

Appendix 4D

Half-year report

1. Company details

Name of entity:	Beforepay Group Limited
ABN:	63 633 925 505
Reporting period:	For the 6 months up to 31 December 2025
Previous period:	For the 6 months up to 31 December 2024

2. Results for announcement to the market

					\$
Revenues from ordinary activities	up	18.7%	to		23,360,685
Profit from ordinary activities after tax attributable to the owners of Beforepay Group Limited	up	49.7%	to		4,214,538
Profit for the period attributable to the owners of Beforepay Group Limited down	up	49.7%	to		4,214,538

Dividends

There were no dividends paid, recommended or declared during the current financial period.

Comments

The profit for the Group after providing for income tax amounted to \$4,214,538 (31 December 2024: \$2,816,191). Refer to 'Review of operations' in the Directors' Report for further commentary on the results for the half-year ended 31 December 2025.

3. Net tangible assets

	Reporting period	Previous period
	\$	\$
Net tangible assets per ordinary security	0.80	0.68

Right-of-use assets and lease liabilities have been excluded from the net tangible assets calculation.

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Not applicable.

Appendix 4D (cont.)

Half-year report

6. Dividends

Current period

There were no dividends paid, recommended or declared during the current financial period.

Previous period

There were no dividends paid, recommended or declared during the previous financial period.

7. Dividend reinvestment plans

Not applicable.

8. Details of associates and joint venture entities

Not applicable.

9. Foreign entities

Details of origin of accounting standards used in compiling the report:

Not applicable.

10. Audit qualification or review

Details of audit/review dispute or qualification (if any):

The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim Report.

11. Attachments

Details of attachments (if any):

The Interim Report of Beforepay Group Limited for the period ended 31 December 2025 is attached.

12. Signed

As authorised by the Board of Directors

Signed



Brian Hartzler
Chair

26 February 2026
Sydney



Interim Report

31 December 2025

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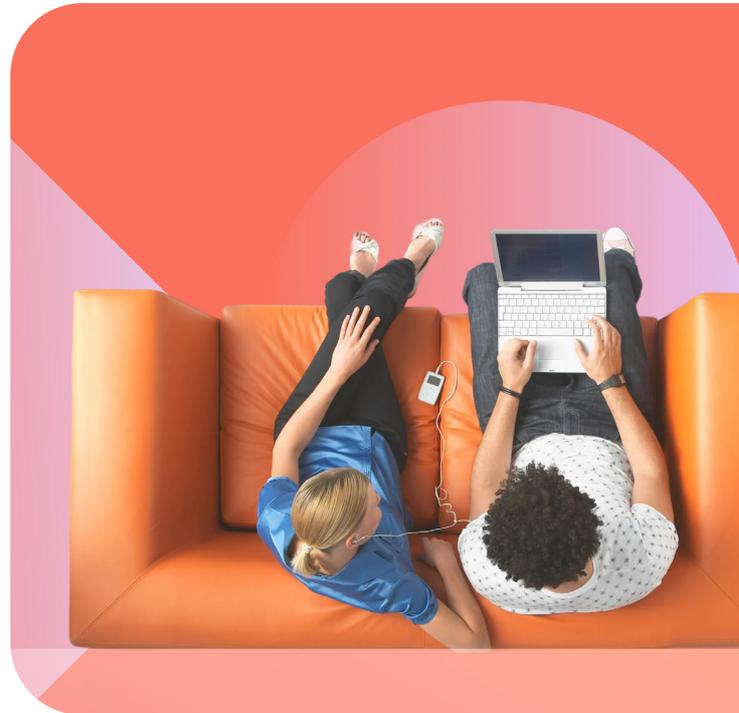
Acknowledgement of Country

In the spirit of reconciliation we acknowledge the Traditional Custodians of Country throughout Australia and their connections to land, sea and community. We pay our respect to their Elders, past and present, and extend that respect to all Aboriginal and Torres Strait Islander peoples today.

Half-Year Update

Beforepay Group delivered strong momentum through the first half of FY26, building on a record start to the year and continues to scale with disciplined investment in growth. Across the half, Beforepay strengthened performance through continued growth in lending activity and revenue while navigating expected seasonality in credit outcomes. We maintained our disciplined approach to customer acquisition and portfolio management, and started charging interest on a small number of Pay Advance loans. In parallel, Carrington Labs accelerated its progress as a global B2B business, announcing an additional client and new distribution partners in the first half of the year. The business also announced the launch of its MCP server, the first of its kind bringing compliant credit models into lending workflows.

At the heart of the Group is a shared focus: access to credit should be fair, transparent, and grounded in real financial behaviour. Whether we're supporting customers directly or helping lenders make better-informed decisions, our goal is to improve outcomes for the end borrower.



That dual model—operating our own consumer portfolio while also serving lenders globally—creates a powerful feedback loop. It keeps us grounded in real-world borrower outcomes, while continuously improving the models, tooling and insights we deliver across the Group.

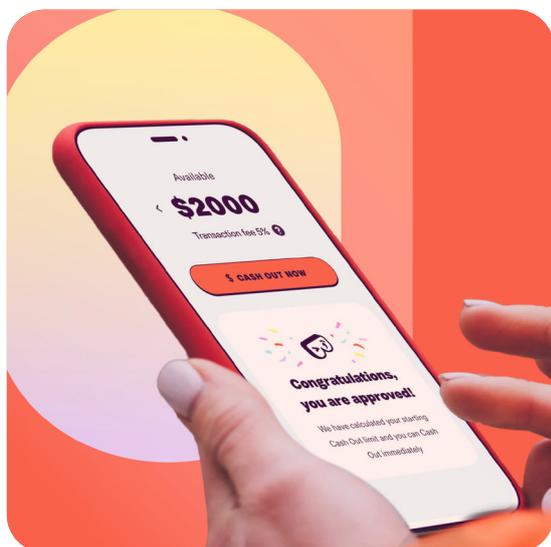
In our consumer business, we apply these capabilities directly—guided by clear pricing, practical safeguards and a strong ethical lending framework.

Through Carrington Labs, we commercialise the same underlying capability, supporting lenders with credit risk analytics, cash flow insights and tools designed to improve underwriting precision and portfolio performance.

This is supported by a single team of engineers, data scientists and credit experts, helping us continuously refine how we assess risk, manage portfolios and develop new product capability.

B Beforepay Group

B Beforepay



Beforepay

Beforepay is the Group's Australian consumer lending business, providing eligible customers with access to credit designed to help manage short term cash flow challenges through our Pay Advance and Personal Loan products.

We combine cash flow intelligence and disciplined risk settings to support ethical lending outcomes, with clear pricing and safeguards designed to reduce the risk of long term, revolving debt.

The focus is simple: provide products that are easy to understand, priced clearly, and structured to support customers through everyday financial pressure without encouraging harmful borrowing patterns.

C CARRINGTON LABS



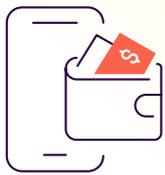
Carrington Labs

Carrington Labs is the Group's global B2B business, providing lenders with credit risk analytics and cash flow underwriting models.

Drawing on a range of data sources and transaction-based financial behaviour, we build and calibrate models tailored to each lender's products, risk appetite and business goals to help improve risk accuracy, set more appropriate credit settings, and monitor portfolio performance across the borrower lifecycle.

The impact is better outcomes for end borrowers: more people assessed fairly on their circumstances, more suitable credit settings, and portfolios that can better support customers through change.

H1 FY26 Highlights



\$467m

Total Advances
Up 18% from \$397m in H1 FY25



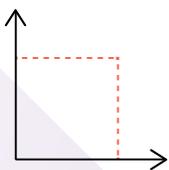
\$458

Average Advance
Up 17% from \$393 in H1 FY25



\$23.4m

Revenue
Up 19% from \$19.7m in H1 FY25



\$14.3m

Net Transaction Margin (NTM)
Up 20% from \$11.8m in H1 FY25

\$4.2m

Net Profit After Tax (NPAT)
Up from \$2.8m in H1 FY25

1.3%

Net Defaults
Up from 1.1% in H1 FY25

1,641

Personal Loans Issued
Up from 36 loans in H1 FY25

Directors' report

Half-year report

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Beforepay Group Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the period ended 31 December 2025.

Directors

The following persons were Directors of Beforepay Group Limited during the whole of the financial period and up to the date of this report, unless otherwise stated:

Brian Hartzler - Chair and Non-Executive Director

Daniel Moss - Non-Executive Director

Stefan Urosevic - Non-Executive Director

Patrick Tuttle - Non-Executive Director

Principal activities

During the financial period the principal continuing activities of the Group consisted of providing finance to its customers by way of pay on demand advances.

Dividends

There were no dividends paid, recommended or declared during the current or previous financial period.

Review of operations

The profit for the Group after providing for income tax amounted to \$4,214,538 (31 December 2024: \$2,816,191).

Revenue from ordinary activities in the current period was \$23,360,685 representing an increase of 18.7% on the previous financial period (31 December 2024: \$19,672,701).

In the half-year ended 31 December 2025 ('H1 FY26'), the Group maintained profitability, with a half-yearly profit of \$4.2 million and continues to be a leader in the pay-advance sector. This strong outcome was driven by consistent execution of our strategy, including delivering continued top-line growth, disciplined operating leverage and strong default & profit outcomes. During the period, the Group commenced charging 24% interest on a small subset of pay advances. The impact of this change on the half-year results was not material. The Group continues to support more customers with an alternative to revolving debt.

Compared to the previous financial period ended 31 December 2024, the Group's number of advances written grew by 1% to 1,017,536 with a coinciding increase in the total volume of advances of 18% to \$466.5 million. The number of active customers was 267,606, a 4% increase from 31 December 2024, reflecting the Group's continued focus on product improvement and performance marketing. The Group achieved underlying earnings before interest, taxation, depreciation and amortisation (EBITDA) profit of \$6.6 million (unaudited) for the current period, up from an EBITDA profit of \$5.5 million (unaudited) in the previous financial period ended 31 December 2024.

The Group earned a positive net transaction margin of \$14,272,363 (unaudited) in the current period (31 December 2024: \$11,848,473 (unaudited)), a 20% increase from the previous financial period. This result was primarily driven by higher revenue. Net transaction margin is comprised of income less direct financing costs, direct service costs in facilitating pay advances to customers, and expected credit losses (defaults).

Carrington Labs continued to execute on its U.S. focused growth strategy in H1 FY26, expanding partner-led distribution through new integrations with DigiFi, an AI-powered loan origination platform, and TaranDM, a decision engine. These partnerships enhance Carrington Labs' ability to deliver cash flow underwriting and risk analytics to clients of its partners in a streamlined manner. The Company also announced an agreement with Flexcar, the first and only month-to-month

Directors' report continued

car lease company, and a partnership with Sea.Dev, a fintech business specialising in AI powered financial document automation for small and medium-sized enterprises. These initiatives further broaden the range of customers serviced by Carrington Labs. Together, these milestones demonstrate growing traction in a market distinguished by scale, technological maturity and demand for data-driven financial solutions.

During the current reporting period, the Group was recognised for its customer-centric approach and mission driven service offerings as the "Best Ethical Lender 2026, and also received the "AI Tech Innovation Award 2026" at the APAC Insider Australian Enterprise Awards 2026. Carrington Labs was also recognised as the "Best AI-Powered Credit Risk Analytics 2026" and won the "APAC Insider Data-Driven Financial Innovation Award 2026".

The Group maintained a strong balance sheet with cash on hand of \$9,091,346 and a total equity position of \$44,421,462 as at 31 December 2025. The Group is well capitalised and only carries debt to finance receivables.

Significant changes in the state of affairs

Ms Laavanya Pari was appointed as Chief Financial Officer effective from 11 August 2025.

There were no other significant changes in the state of affairs of the Group during the financial period.

Matters subsequent to the end of the financial period

No matter or circumstance has arisen since 31 December 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Likely developments and expected results of operations

In FY26, the Group will focus on three primary initiatives:

- **Core Pay Advance business:** The Group intends to continue growing and servicing our core Pay Advance business. The Group aims to provide safer and better credit alternatives to our customers while maintaining a lean cost base and improving margins.
- **New lending products:** The Group continues to scale its Personal Loan product, to the market. With our strong capabilities in data-driven risk management and a large customer base, the Group believes it is well-positioned to compete effectively in this market.
- **Carrington Labs:** Carrington Labs has gained significant momentum in H1 FY26 and the Group intends to continue to grow in this space through its strategic partnerships and continued focus to onboard new clients.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the *Corporations Act 2001*.

On behalf of the Directors



Brian Hartzler
Chair

26 February 2026
Sydney

Auditor's Independence Declaration



**Shape the future
with confidence**

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Auditor's independence declaration to the directors of Beforepay Group Limited

As lead auditor for the review of the half-year financial report of Beforepay Group Limited for the half-year ended 31 December 2025, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review;
- b. No contraventions of any applicable code of professional conduct in relation to the review; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

This declaration is in respect of Beforepay Group Limited and the entities it controlled during the financial period.

A handwritten signature in cursive script that reads 'Ernst & Young'.

Ernst & Young

A handwritten signature in cursive script that reads 'Anita Kariappa'.

Anita Kariappa
Partner
26th February 2026

Statement of Profit or Loss and Other Comprehensive Income

For the period ended 31 December 2025

	Notes	Consolidated	
		6 months ended 31 Dec 2025	6 months ended 31 Dec 2024
		\$	\$
Revenue			
Revenue from contracts with customers	4	23,360,685	19,672,701
Other income	5	21,862	80,105
Interest income		1,733	6,457
Expenses			
Direct service cost		(815,733)	(774,372)
Employee benefits expense	6	(4,031,365)	(3,767,975)
Depreciation and amortisation expense		(767,709)	(257,253)
Other non-operational expenses		(15,732)	(10,223)
Expected credit losses expense		(6,257,594)	(4,712,317)
Occupancy expenses		(70,113)	(53,029)
Advertising and marketing expenses		(2,328,978)	(2,331,319)
Professional and consultancy expenses		(1,155,400)	(939,281)
Software licences		(104,901)	(34,972)
Technical suppliers		(1,140,175)	(703,410)
Other expenses		(687,370)	(746,487)
Finance costs	6	(2,294,672)	(2,612,434)
Profit before income tax expense		3,714,538	2,816,191
Income tax benefit	7	500,000	-
Profit after income tax expense for the period attributable to the owners of Beforepay Group Limited		4,214,538	2,816,191
Other comprehensive income for the period, net of tax		-	-
Total comprehensive income for the period attributable to the owners of Beforepay Group Limited		4,214,538	2,816,191
Basic earnings per share			
Basic earnings per share	20	0.09	0.06
Diluted earnings per share			
Diluted earnings per share	20	0.08	0.05

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Statement of Financial Position

For the period ended 31 December 2025

	Notes	Consolidated	
		Dec 2025	Jun 2025
		\$	\$
Assets			
Current assets			
Cash and cash equivalents	8	9,091,346	14,007,754
Trade and other receivables	9	61,931,864	53,644,460
Other assets		893,077	976,171
Total current assets		71,916,287	68,628,385
Non-current assets			
Property, plant and equipment	11	110,055	100,585
Intangibles	12	4,997,199	3,945,455
Right-of-use assets	10	1,085,131	1,295,157
Deferred tax assets	7	1,867,419	1,367,419
Other assets		278,636	278,636
Total non-current assets		8,338,440	6,987,252
Total assets		80,254,727	75,615,637
Liabilities			
Current liabilities			
Trade and other payables	13	3,422,052	3,978,341
Borrowings	14	30,652,999	-
Lease liabilities		420,513	385,221
Employee benefits		491,319	400,355
Total current liabilities		34,986,883	4,763,917
Non-current liabilities			
Borrowings	14	-	30,457,653
Lease liabilities		842,733	1,063,878
Provisions		3,649	3,433
Total non-current liabilities		846,382	31,524,964
Total liabilities		35,833,265	36,288,881
Net assets		44,421,462	39,326,756
Equity			
Issued capital	15	80,973,066	80,547,997
Reserves	16	3,838,087	3,382,988
Accumulated losses		(40,389,691)	44,604,229
Total equity		44,421,462	39,326,756

The above statement of financial position should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

For the period ended 31 December 2025

	Issued capital	Reserves	Accumulated losses	Total equity
Consolidated	\$	\$	\$	\$
Balance at 1 July 2024	80,478,664	1,399,114	(51,345,988)	30,531,790
Profit after income tax expense for the period	-	-	2,816,191	2,816,191
Other comprehensive income for the period, net of tax	-	-	-	-
Total comprehensive income for the period	-	-	2,816,191	2,816,191
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs (note 15)	53,561	-	-	53,561
Share-based payments (note 19)	-	2,219,491	-	2,219,491
Balance at 31 December 2024	80,532,225	3,618,605	(48,529,797)	35,621,033

	Issued capital	Reserves	Accumulated losses	Total equity
Consolidated	\$	\$	\$	\$
Balance at 1 July 2025	80,547,997	3,382,988	(44,604,229)	39,326,756
Profit after income tax expense for the period	-	-	4,214,538	4,214,538
Other comprehensive income for the period, net of tax	-	-	-	-
Total comprehensive income for the period	-	-	4,214,538	4,214,538
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs (note 15)	425,069	-	-	425,069
Share-based payments (note 19)	-	455,099	-	455,099
Balance at 31 December 2025	80,973,066	3,838,087	(40,389,691)	44,421,462

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows

For the period ended 31 December 2025

	Consolidated		
	Notes	6 months ended 31 Dec 2025	6 months ended 31 Dec 2024
		\$	\$
Cash flows from operating activities			
Receipts from repayment of customers advances		452,156,654	388,265,605
Receipts of income		22,970,398	19,271,222
Payments to suppliers and employees		(10,115,120)	(8,692,394)
Advances to customers		(466,461,212)	(396,712,505)
Interest received		1,733	6,457
Interest and other finance costs paid		(2,099,110)	(2,423,606)
Commission income	5	9,930	80,105
Net cash used in operating activities		(3,536,727)	(205,116)
Cash flows from investing activities			
Payments for property, plant and equipment	11	(35,103)	(23,891)
Capitalised employee costs for software development	12	(1,583,795)	(1,847,402)
Net cash used in operating activities		(1,618,898)	(1,871,293)
Cash flows from financing activities			
Proceeds from issue of shares	15	425,069	53,561
Proceeds from borrowings		-	1,185,380
Repayment of lease liabilities		(185,852)	(131,627)
Net cash from financing activities		239,217	1,107,314
Net decrease in cash and cash equivalents		(4,916,408)	(969,095)
Cash and cash equivalents at the beginning of the financial period		14,007,754	19,227,764
Cash and cash equivalents at the end of the financial period		9,091,346	18,258,669

The above statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

31 December 2025

Note 1. General information

The financial statements cover Beforepay Group Limited as a Group consisting of Beforepay Group Limited and the entities it controlled at the end of, or during, the period. The financial statements are presented in Australian dollars, which is Beforepay Group Limited's functional and presentation currency.

Beforepay Group Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Suite 1, Level 9
77 Castlereagh Street
Sydney NSW 2000

A description of the nature of the Group's operations and its principal activities are included in the Directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 26 February 2026. The directors have the power to amend and reissue the financial statements.

Note 2. Material Accounting Policy Information

These general-purpose financial statements for the interim half-year reporting period ended 31 December 2025 have been prepared in accordance with Australian Accounting Standard AASB 134 *'Interim Financial Reporting'* and the *Corporations Act 2001*, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *'Interim Financial Reporting'*.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2025 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group during the financial half-year ended 31 December 2025 and are not expected to have a significant impact for the full financial year ending 30 June 2026.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Notes to the Financial Statements continued

For the period ended 31 December 2025

Note 3. Operating segments

Identification of reportable operating segments

Operating segments are presented using the “management approach” where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers (CODM). The CODM is responsible for the allocation of resources to operating segments and assessing their performance. The Group is organised into one operating segment, being the provision of finance to its customers by way of salary advances. There is no aggregation of operating segments.

The operating segment information is the same information as provided throughout the financial statements and therefore not duplicated.

During the current and previous financial periods, the Group did not have any major customers due to the nature of services provided.

Note 4. Revenue from contracts with customers

	Consolidated	
	6 months ended 31 Dec 2025	6 months ended 31 Dec 2024
	\$	\$
Revenue	23,360,685	19,672,701

Revenue is recognised over the period in which customer advances are made until they are repaid and applying an effective interest rate method. Revenue is calculated and charged based on a fixed percentage of the amount advanced.

All revenue is derived in Australia.

Note 5. Other income

	Consolidated	
	6 months ended 31 Dec 2025	6 months ended 31 Dec 2024
	\$	\$
Net gain on disposal of property, plant and equipment	430	-
Commission income	9,930	80,105
Other income	11,502	-
Other income	21,862	80,105

Commission income

Commission income was received during the half-year ended 31 December 2025 and relates to the Group’s Compare and Save platform, powered by CIMET, which allows customers to compare and directly switch to a range of electricity, gas, mobile and internet providers.

Notes to the Financial Statements continued

31 December 2025

Note 6. Expenses

	Consolidated	
	6 months ended 31 Dec 2025	6 months ended 31 Dec 2024
	\$	\$
Profit before income tax includes the following specific expenses:		
Finance costs		
Interest and finance charges paid/payable on borrowings	2,014,995	2,337,539
Interest and finance charges paid/payable on lease liabilities	84,115	86,067
Unwinding of the discount on provisions	216	191
Amortisation of loan establishment fees	195,346	188,637
	2,294,672	2,612,434
Employee benefits expense		
Employee benefits expense excluding share-based payments	3,094,309	1,119,035
Share-based payments expense	455,099	2,219,491
Defined contribution superannuation expense	481,957	429,449
	4,031,365	3,767,975

Notes to the Financial Statements continued

For the period ended 31 December 2025

Note 7. Income tax

	Consolidated	
	6 months ended 31 Dec 2025	6 months ended 31 Dec 2024
	\$	\$
Income tax expense		
Current tax benefit	-	-
Deferred tax - origination and reversal of temporary differences	(500,000)	-
Aggregate income tax benefit	(500,000)	-

	Consolidated	
	Dec 2025	Jun 2025
	\$	\$
Deferred tax asset		
Opening balance	1,367,419	-
Credited to profit or loss	500,000	1,826,679
Offset against deferred tax liabilities	-	(459,260)
Closing balance	1,867,419	1,367,419

Note 8. Cash and cash equivalents

	Consolidated	
	Dec 2025	Jun 2025
Current assets	\$	\$
Cash at bank	8,750,250	13,672,595
Cash held by service providers	341,096	335,159
	9,091,346	14,007,754

The cash-on-hand figure of \$9,091,346 excludes \$8,442,115 in cash held by third parties to fund customer advances (30 June 2025: \$14,007,754 excludes \$5,208,836 in cash held by third parties to fund advances). These are included in note 9 as other receivables.

Notes to the Financial Statements continued

For the period ended 31 December 2025

Note 9. Trade and other receivables

	Consolidated	
	Dec 2025	Jun 2025
	\$	\$
Current assets		
Receivables - customer advances	60,866,096	53,689,622
Less: Allowance for expected credit losses	(7,527,104)	(5,596,941)
	53,338,992	48,092,681
Other receivables	8,579,531	5,541,581
GST receivable	13,341	10,198
	61,931,864	53,644,460

During the half-year ended 31 December 2025, the Group issued customer advances totalling \$466,461,212 (half-year ended 31 December 2024: \$396,712,505).

Customer advances receivable represents outstanding amounts on advances and associated income receivable issued on the Group's platform. The Group's business model is to hold the receivables with the objective to collect the contractual cash flows, including principal and income due to Group. Consumer receivables are measured at amortised cost using the Effective Interest Rate (EIR) method. They are generally due within 14-62 days.

Allowance for expected credit losses

The Group applies the general provision approach to account for expected credit losses ('ECLs') on customer receivables measured at amortised cost. ECLs are based on the difference between the contractual cash flows due in accordance with the Beforepay terms and all the cash flows that the Group expects to receive. Due to the short-term nature of the customer receivables, the ECLs approximates the lifetime ECL. The Group uses ageing of customer advances receivable as the basis for ECL measurement given the short duration of consumer payment terms. At each reporting date, the Group assesses impairment risk based on the initial amount of customer advances receivable and the movements in the ageing to estimate the ECL.

Movements in the allowance for expected credit losses are as follows:

	Consolidated	
	Dec 2025	Jun 2025
	\$	\$
Opening balance	5,596,941	5,752,767
Additional provisions recognised	10,177,982	17,855,079
Receivables written off during the period/year as uncollectable ¹	(4,327,431)	(9,197,416)
Unused amounts reversed	(3,920,388)	(8,813,489)
Closing balance	7,527,104	5,596,941

1. Adjusted for historical transaction loss.

Notes to the Financial Statements continued

For the period ended 31 December 2025

Note 10. Right-of-use assets

	Consolidated	
	Dec 2025	Jun 2025
	\$	\$
Non-current assets		
Land and buildings - right-of-use	1,750,212	1,750,212
Less: Accumulated depreciation	(665,081)	(455,055)
	1,085,131	1,295,157

The Group leases an office space for its operations under agreement for a period of four years ending 31 July 2028, with no option to extend at the Group's discretion.

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial period are set out below:

Consolidated	Buildings – right-of-use
	\$
Balance at 1 July 2025	1,295,157
Depreciation expense	(210,026)
Balance at 31 December 2025	1,085,131

Notes to the Financial Statements continued

For the period ended 31 December 2025

Note 11. Property, plant and equipment

	Consolidated	
	Dec 2025	Jun 2025
	\$	\$
Non-current assets		
Computer equipment - at cost	305,269	283,657
Less: Accumulated depreciation	(226,124)	(209,440)
	79,145	74,217
Office equipment - at cost	40,595	30,732
Less: Accumulated depreciation	(9,685)	(4,364)
	30,910	26,368
	110,055	100,585

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial period are set out below:

Movements in the allowance for expected credit losses are as follows:

	Computer equipment	Office equipment	Total
Consolidated	\$	\$	\$
Balance at 1 July 2025	74,217	26,368	100,585
Additions	25,240	9,863	35,103
Disposals	-	-	-
Depreciation expense	(20,312)	(5,321)	(25,633)
Balance at 31 December 2025	79,145	30,910	110,055

Notes to the Financial Statements continued

For the period ended 31 December 2025

Note 12. Intangibles

	Consolidated	
	Dec 2025	Jun 2025
	\$	\$
Non-current assets		
Development - at cost	6,086,852	4,503,057
Less: Accumulated depreciation	(1,089,653)	(557,602)
	4,997,199	3,945,455

Software development costs capitalised pertain to work done on Carrington Labs and the development of Personal Loans.

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial period are set out below:

	Development costs
Consolidated	\$
Balance at 1 July 2025	3,945,455
Additions	1,583,795
Amortisation expense	(532,051)
Balance at 31 December 2025	4,997,199

Note 13. Trade and other payables

	Consolidated	
	Dec 2025	Jun 2025
	\$	\$
Current liabilities		
Trade payables	1,275,004	913,517
Accrued expenses	2,094,343	3,043,821
Other payables	864	-
Deferred revenue	51,841	21,003
	3,442,052	3,978,341

Notes to the Financial Statements continued

For the period ended 31 December 2025

Note 14. Borrowings

	Consolidated	
	Dec 2025	Jun 2025
	\$	\$
Current liabilities		
Loan - Longreach Lender	3,446,018	-
Loan - Balmain Group	27,500,000	-
Loan establishment fees	(293,019)	-
	30,652,999	-
Non-current liabilities		
Loan - Longreach Lender	-	3,446,018
Loan - Balmain Group	-	27,500,000
Loan establishment fees	-	(488,365)
	30,652,999	30,457,653

Loan - Longreach Lender and Balmain Group

On 18 October 2023, Beforepay Finance Pty Ltd, a subsidiary of Beforepay Group Limited, signed a secured debt facility agreement for \$55,000,000 with Longreach Lender and Balmain Group. In October 2024, Longreach subsequently novated all of its rights and obligations under the debt facility agreement to AMAL Security Services Pty Ltd as trustee for LCI Funding Trust 1 ('Longreach Lender').

The secured debt facility has a limit of \$55,000,000 and expires on the maturity date of 15 October 2026.

The key terms of the facility agreement include:

- \$55,000,000 facility (\$20,000,000 from Longreach Lender and \$35,000,000 from Balmain Group) for three years to 15 October 2026 with the potential to extend the total facility size in a future period. This reflects a transfer of debt on 29 November 2024, where Balmain Group and Longreach Lender reached commercial agreement to assign a \$15,000,000 of Longreach Lender's drawn exposure to Balmain Group.
- The borrowing base is relevant to the facility limit. The borrowing base is broadly 80% of the value of eligible receivables outstanding at the relevant date plus the amount of funds held in a bank account secured in favour of the security trustee for the Lenders. For the purpose of the borrowing base calculation, eligible receivables mean the aggregate amount owing for all loans advanced by Beforepay Finance Pty Ltd to its customers which are less than 30 days overdue.
- Beforepay Finance Pty Ltd, Beforepay Ops Pty Ltd, Beforepay IP Pty Ltd and BPG Credit Pty Ltd have granted first ranking security to the Lenders over all of their present and after acquired assets. The Group has granted security under a specific security deed over its shares in each of these subsidiaries.
- Mandatory prepayment occurs if the amounts drawn under the facility exceed the amount of the borrowing base (defined above) at any time, then Beforepay Finance Pty Ltd must either repay that amount or transfer that amount to an agreed bank account secured in favour of the security trustee for the Lenders.
- In accordance with the ASX announcement on 18 October 2023, the interest payable lies between 12.25% and 13.25% per annum depending on a fixed charge coverage ratio (FCCR) linked to EBITDA.
- Upfront fees and costs of c. 1.7% on the \$55,000,000 balance.

Notes to the Financial Statements continued

For the period ended 31 December 2025

Note 14. Borrowings (continued)

On 17 April 2025, Beforepay Finance Pty Ltd introduced a \$7,500,000 revolving sub-limit within the existing \$55,000,000 facility limit. This revolving sub-facility enables the Group to more efficiently manage its overall funding costs by deploying excess cash when available.

The key terms of the new revolving sub-limit include:

- Establishment of a \$7,500,000 revolving sub-limit within the existing \$20,000,000 Facility B (provided by Balmain Group).
- An unused line fee of 2.75% per annum on the undrawn portion of the revolving facility.
- No change to the total commitment under Facility B, the overall \$55,000,000 facility limit or the maturity date under the debt facility agreement.

The facility agreement contains financial covenants and other undertakings customary for facilities of this nature. An event of default will occur under the facility agreement if (among other things) Beforepay Finance Pty Ltd breaches the financial covenants. The agreement contains other events of defaults customary for a facility of this nature, including a circumstance or event which would have a material adverse effect.

Covenants have been complied with through to the date of this report. Debt covenants have been assessed regularly to determine whether there were any breaches for which disclosure is required and considered in the forward forecast.

Financing arrangements

	Consolidated	
	Dec 2025	Jun 2025
	\$	\$
Total facilities		
Loan - Longreach Lender	20,000,000	20,000,000
Loan - Balmain Group	35,000,000	35,000,000
	55,000,000	55,000,000
Used at the reporting date		
Loan - Longreach Lender	3,446,018	3,446,018
Loan - Balmain Group	27,500,000	27,500,000
	30,946,018	30,946,018
Unused at the reporting date		
Loan - Longreach Lender	16,553,982	16,553,982
Loan - Balmain Group	7,500,000	7,500,000
	24,053,982	24,053,982

Notes to the Financial Statements continued

For the period ended 31 December 2025

Note 15. Issued capital

	Consolidated			
	Dec 2025	Jun 2025	Dec 2025	Jun 2025
	Shares	Shares	\$	\$
Ordinary shares - fully paid	49,796,881	48,257,188	80,973,066	80,547,997

Movements in ordinary share capital

Details	Date	Number of Shares	Issued price	\$
Balance	1 July 2025	48,257,188		80,547,997
Shares issued on exercise of share options	12 September 2025	192,000	\$0.88	168,826
Shares issued on exercise of share options	12 September 2025	205,615	\$0.29	60,451
Shares issued on exercise of performance rights	29 September 2025	842,650	\$0.00	-
Shares issued on exercise of share options	30 September 2025	6,587	\$0.88	5,792
Shares issued on exercise of share options	31 October 2025	120,000	\$1.00	120,000
Shares issued on exercise of share options	31 October 2025	172,841	\$0.41	70,001
Balance	31 December 2025	49,796,881		80,973,066

Ordinary shares

Ordinary shares entitle the holder to participate in any dividends declared and any proceeds attributable to shareholders should the Group be wound up in proportions that consider both the number of shares held and the extent to which those shares are paid up. The fully paid ordinary shares have no par value, and the Group does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Share buy-back

There is no current on-market share buy-back.

Notes to the Financial Statements continued

For the period ended 31 December 2025

Note 16. Reserves

	Consolidated	
	Dec 2025	Jun 2025
	\$	\$
Share-based payments reserve	3,838,087	3,382,988

Movements in reserves

Movements in each class of reserve during the current financial period are set out below:

Consolidated	\$
Balance at 1 July 2025	3,382,988
Share-based payments	455,099
Balance at 31 December 2025	3,838,087

Note 17. Dividends

There were no dividends paid, recommended or declared during the current or previous financial period.

Note 18. Contingent liabilities

	Consolidated	
	Dec 2025	Jun 2025
	\$	\$
Bank guarantees	278,636	278,636

Notes to the Financial Statements continued

For the period ended 31 December 2025

Note 19. Share-based payments

The Group has granted shares options and rights under the following share-based payments plans:

- Legacy Long-Term Incentive Plan (Legacy LTIP); and
- Long-Term Incentive Plan (LTIP).

Legacy LTIP

During the financial year ended 30 June 2020, an Employee Option Plan was established by the Group whereby share options were issued to certain employees. The options were issued for nil consideration and granted in accordance with performance guidelines established by the Board. These options allow each option holder to convert each option to one share following vesting.

The vesting conditions vary for each grant of options. The following vesting conditions apply to options granted:

- 25% of the options granted will vest one year from grant date; and from the start of the second year, the remaining 75% of the options granted will vest on a quarterly basis over a three year period;
- options will vest upon IPO; or
- options will vest equally over three years.

Vesting conditions and other vesting events may be varied at the discretion of the Board. The options may only be exercised for shares in the company.

LTIP

During the financial year ended 30 June 2021, a long-term incentive plan was established by the Group whereby share options and share rights may be issued to Directors (including Non-Executive Directors), employees and contractors, or any other person designated by the Board. The options were issued for nil consideration and are granted in accordance with performance guidelines established by the Board. These options allow each option holder to convert each option to one share following vesting. The options will vest over four years.

Performance rights

During the year ended 31 December 2025, performance rights which will convert into fully paid ordinary shares on vesting, were issued to employees for \$nil consideration. The vesting period for these performance rights for non-executive staff is two years and for executive staff is three years.

Notes to the Financial Statements continued

For the period ended 31 December 2025

Note 19. Share-based payments continued

Dec 2025

Grant date	Expiry date	Exercise price	Balance at the start of the period	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the period
30/09/2020	30/09/2025	\$0.20	1,650	-	-	(1,650)	-
01/11/2020	01/11/2025	\$0.20	2,064	-	-	-	2,064
04/01/2021	04/01/2026	\$0.88	6,587	-	(6,587)	-	-
01/02/2021	01/02/2026	\$0.88	10,647	-	-	-	10,647
22/02/2021	22/02/2026	\$0.88	7,000	-	-	-	7,000
31/05/2021	31/05/2026	\$0.88	3,102	-	-	-	3,102
05/07/2021	05/07/2026	\$0.88	242,200	-	-	-	242,200
09/07/2021	09/07/2026	\$0.88	959,000	-	-	-	959,000
01/09/2021	01/09/2026	\$0.88	430,680	-	(192,000)	(12,800)	225,880
29/04/2022	29/04/2027	\$0.41	192,906	-	(148,151)	(24,690)	20,065
30/06/2022	30/06/2027	\$0.39	334,452	-	-	-	334,452
30/06/2022	30/06/2027	\$0.29	2,780,556	-	(205,615)	(84,663)	2,490,278
21/09/2022	21/09/2027	\$0.45	1,842,308	-	-	-	1,842,308
21/09/2022	21/09/2027	\$0.00	89,921	-	(44,737)	(45,184)	-
30/06/2023	30/06/2028	\$0.54	239,808	-	-	-	239,808
21/12/2023	21/12/2028	\$0.41	200,000	-	-	-	200,000
21/12/2023	21/12/2028	\$1.00	50,000	-	(50,000)	-	-
21/12/2023	21/12/2028	\$0.00	371,595	-	(117,769)	(164,609)	89,217
12/01/2024	12/01/2029	\$0.00	823,045	-	(411,523)	-	411,522
20/09/2024	20/09/2029	\$0.00	964,756	-	(268,621)	(111,702)	584,433
20/09/2024	20/09/2029	\$1.00	70,000	-	(70,000)	-	-
20/09/2024	20/09/2029	\$1.09	119,620	-	-	-	119,620
0/09/2025	20/09/2030	\$2.11	-	427,483	-	-	427,483
05/12/2025	05/12/2030	\$1.34	-	300,00	-	-	300,000
			9,741,897	727,483	(1,515,003)	(445,298)	8,509,079
Weighted average exercise price			\$0.39	\$1.79	\$0.27	\$0.10	\$0.53

Notes to the Financial Statements continued

For the period ended 31 December 2025

Note 19. Share-based payments continued

For the options granted during the current financial period, the Black Scholes valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
30/09/2020	20/09/2030	\$2.11	\$0	69%	-	3.59%	\$2.11
05/12/2025	05/12/2030	\$2.63	\$2.56	69%	-	4.25%	\$1.34

Note 20. Earnings per share

	Consolidated	
	6 months ended 31 Dec 2025	6 months ended 31 Dec 2024
Consolidated Dec 2025 Jun 2025	\$	\$
Profit after income tax attributable to the owners of Beforepay Group Limited	4,214,538	2,816,191

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	48,998,910	47,717,403
Adjustments for calculation of diluted earnings per share:		
Options over ordinary shares	5,214,346	4,148,313
Performance rights over ordinary shares	554,327	187,321
Weighted average number of ordinary shares used in calculating diluted earnings per share	54,767,583	52,053,037

	\$	\$
Basic earnings per share	0.09	0.06
Diluted earnings per share	0.08	0.05

Notes to the Financial Statements continued

For the period ended 31 December 2025

Note 21. Events after the reporting period

No matter or circumstance has arisen since 31 December 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the financial period ended on that date; and
- 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 Directors made pursuant to section 303(5)(a) of the Corporations Act 2001. On behalf of the Directors



Brian Hartzler
Chair

26 February 2026
Sydney

Independent Auditor's Review Report

To the members of Beforepay Group Limited



Ernst & Young
200 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

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Independent auditor's review report to the members of Beforepay Group Limited

Conclusion

We have reviewed the accompanying half-year financial report of Beforepay Group Limited (the Company) and its subsidiaries (collectively the Group), which comprises the statement of financial position as at 31 December 2025, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, explanatory notes and the directors' declaration.

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

- a. Giving a true and fair view of the consolidated financial position of the Group as at 31 December 2025 and of its consolidated financial performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

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

Directors' responsibilities for the half-year financial report

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

Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2025 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Independent Auditor's Review Report continued



**Shape the future
with confidence**

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

A handwritten signature in cursive script that reads 'Ernst & Young'.

Ernst & Young

A handwritten signature in cursive script that reads 'Anita Kariappa'.

Anita Kariappa
Partner
Sydney
26th February 2026

Glossary

Term	Definition
AAS	Australian Accounting Standards issued by the Australian Accounting Standards Board.
AASB	Australian Accounting Standards Board.
Active Users	A customer of Beforepay, who has taken out an advance in the previous 12 months from the date of the relevant information. This includes customers who have not repaid their most recent advance and are not eligible to re-borrow until they have done so. The figures presented on Active Users are unaudited.
AI	Artificial Intelligence
Average Advance	Total dollar volume of advances in a period divided by the number of advances in that period. The figures presented on average advance are unaudited.
ASX	ASX Limited or the securities exchange that it operates, as the context requires.
Balmain Group	Australian Commercial Mortgage Corporation Pty Ltd as trustee for the Australian AB Finance Trust.
Beforepay Finance Pty Ltd	Beforepay Finance Pty Ltd ACN 636 670 525 (a wholly owned subsidiary of the Company).
Beforepay IP Pty Ltd	Beforepay IP Pty Ltd ACN 633 930 015 (a wholly owned subsidiary of the Company).
Beforepay Ops Pty Ltd	Beforepay Ops Pty Ltd ACN 633 930 159 (a wholly owned subsidiary of the Company).
Board or Board of Directors	The board of directors of the Company.
BPG Credit Pty Ltd	BPG Credit Pty Ltd ACN 673 570 575 (a wholly owned subsidiary of the Company).
Carrington Labs	Carrington Labs ACN 19 682 772 827 (a wholly owned subsidiary of the Company)
Company	Beforepay Group Limited (ACN 633 925 505).
Commission Income	Commission income earned on Beforepay's Compare and Save platform.
Corporations Act	Corporations Act 2001 (Cth).
Director	A member of the Board.
Duration of Pay Advance	The average across all Pay advances of the time required to repay the Pay advance, weighted by the dollar size of each Pay advance. A Pay advance that is not repaid within 62 days is assumed to have a duration of 62 days.
EBITDA	Earnings before interest, taxation, depreciation and amortisation (adjusted). The figures presented on EBITDA are unaudited.
Group	The Company and each of its subsidiaries.
GST	Goods and services tax (GST) imposed under the <i>A New Tax System (Goods and Services Tax) Act 1999 (Cth)</i> .

Term	Definition
IFRS	International Financial Reporting Standards issued by the International Accounting Standards Board.
Interest income	Interest earned on cash at bank. It is not the fee that Beforepay charges to its customers.
IPO	Initial Public Offering
KPI	Key Performance Indicators
Longreach Lender	AMAL Trustees Pty Ltd as trustee for Longreach Direct Lending Fund.
Net Defaults	Actual and expected credit losses (net of recoveries). It comprises customer defaults plus current advances provisioned during the period. The figures presented on Net Defaults are unaudited.
Net Transaction Margin	Comprises of Beforepay income (being advance fee income) less the variable costs associated with facilitating the advance transaction (net of recoveries). Variable costs include net transaction loss, third party funding costs and direct service costs. Net transaction margin is a management metric used to measure the gross margin on advances. The figures presented on net transaction margin are unaudited.
Non-Executive Director	A member of the Board who does not form part of the Group's management. Presently this constitutes all of the Directors.
Advances	The aggregate dollar value of an advance in a specified period to a user. The figures presented on advances are unaudited.
Personal Loan or PL	Regulated loan product offering higher loan limits for longer durations.
Revenue from contracts with customers	The transactions fees and interest charged to customers on advances.
Share	A fully paid ordinary share in the capital of the Company.
Share Registry	Automic Pty Ltd (ACN 152 260 814).
U.S	United States

Corporate Directory

Directors

Brian Hartzler - Chair and Non-Executive Director
Daniel Moss - Non-Executive Director
Stefan Urosevic - Non-Executive Director
Patrick Tuttle - Non-Executive Director

Company secretary

David Hwang

Registered office

Suite 1, Level 9
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Share registry

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Deutsche Bank Tower
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Tel: +61 2 9698 5414

Auditor

Ernst & Young
EY Centre
200 George Street
Sydney NSW 2000

Stock exchange listing

Beforepay Group Limited shares are listed on the
Australian Securities Exchange
(ASX code: B4P)

Website

www.beforepay.com.au

www.beforepay.com.au

 **Beforepay Group**