Equity accounting in associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investment in associates is accounted for using the equity method of accounting after initially being recognised at cost.

Under the equity method of accounting, the investments are initially recognised at cost including acquisition related costs. On the date of acquisition of an equity-accounted investee, fair values are attributed to the investee's identifiable assets and liabilities. Any positive difference between the cost of the investment and the investor's share of the fair value of the identifiable net assets acquired is goodwill, which is included in the carrying amount of the investment in the equity-accounted investee and is not shown separately.

After initial recognition, the consolidated financial statements include the Group's share of profit or loss of equity accounted investees. Dividends received or receivable reduce the carrying amount of the equity accounted investment. Details of investment made in associates are listed in note 17.

## Notes to the Interim Condensed Consolidated Financial Statements (continued)

### 8. Standards and interpretations issued but not yet effective

Certain new accounting standards and interpretations have been published that are not mandatory for 1HY24 reporting periods and have not been early adopted by the Group.

Title	Standards
Amendments to AASB 101-3	<i>Classification of liabilities as current or non-current</i>
Amendments to AASB 101	<i>Disclosure of Accounting Policies</i>
Amendments to AASB 108	<i>Definition of Accounting Estimate</i>
Amendments to AASB 112	<i>Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction</i>
IFRS S1	<i>General Requirements for Disclosures of Suitability-related Financial Information</i>
IFRS S2	<i>Climate-related Disclosures</i>

### 9. Segment reporting

The Group has the following two strategic divisions, which are its reportable segments. All segments' operating results are regularly reviewed by the Group's Chief Financial Officer to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

#### a. Operating segments

##### *Benefit Funds Management and Fund Administration*

The provision of administration and management services to the Benefit Funds of Generation Life Limited and administration services to institutional clients.

##### *Other Businesses*

This segment pertains to investment in Associates - Lonsec 49% (2023: 41%) and Claimfast 0% (2023: 12%). The holdings in Claimfast were disposed on 7 June 2023. Details of investment made in associates are listed in note 17.

#### b. Non-operating segments

Benefit Funds represents the operating result and financial position of the Benefit Funds which are required to be consolidated in the Group's financial statements in accordance with the accounting standards.

Where relevant, comparative financial information has been restated to ensure consistency in presentation of financial information across the applicable comparative periods.

For personal use only

## Notes to the Interim Condensed Consolidated Financial Statements (continued)

The reportable segments are divisions engaged in providing either different products or services. The statutory benefit funds are classified as a non-operating segment. Details of the operating and non-operating segments are detailed below:

Half year ended 31 Dec 2023	Operating Segments			Non- operating Segment	Elimination \$'000	Consolidated Total \$'000
	Benefit Funds Management & Funds Administration \$'000	Other Businesses \$'000	Operating Segment Total \$'000	Benefit Funds \$'000		
	External revenue	4,169	2,129	6,298		
Inter-segment revenue	12,764	-	12,764	-	(12,764)	-
<b>Segment revenue</b>	<b>16,933</b>	<b>2,129</b>	<b>19,062</b>	<b>140,597</b>	<b>(12,764)</b>	<b>146,895</b>
Insurance revenue – external	819	-	819	649	-	1,468
Insurance service expenses	(1,808)	-	(1,808)	(708)	-	(2,516)
Income/(expenses) from reinsurance contracts held	569	-	569	-	-	569
<b>Insurance service result</b>	<b>(420)</b>	<b>-</b>	<b>(420)</b>	<b>(59)</b>	<b>-</b>	<b>(479)</b>
<b>Net investment income/(expenses)</b>	<b>6</b>	<b>-</b>	<b>6</b>	<b>1,120</b>	<b>-</b>	<b>1,126</b>
Insurance finance income/(expenses) from insurance contracts issued	12	-	12	(1,078)	-	(1,066)
Finance income/(expenses) from reinsurance contracts held	(70)	-	(70)	-	-	(70)
<b>Net insurance finance income or expenses</b>	<b>(58)</b>	<b>-</b>	<b>(58)</b>	<b>(1,078)</b>	<b>-</b>	<b>(1,136)</b>
<b>Net insurance result</b>	<b>(472)</b>	<b>-</b>	<b>(472)</b>	<b>(17)</b>	<b>-</b>	<b>(489)</b>
Expenses	(19,583)	-	(19,583)	(12,882)	12,764	(19,701)
Income tax benefit / (expense)	5,378	-	5,378	(18,823)	-	(13,445)
Profit attributable to policyholders	-	-	-	(108,875)	-	(108,875)
<b>Net profit / (loss) after tax</b>	<b>2,256</b>	<b>2,129</b>	<b>4,385</b>	<b>-</b>	<b>-</b>	<b>4,385</b>
<b>Segment assets and liabilities</b>						
Segment total assets	68,614	-	68,614	3,001,193	(363)	3,069,444
Segment total liabilities	(7,659)	-	(7,659)	(3,001,193)	363	(3,008,489)
<b>Segment net assets</b>	<b>60,955</b>	<b>-</b>	<b>60,955</b>	<b>-</b>	<b>-</b>	<b>60,955</b>
<b>Other segment information</b>						
Depreciation and amortisation	(878)	-	(878)	-	-	(878)
Goodwill	547	-	547	-	-	547
Movements in non-current assets	1,873	-	1,873	(15,249)	-	(13,376)

## Notes to the Interim Condensed Consolidated Financial Statements (continued)

Restated Half year ended 31 Dec 2022*	Operating Segments			Non-operating Segment		Consolidated Total \$'000
	Benefit Funds Management & Funds Administration \$'000	Other Businesses \$'000	Operating Segment Total \$'000	Benefit Funds \$'000	Elimination \$'000	
	External revenue	3,725	693	4,418	67,323	
Inter-segment revenue	10,467	-	10,467	-	(10,467)	-
<b>Segment revenue</b>	<b>14,192</b>	<b>693</b>	<b>14,885</b>	<b>67,323</b>	<b>(10,467)</b>	<b>71,741</b>
Insurance revenue – external	651	-	651	(134)	-	517
Insurance service expenses	(2,977)	-	(2,977)	300	-	(2,677)
Income/(expenses) from reinsurance contracts held	656	-	656	-	-	656
<b>Insurance service result</b>	<b>(1,670)</b>	<b>-</b>	<b>(1,670)</b>	<b>166</b>	<b>-</b>	<b>(1,504)</b>
<b>Net investment income/(expenses)</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>(111)</b>	<b>-</b>	<b>(110)</b>
Insurance finance income/(expenses) from insurance contracts issued	(12)	-	(12)	(52)	-	(64)
Finance income/(expenses) from reinsurance contracts held	(289)	-	(289)	-	-	(289)
<b>Net insurance finance income or expenses</b>	<b>(301)</b>	<b>-</b>	<b>(301)</b>	<b>(52)</b>	<b>-</b>	<b>(353)</b>
<b>Net insurance result</b>	<b>(1,970)</b>	<b>-</b>	<b>(1,970)</b>	<b>3</b>	<b>-</b>	<b>(1,967)</b>
Expenses	(17,150)	-	(17,150)	(10,625)	10,467	(17,308)
Income tax benefit / (expense)	5,222	-	5,222	(25,154)	-	(19,932)
Profit attributable to policyholders	-	-	-	(31,547)	-	(31,547)
<b>Net profit / (loss) after tax</b>	<b>294</b>	<b>693</b>	<b>987</b>	<b>-</b>	<b>-</b>	<b>987</b>
<b>Segment assets and liabilities</b>						
Segment total assets	63,845	-	63,845	2,376,370	(1,067)	2,439,148
Segment total liabilities	(7,634)	-	(7,634)	(2,376,370)	1,067	(2,382,937)
<b>Segment net assets</b>	<b>56,211</b>	<b>-</b>	<b>56,211</b>	<b>-</b>	<b>-</b>	<b>56,211</b>
<b>Other segment information</b>						
Depreciation and amortisation	(860)	-	(860)	-	-	(860)
Goodwill	547	-	547	-	-	547
Movements in non-current assets	(190)	-	(190)	(21,656)	-	(21,846)

\*The Group adopted AASB 17 *Insurance Contracts* from 1 July 2023 and has restated the prior comparative period. The impacts of adoption are detailed in Note 3.

## Notes to the Interim Condensed Consolidated Financial Statements (continued)

### 10. Financial risk management

All aspects of the Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated annual financial report as at and for the year ended 30 June 2023.

### 11. Financial Instruments – Fair value and risk management

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

The table below shows the valuation methods for different levels of financial instruments by fair value hierarchy.

**Level 1:** Fair value is calculated using quoted prices (unadjusted) in active markets for identical assets or liabilities. This comprises listed securities.

**Level 2:** Fair value for units in managed unlisted funds are calculated using disclosed offer prices provided from the responsible entity through third party data or directly from the responsible entity. Fair value from fixed interest assets where the principle prices are derived from the most liquid over the counter markets are provided via a reputable third party data vendor.

**Level 3:** Fair value is estimated using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Trade and other receivable and trade and other payables classified as held-for-sale are not included in the table below. Their carrying amount is a reasonable approximation of fair value.

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Half year ended 31 Dec 2023</b>				
Listed Securities	855,203	-	-	855,203
Units in externally managed unlisted funds	-	1,999,868	-	1,999,868
Derivatives	-	-	1,864	1,864
<b>Financial assets at fair value through profit or loss</b>	<b>855,203</b>	<b>1,999,868</b>	<b>1,864</b>	<b>2,856,935</b>
Investment contract liabilities	-	(2,923,466)	-	(2,923,466)
<b>Financial liabilities at a fair value through profit or loss</b>	<b>-</b>	<b>(2,923,466)</b>	<b>-</b>	<b>(2,923,466)</b>
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>30 June 2023</b>				
Listed Securities	1,164,547	-	-	1,164,547
Units in externally managed unlisted funds	-	1,340,417	-	1,340,417
Derivatives	-	-	353	353
<b>Financial assets at fair value through profit or loss</b>	<b>1,164,547</b>	<b>1,340,417</b>	<b>353</b>	<b>2,505,317</b>
Investment contract liabilities	-	(2,608,262)	-	(2,608,262)
Derivatives	(1,105)	-	-	(1,105)
<b>Financial liabilities at a fair value through profit or loss</b>	<b>(1,105)</b>	<b>(2,608,262)</b>	<b>-</b>	<b>(2,609,367)</b>

## Notes to the Interim Condensed Consolidated Financial Statements (continued)

### 12. Revenue

The Group's main revenue streams are fee revenues earned from contracts with customers for life investment management and investment administration services.

#### a. Revenue from contracts with customers

##### *Disaggregation of Revenue*

In the following table, revenue is disaggregated by type of service, major service lines & timing of revenue recognition.

	Half year ended 31 Dec 23 \$'000	Half year ended 31 Dec 22* \$'000
<b>Major service lines and type of service</b>		
Fee income – Funds administration	205	194
Adviser fee	2,950	2,671
<b>Total revenue</b>	<b>3,155</b>	<b>2,865</b>
<b>Timing of revenue recognition</b>		
Services transferred over time	2,866	2,526
Services transferred at a point in time	289	339
	<b>3,155</b>	<b>2,865</b>

#### b. Interest income

	Half year ended 31 Dec 23 \$'000	Half year ended 31 Dec 22* \$'000
Interest income	440	263
Interest income in benefit funds – investment contracts	2,668	1,302
Interest income in benefit funds – insurance contracts	206	148
	<b>3,314</b>	<b>1,713</b>

#### c. Revaluation income

	Half year ended 31 Dec 23 \$'000	Half year ended 31 Dec 22* \$'000
Realised (loss) / gain on sale of investments – Benefit Funds	(15,539)	(16,504)
Unrealised gain / (loss) on assets designated as Fair Value Through Profit and Loss (FVTPL) – Benefit Funds	128,543	63,080
	<b>113,004</b>	<b>46,576</b>

#### d. Other income

	Half year ended 31 Dec 23 \$'000	Half year ended 31 Dec 22 \$'000
Other income	619	634
Revaluation of policyholders' liabilities	(148)	(5)
	<b>471</b>	<b>629</b>

## Notes to the Interim Condensed Consolidated Financial Statements (continued)

### 13. Net insurance result

	Half year ended 31 Dec 2023 \$'000	Restated* Half year ended 31 Dec 2022 \$'000
<b>Insurance revenue</b>		
Expected incurred claims and other insurance service expenses	1,379	471
Change in risk adjustment for non-financial risk	55	32
Experience adjustments - insurance revenue	3	3
Recovery of insurance acquisition cash flows	31	11
<b>Total insurance revenue</b>	<b>1,468</b>	<b>517</b>
<b>Insurance service expenses</b>		
Incurred claims and other incurred insurance service expenses	(1,452)	(1,197)
Changes that relate to future service – losses on onerous groups of contracts and reversal of such losses	(1,033)	(1,469)
Amortisation of insurance acquisition cash flows	(31)	(11)
<b>Total insurance service expense</b>	<b>(2,516)</b>	<b>(2,677)</b>
Income or expenses from reinsurance contracts held	569	656
<b>Insurance service result</b>	<b>(479)</b>	<b>(1,504)</b>
<b>Net investment income/(expenses) on underlying assets</b>		
Interest revenue from financial instruments not measured at FVTPL	27	5
Net income from financial instruments measured at FVTPL	139	45
Unrealised gains/(losses) from financial instruments measured at FVTPL	991	(150)
Realised gains/(losses) from financial instruments measured at FVTPL	(32)	(10)
Other income/(expenses)	1	-
<b>Total investment income/(expenses) on underlying assets recognised in P&amp;L</b>	<b>1,126</b>	<b>(110)</b>
<b>Insurance finance income/(expenses) from insurance contracts issued recognised in P&amp;L</b>		
Interest accreted	(531)	(148)
Changes in FCFs and CSM of contracts measured applying VFA due to changes in fair value of underlying items	(535)	84
<b>Total insurance finance income/ (expenses) from insurance contracts issued recognised in P&amp;L</b>	<b>(1,066)</b>	<b>(64)</b>
<b>Finance income/(expenses) from reinsurance contracts held</b>		
Interest accreted	(148)	(170)
Effect of changes in interest rates and other financial assumptions	78	(119)
<b>Total reinsurance finance income/ (expenses) from reinsurance contracts held recognised in P&amp;L</b>	<b>(70)</b>	<b>(289)</b>
<b>Net insurance result</b>	<b>(489)</b>	<b>(1,967)</b>

## Notes to the Interim Condensed Consolidated Financial Statements (continued)

### 14. Portfolios of insurance and reinsurance contract held assets and liabilities

The table below summarises the carrying amounts of portfolios of insurance contracts issued and reinsurance contract held assets and liabilities at the end of reporting date.

	Notes	As at 31 Dec 2023 \$'000
Insurance contract liabilities <b>Net</b>	15	32,332 <b>32,332</b>
Reinsurance contract assets <b>Net</b>	16	1,142 <b>1,142</b>
	<b>Notes</b>	<b>As at 30 June 2023 \$'000</b>
Insurance contract liabilities <b>Net</b>	15	24,200 <b>24,200</b>
Reinsurance contract assets <b>Net</b>	16	623 <b>623</b>

For personal use only

## Notes to the Interim Condensed Consolidated Financial Statements (continued)

### 15. Insurance contract assets and liabilities

Note	31 Dec 23				30 Jun 23			
	Liability for remaining coverage		Liability for Incurred Claims	Total	Liability for remaining coverage		Liability for Incurred Claims	Total
	Excluding loss component	Loss component			Excluding loss component	Loss component		
Opening assets	-	-	-	-	-	-	-	-
Opening liabilities	21,344	2,889	(33)	24,200	1,804	412	168	2,384
<b>Net opening balance</b>	<b>21,344</b>	<b>2,889</b>	<b>(33)</b>	<b>24,200</b>	<b>1,804</b>	<b>412</b>	<b>168</b>	<b>2,384</b>
<b>Changes in the statement of profit or loss</b>								
Contracts under the modified retrospective approach	-	-	-	-	-	-	-	-
Contracts under the fair value approach	-	-	-	-	-	-	-	-
Other contracts	(1,231)	(237)	-	(1,468)	(1,196)	(298)	-	(1,494)
<b>Insurance revenue</b>	<b>(1,231)</b>	<b>(237)</b>	<b>-</b>	<b>(1,468)</b>	<b>(1,196)</b>	<b>(298)</b>	<b>-</b>	<b>(1,494)</b>
Incurred claims and other insurance service expenses	654	-	799	1,453	1,657	-	1,439	3,096
Changes that relate to past service:								
Adjustments to liabilities for incurred claims	-	-	-	-	-	-	-	-
Changes that relate to future service: Losses and reversals of losses on onerous contracts	-	1,033	-	1,033	-	2,770	-	2,770
Amortisation of insurance acquisition cash flows	31	-	-	31	46	-	-	46
<b>Insurance service expenses</b>	<b>685</b>	<b>1,033</b>	<b>799</b>	<b>2,517</b>	<b>1,703</b>	<b>2,770</b>	<b>1,439</b>	<b>5,912</b>
<b>Insurance service result</b>	<b>(546)</b>	<b>796</b>	<b>799</b>	<b>1,049</b>	<b>507</b>	<b>2,472</b>	<b>1,439</b>	<b>4,418</b>
Insurance finance expenses from insurance contracts recognised in profit and loss	989	76	-	1,065	(69)	5	-	(64)
Investment components excluded from insurance revenue and insurance service expenses	-	-	-	-	-	-	-	-
Effect of movements in exchange rates	-	-	-	-	-	-	-	-
<b>Total changes in the statement of profit or loss</b>	<b>443</b>	<b>872</b>	<b>799</b>	<b>2,114</b>	<b>438</b>	<b>2,477</b>	<b>1,439</b>	<b>4,354</b>
<i>Cash flows</i>								
Premiums received	7,531	-	-	7,531	14,785	-	-	14,785
Insurance acquisition cash flows	(933)	-	-	(933)	(2,227)	-	-	(2,227)
Claims and other insurance service expenses paid	-	-	(732)	(732)	-	-	(1,640)	(1,640)
<b>Total cash flows</b>	<b>6,598</b>	<b>-</b>	<b>(732)</b>	<b>5,866</b>	<b>12,558</b>	<b>-</b>	<b>(1,640)</b>	<b>10,918</b>
Other movements*	(579)	(120)	851	152	6,544	-	-	6,544
<b>Net closing balance</b>	<b>27,806</b>	<b>3,641</b>	<b>885</b>	<b>32,332</b>	<b>21,344</b>	<b>2,889</b>	<b>(33)</b>	<b>24,200</b>
Closing assets	-	-	-	-	-	-	-	-
Closing liabilities	27,806	3,641	885	32,332	21,344	2,889	(33)	24,200
<b>Net closing balance</b>	<b>27,806</b>	<b>3,641</b>	<b>885</b>	<b>32,332</b>	<b>21,344</b>	<b>2,889</b>	<b>(33)</b>	<b>24,200</b>

\*Other movements include Oddfellow Benefit Fund's policyholder liabilities, it is classified as defined benefit, as these contracts are now operating as accumulation accounts, it is valued the same way as the remaining account-based Benefit Funds at the fair value of the assets, under AASB1038.

## Notes to the Interim Condensed Consolidated Financial Statements (continued)

### 16. Reinsurance contract assets and liabilities

Note	31 Dec 23				30 Jun 23			
	Remaining coverage component		Incurred claims component	Total	Remaining coverage component		Incurred claims component	Total
	Excluding loss Recovery component	Loss recovery component			Excluding loss Recovery component	Loss recovery component		
Opening assets	(101)	(522)	-	(623)	-	-	-	-
Opening liabilities	-	-	-	-	229	-	-	229
<b>Net opening balance</b>	<b>(101)</b>	<b>(522)</b>	<b>-</b>	<b>(623)</b>	<b>229</b>	<b>-</b>	<b>-</b>	<b>229</b>
Changes in the statement of profit or loss								
Allocation of reinsurance expenses paid	(328)	-	-	(328)	(580)	-	-	(580)
Amounts recoverable from reinsurer	-	-	-	-	-	-	-	-
Recoveries of incurred claims and other insurance service expenses	-	-	(9)	(9)	-	-	4	4
Changes in the loss recovery component	-	(243)	-	(243)	-	(522)	-	(522)
Changes in expected recoveries on past claims	-	-	-	-	-	-	-	-
	<b>(328)</b>	<b>(243)</b>	<b>(9)</b>	<b>(580)</b>	<b>(580)</b>	<b>(522)</b>	<b>4</b>	<b>(1,098)</b>
Investment components and premium refunds	-	-	-	-	-	-	-	-
Effect of changes in non-performance risk of reinsurers	-	-	-	-	-	-	-	-
<b>Net (income)/ expenses from reinsurance contracts held</b>	<b>(328)</b>	<b>(243)</b>	<b>(9)</b>	<b>(580)</b>	<b>(580)</b>	<b>(522)</b>	<b>4</b>	<b>(1,098)</b>
Finance income/ (expenses) from reinsurance contracts held	70	-	-	70	254	-	-	254
Effect of movements in exchange rates	-	-	-	-	-	-	-	-
<b>Total changes in the statement of profit or loss</b>	<b>(258)</b>	<b>(243)</b>	<b>(9)</b>	<b>(510)</b>	<b>(326)</b>	<b>(522)</b>	<b>4</b>	<b>(844)</b>
<i>Cash flows</i>								
Premiums paid	(18)	-	-	(18)	(4)	-	-	(4)
Amounts received from reinsurers relating to incurred claims	-	-	9	9	-	-	(4)	(4)
<b>Total cash flows</b>	<b>(18)</b>	<b>-</b>	<b>9</b>	<b>(9)</b>	<b>(4)</b>	<b>-</b>	<b>(4)</b>	<b>(8)</b>
<b>Net closing balance</b>	<b>(377)</b>	<b>(765)</b>	<b>-</b>	<b>(1,142)</b>	<b>(101)</b>	<b>(522)</b>	<b>-</b>	<b>(623)</b>
Closing assets	(377)	(765)	-	(1,142)	(101)	(522)	-	(623)
Closing liabilities	-	-	-	-	-	-	-	-
<b>Net closing balance</b>	<b>(377)</b>	<b>(765)</b>	<b>-</b>	<b>(1,142)</b>	<b>(101)</b>	<b>(522)</b>	<b>-</b>	<b>(623)</b>

For personal use only

## Notes to the Interim Condensed Consolidated Financial Statements (continued)

### 17. Investment in associates

#### Lonsec Holding Pty Ltd

During the six months ended 31 December 2023, there were transactions between the Group and Lonsec Holdings Pty Ltd, totalling to \$41,500 relating to the cost of independently reviewing investment strategies developed by Generation Life. The amount has been eliminated on consolidation.

A reconciliation of the carrying amount of investment in associates is provided below:

	As at 31 Dec 23 \$'000	As at 30 Jun 23 \$'000
Carrying value of investment in associates at cost inclusive of deferred consideration and acquisition costs	30,336	28,941
Share of gain/(loss) in associates	2,129	1,395
<b>Closing carrying value in associates</b>	<b>32,465</b>	<b>30,336</b>

### 18. Income Tax

At 31 December 2023 neither Generation Development Group Limited nor any of its controlled entities were members of a tax consolidated group.

	Half year ended 31 Dec 23 \$'000	Half year ended 31 Dec 22 \$'000
<b>Income tax expense comprises:</b>		
<b>Current Tax</b>		
Current income tax benefit / (expense)	3,060	5,862
<b>Deferred Tax (expense) / benefit</b>		
(Derecognition) / recognition of tax losses	116	(541)
(Derecognition) / recognition of timing difference	(16,621)	(25,253)
<b>Total income tax expense</b>	<b>(13,445)</b>	<b>(19,932)</b>

For personal use only

## Notes to the Interim Condensed Consolidated Financial Statements (continued)

### 19. Financial Assets

	As at 31 Dec 23 \$'000	As at 30 Jun 23 \$'000
Financial assets carried at amortised costs - Term deposits <sup>(a)</sup>	57,126	46,356
Financial assets carried at fair value through profit or loss - Investments <sup>(b)</sup>	2,856,935	2,505,317
<b>Total financial assets</b>	<b>2,914,061</b>	<b>2,551,673</b>
Current	2,914,061	2,551,673
Non-current	-	-
	<b>2,914,061</b>	<b>2,551,673</b>

(a) The term deposits have maturities ranging from three to twelve months

(b) Investments are amounts invested by the benefit funds in unlisted externally managed funds, listed securities and fixed interest assets

### 20. Issued Capital

	Number	\$'000
Balance at 1 Jul 2023	188,812,732	89,045
Issued during the period	1,797,519	89
<b>Balance at 31 Dec 2023</b>	<b>190,610,251</b>	<b>89,134</b>

### 21. Dividends

A final fully franked dividend of \$1,905,487 (one cent per ordinary share) for the financial year ended 30 June 2023 was paid on 5 October 2023 (2022: \$1,886,572). On 28 February 2024, the Company declared an interim dividend of one cent per ordinary share, partly franked, totalling \$1,906,103 to be paid on 4 April 2024. The Company's Dividend Reinvestment Plan (DRP) will be in operation for this dividend.

For personal use only

## Notes to the Interim Condensed Consolidated Financial Statements (continued)

### 22. Contingent liabilities

#### Banking facilities

The Group has the following finance facilities with National Australia Bank Limited:

- Direct debit facility of \$10,000,000 (2023: \$10,000,000) to be used for client's accounts as part of the Generation Life business;
- Electronic channel facility of \$5,000,000 (2023: \$5,000,000) to allow for transactions to be debited in the clearing account when funds are in the process of being cleared; and
- NAB credit card facilities of \$150,000 (2023: \$150,000) used by senior staff for business travel and client entertainment.

The above direct debit facility and the NAB credit card facility are backed by term deposits of \$120,000 and \$150,000, respectively.

The Company has issued letters of support in respect of certain of its subsidiaries in the normal course of business. Under these letters, the Company undertakes to ensure that those subsidiaries continue to meet their regulatory capital obligations subject to caps and certain conditions including that the entity remains a controlled entity of the Company.

#### Bank guarantee

The Group has the following bank guarantees in respect of its office tenancies:

- Bank guarantee of \$492,383 in respect of the office at Level 17, 447 Collins Street, Melbourne, VIC 3000.
- Bank guarantee of \$123,564 in respect of the office at Suite 9.02, Level 9, 6 O'Connell Street, Sydney, NSW 2000.

### 23. Subsequent events

On 28 February 2024, the Company declared an interim dividend of \$0.01 per ordinary share partly franked to be paid on 4 April 2024. The Company's Dividend Reinvestment Plan (DRP) has been activated for this dividend.

For personal use only

## Notes to the Interim Condensed Consolidated Financial Statements (continued)

### 24. Disaggregated information by fund

The financial information by individual benefit funds are set out below. The solvency requirements are all nil as a result of the APRA Prudential Capital Requirements and Prudential Standard LPS 110 Paragraph 46.

	Funeral Fund \$	Heritage Investment Bond Fund \$	Deferred Annuity 39 \$	Deferred Annuity 46 \$	Druids Funeral Fund \$	Druids Flexi Fund \$
<i>Non-Investment Linked ("N-IL")</i>						
<b>As at 31 Dec 2023</b>						
Financial assets	491,836	1,244,489	321,591	45,222	4,241,356	3,855,502
Reinsurance contract assets	-	-	-	-	-	-
Other assets	2,725	6,300	2,292	427	17,503	16,277
Insurance contract liabilities	-	-	-	-	-	-
Reinsurance contract liabilities	-	-	-	-	-	-
Investment contract liabilities	480,467	1,230,582	317,883	45,591	4,255,282	3,837,839
Other liabilities	14,094	20,207	6,000	58	3,577	33,940
Retained earnings	-	-	-	-	-	-
Reserves	-	-	-	-	-	-
Issued capital	-	-	-	-	-	-
<b>For half year ended 31 Dec 2023</b>						
Insurance service result	-	-	-	-	-	-
Investment income	15,506	45,240	9,632	1,197	122,912	110,826
Net insurance finance income / (expenses )	-	-	-	-	-	-
Other expenses	4,946	5,843	2,523	340	21,504	19,516
Realised gain/(loss)	(4,160)	(19,159)	(2,089)	(186)	(26,107)	(24,767)
Unrealised gain/(loss)	9,979	36,286	5,103	462	63,170	57,095
Actuarial gain/(loss)	-	-	-	-	-	-
Operating profit/(loss) before tax	16,379	56,524	10,170	1,132	138,470	123,637
Operating profit/(loss) after tax	16,383	36,241	8,726	398	138,495	77,586
Solvency requirement (\$'000)	-	-	-	-	-	-
Solvency reserve ratio	-	-	-	-	-	-
<b>As at 30 June 2023</b>						
Financial assets	515,859	2,067,073	341,879	44,014	4,299,903	3,895,176
Reinsurance contract assets	-	-	-	-	-	-
Other assets	3,920	23,738	3,364	906	26,506	39,247
Insurance contract liabilities	-	-	-	-	-	-
Reinsurance contract liabilities	-	-	-	-	-	-
Investment contract liabilities	479,214	1,910,499	313,797	45,193	4,227,762	3,767,128
Other liabilities	40,565	180,312	31,446	(273)	98,647	167,295
Retained earnings	-	-	-	-	-	-
Reserves	-	-	-	-	-	-
Issued capital	-	-	-	-	-	-
<b>For half year ended 31 Dec 2022</b>						
Insurance service result	-	-	-	-	-	-
Investment income	13,249	56,597	8,239	926	94,828	85,052
Net insurance finance income / (expenses )	-	-	-	-	-	-
Other expenses	5,454	8,504	3,193	359	21,772	19,359
Realised gain/(loss)	(294)	(8,156)	-	-	(2,220)	(1,789)
Unrealised gain/(loss)	(2,231)	(2,366)	(1,536)	(151)	(14,333)	(13,522)
Actuarial gain/(loss)	-	-	-	-	-	-
Operating profit/(loss) before tax	5,270	37,570	3,926	415	56,503	50,382
Operating profit/(loss) after tax	5,270	24,459	3,966	415	56,503	31,535
Solvency requirement (\$'000)	-	-	-	-	-	-
Solvency reserve ratio	-	-	-	-	-	-

## Notes to the Interim Condensed Consolidated Financial Statements (continued)

	No. 1 Cash & Deposits \$	No. 2 Aust Fixed Interest \$	No. 3 Aust Credit \$	No. 4 Int'l Fixed Interest \$	No. 5 Prop. Securities \$	No. 5A Int'l Prop. Securities \$	No. 5B Global Infrastructure \$
	<i>Investment Linked ("IL")</i>						
<b>As at 31 Dec 2023</b>							
Financial assets	55,111,198	31,886,388	5,949,268	39,522,825	15,820,896	12,595,692	53,272,113
Reinsurance contract assets	-	-	-	-	-	-	-
Other assets	604,238	602,092	110,546	897,941	273,323	68,888	913,421
Insurance contract liabilities	-	-	-	-	-	-	-
Reinsurance contract liabilities	-	-	-	-	-	-	-
Investment contract liabilities	53,252,386	32,415,374	5,996,842	40,361,578	16,038,712	12,520,782	53,688,856
Other liabilities	2,463,050	73,106	62,972	59,188	55,507	143,798	496,678
Retained earnings	-	-	-	-	-	-	-
Reserves	-	-	-	-	-	-	-
Issued capital	-	-	-	-	-	-	-
<b>For half year ended 31 Dec 2023</b>							
Insurance service result	-	-	-	-	-	-	-
Investment income	950,024	220,460	7,419	241,026	239,918	906	762,048
Net insurance finance income / (expenses )	-	-	-	-	-	-	-
Other expenses	80,805	135,405	27,017	170,292	69,170	53,025	484,697
Realised gain/(loss)	(22,854)	(386,696)	(270,043)	(652,514)	(387,853)	(225,234)	(411,377)
Unrealised gain/(loss)	261,029	1,329,265	518,391	1,940,101	594,861	880,125	124,490
Actuarial gain/(loss)	-	-	-	-	-	-	-
Operating profit/(loss) before tax	1,107,394	1,027,624	228,749	1,358,321	377,755	602,773	578,860
Operating profit/(loss) after tax	749,318	555,986	144,464	681,571	173,715	448,305	406,273
Solvency requirement (\$'000)	-	-	-	-	-	-	-
Solvency reserve ratio	-	-	-	-	-	-	-
<b>As at 30 June 2023</b>							
Financial assets	52,388,834	28,542,146	6,812,455	38,413,240	15,271,114	12,451,376	52,603,024
Reinsurance contract assets	-	-	-	-	-	-	-
Other assets	1,299,762	2,000,255	201,400	1,552,389	1,130,646	96,698	1,434,426
Insurance contract liabilities	-	-	-	-	-	-	-
Reinsurance contract liabilities	-	-	-	-	-	-	-
Investment contract liabilities	51,014,627	30,589,460	7,123,999	39,964,254	16,288,043	12,368,840	53,353,109
Other liabilities	2,673,969	(47,059)	(110,144)	1,375	113,717	179,234	684,341
Retained earnings	-	-	-	-	-	-	-
Reserves	-	-	-	-	-	-	-
Issued capital	-	-	-	-	-	-	-
<b>For half year ended 31 Dec 2022</b>							
Insurance service result	-	-	-	-	-	-	-
Investment income	441,049	220,846	7,862	234,431	185,733	52,186	536,372
Net insurance finance income / (expenses )	-	-	-	-	-	-	-
Other expenses	67,501	136,880	35,408	182,391	73,350	55,767	439,912
Realised gain/(loss)	18,884	(325,747)	(321,895)	(348,879)	(275,385)	(221,010)	1,266,364
Unrealised gain/(loss)	215,314	120,607	411,186	(983,967)	312,201	(719,170)	(2,682,696)
Actuarial gain/(loss)	-	-	-	-	-	-	-
Operating profit/(loss) before tax	607,746	(121,173)	61,746	(1,280,806)	149,198	(943,761)	(2,097,536)
Operating profit/(loss) after tax	409,245	(402,235)	(25,849)	(1,407,127)	(49,929)	(755,663)	(1,613,102)
Solvency requirement (\$'000)	-	-	-	-	-	-	-
Solvency reserve ratio	-	-	-	-	-	-	-

For personal use only

## Notes to the Interim Condensed Consolidated Financial Statements (continued)

	No. 6 Aust Shares \$	No. 6A Aust Shares Long Short \$	No. 7 Aust Shares Small Cap. \$	No. 8 Int'l Shares \$	No. 8A Int'l Shares Growth \$	No. 9 Int'l Shares Small Cap. \$	No. 10 Diversified Growth \$
<i>IL</i>							
<b>As at 31 Dec 2023</b>							
Financial assets	59,075,774	4,268,789	25,021,314	91,708,767	31,097,691	23,809,480	32,690,085
Reinsurance contract assets							
Other assets	240,773	158,042	449,355	294,424	539,106	101,328	371,069
Insurance contract liabilities	-	-	-	-	-	-	-
Reinsurance contract liabilities	-	-	-	-	-	-	-
Investment contract liabilities	58,617,422	4,424,216	25,378,309	88,011,673	30,612,481	22,938,815	32,846,470
Other liabilities	699,125	2,615	92,360	3,991,518	1,024,316	971,993	214,684
Retained earnings	-	-	-	-	-	-	-
Reserves	-	-	-	-	-	-	-
Issued capital	-	-	-	-	-	-	-
<b>For half year ended 31 Dec 2023</b>							
Insurance service result	-	-	-	-	-	-	-
Investment income	1,222,301	1,039	377,682	402,120	1,173	102,101	142,302
Net insurance finance income / (expenses )	-	-	-	-	-	-	-
Other expenses	508,726	13,995	105,678	1,068,183	135,283	102,141	164,710
Realised gain/(loss)	(539)	(59,212)	(282,599)	1,286,504	(118,056)	(16,923)	(1,302,257)
Unrealised gain/(loss)	154,493	2,729	2,106,299	3,007,937	(111,545)	1,125,013	1,930,693
Actuarial gain/(loss)	-	-	-	-	-	-	-
Operating profit/(loss) before tax	807,612	(69,439)	2,095,703	3,410,917	(363,711)	1,108,049	983,090
Operating profit/(loss) after tax	943,415	(82,283)	1,419,832	5,002,497	(62,118)	1,364,061	657,713
Solvency requirement (\$'000)	-	-	-	-	-	-	-
Solvency reserve ratio	-	-	-	-	-	-	-
<b>As at 30 June 2023</b>							
Financial assets	56,891,221	3,599,883	22,853,592	92,788,112	27,217,946	20,725,271	29,819,021
Reinsurance contract assets	-	-	-	-	-	-	-
Other assets	458,225	86,456	1,206,170	241,795	1,781,890	679,187	995,070
Insurance contract liabilities	-	-	-	-	-	-	-
Reinsurance contract liabilities	-	-	-	-	-	-	-
Investment contract liabilities	56,426,892	3,854,418	24,132,167	87,753,733	27,970,879	20,040,175	30,816,522
Other liabilities	922,554	(168,079)	(72,405)	5,276,174	1,028,957	1,364,283	(2,431)
Retained earnings	-	-	-	-	-	-	-
Reserves	-	-	-	-	-	-	-
Issued capital	-	-	-	-	-	-	-
<b>For half year ended 31 Dec 2022</b>							
Insurance service result	-	-	-	-	-	-	-
Investment income	271,945	1,450	475,796	521,371	1,366	57,560	20,873
Net insurance finance income / (expenses )	-	-	-	-	-	-	-
Other expenses	403,818	15,390	105,356	1,049,143	95,684	84,231	137,898
Realised gain/(loss)	(1,583,176)	(116,241)	(537,467)	(535,742)	(132,295)	(61,004)	(355,158)
Unrealised gain/(loss)	4,816,460	(115,968)	(845,023)	1,709,740	1,076,418	1,229,922	1,393,619
Actuarial gain/(loss)	-	-	-	-	-	-	-
Operating profit/(loss) before tax	3,095,528	(246,149)	(1,012,051)	726,644	849,804	1,142,247	921,435
Operating profit/(loss) after tax	2,149,581	(258,300)	(1,188,671)	373,083	605,070	1,091,844	373,248
Solvency requirement (\$'000)	-	-	-	-	-	-	-
Solvency reserve ratio	-	-	-	-	-	-	-

## Notes to the Interim Condensed Consolidated Financial Statements (continued)

	No. 10A Absolute Return Income \$	No. 10B Diversified Balanced \$	No. 11 Aust Shares Index \$	No. 11A Int'l Shares Index (Unhedged) \$	No. 12 Int'l Shares Index (Hedged) \$	No. 12A Aust Fixed Interest Index \$	No. 12B Prop. Sec Index \$
<i>IL</i>							
<b>As at 31 Dec 2023</b>							
Financial assets	11,702,830	13,410,335	178,230,403	92,326,364	73,205,776	35,744,054	41,854,281
Reinsurance contract assets							
Other assets	196,605	362,444	2,783,626	579,583	386,072	773,110	213,950
Insurance contract liabilities	-	-	-	-	-	-	-
Reinsurance contract liabilities	-	-	-	-	-	-	-
Investment contract liabilities	11,839,925	13,735,732	175,569,881	89,404,116	70,596,851	36,343,200	40,853,331
Other liabilities	59,510	37,047	5,444,148	3,501,831	2,994,997	173,964	1,214,900
Retained earnings	-	-	-	-	-	-	-
Reserves	-	-	-	-	-	-	-
Issued capital	-	-	-	-	-	-	-
<b>For half year ended 31 Dec 2023</b>							
Insurance service result	-	-	-	-	-	-	-
Investment income	241,055	310,166	3,147,374	3,032	34,693	429,082	456,969
Net insurance finance income / (expenses)	-	-	-	-	-	-	-
Other expenses	51,372	59,659	816,088	444,342	309,991	183,437	192,390
Realised gain/(loss)	(92,235)	(210,789)	(368,004)	(37,735)	(41,375)	(387,837)	(286,370)
Unrealised gain/(loss)	251,107	514,924	9,553,325	4,336,097	4,259,151	1,161,399	4,585,758
Actuarial gain/(loss)	-	-	-	-	-	-	-
Operating profit/(loss) before tax	348,555	554,642	11,516,608	3,857,052	3,942,477	1,019,207	4,563,968
Operating profit/(loss) after tax	217,910	373,841	10,283,846	4,658,869	4,375,934	523,033	3,702,395
Solvency requirement (\$'000)	-	-	-	-	-	-	-
Solvency reserve ratio	-	-	-	-	-	-	-
<b>As at 30 June 2023</b>							
Financial assets	11,292,230	12,961,348	154,326,373	80,300,595	66,657,656	34,433,247	38,209,072
Reinsurance contract assets	-	-	-	-	-	-	-
Other assets	235,551	460,145	3,325,292	4,247,188	119,713	1,122,143	540,504
Insurance contract liabilities	-	-	-	-	-	-	-
Reinsurance contract liabilities	-	-	-	-	-	-	-
Investment contract liabilities	11,516,964	13,367,853	154,170,735	78,798,308	63,393,030	35,527,658	38,335,766
Other liabilities	10,817	53,640	3,480,930	5,749,475	3,384,339	27,732	413,810
Retained earnings	-	-	-	-	-	-	-
Reserves	-	-	-	-	-	-	-
Issued capital	-	-	-	-	-	-	-
<b>For half year ended 31 Dec 2022</b>							
Insurance service result	-	-	-	-	-	-	-
Investment income	186,187	256,126	3,173,847	1,282	26,727	207,793	543,253
Net insurance finance income / (expenses)	-	-	-	-	-	-	-
Other expenses	59,089	51,057	678,352	317,506	248,299	162,201	176,833
Realised gain/(loss)	(161,129)	(119,326)	(506,139)	(467,542)	(210,789)	(178,991)	(339,198)
Unrealised gain/(loss)	45,520	72,025	10,010,022	3,113,056	1,048,206	(142,598)	1,146,421
Actuarial gain/(loss)	-	-	-	-	-	-	-
Operating profit/(loss) before tax	11,488	157,768	11,999,377	2,329,290	615,845	(275,997)	1,173,643
Operating profit/(loss) after tax	(44,185)	57,487	9,461,302	2,137,660	631,708	(505,280)	760,318
Solvency requirement (\$'000)	-	-	-	-	-	-	-
Solvency reserve ratio	-	-	-	-	-	-	-

## Notes to the Interim Condensed Consolidated Financial Statements (continued)

	No. 12C Diversified Conservative Index \$	No. 12D Diversified Growth Index \$	No. 13 Credit Securities \$	No. 14 Aust Large Companies Shares \$	No. 14A Term Deposits \$	No. 14B Short Term Fixed Interest \$	No. 15 Aust Shares \$
	<i>IL</i>						
<b>As at 31 Dec 2023</b>							
Financial assets	125,486,365	379,283,249	18,936,139	10,328,551	87,034,360	12,770,861	40,898,319
Reinsurance contract assets							
Other assets	1,077,622	217,084	129,187	54,391	1,413,898	124,481	80,906
Insurance contract liabilities	-	-	-	-	-	-	-
Reinsurance contract liabilities	-	-	-	-	-	-	-
Investment contract liabilities	125,752,412	373,138,999	19,001,967	10,232,298	87,726,268	12,703,718	39,838,817
Other liabilities	811,575	6,361,334	63,359	150,644	721,990	191,624	1,140,408
Retained earnings	-	-	-	-	-	-	-
Reserves	-	-	-	-	-	-	-
Issued capital	-	-	-	-	-	-	-
<b>For half year ended 31 Dec 2023</b>							
Insurance service result	-	-	-	-	-	-	-
Investment income	863,518	2,445,637	430,200	157,719	2,026,922	209,371	653,931
Net insurance finance income / (expenses)	-	-	-	-	-	-	-
Other expenses	443,458	1,237,573	81,210	37,577	235,454	24,262	345,702
Realised gain/(loss)	(1,694,178)	(423,624)	(241,467)	(19,238)	-	(1,690)	385,555
Unrealised gain/(loss)	5,926,596	17,475,887	511,121	750,181	-	121,558	(637,819)
Actuarial gain/(loss)	-	-	-	-	-	-	-
Operating profit/(loss) before tax	4,652,479	18,260,327	618,644	851,085	1,791,468	304,977	92,711
Operating profit/(loss) after tax	2,912,393	14,586,829	398,083	666,650	1,193,455	209,869	565,496
Solvency requirement (\$'000)	-	-	-	-	-	-	-
Solvency reserve ratio	-	-	-	-	-	-	-
<b>As at 30 June 2023</b>							
Financial assets	119,195,132	318,262,255	17,275,618	7,504,260	86,804,376	8,746,589	37,113,824
Reinsurance contract assets	-	-	-	-	-	-	-
Other assets	3,485,492	2,574,983	289,083	60,497	978,278	43,254	260,000
Insurance contract liabilities	-	-	-	-	-	-	-
Reinsurance contract liabilities	-	-	-	-	-	-	-
Investment contract liabilities	120,396,132	318,465,294	17,437,558	7,607,983	87,156,984	8,772,252	35,422,389
Other liabilities	2,284,492	2,371,944	127,143	(43,226)	625,670	17,591	1,951,435
Retained earnings	-	-	-	-	-	-	-
Reserves	-	-	-	-	-	-	-
Issued capital	-	-	-	-	-	-	-
<b>For half year ended 31 Dec 2022</b>							
Insurance service result	-	-	-	-	-	-	-
Investment income	606,025	1,886,020	275,563	102,600	913,245	223,963	574,498
Net insurance finance income / (expenses)	-	-	-	-	-	-	-
Other expenses	400,490	956,862	73,808	19,567	209,708	24,350	309,844
Realised gain/(loss)	(1,091,134)	(1,052,687)	(107,854)	(16,813)	-	(33,853)	287,412
Unrealised gain/(loss)	948,870	6,945,067	3,337	320,929	-	(7,767)	1,839,040
Actuarial gain/(loss)	-	-	-	-	-	-	-
Operating profit/(loss) before tax	63,271	6,821,539	97,238	387,150	703,537	157,993	2,349,526
Operating profit/(loss) after tax	(918,454)	3,465,954	(2,608)	335,272	417,107	91,808	2,140,975
Solvency requirement (\$'000)	-	-	-	-	-	-	-
Solvency reserve ratio	-	-	-	-	-	-	-

For personal use only

## Notes to the Interim Condensed Consolidated Financial Statements (continued)

	No. 16 Geared Aust Shares \$	No. 17 Int'l Shares \$	No. 18 Mortgage * \$	No. 19 Diversified Growth \$	No. 20 Industrial Shares \$	No. 21 Aust Shares ESG \$	No. 22. Diversified Growth \$
<i>IL</i>							
<b>As at 31 Dec 2023</b>							
Financial assets	31,132,055	26,118,250	-	49,825,328	13,795,989	28,588,399	89,247,404
Reinsurance contract assets							
Other assets	517,637	231,792	-	1,091,553	4,680	114,117	309,078
Insurance contract liabilities	-	-	-	-	-	-	-
Reinsurance contract liabilities	-	-	-	-	-	-	-
Investment contract liabilities	31,031,355	24,992,177	-	50,810,932	13,477,731	28,011,059	87,400,426
Other liabilities	618,337	1,357,865	-	105,949	322,938	691,457	2,156,056
Retained earnings	-	-	-	-	-	-	-
Reserves	-	-	-	-	-	-	-
Issued capital	-	-	-	-	-	-	-
<b>For half year ended 31 Dec 2023</b>							
Insurance service result	-	-	-	-	-	-	-
Investment income	488,437	222,099	-	397,301	198,262	866,244	464,277
Net insurance finance income / (expenses)	-	-	-	-	-	-	-
Other expenses	119,051	109,935	-	221,352	203,444	124,333	385,945
Realised gain/(loss)	(291,925)	853,716	-	(501,511)	(12,423)	(191,652)	(62,732)
Unrealised gain/(loss)	(933,907)	(606,256)	-	1,262,858	641,628	588,098	3,964,664
Actuarial gain/(loss)	-	-	-	-	-	-	-
Operating profit/(loss) before tax	(856,446)	359,624	-	937,297	624,023	1,138,356	3,980,263
Operating profit/(loss) after tax	(273,950)	856,754	-	376,595	525,958	1,236,145	3,432,858
Solvency requirement (\$'000)	-	-	-	-	-	-	-
Solvency reserve ratio	-	-	-	-	-	-	-
<b>As at 30 June 2023</b>							
Financial assets	27,752,151	22,044,709	-	48,597,924	12,486,377	27,221,178	84,033,436
Reinsurance contract assets	-	-	-	-	-	-	-
Other assets	2,450	734,331	-	1,476,289	5,379	614,030	1,315,098
Insurance contract liabilities	-	-	-	-	-	-	-
Reinsurance contract liabilities	-	-	-	-	-	-	-
Investment contract liabilities	27,160,029	20,701,317	-	49,997,809	12,842,540	26,539,981	83,553,143
Other liabilities	594,572	2,077,723	-	76,404	(350,784)	1,295,227	1,795,391
Retained earnings	-	-	-	-	-	-	-
Reserves	-	-	-	-	-	-	-
Issued capital	-	-	-	-	-	-	-
<b>For half year ended 31 Dec 2022</b>							
Insurance service result	-	-	-	-	-	-	-
Investment income	681,528	50,073	-	1,567	174,044	661,634	355,979
Net insurance finance income / (expenses)	-	-	-	-	-	-	-
Other expenses	110,551	78,954	-	188,893	105,499	118,207	358,917
Realised gain/(loss)	(770,648)	803,282	-	(711,391)	230,874	(80,693)	(454,497)
Unrealised gain/(loss)	4,303,988	83,426	-	2,747,693	525,837	1,314,201	2,036,270
Actuarial gain/(loss)	-	-	-	-	-	-	-
Operating profit/(loss) before tax	4,104,317	857,827	-	1,848,975	825,256	1,776,934	1,578,835
Operating profit/(loss) after tax	3,032,694	1,154,579	-	822,986	358,958	1,570,262	1,119,487
Solvency requirement (\$'000)	-	-	-	-	-	-	-
Solvency reserve ratio	-	-	-	-	-	-	-

\* This is a dormant fund.

## Notes to the Interim Condensed Consolidated Financial Statements (continued)

	No 23. Aust Income \$	No 24. Diversified Growth \$	No 25. Mortgages \$	No 26. Diversified Conservative \$	No 27. Growth ESG Model \$	No 28 World Equity Trust \$	No 29 Worldwide Sustainability \$
<i>IL</i>							
<b>As at 31 Dec 2023</b>							
Financial assets	11,275,825	166,271,546	3,398,003	12,642,483	11,788,134	44,412,605	7,150,917
Reinsurance contract assets							
Other assets	138,683	604,185	35,011	253,019	160,801	668,077	55,959
Insurance contract liabilities	-	-	-	-	-	-	-
Reinsurance contract liabilities	-	-	-	-	-	-	-
Investment contract liabilities	11,082,163	165,055,317	3,411,608	12,881,728	11,846,367	44,231,051	7,192,276
Other liabilities	332,345	1,820,414	21,406	13,774	102,568	849,631	14,600
Retained earnings	-	-	-	-	-	-	-
Reserves	-	-	-	-	-	-	-
Issued capital	-	-	-	-	-	-	-
<b>For half year ended 31 Dec 2023</b>							
Insurance service result	-	-	-	-	-	-	-
Investment income	270,371	1,174,915	69,183	76,743	86,557	423,615	2,225
Net insurance finance income / (expenses)	-	-	-	-	-	-	-
Other expenses	92,001	554,226	15,498	59,015	47,243	136,558	21,898
Realised gain/(loss)	(233,565)	(202,501)	-	(186,525)	11,384	(122,297)	(101,196)
Unrealised gain/(loss)	435,214	8,294,076	-	446,077	243,384	2,130,820	84,808
Actuarial gain/(loss)	-	-	-	-	-	-	-
Operating profit/(loss) before tax	380,019	8,712,264	53,685	277,280	294,082	2,295,579	(36,061)
Operating profit/(loss) after tax	398,775	6,800,311	32,930	172,856	218,754	1,919,621	(29,938)
Solvency requirement (\$'000)	-	-	-	-	-	-	-
Solvency reserve ratio	-	-	-	-	-	-	-
<b>As at 30 June 2023</b>							
Financial assets	10,929,571	154,314,687	3,478,156	13,057,228	8,546,686	34,246,744	5,810,964
Reinsurance contract assets	-	-	-	-	-	-	-
Other assets	150,178	764,861	30,453	184,237	83,807	377,978	48,442
Insurance contract liabilities	-	-	-	-	-	-	-
Reinsurance contract liabilities	-	-	-	-	-	-	-
Investment contract liabilities	10,769,490	154,627,222	3,491,471	13,318,504	8,632,983	34,385,478	5,874,212
Other liabilities	310,259	452,326	17,138	(77,039)	(2,490)	239,244	(14,806)
Retained earnings	-	-	-	-	-	-	-
Reserves	-	-	-	-	-	-	-
Issued capital	-	-	-	-	-	-	-
<b>For half year ended 31 Dec 2022</b>							
Insurance service result	-	-	-	-	-	-	-
Investment income	283,733	1,191,875	56,347	16,227	38,749	231,331	9,885
Net insurance finance income / (expenses)	-	-	-	-	-	-	-
Other expenses	97,213	499,223	15,142	52,612	26,190	63,064	15,765
Realised gain/(loss)	123,253	(412,557)	-	(267,798)	(155,859)	(25,096)	(154,978)
Unrealised gain/(loss)	476,950	3,309,359	(1,385)	476,170	325,606	560,267	479,933
Actuarial gain/(loss)	-	-	-	-	-	-	-
Operating profit/(loss) before tax	786,722	3,589,454	39,820	171,987	182,307	703,437	319,074
Operating profit/(loss) after tax	761,976	1,518,147	23,252	57,448	97,633	392,302	142,065
Solvency requirement (\$'000)	-	-	-	-	-	-	-
Solvency reserve ratio	-	-	-	-	-	-	-

S

## Notes to the Interim Condensed Consolidated Financial Statements (continued)

	No 30. Diversified High Growth Index \$	No.31 Diversified Balanced Index \$	No. 32 Diversified Conservative \$	No. 33 Diversified Balanced \$	No. 34 Diversified High Growth \$	No. 35 Tax Effective Equity \$	No. 36 Int. Shares Emerging Mkts \$
<i>IL</i>							
<b>As at 31 Dec 2023</b>							
Financial assets	292,665,348	186,124,535	4,825,266	13,211,494	9,822,343	71,164,035	10,679,515
Reinsurance contract assets							
Other assets	439,649	560,475	18,748	39,373	18,860	547,198	239,369
Insurance contract liabilities	-	-	-	-	-	-	-
Reinsurance contract liabilities	-	-	-	-	-	-	-
Investment contract liabilities	287,402,543	185,299,045	4,810,206	13,087,856	9,775,423	69,210,401	10,857,848
Other liabilities	5,702,454	1,385,965	33,808	163,011	65,780	2,500,832	61,036
Retained earnings	-	-	-	-	-	-	-
Reserves	-	-	-	-	-	-	-
Issued capital	-	-	-	-	-	-	-
<b>For half year ended 31 Dec 2023</b>							
Insurance service result	-	-	-	-	-	-	-
Investment income	2,101,901	1,091,756	42,364	99,950	375	1,264,495	881
Net insurance finance income / (expenses )	-	-	-	-	-	-	-
Other expenses	944,323	631,962	20,080	58,761	40,517	339,378	45,689
Realised gain/(loss)	(102,456)	(1,160,935)	(32,498)	(60,439)	(82,589)	(1,428,129)	(188,635)
Unrealised gain/(loss)	14,267,938	8,832,358	181,018	572,540	567,946	5,916,931	(111,318)
Actuarial gain/(loss)	-	-	-	-	-	-	-
Operating profit/(loss) before tax	15,323,060	8,131,217	170,803	553,290	445,215	5,413,919	(344,761)
Operating profit/(loss) after tax	13,188,774	5,769,656	123,023	424,097	333,808	5,491,121	(323,944)
Solvency requirement (\$'000)	-	-	-	-	-	-	-
Solvency reserve ratio	-	-	-	-	-	-	-
<b>As at 30 June 2023</b>							
Financial assets	236,333,376	167,906,635	4,486,228	13,185,929	8,326,577	53,283,856	9,663,089
Reinsurance contract assets	-	-	-	-	-	-	-
Other assets	3,922,556	3,325,930	58,971	85,490	521,129	411,843	223,872
Insurance contract liabilities	-	-	-	-	-	-	-
Reinsurance contract liabilities	-	-	-	-	-	-	-
Investment contract liabilities	236,978,631	170,410,457	4,556,980	13,287,266	8,780,400	52,660,127	9,993,269
Other liabilities	3,277,301	822,108	(11,781)	(15,847)	67,306	1,035,572	(106,308)
Retained earnings	-	-	-	-	-	-	-
Reserves	-	-	-	-	-	-	-
Issued capital	-	-	-	-	-	-	-
<b>For half year ended 31 Dec 2022</b>							
Insurance service result	-	-	-	-	-	-	-
Investment income	1,465,225	843,499	989	32,486	101	1,041,348	153
Net insurance finance income / (expenses )	-	-	-	-	-	-	-
Other expenses	645,460	523,462	21,071	47,692	31,706	246,175	39,051
Realised gain/(loss)	(795,688)	(940,810)	(101,227)	(79,645)	(38,722)	(1,709,226)	(139,129)
Unrealised gain/(loss)	7,068,800	2,220,419	157,437	206,647	330,993	4,177,828	73,558
Actuarial gain/(loss)	-	-	-	-	-	-	-
Operating profit/(loss) before tax	7,092,876	1,599,646	36,127	111,796	260,666	3,262,299	(104,468)
Operating profit/(loss) after tax	4,288,441	(193,956)	1,482	18,143	112,816	3,006,335	(510,580)
Solvency requirement (\$'000)	-	-	-	-	-	-	-
Solvency reserve ratio	-	-	-	-	-	-	-

For personal use only

## Notes to the Interim Condensed Consolidated Financial Statements (continued)

	No. 37 Diversified Fixed Income \$	No. 38 Aust Shares Concentrated \$	No. 39 Aust Shares Sustainability \$	No. 40 Diversified Balanced \$	No. 41 Diversified ESG Balanced \$	No. 42 Equity Income Fund \$	UF47 Alternatives \$
<i>IL</i>							
<b>As at 31 Dec 2023</b>							
Financial assets	17,306,922	48,603,682	6,113,277	35,858,542	12,237,928	7,241,784	2,667,179
Reinsurance contract assets							
Other assets	332,822	805,189	81,114	184,795	38,043	71,257	93,489
Insurance contract liabilities	-	-	-	-	-	-	-
Reinsurance contract liabilities	-	-	-	-	-	-	-
Investment contract liabilities	17,577,654	49,157,302	6,119,386	35,759,220	12,241,450	7,130,510	2,706,207
Other liabilities	62,090	251,569	75,005	284,117	34,521	182,531	54,461
Retained earnings	-	-	-	-	-	-	-
Reserves	-	-	-	-	-	-	-
Issued capital	-	-	-	-	-	-	-
<b>For half year ended 31 Dec 2023</b>							
Insurance service result	-	-	-	-	-	-	-
Investment income	322,284	351,655	81,444	348,885	27,623	173,302	164
Net insurance finance income / (expenses )	-	-	-	-	-	-	-
Other expenses	57,320	201,165	25,619	119,617	52,135	43,240	8,914
Realised gain/(loss)	(105,707)	(2,467,460)	(69,210)	(203,004)	(88,565)	(223,333)	(223)
Unrealised gain/(loss)	(241,557)	8,194,048	375,522	1,548,256	553,679	279,147	92,399
Actuarial gain/(loss)	-	-	-	-	-	-	-
Operating profit/(loss) before tax	(82,300)	5,877,078	362,136	1,574,519	440,602	185,876	83,426
Operating profit/(loss) after tax	(103,646)	3,996,758	265,427	1,133,987	300,699	197,907	69,196
Solvency requirement (\$'000)	-	-	-	-	-	-	-
Solvency reserve ratio	-	-	-	-	-	-	-
<b>As at 30 June 2023</b>							
Financial assets	13,884,009	43,332,118	5,568,203	32,445,151	11,436,991	7,503,172	1,865,134
Reinsurance contract assets	-	-	-	-	-	-	-
Other assets	92,291	2,530,693	213,288	375,446	242,140	79,442	25,470
Insurance contract liabilities	-	-	-	-	-	-	-
Reinsurance contract liabilities	-	-	-	-	-	-	-
Investment contract liabilities	13,233,179	46,372,153	5,833,209	32,862,945	11,679,799	7,478,411	1,845,350
Other liabilities	743,121	(509,342)	(51,718)	(42,348)	(668)	104,203	45,254
Retained earnings	-	-	-	-	-	-	-
Reserves	-	-	-	-	-	-	-
Issued capital	-	-	-	-	-	-	-
<b>For half year ended 31 Dec 2022</b>							
Insurance service result	-	-	-	-	-	-	-
Investment income	104,176	447,327	98,073	200,948	20,652	202,919	8
Net insurance finance income / (expenses )	-	-	-	-	-	-	-
Other expenses	37,493	193,888	26,157	89,161	35,753	43,431	5,021
Realised gain/(loss)	(154,671)	(754,012)	(64,554)	(317,358)	(46,348)	(283,237)	39
Unrealised gain/(loss)	70,413	(184,462)	408,842	614,953	201,812	341,247	122,069
Actuarial gain/(loss)	-	-	-	-	-	-	-
Operating profit/(loss) before tax	(17,575)	(685,035)	416,204	409,382	140,362	217,499	117,094
Operating profit/(loss) after tax	(54,868)	(1,988,751)	232,477	118,283	19,868	199,794	86,878
Solvency requirement (\$'000)	-	-	-	-	-	-	-
Solvency reserve ratio	-	-	-	-	-	-	-

For personal use only

## Notes to the Interim Condensed Consolidated Financial Statements (continued)

	UF49 ESG Fixed Interest \$	UF50 Diversified ESG Balanced \$	UF52 International Shares (Hedged) \$	UF53 International Shares \$	UF55 Morningstar Balanced Model \$	UF56 Growth Model Portfolio No. 1 \$	UF57 High Growth Model Portfolio No. 1 \$
<i>IL</i>							
<b>As at 31 Dec 2023</b>							
Financial assets	617,948	27,258,047	12,439,809	25,824,901	11,624,501	19,660,624	4,827,582
Reinsurance contract assets							
Other assets	21,731	226,618	189,317	291,688	29,019	16,960	16,079
Insurance contract liabilities	-	-	-	-	-	-	-
Reinsurance contract liabilities	-	-	-	-	-	-	-
Investment contract liabilities	638,914	27,148,538	12,527,183	25,430,236	11,532,815	15,985,144	4,621,324
Other liabilities	765	336,127	101,943	686,353	120,705	3,692,440	222,337
Retained earnings	-	-	-	-	-	-	-
Reserves	-	-	-	-	-	-	-
Issued capital	-	-	-	-	-	-	-
<b>For half year ended 31 Dec 2023</b>							
Insurance service result	-	-	-	-	-	-	-
Investment income	9	164,067	356	1,621	72,279	67,059	31,368
Net insurance finance income / (expenses)	-	-	-	-	-	-	-
Other expenses	1,889	107,140	52,136	85,544	61,377	50,691	24,412
Realised gain/(loss)	(657)	(58,471)	(53,868)	(58,172)	(6,249)	(1,361)	18,003
Unrealised gain/(loss)	21,518	1,544,067	394,653	2,473,919	243,916	250,910	98,150
Actuarial gain/(loss)	-	-	-	-	-	-	-
Operating profit/(loss) before tax	18,981	1,542,523	289,004	2,331,824	248,568	265,918	123,108
Operating profit/(loss) after tax	11,305	1,208,104	233,185	2,562,242	176,068	192,908	98,321
Solvency requirement (\$'000)	-	-	-	-	-	-	-
Solvency reserve ratio	-	-	-	-	-	-	-
<b>As at 30 June 2023</b>							
Financial assets	457,227	23,056,008	9,600,001	21,341,371	3,016,269	6,527,498	3,278,635
Reinsurance contract assets	-	-	-	-	-	-	-
Other assets	14,247	153,433	719,664	33,703	176,173	473,277	76,847
Insurance contract liabilities	-	-	-	-	-	-	-
Reinsurance contract liabilities	-	-	-	-	-	-	-
Investment contract liabilities	473,872	23,215,174	10,153,285	20,234,606	3,059,009	6,901,432	3,253,864
Other liabilities	(2,398)	(5,733)	166,380	1,140,468	133,433	99,343	101,618
Retained earnings	-	-	-	-	-	-	-
Reserves	-	-	-	-	-	-	-
Issued capital	-	-	-	-	-	-	-
<b>For half year ended 31 Dec 2022</b>							
Insurance service result	-	-	-	-	-	-	-
Investment income	2	106,794	216	296	-	1,201	698
Net insurance finance income / (expenses)	-	-	-	-	-	-	-
Other expenses	1,550	67,462	27,194	47,255	-	499	148
Realised gain/(loss)	(2,882)	(13,983)	(149,595)	(338,257)	-	-	-
Unrealised gain/(loss)	(14,560)	222,626	360,187	(1,542,185)	-	(9,193)	(874)
Actuarial gain/(loss)	-	-	-	-	-	-	-
Operating profit/(loss) before tax	(18,990)	247,975	183,615	(1,927,401)	-	(8,492)	(325)
Operating profit/(loss) after tax	(17,063)	7,508	31,272	(2,284,452)	-	(6,848)	(379)
Solvency requirement (\$'000)	-	-	-	-	-	-	-
Solvency reserve ratio	-	-	-	-	-	-	-

For personal use only

## Notes to the Interim Condensed Consolidated Financial Statements (continued)

	UF60 Mercer Future Wealth Balanced Portfolio \$	UF61 Fiducian Growth Fund \$	UF62 Diversified Conservative Portfolio No. 2 \$	UF64 Managed Volatility Shares Portfolio \$	UF66 International Responsible Investing Portfolio \$	UF69 Fixed Interest Portfolio \$	Total Life Investment \$
	IL						
<b>As at 31 Dec 2023</b>							
Financial assets	2,589,189	533,619	6,310,441	6,300,306	2,416,434	4,126,208	2,951,940,560
Reinsurance contract assets							
Other assets	19,036	6,616	116,465	85,859	-	891	22,738,281
Insurance contract liabilities	-	-	-	-	-	-	-
Reinsurance contract liabilities	-	-	-	-	-	-	-
Investment contract liabilities	2,591,045	535,142	6,361,898	6,370,670	2,379,266	4,082,377	2,916,772,868
Other liabilities	17,180	5,093	65,008	15,495	37,168	44,722	57,905,974
Retained earnings	-	-	-	-	-	-	-
Reserves	-	-	-	-	-	-	-
Issued capital	-	-	-	-	-	-	-
<b>For half year ended 31 Dec 2023</b>							
Insurance service result	-	-	-	-	-	-	-
Investment income	26,194	6,616	71,712	61,456	46	78	27,535,670
Net insurance finance income / (expenses)	-	-	-	-	-	-	-
Other expenses	8,037	460	15,022	19,823	6,394	14,404	12,762,862
Realised gain/(loss)	(4,495)	-	(4,157)	(22,395)	242	(3,123)	(13,794,221)
Unrealised gain/(loss)	47,755	17,309	128,876	(12,634)	167,994	209,705	126,011,770
Actuarial gain/(loss)	-	-	-	-	-	-	-
Operating profit/(loss) before tax	61,417	23,466	181,409	6,604	161,888	192,257	127,715,221
Operating profit/(loss) after tax	45,538	18,681	135,095	10,815	159,912	139,613	108,875,500
Solvency requirement (\$'000)	-	-	-	-	-	-	-
Solvency reserve ratio	-	-	-	-	-	-	-
<b>As at 30 June 2023</b>							
Financial assets	-	-	2,627,178	2,813,808	1,232,513	3,556,434	2,603,870,935
Reinsurance contract assets	-	-	-	-	-	-	-
Other assets	-	-	32,158	82,113	1,686	11,813	50,675,381
Insurance contract liabilities	-	-	-	-	-	-	-
Reinsurance contract liabilities	-	-	-	-	-	-	-
Investment contract liabilities	-	-	2,646,706	2,880,758	1,200,707	3,566,778	2,608,262,163
Other liabilities	-	-	12,630	15,163	33,492	1,469	46,284,153
Retained earnings	-	-	-	-	-	-	-
Reserves	-	-	-	-	-	-	-
Issued capital	-	-	-	-	-	-	-
<b>For half year ended 31 Dec 2022</b>							
Insurance service result	-	-	-	-	-	-	-
Investment income	-	-	6,249	1,746	5	240	20,593,183
Net insurance finance income / (expenses)	-	-	-	-	-	-	-
Other expenses	-	-	844	1,539	2,273	3,363	10,497,214
Realised gain/(loss)	-	-	(5)	(38)	(1,135)	(49)	(15,345,893)
Unrealised gain/(loss)	-	-	(5,242)	6,621	20,144	(35,994)	62,697,033
Actuarial gain/(loss)	-	-	-	-	-	-	-
Operating profit/(loss) before tax	-	-	158	6,791	16,740	(39,165)	56,701,330
Operating profit/(loss) after tax	-	-	(636)	5,416	2,700	(31,012)	31,547,064
Solvency requirement (\$'000)	-	-	-	-	-	-	-
Solvency reserve ratio	-	-	-	-	-	-	-

For personal use only

## Notes to the Interim Condensed Consolidated Financial Statements (continued)

	CF01 Cash Benefit Fund \$	LI01 International Fixed Interest Portfolio \$	LI02 Australian Shares Index Portfolio \$	LI03 International Shares (Unhedged) Index Portfolio \$	LI04 International Shares (Hedged) Index Portfolio \$	LI05 Property Securities Index Portfolio \$	LI06 Australian Fixed Interest Index Portfolio \$
	<i>IL</i>						
<b>As at 31 Dec 2023</b>							
Financial assets	952,252	292,254	316,514	247,637	292,045	113,445	113,633
Reinsurance contract assets	10,757	-	-	-	-	-	-
Other assets	-	900	4,668	33	86	595	819
Insurance contract liabilities	963,009	287,981	316,334	242,557	287,315	109,773	109,574
Reinsurance contract liabilities	-	-	-	-	-	-	-
Investment contract liabilities	-	-	-	-	-	-	-
Other liabilities	-	5,173	4,848	5,113	4,816	4,267	4,878
Retained earnings	-	-	-	-	-	-	-
Reserves	-	-	-	-	-	-	-
Issued capital	-	-	-	-	-	-	-
<b>For half year ended 31 Dec 2023</b>							
Insurance service result	(203,289)	5,950	1,979	1,309	3,180	1,266	5,145
Investment income	21,890	12,255	18,539	10,045	17,004	11,199	3,716
Net insurance finance income / (expenses)	181,399	(18,206)	(20,831)	(11,354)	(20,183)	(12,508)	(8,860)
Other expenses	-	-	-	-	-	-	-
Realised gain/(loss)	-	-	-	-	-	-	-
Unrealised gain/(loss)	-	-	-	-	-	-	-
Actuarial gain/(loss)	-	-	-	-	-	-	-
Operating profit/(loss) before tax	-	-	(312)	-	-	(43)	-
Operating profit/(loss) after tax	-	-	-	-	-	-	-
Solvency requirement (\$'000)	-	-	-	-	-	-	-
Solvency reserve ratio	-	-	-	-	-	-	-
<b>As at 30 June 2023</b>							
Financial assets	7,404	186,417	192,446	162,892	281,204	64,501	64,305
Reinsurance contract assets	-	-	-	-	-	-	-
Other assets	-	543	5,178	7,299	21	891	212
Insurance contract liabilities	7,404	182,068	192,935	165,234	276,526	61,196	59,625
Reinsurance contract liabilities	-	-	-	-	-	-	-
Investment contract liabilities	-	-	-	-	-	-	-
Other liabilities	-	4,893	4,689	4,957	4,699	4,196	4,892
Retained earnings	-	-	-	-	-	-	-
Reserves	-	-	-	-	-	-	-
Issued capital	-	-	-	-	-	-	-
<b>For half year ended 31 Dec 2022</b>							
Insurance service result	134,621	80	1,093	831	798	113	86
Investment income	3,102	(466)	1,257	(135)	2,320	120	(684)
Net insurance finance income / (expenses)	(137,723)	386	(2,350)	(696)	(3,118)	(233)	598
Other expenses	-	-	-	-	-	-	-
Realised gain/(loss)	-	-	-	-	-	-	-
Unrealised gain/(loss)	-	-	-	-	-	-	-
Actuarial gain/(loss)	-	-	-	-	-	-	-
Operating profit/(loss) before tax	-	-	-	-	-	-	-
Operating profit/(loss) after tax	-	-	-	-	-	-	-
Solvency requirement (\$'000)	-	-	-	-	-	-	-
Solvency reserve ratio	-	-	-	-	-	-	-

For personal use only

## Notes to the Interim Condensed Consolidated Financial Statements (continued)

	LI07 Diversified Conservative Index Portfolio \$	LI08 Diversified Balanced Index Portfolio \$	LI09 Diversified Growth Index Portfolio \$	LI10 Diversified Balanced Portfolio \$	LI11 Diversified Growth Portfolio \$	LI12 Diversified Real Return Portfolio \$	LI13 Diversified High Growth Index Portfolio \$
	<i>IL</i>						
<b>As at 31 Dec 2023</b>							
Financial assets	1,697,412	10,118,373	2,622,153	867,436	794,459	262,971	1,506,581
Reinsurance contract assets	-	-	-	-	-	-	-
Other assets	1,966	10,327	3,174	4,886	3,716	6,081	2,282
Insurance contract liabilities	1,695,584	10,083,957	2,620,100	845,379	794,668	263,830	1,502,957
Reinsurance contract liabilities	-	-	-	-	-	-	-
Investment contract liabilities	-	-	-	-	-	-	-
Other liabilities	3,794	44,743	5,227	26,943	3,507	5,222	5,906
Retained earnings	-	-	-	-	-	-	-
Reserves	-	-	-	-	-	-	-
Issued capital	-	-	-	-	-	-	-
<b>For half year ended 31 Dec 2023</b>							
Insurance service result	14,485	69,820	14,836	6,477	16,436	1,826	78,123
Investment income	70,662	465,118	131,033	40,036	43,890	12,527	82,665
Net insurance finance income / (expenses)	(86,096)	(543,592)	(148,623)	(47,287)	(61,502)	(14,354)	(162,914)
Other expenses	-	-	-	-	-	-	-
Realised gain/(loss)	-	-	-	-	-	-	-
Unrealised gain/(loss)	-	-	-	-	-	-	-
Actuarial gain/(loss)	-	-	-	-	-	-	-
Operating profit/(loss) before tax	(950)	(8,653)	(2,754)	(774)	(1,175)	-	(2,125)
Operating profit/(loss) after tax	-	-	-	-	-	-	-
Solvency requirement (\$'000)	-	-	-	-	-	-	-
Solvency reserve ratio	-	-	-	-	-	-	-
<b>As at 30 June 2023</b>							
Financial assets	1,227,646	6,650,135	1,789,580	746,875	560,625	271,221	1,118,314
Reinsurance contract assets	-	-	-	-	-	-	-
Other assets	8,490	55,305	17,155	4,496	3,499	5,809	13,734
Insurance contract liabilities	1,233,544	6,693,473	1,803,181	748,372	561,171	271,853	1,126,730
Reinsurance contract liabilities	-	-	-	-	-	-	-
Investment contract liabilities	-	-	-	-	-	-	-
Other liabilities	2,592	11,967	3,555	2,999	2,953	5,178	5,318
Retained earnings	-	-	-	-	-	-	-
Reserves	-	-	-	-	-	-	-
Issued capital	-	-	-	-	-	-	-
<b>For half year ended 31 Dec 2022</b>							
Insurance service result	(4,575)	5,058	12,464	1,408	909	449	2,370
Investment income	(5,779)	(23,246)	(6,510)	(108)	(7,628)	430	(4,502)
Net insurance finance income / (expenses)	11,318	19,210	(4,958)	(1,300)	6,718	(879)	2,132
Other expenses	(964)	(1,022)	(996)	-	-	-	-
Realised gain/(loss)	-	-	-	-	-	-	-
Unrealised gain/(loss)	-	-	-	-	-	-	-
Actuarial gain/(loss)	-	-	-	-	-	-	-
Operating profit/(loss) before tax	-	-	-	-	-	-	-
Operating profit/(loss) after tax	-	-	-	-	-	-	-
Solvency requirement (\$'000)	-	-	-	-	-	-	-
Solvency reserve ratio	-	-	-	-	-	-	-

For personal use only

## Notes to the Interim Condensed Consolidated Financial Statements (continued)

	LI14 Diversified Conservative Portfolio \$	LI15 Diversified High Growth Portfolio \$	LI16 Low Volatility Shares Portfolio \$	LI17 Concentrated Australian Shares Portfolio \$	LI18 Concentrated International Shares Portfolio \$	LI19 Barrow Hanley Global Share Fund \$	LI20 Global Infrastructure Portfolio \$
<i>IL</i>							
<b>As at 31 Dec 2023</b>							
Financial assets	72,102	11,477	154,067	541,009	544,639	1,885	189,469
Reinsurance contract assets	-	-	-	-	-	-	-
Other assets	533	52	1,480	3,998	177	8	4,104
Insurance contract liabilities	72,510	9,037	150,609	539,578	539,369	1,892	188,457
Reinsurance contract liabilities	-	-	-	-	-	-	-
Investment contract liabilities	-	-	-	-	-	-	-
Other liabilities	125	2,492	4,938	5,429	5,447	2	5,116
Retained earnings	-	-	-	-	-	-	-
Reserves	-	-	-	-	-	-	-
Issued capital	-	-	-	-	-	-	-
<b>For half year ended 31 Dec 2023</b>							
Insurance service result	532	22	(13,696)	(37,460)	(184,181)	10	1,646
Investment income	2,826	425	(674)	63,240	54,497	6	3,528
Net insurance finance income / (expenses)	(3,416)	(447)	14,370	(25,780)	129,684	(16)	(5,173)
Other expenses	-	-	-	-	-	-	-
Realised gain/(loss)	-	-	-	-	-	-	-
Unrealised gain/(loss)	-	-	-	-	-	-	-
Actuarial gain/(loss)	-	-	-	-	-	-	-
Operating profit/(loss) before tax	(57)	-	-	-	-	-	-
Operating profit/(loss) after tax	-	-	-	-	-	-	-
Solvency requirement (\$'000)	-	-	-	-	-	-	-
Solvency reserve ratio	-	-	-	-	-	-	-
<b>As at 30 June 2023</b>							
Financial assets	75,116	-	163,399	497,680	739,685	-	158,561
Reinsurance contract assets	-	-	-	-	-	-	-
Other assets	499	-	3,440	7,397	-	-	3,308
Insurance contract liabilities	75,474	-	161,783	500,067	734,709	-	156,831
Reinsurance contract liabilities	-	-	-	-	-	-	-
Investment contract liabilities	-	-	-	-	-	-	-
Other liabilities	142	-	5,056	5,010	4,976	-	5,038
Retained earnings	-	-	-	-	-	-	-
Reserves	-	-	-	-	-	-	-
Issued capital	-	-	-	-	-	-	-
<b>For half year ended 31 Dec 2022</b>							
Insurance service result	122	-	115	3,552	5,341	-	379
Investment income	676	-	871	(9,142)	(54,504)	-	(3,391)
Net insurance finance income / (expenses)	(799)	-	(986)	5,590	49,163	-	3,012
Other expenses	-	-	-	-	-	-	-
Realised gain/(loss)	-	-	-	-	-	-	-
Unrealised gain/(loss)	-	-	-	-	-	-	-
Actuarial gain/(loss)	-	-	-	-	-	-	-
Operating profit/(loss) before tax	-	-	-	-	-	-	-
Operating profit/(loss) after tax	-	-	-	-	-	-	-
Solvency requirement (\$'000)	-	-	-	-	-	-	-
Solvency reserve ratio	-	-	-	-	-	-	-

For personal use only

## Notes to the Interim Condensed Consolidated Financial Statements (continued)

	LI21 International Fixed Interest Portfolio \$	LI22 Diversified ESG Growth Portfolio \$	LI23 Diversified Fixed Interest Portfolio \$	LI24 ESG International Shares Portfolio \$	LI25 Investors Mutual Australian Share Fund \$	LI26 Generation Life Cash & Deposits Portfolio \$	LI27 Generation Life Lifestyle Portfolio \$
<i>IL</i>							
<b>As at 31 Dec 2023</b>							
Financial assets	223,075	343,221	23,088	57,488	38,733	563,530	570,063
Reinsurance contract assets	-	-	-	-	-	-	-
Other assets	2,250	570	-	10	850	6,449	2,092
Insurance contract liabilities	219,839	338,427	18,409	53,068	39,491	569,525	570,583
Reinsurance contract liabilities	-	-	-	-	-	-	-
Investment contract liabilities	-	-	-	-	-	-	-
Other liabilities	5,486	5,364	4,679	4,430	92	454	1,572
Retained earnings	-	-	-	-	-	-	-
Reserves	-	-	-	-	-	-	-
Issued capital	-	-	-	-	-	-	-
<b>For half year ended 31 Dec 2023</b>							
Insurance service result	10,445	1,856	62	307	54	(98,681)	2,724
Investment income	340	13,541	1,233	(437)	2,217	5,665	15,500
Net insurance finance income / (expenses )	(10,785)	(15,412)	(1,295)	130	(2,271)	93,016	(22,770)
Other expenses	-	-	-	-	-	-	4,541
Realised gain/(loss)	-	-	-	-	-	-	-
Unrealised gain/(loss)	-	-	-	-	-	-	-
Actuarial gain/(loss)	-	-	-	-	-	-	-
Operating profit/(loss) before tax	-	(15)	-	-	-	-	(4)
Operating profit/(loss) after tax	-	-	-	-	-	-	-
Solvency requirement (\$'000)	-	-	-	-	-	-	-
Solvency reserve ratio	-	-	-	-	-	-	-
<b>As at 30 June 2023</b>							
Financial assets	226,406	308,430	9,324	61,784	-	-	597,546
Reinsurance contract assets	-	-	-	-	-	-	-
Other assets	-	3,701	-	335	-	-	1,029
Insurance contract liabilities	220,959	306,984	4,623	57,732	-	-	598,575
Reinsurance contract liabilities	-	-	-	-	-	-	-
Investment contract liabilities	-	-	-	-	-	-	-
Other liabilities	5,447	5,147	4,702	4,387	-	-	-
Retained earnings	-	-	-	-	-	-	-
Reserves	-	-	-	-	-	-	-
Issued capital	-	-	-	-	-	-	-
<b>For half year ended 31 Dec 2022</b>							
Insurance service result	283	755	12	22	-	-	-
Investment income	361	(4,496)	(295)	521	-	-	-
Net insurance finance income / (expenses )	(645)	3,740	282	(543)	-	-	-
Other expenses	-	-	-	-	-	-	-
Realised gain/(loss)	-	-	-	-	-	-	-
Unrealised gain/(loss)	-	-	-	-	-	-	-
Actuarial gain/(loss)	-	-	-	-	-	-	-
Operating profit/(loss) before tax	-	-	-	-	-	-	-
Operating profit/(loss) after tax	-	-	-	-	-	-	-
Solvency requirement (\$'000)	-	-	-	-	-	-	-
Solvency reserve ratio	-	-	-	-	-	-	-

For personal use only

## Notes to the Interim Condensed Consolidated Financial Statements (continued)

	LI28		Total Lifeline Fund \$	Oddfellows Fund \$	Total Life Insurance \$	Total Benefit Funds \$	M'gmt Fund \$
	Generation Life Protect Portfolio \$	LI30 Metrics Direct Income Fund \$					
		IL					
<b>As at 31 Dec 2023</b>							
Financial assets	433,491	15,391	23,979,893	6,920,025	30,899,918	2,982,840,478	9,513,222
Reinsurance contract assets	-	-	10,757	-	10,757	10,757	1,131,251
Other assets	643	486,323	549,072	32,004	581,076	23,319,357	29,231,148
Insurance contract liabilities	432,594	501,647	24,368,053	6,692,649	31,060,702	31,060,702	1,424,107
Reinsurance contract liabilities	-	-	-	-	-	-	-
Investment contract liabilities	-	-	-	-	-	2,916,772,868	-
Other liabilities	1,540	67	171,670	259,380	431,050	58,337,024	4,693,402
Retained earnings	-	-	-	-	-	-	2,195,057
Reserves	-	-	-	-	-	-	1,413,186
Issued capital	-	-	-	-	-	-	30,149,869
<b>For half year ended 31 Dec 2023</b>							
Insurance service result/Premium revenue	238,425	1,230	(59,162)	-	(59,162)	(59,162)	(1,515,482)
Investment income	7,441	447	1,110,374	205,958	1,316,332	28,852,002	275,610
Net insurance finance income / (expenses) / claims expense	(251,321)	(1,677)	(1,078,074)	50,062	(1,028,012)	(1,028,012)	(57,794)
Other expenses	5,452	-	9,993	69,437	79,430	12,842,292	(20,211,167)
Realised gain/(loss)	-	-	-	(52,918)	(52,918)	(13,847,139)	-
Unrealised gain/(loss)	-	-	-	114,810	114,810	126,126,580	-
Actuarial gain/(loss)	-	-	-	(148,395)	(148,395)	(148,395)	-
Operating profit/(loss) before tax	(3)	-	(16,865)	(44)	(16,909)	127,698,312	(8,150,290)
Operating profit/(loss) after tax	-	-	-	-	-	108,875,500	(2,521,192)
Solvency requirement (\$'000)	-	-	-	-	-	-	8,500
Solvency reserve ratio	-	-	-	-	-	-	143%
<b>As at 30 June 2023</b>							
Financial assets	199,495	-	16,360,991	7,016,341	23,377,332	2,627,248,267	7,895,657
Reinsurance contract assets	-	-	-	-	-	-	623,466
Other assets	469	-	142,810	48,003	190,813	50,866,194	34,380,992
Insurance contract liabilities	199,965	-	16,401,014	6,544,254	22,945,268	22,945,268	1,254,744
Reinsurance contract liabilities	-	-	-	-	-	-	-
Investment contract liabilities	-	-	-	-	-	2,608,262,163	-
Other liabilities	-	-	102,793	520,090	622,883	46,907,036	5,518,726
Retained earnings	-	-	-	-	-	-	4,563,590
Reserves	-	-	-	-	-	-	1,413,186
Issued capital	-	-	-	-	-	-	30,149,869
<b>For half year ended 31 Dec 2022</b>							
Insurance service result/Premium revenue	-	-	166,286	-	166,286	166,286	(2,697,060)
Investment income	-	-	(111,228)	158,943	47,715	20,640,898	183,701
Net insurance finance income / (expenses) / claims expense	-	-	(52,081)	54,784	2,703	2,703	(301,332)
Other expenses	-	-	(2,982)	69,987	67,005	10,564,219	(20,811,110)
Realised gain/(loss)	-	-	-	(2,544)	(2,544)	(15,348,437)	-
Unrealised gain/(loss)	-	-	-	(26,488)	(26,488)	62,670,545	-
Actuarial gain/(loss)	-	-	-	(5,140)	(5,140)	(5,140)	-
Operating profit/(loss) before tax	-	-	-	-	-	56,701,330	(12,491,022)
Operating profit/(loss) after tax	-	-	-	-	-	31,547,064	(6,756,195)
Solvency requirement (\$'000)	-	-	-	-	-	-	8,500
Solvency reserve ratio	-	-	-	-	-	-	144%

For personal use only



## Independent Auditor's Review Report

To the shareholders of Generation Development Group Limited

### Report on the Interim Condensed Consolidated Financial Report

#### Conclusion

We have reviewed the accompanying **Interim Condensed Consolidated Financial Report** of Generation Development Group Limited (the Company).

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Interim Condensed Consolidated Financial Report of Generation Development 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 31 December 2023 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 **Interim Condensed Consolidated Financial Report** comprises:

- Interim Condensed Consolidated Statement of Financial Position as at 31 December 2023;
- Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income, Interim Condensed Consolidated Statement of Changes in Equity and Interim Condensed Consolidated Statement of Cash Flows for the Half-year ended on that date;
- Notes 1 to 24 comprising material accounting policies and other explanatory information; and
- The Directors' Declaration.

The **Group** comprises Generation Development Group Limited (the Company) and the entities it controlled at the Interim Period's end or from time to time during the Interim Period.

#### 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.

KPMG, an Australian partnership and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved. The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organisation. Liability limited by a scheme approved under Professional Standards Legislation.

For personal use only



#### Responsibilities of the Directors for the Interim Condensed Consolidated Financial Report

The Directors of the Company are responsible for:

- the preparation of the Interim Condensed Consolidated 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 Interim Condensed Consolidated 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 Interim Condensed Consolidated Financial Report

Our responsibility is to express a conclusion on the Interim Condensed Consolidated 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 Interim Condensed Consolidated 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 31 December 2023 and its performance for the Interim Period ended on that date, and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of an Interim Condensed Consolidated 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



Dean Waters

Partner

Melbourne

28 February 2024