

23 December 2025

Earlypay Limited (ASX:EPY)

Trading Update and Withdrawal of FY26 Earnings Guidance

Earlypay Limited (“EPY”, “Earlypay” or the “Company”) advises that the Board of Directors has withdrawn the Company’s FY26 earnings guidance of 15% to 20% higher EPS than FY25.

The Board notes that trading conditions have evolved since the AGM, resulting in increased downside risks to previous earnings guidance for FY26.

In particular:

- The Company has incurred increased costs associated with the implementation of its new Invoice Finance loan management system. These higher costs are expected to persist in H2 until the migration is complete around the end of FY26, when significant OpEx benefits will be realised.
- Increased investment in product and distribution capabilities is supporting Funds in Use (FIU) growth but higher short-term costs will weigh on earnings in FY26.
- Credit loss expense in Equipment Finance has been higher than expected, at around 1.5% of EF FIU on an annualised basis, compared to general provisioning of ~1%.
- After experiencing month-on-month growth in FY26 until November, Invoice Finance FIU growth and customer utilisation has moderated in December. Customer attrition has not had a material impact on FIU and new originations are solid. Net revenue margins and credit performance are robust, and the portfolio is increasingly diversified.
- Average Total FIU for December is expected to be slightly below \$270m. (up from \$249m in June 2025)

Taken together, these factors have increased downside risks to previous FY26 earnings guidance. As a result, the Board has determined that maintaining quantitative guidance at this time would not be appropriate and has withdrawn previous guidance.

The Board intends to provide updated earnings guidance following the release of the Company’s half-year results in late February.

James Beeson, Earlypay CEO, added: *“The actions we are taking now are about building a larger, more resilient and more profitable Earlypay with a clear mission and targeted investment in people, products, systems and distribution. The short-term increase in costs is supporting portfolio and revenue growth, while improving the future productivity of the Company. We are confident in our ability to execute this strategy and significantly increase earnings and long-term shareholder value, although I do accept that this is taking longer than shareholders would like.”*



This release was authorised by the Board of Earlypay Limited.

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ABOUT EARLYPAY

Earlypay is a leading provider of flexible and reliable working capital finance to Australian SMEs with Invoice Finance and Equipment Finance.

Invoice Finance helps SMEs bridge the gap between issuing invoices and receiving payment from customers by providing early payment of up to 80% of the invoice value. Accessing cash flow against unpaid invoices is simple and accessible with Earlypay's modern platform that integrates seamlessly with the major accounting software providers.

Equipment Finance is available to SMEs to assist with capital expenditure and working capital finance through capital raises against unencumbered assets. Trade Finance is provided in conjunction with Invoice Finance to selected customers looking to close the cash flow gap between paying suppliers and receiving payment from customers.