**Earlypay Ltd**
**Appendix 4E**
**Preliminary final report**

Earlypay

## 1. Company details

| | |
|---|---|
| Name of entity: | Earlypay Ltd |
| ABN: | 88 098 952 277 |
| Reporting period: | For the year ended 30 June 2026 |
| Previous period: | For the year ended 30 June 2025 |

## 2. Results for announcement to the market

| | | | | $'000 |
|---|---|---|---|---|
| Revenues from ordinary activities | Up | 3.8% | to | 52,867 |
| Profit from ordinary activities after tax attributable to the owners of Earlypay Ltd | Down | 84.4% | to | 446 |
| Net profit for the year attributable to the owners of Earlypay Ltd | Down | 84.4% | to | 446 |
| Underlying net profit after tax attributable to the owners of Earlypay Ltd | Down | 28.6% | to | 3,651 |

*Comments*
The profit for the Group after providing for income tax amounted to $446,000 (30 June 2025: $2,868,000).

To better reflect the underlying performance of the business, the statutory net profit after tax ('NPAT') has been adjusted for significant non-cash expenses and other items that are not representative of ongoing activities. Underlying net profit after tax is a financial measure which is not prescribed by Australian Accounting Standards. The underlying net profit after tax was $3,651,000 (30 June 2025: $5,117,000). The Directors consider underlying net profit after tax to represent the core earnings of the Group.

The table below provides a reconciliation between statutory net profit after tax and underlying net profit after tax:

| | Consolidated | |
|---|---|---|
| | 2026 $'000 | 2025 $'000 |
| Statutory NPAT | 446 | 2,868 |
| *Add: Items excluded from Underlying NPAT* | | |
| Amortisation of customer relationship | 1,606 | 1,836 |
| Early termination of funding arrangement | - | 555 |
| External loan management system implementation costs | 1,364 | 271 |
| Restructure costs | 482 | 137 |
| Corporate activity costs | 437 | - |
| GST Remediation | - | (261) |
| Tax effect | (684) | (289) |
| Underlying NPAT | 3,651 | 5,117 |

## 3. Net tangible assets

| | Reporting period Cents | Previous period Cents |
|---|---|---|
| Net tangible assets per ordinary security | 14.76 | 15.04 |

The net tangible assets exclude intangible assets and deferred tax assets but include right-of-use assets.

| | Consolidated 2026 $'000 | Consolidated 2025 $'000 |
|---|---|---|
| Net assets | 67,905 | 74,051 |
| Less: Intangible assets | (28,243) | (30,108) |
| Less: Deferred tax assets | (3,498) | (2,998) |
| | 36,164 | 40,945 |

| | Number | Number |
|---|---|---|
| Total shares issued | 245,084,711 | 272,209,092 |

## 4. Control gained over entities

Earlypay Equipment Finance Trust on 11 September 2025

## 5. Loss of control over entities

Classic Equipment Finance Trust on 11 September 2025

## 6. Dividends

| | Amount per security Cents | Franked amount per security Cents |
|---|---|---|
| Final dividend (for the year ended 30 June 2025): paid on 26 September 2025 | 0.65 | 0.65 |

A fully franked dividend of 0.18 cents per ordinary share for the financial year ended 30 June 2026 has been declared subsequent to balance date.

## 7. Dividend reinvestment plans ('DRP')

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 (if any):*

Not applicable.

## 10. Audit qualification or review

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

The financial statements have been audited and an unmodified opinion has been issued.

## 11. Attachments

*Details of attachments (if any):*

The Annual Report of Earlypay Ltd for the year ended 30 June 2026 is attached.

## 12. Signed

Signed ______________________________ Date: 27 August 2026

James Beeson
Managing Director
Sydney

# Annual Report

2026

Earlypay

| | |
|---|---|
| Directors | Geoffrey Sam OAM<br>James Beeson<br>Ilkka Tales<br>Melos Sulicich |
| Company secretaries | Paul Murray<br>Mathew Watkins |
| Notice of annual general meeting | The annual general meeting of Earlypay Ltd will be held at 10.00 a.m. on Thursday, 26 November 2026 |
| Registered office | Level 5, 201 Miller Street,<br>North Sydney NSW 2060<br>Telephone: 1300 666 177<br>Facsimile: (02) 9267 4222 |
| Share register | Computershare Investor Services Pty Ltd<br>Level 4, 44 Martin Place<br>Sydney NSW 2000<br>Telephone: 1300 787 272 |
| Auditor | Pitcher Partners Sydney<br>Level 16, Tower 2 Darling Park<br>201 Sussex Street<br>Sydney NSW 2000 |
| Solicitors | A&O Shearman<br>Level 25<br>85 Castlereagh Street<br>Sydney NSW 2000 |
| Bankers | ANZ Bank<br>242 Pitt Street, Sydney NSW 2000<br><br>Westpac Bank<br>275 Kent Street, Sydney NSW 2000<br><br>NAB Bank<br>255 George Street, Sydney NSW 2000 |
| Stock exchange listing | Earlypay Ltd shares are listed on the Australian Securities Exchange (ASX code: EPY) |
| Website | www.earlypay.com.au |
| Corporate Governance Statement | The Directors and management are committed to conducting the business of Earlypay Ltd in an ethical manner and in accordance with the highest standards of corporate governance. Earlypay Ltd has adopted and complied with the ASX Corporate Governance Principles and Recommendations (Fourth Edition) ('Recommendations') to the extent appropriate to the size and nature of its operations. The Corporate Governance Statement, which sets out the corporate governance practices that were in operation during the financial year, was approved by the Board of Directors (the 'Board') alongside the Annual Report and can be found on the Investor Relations page at www.earlypay.com.au/investors/. |

Dear Shareholders

FY26 was a year in which Earlypay grew its portfolio strongly but did not deliver the earnings we expected at the outset. Statutory net profit after tax was $0.4 million, compared with $2.9 million in FY25, while Underlying NPAT was $3.7 million, compared with $5.1 million. Underlying earnings per share were 1.4 cents, consistent with the revised guidance provided at our half-year result. The reduction in earnings principally reflected higher Equipment Finance credit costs and lower than expected Invoice Finance FIU in the first half.

While we were disappointed with the FY26 earnings outcome, we finished the year with clear momentum and a materially stronger business. June 2026 FIU, the base on which we enter FY27, increased 23% to $308 million. Invoice Finance returned to growth and Equipment Finance expanded strongly, with Q4 FY26 originations the highest in more than four years. The Invoice Finance platform migration, a key focus during the year, was completed in August 2026.

## Financial and operational review

*Growth*

Invoice Finance remains Earlypay's highest-margin product with attractive risk-adjusted returns. Growing the portfolio is a major priority. June 2026 FIU increased 7% to $134 million, with growth strengthening towards the end of FY26. Our Confidential Invoice Finance product has broadened our proposition to larger, stronger SMEs.

Equipment Finance June 2026 FIU increased 39% to $174 million. Q4 FY26 originations of approximately $35 million were the highest quarterly level in more than four years. Equipment Finance is where most broker relationships begin and a consistent, distinctive proposition in the segments we know well is what creates the opportunity for broader working capital conversations.

Distribution represents a significant organic growth opportunity. Equipment Finance has substantially expanded Earlypay's relationships across the commercial finance broker network. We are increasingly using broker loan submissions and data to proactively identify working capital finance opportunities rather than waiting for brokers to originate an Invoice Finance requirement. This provides an opportunity to deepen existing broker relationships and increase Invoice Finance penetration.

During H1 FY27, we also intend to reactivate Trade Finance on a measured basis for selected Invoice Finance clients, broadening the working capital solutions available to suitable SMEs following the rebalancing away from larger Trade Finance exposures in recent years that were outside the Group’s risk appetite.

*Platform investment complete - shifting resources to growth*

Migrating our Invoice Finance clients from three legacy systems onto a single core platform, integrated with Earlypay's proprietary client-facing technology and cloud-accounting integrations, was the major operational focus of FY26. The final migration was completed in August 2026.

Consolidation increases operating capacity and allows technology resources to shift from implementation towards growth, productivity and improving the broker and client experience. Standardised processes and increased automation should also support portfolio growth without a commensurate increase in the cost base, providing greater operating leverage as the business grows.

Alongside this, we have invested in our ability to build internal applications quickly. AI-assisted development has substantially shortened the time from identifying an opportunity to deploying a working solution. We now build and iterate on internal tools in weeks rather than months. Our focus is practical: making Earlypay easier to do business with and increasing operating capacity.

*Capital management and increasing dividend-paying capacity*

During FY26, Earlypay deployed $4.9 million through its on-market share buyback, reducing shares on issue from 272.2 million to 245.1 million. At 30 June 2026, net tangible assets were $36.2 million, or 14.76 cents per share.

The Board has declared a fully franked final dividend of 0.18 cents per share. The dividend distributes substantially all of the Group's retained earnings and was constrained by that balance rather than by the capital position of the business.

The gap between Earlypay's statutory and underlying earnings has been the binding constraint on retained earnings and therefore on dividends, in recent periods. The Timelio customer relationship intangible amortisation concluded in May 2026 and the Invoice Finance platform implementation is complete.

As statutory and underlying earnings converge, we expect retained earnings and dividend-paying capacity to increase materially. The Board will continue to balance organic growth opportunities with shareholder returns, including use of the existing on-market buyback where appropriate.

## Board

There were changes to the Board during the year. Stephen White resigned from the Board in April after more than five years and we thank him for his contribution over that period, particularly in strengthening the Company's governance framework. We were pleased to welcome Melos Sulicich in May as an independent Non-Executive Director and Chair of the Nomination and Remuneration Committee. Melos brings more than 40 years of experience in banking and financial services.

## Outlook

We enter FY27 with the strongest opening portfolio in more than three years and the major platform investment behind us. Trading momentum has continued into FY27.

Our priorities are straightforward: grow Invoice Finance through the broker relationships Equipment Finance has helped build, use data to identify more working capital opportunities, convert the platform investment into greater operating capacity and productivity, and improve earnings quality to support sustainable returns to shareholders.

We thank our employees for their contribution through a year of significant change, and our clients, brokers, funding partners and shareholders for their continued support.

Sincerely

Geoffrey Sam OAM
Chairperson

James Beeson
Managing Director

Sydney
27 August 2026

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as 'Earlypay' or the 'Group') consisting of Earlypay Ltd (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2026.

## Directors
The following persons were Directors of Earlypay Ltd during the whole of the financial year and up to the date of this report, unless otherwise stated:

Geoffrey Sam OAM - Independent Non-Executive Director, Chairperson
James Beeson - Managing Director
Ilkka Tales - Independent Non-Executive Director
Melos Sulicich - Independent Non-Executive Director (appointed on 1 May 2026)
Stephen White - Independent Non-Executive Director (resigned on 23 April 2026)

## Principal activities
The Group's principal activity during the year was the provision of working capital finance to Australian small to medium enterprises (“SME”). There has been no significant change in the nature of these activities during the year.

## Dividends
Dividends paid during the financial year were as follows:

| | Consolidated | |
|---|---|---|
| | 2026<br>$'000 | 2025<br>$'000 |
| Final dividend for the year ended 30 June 2025 of 0.65 cents (2024: 0.15 cents) per ordinary share | 1,769 | 409 |
| Interim dividend for the year ended 30 June 2026 of nil cents (2025: 0.14 cents) per ordinary share | - | 381 |
| | 1,769 | 790 |

A fully franked dividend of 0.18 cents per ordinary share for the financial year ended 30 June 2026 has been declared subsequent to balance date.

## Review of operations

### *Business model*
The Group provides secured working capital finance to Australian SMEs principally through two products. Invoice Finance advances funds against a client's unpaid invoices, providing a flexible line of credit that moves with the client's sales volume. Equipment Finance provides finance secured against business equipment. The Group finances the purchase of new and used equipment, refinances existing equipment loans and provides capital raises against equipment a business already owns. The Group also offers Trade Finance selectively to Invoice Finance clients with a working capital need beyond the capacity of their invoice facility.

Both products are secured against business assets and both are originated predominantly through commercial finance brokers. The Group funds its lending through securitised warehouse facilities, contributing a first-loss equity component and drawing senior and mezzanine funding against the balance.

The Group's net income comprises net interest income, being the difference between the yield on the lending portfolio and the cost of funding it, together with fee income. Credit losses and operating expenses are deducted from net income. Invoice Finance and Trade Finance earn net interest income on funds drawn together with administration fees for operating the facility. Equipment Finance earns net interest income, with a smaller fee component.

### *Basis of preparation of non-statutory measures*
This review uses a number of measures that are not prescribed by Australian Accounting Standards and are not audited. They are used by management and the Board to assess the operating performance of the business. They should be considered alongside, and not as a substitute for, the statutory results.

Earlypay

## Review of operations (continued)

| Measure | Basis of Preparation |
|---|---|
| Funds in Use ('FIU') | The average daily balance of client receivables financed by the Group over a specific period. FIU is the measure management uses to assess portfolio scale, because net interest income is earned on the balance outstanding through a period rather than on the balance on any single day. This is particularly relevant to Invoice Finance, where client drawdowns and repayments follow a pronounced cycle within each month and the balance on any one day is not representative of the funds employed. FIU is calculated on a different basis from the receivables balances reported in the statement of financial position, which are measured at a single date, and the two are not directly comparable. |
| Closing month FIU | FIU for the final month of the reporting period. This represents the portfolio base entering the following period. Closing month FIU is not the receivables balance at the close of that period. |
| Credit Loss Expense (%) | This is the credit loss expense disclosed in note 7 as a percentage of FIU for the period. |
| Core operating expenses | Total expenses excluding credit impairment expense, recovery costs, commissions expense, amortisation and other items that are not representative of ongoing activities. |
| Underlying NPAT | Statutory net profit after tax adjusted for items that are not representative of ongoing activities, as reconciled below. Underlying NPAT is not a measure prescribed by Australian Accounting Standards and is not audited. |

The table below provides a reconciliation between statutory net profit after tax and underlying net profit after tax:

| | Consolidated | |
|---|---|---|
| | 2026<br>$'000 | 2025<br>$'000 |
| Statutory NPAT | 446 | 2,868 |
| *Add: Items excluded from Underlying NPAT* | | |
| Amortisation of customer relationship | 1,606 | 1,836 |
| Early termination of funding arrangement | - | 555 |
| External loan management system implementation costs | 1,364 | 271 |
| Restructure costs | 482 | 137 |
| Corporate activity costs | 437 | - |
| GST Remediation | - | (261) |
| Tax effect | (684) | (289) |
| Underlying NPAT | 3,651 | 5,117 |

***Financial Performance***

Statutory net profit after tax ('NPAT') for the year ended 30 June 2026 was $0.446m (FY25: $2.868m) and Underlying NPAT was $3.651m (FY25: $5.117m). Earnings fell despite higher net income, principally reflecting higher credit costs, increased origination costs associated with portfolio growth, and expenditure on product, distribution and the implementation of the new Invoice Finance platform.

The portfolio grew strongly through the year. FY26 FIU increased 8% to $269.1m (FY25: $249.6m), while closing month FIU increased 23% to $307.8m (June 2025: $249.9m), with growth weighted towards the second half. As earnings are generated on FIU across the period rather than at a point in time, the benefit of the stronger closing position accrues principally to FY27.

Revenue increased 4% to $52.867m (FY25: $50.926m) and net income increased 7% to $36.049m (FY25: $33.770m), with net income growing faster than revenue as funding costs fell.

## Review of operations (continued)

Credit impairment expense increased to $3.237m (FY25: $0.725m), principally reflecting higher Equipment Finance credit losses from unusually low prior-period levels. Group Credit Loss Expense was 1.20% of FY26 FIU (FY25: 0.75%).

*Invoice Finance*
Invoice Finance returned to growth during FY26. Closing month FIU for Invoice Finance and Trade Finance increased 7% to $133.9m (June 2025: $125.2m), with growth strengthening towards the end of the year. FY26 FIU was 14% lower at $122.1m (FY25: $142.7m), reflecting a low opening portfolio and limited growth in the first half. The Confidential Invoice Finance product, launched during the year, has broadened the proposition to larger and financially stronger SMEs and delivered incremental growth.

Segment net income was $25.279m (FY25: $26.442m). The reduction reflected the lower FY26 FIU as well as the deliberate reduction in Trade Finance exposures, partly offset by stronger Invoice Finance margins.

Margins benefited from the repayment of corporate debt during FY25 and a more diversified portfolio of smaller, higher-margin clients following the exit of several large, lower-margin Timelio clients.

Credit performance remained strong. Credit Loss Expense was 0.81% of FY26 FIU (FY25: 0.82%) and the value of client exposures classified as 'at risk' was at its lowest level in more than five years at year end.

*Equipment Finance*
Equipment Finance grew strongly through FY26. Closing month FIU increased 39% to $173.9m (June 2025: $124.7m) and FY26 FIU increased 37% to $146.9m (FY25: $106.9m). Originations increased 32% over the year, with fourth quarter originations of approximately $35m the highest quarterly level in more than four years.

Credit costs increased materially from a low base. Credit impairment expense was $2.712m (FY25: $0.824m) and Credit Loss Expense was 1.53% of FY26 FIU (FY25: 0.66%). Although elevated, this level of loss expense is consistent with the Group’s through-the-cycle expectations.

Segment net income increased 34% to $10.312m (FY25: $7.672m), reflecting the larger portfolio. Commissions expense attributable to Equipment Finance increased to approximately $2.8m (FY25: $1.8m) as new business volumes increased. Margins increased modestly, benefiting from lower funding costs following the Equipment Finance warehouse refinance.

*Operating expenditure*
Total expenses increased 18% to $35.372m (FY25: $29.866m). The increase was driven by credit impairment expense of $3.237m (FY25: $0.725m), $1.364m (FY25: $0.271m) of Invoice Finance platform implementation costs, higher commissions expense on increased new business volumes as well as corporate activity and restructure costs.

Core operating expenses increased 3.07% to $23.096m (FY25: $22.408m).

The Invoice Finance platform migration was substantially completed during FY26, with the final of three legacy loan management systems migrated in August 2026. Implementation expenditure was substantially incurred in FY26. The customer relationship intangible amortisation concluded in May 2026.

***Financial position, funding and capital management***
At 30 June 2026, net assets were $67.9m (30 June 2025: $74.1m) and net tangible assets were $36.2m (30 June 2025: $40.9m), equivalent to 14.76 cents per share.

Cash and cash equivalents were $34.9m (30 June 2025: $37.1m), including $9.7m of unrestricted cash (30 June 2025: $9.6m). Net Invoice Finance receivables were $122.7m (30 June 2025: $114.0m) and net Equipment Finance receivables were $172.3m (30 June 2025: $125.8m).

Borrowings increased to $291.9m (30 June 2025: $234.9m), broadly in line with the increase in net receivables. All financial debt was held against receivables and no corporate debt was outstanding at year end. The Group was in compliance with all covenants of both warehouse facilities at 30 June 2026, and no events of default or amortisation events had occurred or were continuing at that date.

## Review of operations (continued)

In September 2025, the Group refinanced its existing securitised equipment finance warehouse, the Classic Equipment Finance Trust with a new vehicle, the Earlypay Equipment Finance Trust.

The invoice finance and trade warehouse was renewed in February 2026, with the availability period extended to March 2027. The equipment finance warehouse was renewed and increased in August 2026 with the availability period extended to August 2027. Both warehouses provide capacity to support continued portfolio growth in FY27.

During FY26, $4.873m was deployed through the on-market share buy-back, reducing shares on issue from 272,209,092 to 245,084,711.

Subsequent to year end, the Board declared a fully franked final dividend of 0.18 cents per share. The quantum of the dividend was constrained by the retained earnings balance rather than by the capital position of the business.

***Strategy and Outlook***

The Group enters FY27 with a materially larger portfolio than it entered FY26, with Invoice Finance returning to growth, strong Equipment Finance origination momentum and the Invoice Finance platform migration complete.

The Group's organic growth priorities are to increase Invoice Finance penetration across its expanded broker network, supported by proactive use of broker loan submissions and data, and to convert the completed platform investment into greater operating capacity and productivity.

The Timelio customer relationship intangible concluded in May 2026 and material platform implementation expenditure is substantially complete. As a result, the difference between statutory NPAT and Underlying NPAT is expected to narrow significantly, supporting retained earnings and dividend-paying capacity.

The Directors remain confident in the Group's ability to grow its core portfolios and improve earnings quality, while recognising that the achievement of these outcomes is subject to the risks set out below.

***Risks***

Earlypay recognises that risk is inherent in its business as a provider of finance to Australian SMEs. Effective risk management is fundamental to protecting shareholders, clients and funding partners and to delivering the Group's strategic objectives within the risk appetite established by the Board.

The Group maintains a risk management framework to identify, assess, manage and monitor financial and non-financial risks. The Board, supported by the Audit and Risk Committee, oversees the framework and risk appetite, while Management is responsible for managing risks within approved limits and escalating material matters.

The following summarises the principal risks that could materially affect Earlypay's business, financial performance or its ability to execute the strategy and achieve the outlook described above. The risks described are not exhaustive and may change over time.

| Nature of risk | How we manage the risk / Key areas of focus |
|---|---|
| **Credit risk** - clients, debtors or other counterparties may be unable to meet their financial obligations, resulting in credit losses. The Group may also carry concentration risk to individual clients and debtors as well as to particular industries and asset classes. | • Disciplined underwriting within Board-approved risk appetite and lending policies, with defined delegated lending authorities.<br>• Continuous review of underwriting and operational policies / procedures.<br>• Prompt and detailed review of credit incidents, and closing gaps in systems and processes.<br>• Ongoing portfolio monitoring, arrears management and early identification of deteriorating exposures.<br>• Active management of single-name, single-debtor, industry and asset-class concentration.<br>• Expanding use of data and analytics to identify heightened risk at an early stage. |

Earlypay

## Review of operations (continued)

| Nature of risk | How we manage the risk / Key areas of focus |
|---|---|
| **Fraud risk** - clients, debtors or third parties may provide false or misleading information or documentation to induce the Group to advance funds. The Group's invoice finance activities are inherently exposed to the risk that funding is advanced against receivables that are not genuine. | • Continuing investment in fraud detection, verification and monitoring tools and processes.<br>• Verification of invoices, debtors, assets and other underlying security where appropriate.<br>• Use of data to identify unusual transactions and behaviours, together with prompt investigation of fraud incidents and remediation of identified control weaknesses.<br>• AML/CTF and customer identification processes appropriate to the Group's activities. |
| **Funding, capital and liquidity risk** - the Group may be unable to access sufficient funding or capital on acceptable terms to fund its existing portfolio or future growth, or may fail to comply with warehouse eligibility or portfolio requirements. | • Warehouse funding arrangements with established Australian financial institutions, and maintenance of appropriate facility headroom and liquidity.<br>• Ongoing review of funding facilities to minimise funding costs and equity requirements, and to maintain flexibility and capacity for future growth.<br>• Diligent adherence to portfolio requirements, with daily borrowing base and parameter testing and monthly reporting to lenders.<br>• Ongoing engagement with funding partners well ahead of availability period expiry, and management of facility capacity, pricing and maturity.<br>• Comprehensive approach to cash flow, capital and funding forecasting. |
| **Margin risk and interest rate risk** - changes in funding costs, benchmark interest rates, competitive pricing or portfolio mix may adversely affect margins and profitability. | • Active focus on optimising funding facilities to minimise the cost of funding.<br>• Risk-based client pricing and regular review of product economics.<br>• Passing changes in benchmark rates through to clients where possible.<br>• Minimising interest rate mismatches between interest income and interest expense, including through the use of interest rate swaps.<br>• Monitoring portfolio mix and returns relative to risk appetite. |
| **Operational and third-party risk** - failures in processes, people, systems or material service providers may cause financial loss, business interruption or poor client outcomes. | • Regular review of credit and operational policies, procedures and delegated authorities.<br>• Increasing automation and standardisation of processes to reduce the risk of human error and improve consistency.<br>• Incident reporting, root-cause analysis, remediation and business continuity arrangements.<br>• Due diligence, contractual protections and ongoing oversight of material third-party providers. |
| **Technology, cyber security and data risk** – under investment in the technology platform may leave the Group unable to support portfolio growth or reduce cost to serve. Cyber-attacks, system failures, data loss or misuse, or inappropriate use of emerging technologies could disrupt operations, compromise confidential information or result in financial or reputational damage. | • Maintaining a technology roadmap for development of the platform.<br>• Ongoing investment in cyber security, information security and system resilience.<br>• Access controls, monitoring, vulnerability management, backup and recovery processes.<br>• Cyber incident response, business continuity planning and oversight of technology and cloud-service providers.<br>• Governance over the use of data and artificial intelligence, including appropriate human oversight of material lending and operational decisions. |
| **Strategic, growth and people risk** - the Group may not achieve sustainable and profitable portfolio growth, successfully execute its product, distribution and technology strategy, or attract and retain the people and capabilities required to do so. | • Disciplined growth within risk appetite, with regard to credit quality and risk-adjusted returns.<br>• Focus on opportunities where the Group can differentiate its offering and its go-to-market approach.<br>• Sharp focus on client service to support retention, and investment in the proposition to deliver a market-leading client offering.<br>• Monitoring product, channel and client economics, including broker-level conversion, and adjusting strategy where required. |

## Review of operations (continued)

| Nature of risk | How we manage the risk / Key areas of focus |
|---|---|
| **Governance, regulatory and compliance risk** - weak corporate governance may undermine the Group's ability to achieve its strategic objectives. Changes in laws, regulation or industry standards, or failure to comply with applicable obligations, may result in financial penalties, remediation costs, restrictions on activities or reputational damage. | • Succession planning and investment in key people and capabilities.<br>• Ongoing review and update of the corporate governance framework.<br>• Compliance framework, policies and monitoring appropriate to the Group's activities.<br>• Board and Audit and Risk Committee oversight of material compliance matters.<br>• Monitoring regulatory developments and implementing required changes.<br>• Training, clear accountability and use of external legal and specialist advice where appropriate. |

## Significant changes in the state of affairs

In September 2025, the Group refinanced its existing securitised equipment finance warehouse, Classic Equipment Finance Trust with a new vehicle, the Earlypay Equipment Finance Trust.

In February 2026, the Group renewed its securitised invoice finance warehouse facility, with the availability period extended until March 2027.

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

## Matters subsequent to the end of the financial year

In August 2026, the Group renewed and increased its securitised equipment finance warehouse facility, with the availability period extended until August 2027.

In August 2026, the Group completed the migration of its Invoice Finance clients from three legacy loan management systems onto a single core platform.

Apart from the dividend declared as disclosed in the report and the matters referred to above, no other matter or circumstance has arisen since 30 June 2026 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

Information on likely developments in the operations of the Group and the expected results of those operations, to the extent that such matters can be commented upon, is set out in the Strategy and outlook section of the Review of Operations.

## Environmental regulation

The Group is not subject to any significant environmental regulation under Australian Commonwealth or State law.

## Information on Directors

| | |
|---|---|
| Name: | **Geoffrey Sam OAM** |
| Title: | Independent Non-Executive Director, Chairperson |
| Qualifications: | BCom (UNSW), MHA (UNSW), MA (Econ&SocStudies) (Manchester UK), FAICD |
| Experience and expertise: | Geoffrey has held numerous successful ASX listed independent NED positions including Chairperson of Money 3, Hutchison Childcare Services and MD of Nova Health. He is the co-founder and Director of Healthe Care Australia Pty Ltd which owns 17 private hospitals and day surgeries in NSW, Vic and Tas. |
| Other current directorships: | IDT Australia Ltd (since 2022) and Change Financial Australia Limited (since 2023). |
| Former directorships (last 3 years): | Paragon Care Ltd (appointed 2016, resigned 2024) |
| Special responsibilities: | Member of the Audit & Risk Committee and Member of the Nomination & Remuneration Committee |
| Interests in shares: | 2,160,188 ordinary shares as at reporting date |
| Interests in options: | None |
| Interests in rights: | None |

## Information on Directors (continued)

| | |
|---|---|
| Name: | **James Beeson** |
| Title: | Managing Director |
| Qualifications: | BCom, MAppFin, MBA, CPA, GAICD |
| Experience and expertise: | James joined Earlypay through the acquisition of Skippr, where he was CEO. Prior to this, James was Managing Director and Head of EMEA Rates & Foreign Exchange in JP Morgan's Chief Investment Office in London. Throughout his career, James has managed a wide range of alternative investments, structured credit, global fixed income and currency portfolios for JP Morgan, Brevan Howard Asset Management and Citigroup in London, Hong Kong and Sydney. |
| Other current directorships: | None |
| Former directorships (last 3 years): | None |
| Special responsibilities: | None |
| Interests in shares: | 15,952,453 ordinary shares as at reporting date |
| Interests in options: | None |
| Interests in rights: | 813,333 |

| | |
|---|---|
| Name: | **Ilkka Tales** |
| Title: | Independent Non-Executive Director |
| Qualifications: | BBus |
| Experience and expertise: | Ilkka has worked with start-ups for over 30 years, accelerating the growth of these businesses in four industry sectors. Three have listed and the latest was a classified Unicorn. An expert at scaling and growth strategies. Ilkka has held senior global roles at Greensill, Myriad Group AG and Philips. Ilkka is a recognised entrepreneur and sits on a number of private company boards. |
| Other current directorships: | None |
| Former directorships (last 3 years): | None |
| Special responsibilities: | Chairperson of the Audit & Risk Committee |
| Interests in shares: | 300,000 ordinary shares as at reporting date |
| Interests in options: | None |
| Interests in rights: | None |

| | |
|---|---|
| Name: | **Melos Sulicich** (appointed on 1 May 2026) |
| Title: | Independent Non-Executive Director |
| Qualifications: | BBus, LLM, GAICD, FCISI |
| Experience and expertise: | Melos is a highly experienced banking and financial services executive with more than 40 years' experience. He has previously served as Chief Executive Officer of Bank of Sydney Limited, Managing Director (MD) & CEO of MyState Limited and MD & CEO of RAMS Financial Group Limited where he led significant strategic transformation and growth initiatives across consumer and SME lending businesses. He brings deep expertise across digital and customer-led business models, and listed company governance, with previous Board and Board committee experience. |
| Other current directorships: | None |
| Former directorships (last 3 years): | None |
| Special responsibilities: | Chairperson of Nomination & Remuneration Committee and Member of the Audit & Risk Committee |
| Interests in shares: | None |
| Interests in options: | None |
| Interests in rights: | None |

## Information on Directors (continued)

| | |
|---|---|
| Name: | **Stephen White** (resigned on 23 April 2026) |
| Title: | Former Independent Non-Executive Director |
| Qualifications: | M.Mngt, GAICD |
| Experience and expertise: | Steve has had over 30 years of experience in Investment Banking, including roles with Barclays Capital Singapore, Rothschild and HSBC Japan in their treasury divisions. For 10 years he held a position as a principal of a boutique risk advisory firm which concentrated on assisting C-suite executives to manage significant financial market risks. This experience is combined with significant corporate governance experience including as a responsible manager for a Wholesale Australian Financial Services Licence for 10 years. Steve continues to be engaged in providing advice and assistance to businesses across a number of industries. Steve is a Graduate Member of the Australian Institute of Company Directors and has a Master of Management from MGSM. |
| Other current directorships: | None |
| Former directorships (last 3 years): | Non-Executive Director of COG Financial Services Limited (resigned 3 April 2025) |
| Special responsibilities: | Former Chairperson of the Nomination & Remuneration Committee and Member of the Audit & Risk Committee |
| Interests in shares: | Not applicable as no longer a director |
| Interests in options: | Not applicable as no longer a director |
| Interests in rights: | Not applicable as no longer a director |

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

## Joint Company secretaries

*Paul Murray*

Paul Murray was appointed as joint Company Secretary on 14 June 2023. Paul is Chief Financial Officer (CFO) / Chief Operating Officer (COO) and joined Earlypay in November 2022. Paul is an experienced financial services executive with broad experience across banking and investment management, gained in Australia and the UK. Paul joined Earlypay from the non-bank lender, Household Capital, where he was CFO. Paul's prior roles include Head of Corporate Strategy (and Asia) for Legal & General Investment Management and senior risk management roles at TwentyFour Asset Management, Columbia Threadneedle (F&C), Rothschild (Australia) and ANZ. Paul is a Chartered Accountant, holds a Master of Commerce (Finance) degree from the University of Melbourne and is a graduate of the TRIUM Global Executive MBA Program.

*Mathew Watkins - Vistra Australia*

On 12 December 2022, Earlypay announced that the specialist Company Secretarial, Governance and Accounting firm, Vistra Australia commenced undertaking the Company Secretarial role. Mathew Watkins was appointed as Joint Company Secretary.

Mr Watkins is a Chartered Accountant and member of the Governance Institute of Australia who has extensive ASX experience within several industry sectors including Biotechnology, Bioscience, Resources and Information Technology. He specialises in ASX statutory reporting, ASX compliance, Corporate Governance and board and secretarial support. Mr Watkins is appointed Company Secretary on a number of ASX-listed Companies. Mr Watkins is employed at Vistra Australia Pty Ltd (Vistra), a global corporate services provider, and he is currently the Australia Market Lead of Vistra.

Vistra is a prominent provider of specialised consulting and administrative services to clients in the Fund, Corporate, Capital Markets, and Private Wealth sectors. Vistra has vast experience working with listed entities and brings a strong background of working with growing companies within the resources sector.

## Meetings of Directors
The number of meetings of the Company's Board of Directors ('the Board') held during the year ended 30 June 2026, and the number of meetings attended by each Director were:

| | Full Board | | Nomination & Remuneration Committee | | Audit & Risk Committee | |
|---|---|---|---|---|---|---|
| | Attended | Held | Attended | Held | Attended | Held |
| Geoffrey Sam OAM | 11 | 11 | 2 | 2 | 4 | 4 |
| James Beeson | 11 | 11 | - | - | - | - |
| Ilkka Tales | 11 | 11 | 2 | 2 | 4 | 4 |
| Melos Sulicich | 2 | 2 | 1 | 1 | - | - |
| Stephen White | 9 | 9 | 1 | 1 | 4 | 4 |

Held: represents the number of meetings held during the time the Director held office.

## Remuneration report (audited)
The remuneration report details the key management personnel remuneration arrangements for the Group, in accordance with the requirements of the *Corporations Act 2001* and its Regulations.

*Key management personnel ('KMP')*
KMP are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all Directors. The KMP for the year were:

| Name | Title |
|---|---|
| **Directors** | |
| Geoffrey Sam OAM | Independent Non-Executive Director, Chairperson |
| James Beeson | Managing Director |
| Ilkka Tales | Independent Non-Executive Director |
| Melos Sulicich | Independent Non-Executive Director (appointed on 1 May 2026) |
| Stephen White | Independent Non-Executive Director (resigned on 23 April 2026) |
| **Other KMP** | |
| Paul Murray | CFO-COO and Joint Company Secretary |

The remuneration report is set out under the following main headings:
- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- KMP Service Agreements (excludes Non-Executive Directors)
- Equity-based compensation
- Additional information
- Shareholding

### *Principles used to determine the nature and amount of remuneration*

The remuneration policy of Earlypay Ltd has been designed to align KMP objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific short-term and long-term incentives based on key performance areas affecting the Group's financial results. The Board of Earlypay Ltd believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best KMP to run and manage the consolidated Group, as well as create goal congruence between directors, executives and shareholders. The Board obtains professional advice where necessary to ensure that the Company attracts and retains talented and motivated directors and employees who can enhance Company performance through their contributions and leadership.

The Board's policy for determining the nature and amount of remuneration for KMP of the Group is as follows:

- the remuneration policy is developed by the Nomination & Remuneration Committee and approved by the Board. Professional advice is sought from independent external consultants as required;
- all KMP receive a base salary (which is based on factors such as length of service and experience), superannuation, fringe benefits and, in the case of executive KMP, performance incentives;
- performance incentives are generally only paid once predetermined key performance indicators have been met;
- incentives paid in the form of rights are intended to align the interests of the directors and the Company with those of the shareholders. In this regard, KMP are prohibited from limiting risk attached to those instruments by use of derivatives or other means; and
- the Nomination & Remuneration Committee reviews KMP packages annually by reference to the Group's performance, executive performance and comparable information from industry sectors.

The performance of KMP is measured against criteria agreed annually with each executive and is based predominantly on the forecast growth of the Group's profits. All bonuses and incentives must be linked to predetermined performance criteria. The Board may, however, exercise its discretion in relation to approving incentives and bonuses, and can recommend changes to the committee's recommendations. Any changes must be justified by reference to measurable performance criteria. The policy is designed to attract the highest calibre of executives and reward them for performance results leading to long-term growth in shareholder wealth.

KMP received a superannuation guarantee contribution required by the government and do not receive any other retirement benefits. Some individuals, however, may choose to sacrifice part of their salary to increase payments towards superannuation.

Upon retirement, KMP are paid employee benefit entitlements accrued to the date of retirement. All remuneration paid to KMP is valued at the cost to the Company and expensed. The Board's policy remunerates Non-Executive Directors at market rates for time, commitment and responsibilities. The Nomination & Remuneration Committee determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at an Annual General Meeting. The current maximum is $680,000 (FY25: $680,000). Non-Executive Directors receive fees and do not receive options or bonus payments.

### *Short term incentive ('STI')*

The key performance indicators ('KPIs') are set annually, with a certain level of consultation with KMP to ensure buy-in. The measures are specifically tailored to the area each individual is involved in and has a level of control over. The KPIs target areas the Board believes hold greater potential for the Group expansion and profitability, covering financial and non-financial as well as short and long-term goals. The level set for each KPI is based on budgeted figures for the Group and respective industry standards.

The Board expects that the remuneration structure implemented will result in the Group being able to attract and retain the best executives to run the Group. It will also provide executives with the necessary incentives to work to grow long-term shareholder value.

The following table summarises the performance conditions for short term performance linked bonuses.

| KMP | 2026 Performance conditions |
|---|---|
| James Beeson - Managing director | Maximum $232,000 on achievement of the KPIs set by the Nomination & Remuneration Committee including NPAT targets |
| Paul Murray - CFO-COO and Company Secretary | Maximum $154,000 on achievement of the KPIs set by the Nomination & Remuneration Committee including NPAT targets |

Minimum amount is nil for all KMP.

***Long term incentive ('LTI')***
The LTI is an annual performance rights plan used to motivate executives to achieve longer term performance targets of the Company. The structure was adopted to ensure appropriate alignment to shareholder value over the specified timeframe.

*Prior Rights Plan*
The prior performance rights plan was approved by shareholders on 17 November 2022. All remaining rights under this plan lapsed on 30 June 2025.

*Current Rights Plan*
The current performance rights plan was approved by shareholders on 28 November 2024. Senior executives (including executive KMP) are invited to participate at the Board's discretion.

*Common features*

| Feature | Description |
|---|---|
| Instrument | Performance rights being a right to receive a share subject to performance and vesting conditions. |
| Dividends and other rights | Prior to exercise, a participant does not have any rights to dividends, rights to vote or rights to the capital of the Company as a result of holding a right. |
| Vesting conditions and exercise | Performance, vesting or other conditions specified in the rights offer must be satisfied before a right can vest. On the date on which any vesting condition is not capable of being satisfied, reached or met, the rights will lapse. If rights vest, the participant must exercise the rights before the last exercise date specified in the offer. |
| Corporate control event | If a corporate control event occurs, all unvested rights held by a participant will vest. The Company shall provide a participant with 3 days' notice of the impending expiry of all vested rights (which will otherwise lapse). |
| Termination | If a participant ceases to be an employee during the vesting period due to resignation, dismissal or other circumstances, then unless otherwise determined by the Board, any unvested rights will lapse. Any vested rights must be exercised within a prescribed period. |
| Breach, fraud or misconduct | If the Board determines that a participant has been implicated or involved in certain acts including breach, fraud or misconduct then all associated rights will lapse. |
| Claw back provisions | If the Board becomes aware of a material misstatement in the Company's financial statements relating to a Vesting Period or some other event has occurred during a Vesting Period which, as a result, means that the vesting conditions were not, or should not have been determined to have been, satisfied, then the participant will cease to be entitled to those vested rights. |

*Specific grant parameters*

### 2025 grant

| | |
|---|---|
| Grant date | 28 November 2024 |
| Number of rights (KMP) | 2,046,000 |
| Tranches | The number of performance rights is divided into three equal tranches |
| Measurement periods | Three annual periods ending 30 June 2025, 30 June 2026 and 30 June 2027 |
| Vesting dates | 1 October 2025, 1 October 2026 and 1 October 2027 |
| Performance measure | The Compound Annual Growth Rate ("CAGR") in Earnings Per Share for the specific measurement period. |

| Performance level | Performance measure | Vesting % of the Tranche |
|---|---|---|
| Below threshold | 0% | 0% |
| Between Threshold and Target 1 | 0% to 2.5% | 25% |
| Between Target 1 and Target 2 | 2.5% to 7.5% | Pro-rata |
| Target 2 | 7.5% | 100% |

Tranche 1 of the performance rights vested on 1 October 2025. The measurement period for Tranche 2 expired on 30 June 2026, and the Board has determined that none of these rights will vest, and Tranche 3 remains outstanding.

### 2026 grant

| | |
|---|---|
| Grant date | 27 November 2025 |
| Number of rights (KMP) | 733,000 |
| Tranches | The number of performance rights is divided into three equal tranches |
| Measurement periods | Three annual periods ending 30 June 2026, 30 June 2027 and 30 June 2028 |
| Vesting dates | 1 October 2026, 1 October 2027 and 1 October 2028 |
| Performance measure | The Compound Annual Growth Rate ("CAGR") in Earnings Per Share for the specific measurement period. |

| Performance level | Performance measure | Vesting % of the Tranche |
|---|---|---|
| Below threshold | 0% | 0% |
| Between Threshold and Target 1 | 0% to 2.5% | 25% |
| Between Target 1 and Target 2 | 2.5% to 7.5% | Pro-rata |
| Target 2 | 7.5% | 100% |

*Outstanding performance rights*
733,000 performance rights were granted to KMP in FY26. The measurement period for tranche 1 expired on 30 June 2026 and the Board has determined that none of these rights will vest. Tranches 2 and 3 remain outstanding.

*Use of remuneration consultants*
During the financial year ended 30 June 2026, the Group did not engage remuneration consultants.

*Voting and comments made at the Company's 2025 Annual General Meeting ('AGM')*
At the 2025 AGM, 99.72% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2025. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

### *Details of remuneration*

*Amounts of remuneration*
Details of the remuneration of KMP of the Group are set out in the following tables.

| **2026** | Fixed remuneration<br>Salary and fees<br>$ | <br>Super<br>$ | Variable remuneration<br>Cash STI[1]<br>$ | <br>Share based LTI[2]<br>$ | <br>Other benefits<br>$ | <br>Total<br>$ |
|---|---|---|---|---|---|---|
| *Non-Executive Directors:* | | | | | | |
| Geoffrey Sam OAM | 131,131 | 15,736 | - | - | - | 146,867 |
| Ilkka Tales | 79,978 | 9,597 | - | - | - | 89,575 |
| Melos Sulicich[3] | 13,333 | 1,600 | - | - | - | 14,933 |
| Stephen White[4] | 66,648 | 7,998 | - | - | - | 74,646 |
| *Executive Director:* | | | | | | |
| James Beeson | 550,462 | 30,000 | 81,200 | (14,250) | - | 647,412 |
| *Other KMP:* | | | | | | |
| Paul Murray | 410,129 | 30,000 | 53,900 | 28,765 | - | 522,794 |
| | 1,251,681 | 94,931 | 135,100 | 14,515 | - | 1,496,227 |

1 Represents the short-term incentive that was accrued for during the reporting period (approved by Nomination & Remuneration Committee)
2 Represents the amortised accounting charge of long-term incentives recognised in the reporting period, including the impact of changes in non-market performance conditions of long-term incentives recognised as remuneration in the prior year
3 Represents remuneration as an independent non-executive director from 1 May 2026 to 30 June 2026
4 Represents remuneration as an independent non-executive director from 1 July 2025 to 23 April 2026

| **2025** | Fixed remuneration<br>Salary and fees<br>$ | <br>Super<br>$ | Variable remuneration<br>Cash STI[1]<br>$ | <br>Share based LTI[2]<br>$ | <br>Other benefits<br>$ | <br>Total<br>$ |
|---|---|---|---|---|---|---|
| *Non-Executive Directors:* | | | | | | |
| Geoffrey Sam OAM | 131,132 | 15,080 | - | - | - | 146,212 |
| Ilkka Tales | 79,978 | 9,197 | - | - | - | 89,175 |
| Stephen White | 79,978 | 9,197 | - | - | - | 89,175 |
| Sue Healy[3] | 66,648 | 7,665 | - | - | - | 74,313 |
| *Executive Director:* | | | | | | |
| James Beeson | 520,000 | 29,932 | 110,000 | 145,780 | - | 805,712 |
| *Other KMP:* | | | | | | |
| Paul Murray | 395,000 | 29,932 | 74,375 | 98,700 | - | 598,007 |
| | 1,272,736 | 101,003 | 184,375 | 244,480 | - | 1,802,594 |

1 Represents the short-term incentive that was accrued for during the reporting period
2 Represents the amortised accounting charge of long-term incentives recognised in the reporting period
3 Represents remuneration as an independent non-executive director from 1 July 2024 to 23 April 2025

The proportion of remuneration linked to performance and the fixed proportion are as follows:

| Name | Fixed remuneration 2026 | Fixed remuneration 2025 | At risk - STI 2026 | At risk - STI 2025 | At risk - LTI 2026 | At risk - LTI 2025 |
|---|---|---|---|---|---|---|
| *Non-Executive Directors:* | | | | | | |
| Geoffrey Sam OAM | 100% | 100% | - | - | - | - |
| Ilkka Tales | 100% | 100% | - | - | - | - |
| Melos Sulicich | 100% | - | - | - | - | - |
| Stephen White | 100% | 100% | - | - | - | - |
| Sue Healy | - | 100% | - | - | - | - |
| *Executive Directors:* | | | | | | |
| James Beeson | 90% | 68% | 13% | 14% | (3%) | 18% |
| *Other KMP:* | | | | | | |
| Paul Murray | 84% | 71% | 10% | 13% | 6% | 16% |

The proportion of the cash bonus paid/payable or forfeited is as follows:

| Name | Cash bonus paid/payable 2026 | Cash bonus paid/payable 2025 | Cash bonus forfeited 2026 | Cash bonus forfeited 2025 |
|---|---|---|---|---|
| *Executive Directors:* | | | | |
| James Beeson | 35% | 50% | 65% | 50% |
| *Other KMP:* | | | | |
| Paul Murray | 35% | 50% | 65% | 50% |

***KMP Service Agreements (excludes Non-Executive Directors)***

Remuneration and other terms of employment for KMP are formalised in service agreements. The agreements provide for performance-related cash bonuses. Other major provisions of the agreements relating to remuneration are set out below:

| Name | Terms of agreements | Base salary including superannuation $ |
|---|---|---|
| James Beeson | Ongoing as from 10 October 2022 | 580,000 |
| Paul Murray | Ongoing as from 14 June 2023 | 440,000 |

James Beeson’s contract may be terminated early by either party with six months’ notice, subject to termination payments at the discretion of the Nomination & Remuneration Committee.

Paul Murray’s contract may be terminated early by either party with four months’ notice, subject to termination payments at the discretion of the Nomination & Remuneration Committee.

***Equity-based compensation***

*Issue of shares*

There were no shares issued to Directors and other KMP as part of compensation during the year ended 30 June 2026.

## *Equity-based compensation (continued)*

*Performance right grants*

The following performance rights over ordinary shares were issued to Directors and other KMP as part of compensation during the current and prior financial years, affecting remuneration in the current and future financial years:

| KMP | Rights Series | Grant date | Last vesting date | Exercise price | Number of Rights | Fair value per right at grant date |
|---|---|---|---|---|---|---|
| Paul Murray | FY26 – Tranche 1 | 27/11/2025 | 01/10/2026[1] | $0.00 | 244,333 | $0.2019 |
| Paul Murray | FY26 – Tranche 2 | 27/11/2025 | 01/10/2027 | $0.00 | 244,333 | $0.1923 |
| Paul Murray | FY26 – Tranche 3 | 27/11/2025 | 01/10/2028 | $0.00 | 244,334 | $0.1832 |
| James Beeson | FY25 – Tranche 1 | 28/11/2024 | 01/10/2025 | $0.00 | 406,667 | $0.2016 |
| James Beeson | FY25 – Tranche 2 | 28/11/2024 | 01/10/2026[1] | $0.00 | 406,667 | $0.1920 |
| James Beeson | FY25 – Tranche 3 | 28/11/2024 | 01/10/2027 | $0.00 | 406,666 | $0.1828 |
| Paul Murray | FY25 – Tranche 1 | 28/11/2024 | 01/10/2025 | $0.00 | 275,333 | $0.2016 |
| Paul Murray | FY25 – Tranche 2 | 28/11/2024 | 01/10/2026[1] | $0.00 | 275,333 | $0.1920 |
| Paul Murray | FY25 – Tranche 3 | 28/11/2024 | 01/10/2027 | $0.00 | 275,334 | $0.1828 |

[1] Represents the performance rights tested against the relevant vesting conditions over the measurement period during the current year

*Performance right movements*

The movement in performance rights over ordinary shares in the Company held during the financial year by each Director and other members of KMP of the Group is set out below:

| | Balance at the start of the year | Granted | Exercised | Lapsed | Balance at the end of the year | Vested | Unvested |
|---|---|---|---|---|---|---|---|
| James Beeson | 1,220,000 | - | - | (406,667) | 813,333 | 406,667 | 406,666 |
| Paul Murray | 826,000 | 733,000 | - | (519,666) | 1,039,334 | 275,333 | 764,001 |
| | 2,046,000 | 733,000 | - | (926,333) | 1,852,667 | 682,000 | 1,170,667 |

The maximum value of the performance rights to be recognised in profit or loss and equity is the grant-date fair value. The minimum value is nil, as the performance rights may not vest if the performance conditions are not satisfied.

## *Additional information*

| | 2026 | 2025 | 2024 | 2023 | 2022 |
|---|---|---|---|---|---|
| Total income ($'000) | 52,867 | 50,926 | 54,556 | 60,558 | 53,801 |
| Profit/(loss) after income tax ($'000) | 446 | 2,868 | 2,190 | (8,411) | 13,223 |
| Share price at financial year end (cents per share) | 12.00 | 19.50 | 17.50 | 19.00 | 49.00 |
| Total dividends declared (cents per share) | 0.18 | 0.65 | 0.15 | - | 3.20 |
| Basic earnings/(loss) per share (cents per share) | 0.17 | 1.05 | 0.77 | (2.91) | 4.70 |
| Diluted earnings/(loss) per share (cents per share) | 0.17 | 1.04 | 0.76 | (2.91) | 4.66 |

### *Shareholding*

The number of shares in the Company held during the financial year by each Director and other members of KMP of the Group, including their personally related parties, is set out below:

| 2026 | Balance at the start of the year | Received as part of remuneration | Additions | Disposals/ other | Balance at the end of the year |
|---|---|---|---|---|---|
| *Ordinary shares* | | | | | |
| Geoffrey Sam OAM | 2,160,188 | - | - | - | 2,160,188 |
| James Beeson | 15,952,453 | - | - | - | 15,952,453 |
| Ilkka Tales | 300,000 | - | - | - | 300,000 |
| Paul Murray | 470,000 | - | 281,115 | - | 751,115 |
| | 18,882,641 | - | 281,115 | - | 19,163,756 |

***This concludes the remuneration report, which has been audited.***

## Shares under option

There were no unissued ordinary shares of Earlypay Ltd under option outstanding at the date of this report.

## Shares issued on the exercise of options

There were no ordinary shares of Earlypay Ltd issued on the exercise of options during the year ended 30 June 2026 and up to the date of this report.

## Shares under performance rights

Unissued ordinary shares of Earlypay Ltd at the date of this report are as follows:

| | Grant date | End of last measurement period | Last vesting date | Exercise price | Number under rights |
|---|---|---|---|---|---|
| Performance rights | 28/11/2024 | 30/06/2027 | 01/10/2027 | $0.00 | 2,003,333 |
| Performance rights | 27/11/2025 | 30/06/2028 | 01/10/2028 | $0.00 | 1,092,668 |
| | | | | | 3,096,001 |

No person entitled to exercise the performance rights had or has any right by virtue of the performance right to participate in any share issue of the Company or of any other body corporate.

## Shares issued on the exercise of performance rights

There were 20,000 ordinary shares of Earlypay Ltd issued on the exercise of performance rights during the year ended 30 June 2026 and up to the date of this report.

## Indemnity and insurance of officers

During the financial year, the Company paid a premium insuring all directors and officers against any liability incurred as such by a director, secretary or executive officer to the extent permitted by the *Corporations Act 2001*. Further disclosure required under section 300(9) of the *Corporations Act 2001* is prohibited under the terms of the contract.

The Company has not otherwise, during or since the financial year, indemnified or agreed to indemnify an officer or auditor of the Company or any related body corporate against a liability incurred as such by an officer or auditor.

## Indemnity and insurance of auditor

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

## Proceedings on behalf of the Company
No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*, unless otherwise specified.

## Non-audit services
Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 29 to the financial statements.

The Directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*.

The Directors are of the opinion that the services as disclosed in note 29 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:
- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

## Officers of the Company who are former partners of Pitcher Partners
There are no officers of the Company who are former partners of Pitcher Partners.

## Rounding of amounts
The Company is an entity to which *ASIC Corporations (Rounding in Financial / Directors' Reports) Instrument 2026/183* applies and, accordingly, amounts in the financial statements and directors' report have been rounded to the nearest thousand dollars.

## 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 298(2)(a) of the *Corporations Act 2001*.

On behalf of the Directors

James Beeson
Managing Director

27 August 2026
Sydney

**Pitcher Partners Sydney**
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**Auditor's Independence Declaration**
**To the Directors of Earlypay Ltd**
**ABN 88 098 952 277**

In relation to the independent audit for the year ended 30 June 2026, to the best of my knowledge and belief there have been:

a) no contraventions of the auditor independence requirements of the *Corporations Act 2001*; and

b) no contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards).*

This declaration is in respect of Earlypay Ltd and the entities it controlled during the year.

**Rod Shanley**
Partner

**Pitcher Partners**
Sydney

27 August 2026

**Earlypay Ltd**
**Consolidated statement of profit or loss and other comprehensive income**
**For the year ended 30 June 2026**

Earlypay

| | Note | Consolidated 2026 $'000 | Consolidated 2025 $'000 |
|---|---|---|---|
| **Income** | | | |
| Interest income | 5 | 31,413 | 30,025 |
| Interest expense | 6 | (16,818) | (17,156) |
| Net interest income | | 14,595 | 12,869 |
| Other income | 5 | 21,454 | 20,901 |
| Net income | | 36,049 | 33,770 |
| **Expenses** | | | |
| Credit impairment expense | 7 | (3,237) | (725) |
| Commissions expense | | (4,031) | (3,022) |
| Consultancy expense | | (1,308) | (1,407) |
| Depreciation and amortisation expense | 8 | (2,780) | (3,261) |
| Employee benefits expense | | (14,980) | (14,352) |
| Insurance expense | | (1,025) | (1,066) |
| IT expense | | (2,526) | (1,608) |
| Legal expense | | (2,262) | (1,527) |
| Marketing expense | | (717) | (443) |
| Other expenses | | (2,320) | (2,267) |
| Trust expense | | (186) | (188) |
| Total expenses | | (35,372) | (29,866) |
| **Profit before income tax expense** | | 677 | 3,904 |
| Income tax expense | 9 | (231) | (1,036) |
| **Profit after income tax expense for the year attributable to the owners of Earlypay Ltd** | | 446 | 2,868 |
| Other comprehensive income for the year, net of tax | | - | - |
| **Total comprehensive income for the year attributable to the owners of Earlypay Ltd** | | 446 | 2,868 |
| | | **Cents** | **Cents** |
| Basic earnings per share | 10 | 0.17 | 1.05 |
| Diluted earnings per share | 10 | 0.17 | 1.04 |

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

| | Note | Consolidated 2026 $'000 | Consolidated 2025* $'000 |
|---|---|---|---|
| **Assets** | | | |
| Cash and cash equivalents | 11 | 34,936 | 37,109 |
| Other financial assets | 12 | 536 | 448 |
| Other assets | 13 | 1,398 | 2,695 |
| Invoice finance receivables | 14 | 122,655 | 114,005 |
| Equipment finance receivables | 15 | 172,332 | 125,774 |
| Income tax receivable | 9 | 21 | 40 |
| Property, plant and equipment | 16 | 155 | 189 |
| Right-of-use assets | 17 | 1,045 | 1,248 |
| Deferred tax asset | 9 | 3,498 | 2,998 |
| Intangible assets | 18 | 28,243 | 30,108 |
| **Total assets** | | 364,819 | 314,614 |
| **Liabilities** | | | |
| Trade and other payables | 19 | 2,131 | 1,889 |
| Borrowings | 20 | 291,850 | 234,904 |
| Lease liabilities | 21 | 1,148 | 1,413 |
| Employee benefits | 22 | 1,556 | 1,556 |
| Other liabilities | | 229 | 801 |
| **Total liabilities** | | 296,914 | 240,563 |
| **Net assets** | | 67,905 | 74,051 |
| **Equity** | | | |
| Issued capital | 23 | 67,044 | 71,913 |
| Reserve | 24 | 409 | 363 |
| Retained profits | | 452 | 1,775 |
| **Total equity** | | 67,905 | 74,051 |

* The presentation of the comparative statement of financial position as at 30 June 2025 has been amended to align with the current year's liquidity-based presentation.

| Consolidated | Issued capital $'000 | Reserves $'000 | (Accumulated losses)/ retained profits $'000 | Total equity $'000 |
|---|---|---|---|---|
| Balance at 1 July 2024 | 72,047 | 152 | (455) | 71,744 |
| | | | | |
| Profit after income tax expense for the year | - | - | 2,868 | 2,868 |
| Other comprehensive income for the year, net of tax | - | - | - | - |
| | | | | |
| Total comprehensive income for the year | - | - | 2,868 | 2,868 |
| | | | | |
| *Transactions with owners in their capacity as owners:* | | | | |
| Share-based payments (note 36) | - | 363 | - | 363 |
| Share buy-back (note 23) | (134) | - | - | (134) |
| Transfer from rights reserve | - | (152) | 152 | - |
| Dividends paid (note 25) | - | - | (790) | (790) |
| | | | | |
| Balance at 30 June 2025 | 71,913 | 363 | 1,775 | 74,051 |

| Consolidated | Issued capital $'000 | Reserves $'000 | Retained profits $'000 | Total equity $'000 |
|---|---|---|---|---|
| Balance at 1 July 2025 | 71,913 | 363 | 1,775 | 74,051 |
| | | | | |
| Profit after income tax expense for the year | - | - | 446 | 446 |
| Other comprehensive income for the year, net of tax | - | - | - | - |
| | | | | |
| Total comprehensive income for the year | - | - | 446 | 446 |
| | | | | |
| *Transactions with owners in their capacity as owners:* | | | | |
| Share-based payments (note 36) | - | 50 | - | 50 |
| Share buy-back (note 23) | (4,873) | - | - | (4,873) |
| Exercise of performance rights | 4 | (4) | - | - |
| Dividends paid (note 25) | - | - | (1,769) | (1,769) |
| | | | | |
| Balance at 30 June 2026 | 67,044 | 409 | 452 | 67,905 |

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

| | Note | Consolidated 2026 $'000 | Consolidated 2025 $'000 |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Receipts from customers | | 21,452 | 20,893 |
| Interest received from customers | | 30,915 | 29,153 |
| Payments to suppliers and employees | | (28,819) | (27,411) |
| Interest received - other | | 502 | 880 |
| Finance costs paid | | (15,778) | (16,596) |
| Income taxes (paid)/refunded | | (715) | 1,752 |
| Net cash from operating activities | 26 | 7,557 | 8,671 |
| **Cash flows from investing activities** | | | |
| Payments for property, plant and equipment | 16 | (58) | (18) |
| Payments for intangible assets | 18 | (234) | (311) |
| Net (payments)/receipts for client receivables | | (10,902) | 24,617 |
| Net payments for equipment lease receivables | | (47,536) | (34,023) |
| Net cash used in investing activities | | (58,730) | (9,735) |
| **Cash flows from financing activities** | | | |
| Payments for share buy-backs | 23 | (4,873) | (134) |
| Dividends paid | 25 | (1,769) | (790) |
| Proceeds from borrowings | 26 | 176,000 | 17,862 |
| Repayment of borrowings | 26 | (119,655) | (18,199) |
| Repayment of lease liabilities | 26 | (703) | (699) |
| Net cash from/(used in) financing activities | | 49,000 | (1,960) |
| Net decrease in cash and cash equivalents | | (2,173) | (3,024) |
| Cash and cash equivalents at the beginning of the financial year | | 37,109 | 40,133 |
| Cash and cash equivalents at the end of the financial year | 11 | 34,936 | 37,109 |

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

## Note 1. General information

The financial statements cover Earlypay Ltd (the 'Company' or 'parent entity') as a consolidated entity consisting of Earlypay Ltd and the entities it controlled (collectively referred to as the 'Group') at the end of, or during, the financial year. The financial statements are presented in Australian dollars, which is Earlypay Ltd's functional and presentation currency.

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

Level 5, 201 Miller Street,
North Sydney NSW 2060
Telephone: 1300 666 177
Facsimile: (02) 9267 4222
Internet: https://www.earlypay.com.au/

A description of the nature of the Group's operations and its principal activities is 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 27 August 2026. The Directors have the power to amend and reissue the financial statements.

## Note 2. Material accounting policy information

The accounting policies that are material to the Group are set out either in the respective notes or below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

### Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the *Corporations Act 2001*, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards ('IFRS') Accounting Standards as issued by the International Accounting Standards Board ('IASB').

*Historical cost convention*
The financial statements have been prepared under the historical cost convention.

*Critical accounting estimates*
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

### Change in presentation

During the year, the Group changed the presentation of its statement of financial position from a current/non-current classification to a liquidity presentation. The Group believes that presenting assets and liabilities in approximate order of liquidity provides information that is more relevant to users of the financial statements given the Group's activities as a provider of invoice finance and equipment finance products and the manner in which those activities are managed. Comparative information has been re-presented to conform with the current year presentation. The change affects presentation only and has no impact on previously reported profit, total equity or net cash flows.

### Parent entity information

These financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in note 33.

### Foreign currency translation

*Foreign currency transactions*
Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

## Note 2. Material accounting policy information (continued)

### Impairment of non-financial assets

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

### Rounding of amounts

The instrument, *ASIC Corporations (Rounding in Financial/Director's Reports) Instrument 2026/183*. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

### New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2026. The Group's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Group, are set out below.

*AASB 18 Presentation and Disclosure in Financial Statements*
This standard is applicable to annual reporting periods beginning on or after 1 January 2027 and early adoption is permitted. The standard replaces AASB 101 *'Presentation of Financial Statements'*, with many of the original disclosure requirements retained and there will be no impact on the recognition and measurement of items in the financial statements. The standard introduces two mandatory sub-totals in the statement: 'Operating profit' and 'Profit before financing and income taxes'. There are also new disclosure requirements for 'management-defined performance measures' and enhanced guidance on grouping of information (aggregation and disaggregation). The Group will adopt this standard from 1 July 2027 and it is expected that there will be a significant change to the layout of the statement of profit or loss and other comprehensive income.

*AASB 2024-2 Amendments to the Classification and Measurement of Financial Instruments*
AASB 2024-2 is applicable for annual reporting periods beginning from 1 January 2026, with early adoption permitted. This standard makes amendments to AASB 9 *'Financial Instruments'* and AASB 7 *'Financial Instruments Disclosures'*: The Group has assessed the amendments and determined that AASB 2024-2 is not expected to have a material impact on the classification or measurement of its financial instruments. The amendments may result in additional disclosure requirements but are not expected to materially affect the Group's financial position, financial performance or cash flows.

### Comparative figures

Where necessary, comparative figures have been reclassified to conform with changes in presentation in the current year. The nature and amount of material reclassifications, and the reasons for those reclassifications, are disclosed in the relevant notes to the financial statements.

## Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, which management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

## Note 3. Critical accounting judgements, estimates and assumptions (continued)

*Allowance for expected credit losses*
The allowance for expected credit losses assessment requires a degree of estimation and judgement. The assumptions underlying the Group’s expected credit loss model include, but are not limited to, probability of default, loss given default and exposure at default estimates for invoice finance and equipment finance receivables as well as forward-looking macro-economic conditions. Actual credit losses in future years may be higher or lower than estimated. Refer to note 27 for further information.

*Goodwill*
The Group tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill has suffered any impairment, in accordance with the accounting policy stated in note 2. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows. Refer to note 18 for further information.

*Impairment of non-financial assets other than goodwill*
The Group assesses impairment of non-financial assets other than goodwill at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. There is a degree of judgement required to determine whether a trigger exists. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

*Recovery of deferred tax assets*
Deferred tax assets are recognised for temporary deductible differences and unused tax losses only if the Group considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses. The Group assesses the extent to which deferred tax assets will be recoverable in the short term by comparing forecast taxable profits to existing deferred tax assets and unused tax losses. Refer to note 9 for further information.

*Share-based payment transactions*
The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity. Refer to note 36 for further information.

*Lease term*
The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the Group's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The Group reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances. Refer to notes 17 and 21 for further information.

*Swap arrangement*
In accounting for borrowings associated with interest rate swaps, management has made a key accounting judgement in determining that the swap arrangement is closely related to the host instrument and therefore has accounted for these together and not as a separate derivative instrument. Refer to note 27 for further information.

## Note 4. Operating segments

*Identification of reportable operating segments*
The Group is managed primarily on the basis of product category and service offerings as the diversification of the Group's operations inherently have notably different risk profiles and performance assessment criteria. Operating segments are therefore determined on the same basis.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics and are also similar with respect to the following:
- the products sold and/or services provided by the segment;
- the type or class of customer for the products or services; and
- any external regulatory requirements.

The Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) has identified its operating segments based on the internal reporting that is used in assessing performance and in determining the allocation of resources. The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements. The information reported to the CODM is on a monthly basis.

*Types of products and services by segment*
(i) *Invoice finance*
Invoice finance involves the provision of an advance payment (typically up to 80%) against a client's invoices to help business overcome the cash pressure of delivering goods or services in advance of payment from the debtor (typically 30 – 60 days). This is a flexible line of credit that is utilised in line with sales volume. This segment includes a portion trade finance which can be used in conjunction with invoice finance to eligible customers.
(ii) *Equipment finance*
Equipment finance involves the provision of finance secured by new and old equipment used by businesses as a core part of their activities. This includes capital raise against owned equipment, private sales and mid-term refinancing.

*Intersegment transactions*
There are no Intersegment transactions.

*Segment assets*
Where an asset is used across multiple segments, the asset is allocated to that segment that receives majority economic value from that asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

*Segment liabilities*
Liabilities are allocated to segments where there is a direct nexus between the incurrence of the liability and the operations of the segment.

*Unallocated items*
The following items are not allocated to operating segments as they are not considered part of the core operations of any segment:
- Corporate salaries
- Income tax expense (including income tax expense, income tax payable/receivable and deferred tax assets and liabilities)
- Corporate costs associated with borrowings (including early termination costs)

## Note 4. Operating segments (continued)

*Operating segment information*

| Consolidated - 2026 | Invoice finance $'000 | Equipment finance $'000 | Unallocated / Corporate $'000 | Total $'000 |
|---|---|---|---|---|
| **Revenue** | | | | |
| Interest income | 14,697 | 16,649 | 67 | 31,413 |
| Interest expense | (7,263) | (9,946) | 391 | (16,818) |
| Net interest income | 7,434 | 6,703 | 458 | 14,595 |
| Fee income | 17,845 | 3,609 | - | 21,454 |
| **Net income** | 25,279 | 10,312 | 458 | 36,049 |
| | | | | |
| Operating expenses | (18,873) | (6,787) | (3,695) | (29,355) |
| Credit impairment expense | (525) | (2,712) | - | (3,237) |
| Depreciation and amortisation expense | (1,033) | (90) | (1,657) | (2,780) |
| **Profit/(loss) before income tax expense** | 4,848 | 723 | (4,894) | 677 |
| Income tax expense | | | | (231) |
| **Profit after income tax expense** | | | | 446 |
| | | | | |
| **Assets** | | | | |
| Segment assets | 137,777 | 175,553 | 51,489 | 364,819 |
| **Liabilities** | | | | |
| Segment liabilities | 124,070 | 167,780 | 5,064 | 296,914 |

| Consolidated - 2025 | Invoice finance $'000 | Equipment finance $'000 | Unallocated / Corporate $'000 | Total $'000 |
|---|---|---|---|---|
| **Revenue** | | | | |
| Interest income | 17,968 | 11,846 | 211 | 30,025 |
| Interest expense | (9,298) | (7,303) | (555) | (17,156) |
| Net interest income | 8,670 | 4,543 | (344) | 12,869 |
| Fee income | 17,772 | 3,129 | - | 20,901 |
| **Net income** | 26,442 | 7,672 | (344) | 33,770 |
| | | | | |
| Operating expenses | (17,753) | (4,681) | (3,446) | (25,880) |
| Credit impairment expense | 99 | (824) | - | (725) |
| Depreciation and amortisation expense | (1,267) | (101) | (1,893) | (3,261) |
| **Profit/(loss) before income tax expense** | 7,521 | 2,066 | (5,683) | 3,904 |
| Income tax expense | | | | (1,036) |
| **Profit after income tax expense** | | | | 2,868 |
| | | | | |
| **Assets** | | | | |
| Segment assets | 130,917 | 125,773 | 57,924 | 314,614 |
| **Liabilities** | | | | |
| Segment liabilities | 118,568 | 115,208 | 6,787 | 240,563 |

## Note 5. Income

| | Consolidated 2026 $'000 | Consolidated 2025 $'000 |
|---|---|---|
| **Services** | | |
| Invoice finance – interest income | 14,697 | 17,968 |
| Invoice finance – origination fees | 511 | 397 |
| Invoice finance – revenue from contracts with customers (over time) | 14,684 | 17,375 |
| Invoice finance – revenue from contracts with customers (point in time) | 2,650 | - |
| | 32,542 | 35,740 |
| Equipment finance – interest income | 16,649 | 11,846 |
| Equipment finance – origination fees | 2,245 | 1,543 |
| Equipment finance – revenue from contracts with customers (point in time) | 1,364 | 1,586 |
| | 20,258 | 14,975 |
| Other – interest income | 67 | 211 |
| Total income | 52,867 | 50,926 |
| Interest income | 31,413 | 30,025 |
| Other income | 21,454 | 20,901 |
| Total income | 52,867 | 50,926 |

*Accounting policy for revenue*
The Group derives both interest income and fee income from its invoice finance and equipment finance activities. The Group recognises revenue from contracts with customers in accordance with AASB 15 *Revenue from contracts with customers*, except for revenue arising from financial instruments, which is recognised in accordance with AASB 9 *Financial instruments.*

Revenue is recognised for key services as follows:

*(i) Interest income*
Interest income is recognised using the effective interest method in accordance with AASB 9 *Financial Instruments*, based on estimated future cash receipts over the expected life of the financial asset. This method calculates the amortised cost of a financial asset and allocates the interest income over the relevant period using the effective interest rate.

The effective interest rate calculation does not consider expected credit losses.

*(ii) Origination fees*
Fees that are an integral part of the loan (e.g., establishment fees) are included in the calculation of the effective interest rate and recognised using the effective interest method. Establishment fees are recognised over an expected term of 12 months on the basis that it is the minimum term of the facility.

Transaction costs that are directly attributable to the origination of receivables (e.g., broker commissions) are also included in the calculation of the effective interest rate and recognised using the effective interest method.

*(iii) Revenue from contracts with customers*
Fee income (e.g., administration fees, drawdown fees etc) is recognised at the point in time when the performance obligation has been satisfied. It is recognised at the fee rate or transaction price specified in the facility agreement or at a price that the Group expects to be entitled, in exchange for providing the service to the customer.

## Note 6. Interest expense

| | Consolidated 2026 $'000 | Consolidated 2025 $'000 |
|---|---|---|
| Interest expense on borrowings | 16,818 | 17,156 |

*Accounting policy for interest expense*
The Group's activities are funded by a combination of securitisation trust warehouse facilities, term facilities and cash held on the balance sheet. Interest expense is recognised as it accrues using the effective interest rate method.

Transaction costs directly attributable to the establishment of warehouse facilities and term facilities are initially capitalised and then recognised in interest expense over the expected life of the relevant facility.

## Note 7. Credit impairment expense

| | Consolidated 2026 $'000 | Consolidated 2025 $'000 |
|---|---|---|
| Net movement in stage 1/2 expected credit loss provision* | 403 | (336) |
| Receivables written off during the year as bad debts | 2,189 | 5,977 |
| Net movement in stage 3 expected credit loss provision* | 1,045 | (4,096) |
| Credit loss expense | 3,234 | 1,881 |
| Recoveries of previously written off amounts | (400) | (820) |
| | 3,237 | 725 |

* Refer to note 27 for additional information on the movement of the expected credit loss provision.

## Note 8. Expenses

| | Consolidated 2026 $'000 | Consolidated 2025 $'000 |
|---|---|---|
| Profit before income tax includes the following specific expenses: | | |
| *Depreciation* | | |
| Property, plant and equipment | 92 | 96 |
| Right-of-use assets | 589 | 616 |
| | 681 | 712 |
| *Amortisation* | | |
| Intangibles | 2,099 | 2,549 |
| Total depreciation and amortisation expenses | 2,780 | 3,261 |
| *Net foreign exchange loss/(gain)* | | |
| Net foreign exchange loss/(gain) | 4 | (2) |
| *Superannuation expense* | | |
| Employee superannuation expense | 1,305 | 1,233 |
| *Share-based payments expense* | | |
| Share-based payments expense | 50 | 363 |

## Note 9. Income tax

| | Consolidated 2026 $'000 | Consolidated 2025 $'000 |
|---|---|---|
| *Income tax expense* | | |
| Current tax | 731 | (63) |
| Deferred tax – origination and reversal of temporary differences | (500) | 1,099 |
| Aggregate income tax expense | 231 | 1,036 |
| *Numerical reconciliation of income tax expense and tax at the statutory rate* | | |
| Profit before income tax expense | 677 | 3,904 |
| Tax at the statutory tax rate of 30% | 203 | 1,171 |
| Tax effect amounts which are not deductible/(taxable) in calculating taxable income: | | |
| Deductibility of expenses associated with GST issue | - | (261) |
| Share-based payments | 15 | 109 |
| Sundry items | 13 | 17 |
| Income tax expense | 231 | 1,036 |
| Weighted average tax rate | 34.12% | 26.54% |

## Note 9. Income tax (continued)

| | Consolidated 2026 $'000 | Consolidated 2025 $'000 |
|---|---|---|
| *Deferred tax asset* | | |
| Deferred tax asset comprises temporary differences attributable to: | | |
| Amounts recognised in profit or loss: | | |
| Tax losses | 1,120 | 1,205 |
| Allowance for expected credit losses | 1,458 | 1,024 |
| Employee benefits | 649 | 646 |
| Accrued expenses | 91 | 94 |
| Other | 180 | 510 |
| Business combination | - | (481) |
| Deferred tax asset | 3,498 | 2,998 |
| Movements: | | |
| Opening balance | 2,998 | 4,097 |
| Credited/(charged) to profit or loss | 500 | (1,099) |
| Closing balance | 3,498 | 2,998 |

| | Consolidated 2026 $'000 | Consolidated 2025 $'000 |
|---|---|---|
| *Income tax receivable* | | |
| Current tax asset | 21 | 40 |
| Amount expected to be recovered within 12 months | 21 | 40 |

*Accounting policy for income tax*

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

An income tax benefit will arise for the financial year where an income tax loss is incurred and, where permitted to do so, is carried-back against a qualifying prior period’s tax payable to generate a refundable tax offset.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- when the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- when the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

## Note 9. Income tax (continued)

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

## Note 10. Earnings per share

| | Consolidated | |
|---|---|---|
| | 2026 $'000 | 2025 $'000 |
| Profit after income tax attributable to the owners of Earlypay Ltd | 446 | 2,868 |
| | Number | Number |
| Weighted average number of ordinary shares used in calculating basic earnings per share | 260,704,900 | 272,346,236 |
| Adjustments for calculation of diluted earnings per share: | | |
| Performance rights on issue | 3,096,001 | 3,035,000 |
| Weighted average number of ordinary shares used in calculating diluted earnings per share | 263,800,901 | 275,381,236 |
| | Cents | Cents |
| Basic earnings per share | 0.17 | 1.05 |
| Diluted earnings per share | 0.17 | 1.04 |

## Note 11. Cash and cash equivalents

| | Consolidated | |
|---|---|---|
| | 2026 $'000 | 2025 $'000 |
| Cash at bank and in hand | 9,668 | 9,612 |
| Cash at bank – Servicer (restricted)(1) | 2,179 | 7,108 |
| Cash at bank – Trustee (restricted)(1) | 23,089 | 20,389 |
| | 34,936 | 37,109 |
| Amount expected to be recovered within 12 months | 34,936 | 37,109 |

(1) These amounts are unavailable to the Group as they are held on trust by or for the Trustee of borrowing vehicles.

*Accounting policy for cash and cash equivalents*
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

## Note 12. Other financial assets

| | Consolidated | |
|---|---|---|
| | 2026 $'000 | 2025 $'000 |
| Bank guarantee - leases | 536 | 448 |
| Amount expected to be recovered after more than 12 months | 536 | 448 |

## Note 13. Other assets

| | Consolidated 2026 $'000 | Consolidated 2025 $'000 |
|---|---|---|
| Accrued revenue | 393 | 248 |
| Prepayments | 977 | 2,431 |
| Deposits | 12 | - |
| Advances | 16 | 16 |
| | 1,398 | 2,695 |
| Amount expected to be recovered within 12 months | 1,398 | 2,695 |

## Note 14. Invoice finance receivables

| | Consolidated 2026 $'000 | Consolidated 2025 $'000 |
|---|---|---|
| Invoice finance receivables | 124,506 | 115,386 |
| Less: Allowance for expected credit losses (note 27) | (1,851) | (1,381) |
| Net invoice finance receivables | 122,655 | 114,005 |
| Amount expected to be recovered within 12 months | 122,655 | 114,005 |

*Accounting policy for invoice finance receivables*
The Group has recognised loan facility receivables in connection with its invoice finance activities. The Group advances funds against a client's approved invoices on an ongoing basis. The client's ledger is assigned to, and collected by, the Group which is used to repay the client's facility balance. The receivable balance is the amount advanced and owing by its invoice finance clients.

Invoice finance receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. The initial fair value of receivables includes capitalised origination fees, net of capitalised transaction costs.

Comparative information has been re-presented to align with the current year presentation of invoice finance receivables. The change in presentation has no impact on the carrying amount of invoice finance receivables, profit, total equity or cash flows.

## Note 15. Equipment finance receivables

| | Consolidated 2026 $'000 | 2025 $'000 |
|---|---|---|
| Equipment finance receivables | 217,502 | 156,691 |
| Add: Unamortised loan brokerage fees | 6,433 | 4,410 |
| Less: Unamortised loan transaction fees | (6,802) | (4,633) |
| Less: Unamortised interest receivable | (41,792) | (28,663) |
| Gross carrying amount at amortised cost | 175,341 | 127,805 |
| Less: Allowance for expected credit losses (note 27) | (3,009) | (2,031) |
| Net equipment finance receivables | 172,332 | 125,774 |
| Amount expected to be recovered within 12 months | 51,165 | 42,066 |
| Amount expected to be recovered after more than 12 months | 121,167 | 83,708 |
| | 172,332 | 125,774 |

*Accounting policy for equipment finance receivables*
The Group has recognised loans secured against equipment. Loans are typically structured as chattel mortgages.

Equipment finance receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. The initial fair value of equipment finance receivables includes capitalised origination fees net of capitalised transaction costs.

Unamortised transaction fees and interest will be recognised as income in future periods using the effective interest rate method. Gross equipment finance receivables less unamortised transaction fees and interest represent the loan receivable calculated in accordance with the accounting policy.

## Note 16. Property, plant and equipment

| | Consolidated 2026 $'000 | 2025 $'000 |
|---|---|---|
| Leasehold improvements - at cost | 515 | 758 |
| Less: Accumulated depreciation | (433) | (640) |
| | 82 | 118 |
| Motor vehicles | 56 | 56 |
| Less: Accumulated depreciation | (56) | (56) |
| | - | - |
| Office equipment | 1,875 | 2,466 |
| Less: Accumulated depreciation | (1,815) | (2,400) |
| | 60 | 66 |
| Low-value pool | 40 | 27 |
| Less: Accumulated depreciation | (27) | (22) |
| | 13 | 5 |
| | 155 | 189 |
| Amount expected to be recovered after more than 12 months | 155 | 189 |

## Note 16. Property, plant and equipment (continued)

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

| Consolidated | Leasehold improvements $'000 | Office equipment $'000 | Low-value pool $'000 | Total $'000 |
|---|---|---|---|---|
| Balance at 1 July 2024 | 169 | 94 | 4 | 267 |
| Additions | - | 14 | 4 | 18 |
| Depreciation expense | (51) | (42) | (3) | (96) |
| Balance at 30 June 2025 | 118 | 66 | 5 | 189 |
| Additions | 16 | 29 | 13 | 58 |
| Depreciation expense | (52) | (35) | (5) | (92) |
| Balance at 30 June 2026 | 82 | 60 | 13 | 155 |

## Note 17. Right-of-use assets

| | Consolidated 2026 $'000 | Consolidated 2025 $'000 |
|---|---|---|
| Land and buildings - right-of-use | 2,719 | 2,492 |
| Less: Accumulated depreciation | (1,674) | (1,244) |
| | 1,045 | 1,248 |
| Amount expected to be recovered after more than 12 months | 1,045 | 1,248 |

Additions to the right-of-use assets during the year were $386,000 (2025: $44,000) and depreciation during the year was $589,000 (2025: $616,000).

The Group leases land and buildings for its offices under agreements of between two to five years with, in some cases, options to extend. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

*For other AASB 16 and lease related disclosures refer to the following:*
- note 21 for interest on lease liabilities;
- note 27 for maturity analysis of lease liabilities; and
- consolidated statement of cash flow for repayment of lease liabilities.

*Accounting policy for right-of-use assets*
A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

## Note 18. Intangible assets

| | Consolidated 2026 $'000 | Consolidated 2025 $'000 |
|---|---|---|
| Goodwill - at cost | 27,775 | 27,775 |
| | | |
| Customer relationships - at cost | 13,139 | 13,139 |
| Less: Accumulated amortisation | (13,139) | (11,533) |
| | - | 1,606 |
| | | |
| Software - at cost | 3,979 | 4,449 |
| Less: Accumulated amortisation | (3,511) | (3,722) |
| | 468 | 727 |
| | | |
| | 28,243 | 30,108 |
| | | |
| Amount expected to be recovered after more than 12 months | 28,243 | 30,108 |

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

| **Consolidated** | Goodwill $'000 | Customer relationships $'000 | Software $'000 | Total $'000 |
|---|---|---|---|---|
| Balance at 1 July 2024 | 27,775 | 3,442 | 1,129 | 32,346 |
| Additions | - | - | 311 | 311 |
| Amortisation expense | - | (1,836) | (713) | (2,549) |
| | | | | |
| Balance at 30 June 2025 | 27,775 | 1,606 | 727 | 30,108 |
| Additions | - | - | 234 | 234 |
| Amortisation expense | - | (1,606) | (493) | (2,099) |
| | | | | |
| Balance at 30 June 2026 | 27,775 | - | 468 | 28,243 |

## Note 18. Intangible assets (continued)

*Impairment testing*

(a) *Impairment tests for goodwill*

Goodwill acquired through business combinations has been allocated to the following cash-generating units:

| | Consolidated | |
|---|---|---|
| | 2026 $'000 | 2025 $'000 |
| Invoice finance | 19,666 | 19,666 |
| Equipment finance | 8,109 | 8,109 |
| | 27,775 | 27,775 |

The recoverable amount of each cash generating unit has been determined using a value-in-use calculation.

The calculation continues to use a five-year explicit cash flow period. Cash flows for the first three years (2025: first two years) are based on management's financial projections. Cash flows for years four and five (2025: years three, four and five) are modelled assuming origination volumes are constant at the year-three level (2025: constant operating profit growth rate). As the loan portfolios increase, maintaining origination volumes at this level results in a progressive moderation in portfolio growth as each cash-generating unit approaches a steady state.

Key assumptions are those to which the recoverable amount of a cash-generating unit is most sensitive. The key assumptions used in the value-in-use calculations are forecast portfolio growth, the terminal growth rate and the discount rate.

Forecast portfolio growth is based on management's financial projections for each cash-generating unit, having regard to recent portfolio and origination performance and management's expectations of future origination activity.

A terminal value has been calculated at the end of the five-year projection period, assuming cash flows grow at 2.5% per annum in perpetuity (2025: 2.5%). The terminal growth rate reflects management's assessment of the long-term growth rate for the sectors and economy in which the cash-generating units operate.

Cash flows are discounted at a rate of 13.5% (2025: 13.5%). The discount rate reflects management's estimate of the time value of money and the Group's weighted average cost of capital, adjusted for the risks specific to the cash-generating units.

(b) *Impairment charge*

Intangible assets with indefinite lives have been tested for impairment at 30 June 2026 with no impairment charge required as a result of the annual impairment test described above.

No indicators of impairment were identified for finite life intangible assets and thus no impairment test or impairment charge was required.

(c) *Impact of possible changes in key assumptions*

Management has assessed reasonably possible changes in the key assumptions used in determining the recoverable amounts of the cash-generating units and does not consider that any such change would cause the carrying amount of either cash-generating unit to exceed its recoverable amount.

If the cash flow projections were 10% lower, the Group would not have recognised an impairment of goodwill. If the discount rate was 1% higher, the Group would not have recognised an impairment of goodwill.

## Note 18. Intangible assets (continued)

*Accounting policy for intangible assets*
Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

*Goodwill*
Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

## Note 19. Trade and other payables

| | Consolidated | |
|---|---|---|
| | 2026<br>$'000 | 2025<br>$'000 |
| Trade payables | 2,131 | 1,889 |
| Amount expected to be settled within 12 months | 2,131 | 1,889 |

Refer to note 27 for further information on financial instruments.

## Note 20. Borrowings

| | Consolidated | |
|---|---|---|
| | 2026<br>$'000 | 2025<br>$'000 |
| Insurance premium funding | - | 1,127 |
| Securitised invoice finance warehouse - overdraft facility | 16,707 | 19,570 |
| Securitised equipment finance warehouse facility – A note | 132,000 | 93,164 |
| Securitised equipment finance warehouse facility – B note | 36,000 | 22,500 |
| Securitised invoice finance warehouse facility – A note | 98,000 | 90,000 |
| Securitised invoice finance warehouse facility – B note | 10,000 | 10,000 |
| Less: Capitalised transaction costs | (857) | (1,457) |
| | 291,850 | 234,904 |
| Amount expected to be settled within 12 months | - | 135,859 |
| Amount expected to be settled after more than 12 months | 291,850 | 99,045 |
| | 291,850 | 234,904 |

Refer to note 27 for further information on financial instruments.

## Note 20. Borrowings (continued)

*Financing arrangements*
Terms and access available at the reporting date:

| Facility | Average interest rate % | Maturity | Total facility $'000 | 2026 (used) $'000 | 2026 (unused) $'000 | 2025 (used) $'000 | 2025 (unused) $'000 |
|---|---|---|---|---|---|---|---|
| *Secured* | | | | | | | |
| Securitised equipment finance warehouse facility – A note [1] | 5.85% | Aug 2027 | 135,000 | 132,000 | 3,000 | 93,164 | 26,836 |
| Securitised equipment finance warehouse facility – B note [1] | 10.38% | Aug 2027 | 36,000 | 36,000 | - | 22,500 | - |
| Securitised invoice finance warehouse facility – A note [2] | 5.52% | Sep 2027 | 155,000 | 98,000 | 57,000 | 90,000 | 65,000 |
| Securitised invoice finance warehouse facility – B note [2] | 10.39% | Oct 2027 | 10,000 | 10,000 | - | 10,000 | - |
| Securitised invoice finance warehouse Overdraft facility | 5.65% | Sep 2027 | 30,000 | 16,707 | 13,293 | 19,570 | 10,430 |
| Total secured | | | 366,000 | 292,707 | 73,293 | 235,234 | 102,266 |
| *Unsecured* | | | | | | | |
| Insurance premium funding | | | - | - | - | 1,127 | - |
| Total unsecured | | | - | - | - | 1,127 | - |
| Less: Capitalised transaction costs | | | - | (857) | - | (1,457) | - |
| Total borrowings | | | 366,000 | 291,850 | 73,293 | 234,904 | 102,266 |

1 In September 2025, the Group refinanced its existing securitised equipment finance warehouse with a new vehicle. These underlying facilities have an availability period that ends in August 2026 and a contractual maturity in August 2027. These were extended by a further 12 months in August 2026.
2 These facilities have an availability period that ends in March 2027 and a contractual maturity in September/October 2027.

*Covenants for non-current borrowings*
The securitised invoice finance warehouse had aggregate non-current borrowings of $124,707,000 at 30 June 2026 (2025: $100,000,000). The securitised equipment finance warehouse had aggregate non-current borrowings of $168,000,000 at 30 June 2026 (2025: nil).

These facilities contain the following categories of covenants in accordance with the respective Facility Deeds, which are tested at different points in time:

## Note 20. Borrowings (continued)

- Borrowing Base Test - ongoing requirement that the value of eligible receivables exceeds the drawn notes. This test is performed daily or monthly and supported by a Borrowing Base Report delivered to the noteholders.
- Amortisation Events - events that, if triggered, would end the revolving period and cause collections to be applied to repay notes on a controlled amortisation basis. The Manager is required to assess and report on the occurrence of Amortisation Events monthly on each Calculation date, with covenant performance included in the Monthly Manager Report. Examples of Amortisation Events include:
  - o failure of the Borrowing Base Test;
  - o breach of receivables pool parameters (e.g. arrears, concentration, eligibility limits) measured monthly;
  - o failure to maintain required liquidity support or reserves, tested monthly;
  - o insolvency or default of the Servicer, Manager or other key transaction parties, assessed on a continuing basis; and
  - o certain legal, regulatory or tax events that have a material adverse effect.
- Events of Default - events that could result in the immediate acceleration of the notes and repayment on demand. Events of Default are continuously applicable, with any breach giving rise to immediate enforcement rights if not remedied within contractual cure periods. Examples include:
  - o failure to pay principal or interest when due (tested on each Payment Date);
  - o breach of key obligations under transaction documents not remedied within cure periods;
  - o insolvency events in respect of the Issuer, Servicer or Sellers;
  - o unlawfulness or invalidity of transaction documents; and
  - o events having a material adverse effect on the facility.
- Operational covenants - customary undertakings such as maintaining accounts, provision of reports, audit rights compliance with laws and restrictions on disposals. These are tested on an ongoing basis, with formal compliance evidenced through monthly reporting.

The Group's borrowings under its warehouse facilities are secured over the assets of the respective warehouse trusts. The security is held on trust for the benefit of the respective facility noteholders and overdraft facility provider. The secured assets at 30 June 2026 include:

Securitised invoice finance warehouse facility:
- gross trade and invoice receivables of $280.574m (2025: $251.036m);
- cash held in trust bank accounts of $17.907m (2025: $16.912m); and
- ancillary rights associated with the receivables, including guarantees and underlying security interests granted by underlying obligors.

Securitised equipment finance warehouse facility:
- equipment finance receivables of $173.611m (2025: $125.477m);
- cash held in trust bank accounts of $5.182m (2025: $3.477m); and
- ancillary rights associated with the receivables, including guarantees and underlying security interests in financed equipment.

The Group was in full compliance with all covenants of both warehouse facilities at 30 June 2026. No events of default or amortisation events had occurred or were continuing as at that date. Although the maturity date of the facilities is beyond 12 months, breach of certain covenants could, if not remedied or waived, result in the facilities becoming repayable on demand or moving into amortisation. The Group actively monitors covenant compliance, including daily borrowing base calculations and monthly reporting to noteholders, to ensure early identification of risks.

*Accounting policy for borrowings*
Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

## Note 21. Lease liabilities

| | Consolidated 2026 $'000 | 2025 $'000 |
|---|---|---|
| Land and buildings - lease liabilities | 1,148 | 1,413 |
| | | |
| Amount expected to be settled within 12 months | 674 | 602 |
| Amount expected to be settled after more than 12 months | 474 | 811 |
| | 1,148 | 1,413 |
| | | |
| Interest expense on lease liabilities | 81 | 73 |

Refer to note 27 for maturity analysis of lease liabilities.

*Non-cancellable leases*
The lease liabilities comprise of the following leases:

- The property lease at Brisbane expires on 31 October 2027. It is a 4 year lease with rent payable monthly in advance. Rental provisions with the lease agreement requires the minimum lease payments to increase by 4.0% per annum.
- The property lease at North Sydney expires on 31 October 2027. It is a 5 year lease with rent payable monthly in advance. Rental provisions with the lease agreement requires the minimum lease payments to increase by 3.5% per annum.
- The property lease at Melbourne expires on 31 March 2030. It is a 4 year lease with rent repayable monthly in advance. Rental provisions with the lease agreement requires the minimum lease payments to increase by 4.0% per annum.

*Interest expense*
Interest expense on lease liabilities is recognised in Other expenses in the Statement of profit or loss and other comprehensive income.

*Accounting policy for lease liabilities*
A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.

Lease liabilities are measured at amortised cost using the effective interest method.

## Note 22. Employee benefits

| | Consolidated 2026 $'000 | 2025 $'000 |
|---|---|---|
| Employee benefits | 1,556 | 1,556 |
| | | |
| Amount expected to be settled within 12 months | 1,377 | 1,225 |
| Amount expected to be settled after more than 12 months | 179 | 331 |
| | 1,556 | 1,556 |

*Accounting policy for employee benefits*

*Short-term employee benefits*
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

## Note 23. Issued capital

| | Consolidated | | | |
|---|---|---|---|---|
| | 2026 Shares | 2025 Shares | 2026 $'000 | 2025 $'000 |
| Ordinary shares - fully paid | 245,084,711 | 272,209,092 | 67,044 | 71,913 |

*Movements in share capital*

| Details | Shares | $'000 |
|---|---|---|
| Balance as at 1 July 2024 | 272,933,910 | 72,047 |
| Share buy-back | (724,818) | (134) |
| Balance as at 30 June 2025 | 272,209,092 | 71,913 |
| Share buy-back | (27,144,381) | (4,873) |
| Performance rights exercised | 20,000 | 4 |
| Balance as at 30 June 2026 | 245,084,711 | 67,044 |

*Ordinary shares*
Ordinary shares entitle the holder to participate in any dividends declared and any proceeds attributable to shareholders should the Company 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 Company does not have a limited amount of authorised capital.

*Share buy-back*
On 1 November 2024, Earlypay announced an on-market share buy-back of up to 27,000,000 ordinary fully paid shares. The share buy-back is for a period of 12 months from 21 November 2024.

On 21 November 2025, the Company announced an extension of its on-market share buy-back program, authorising the purchase of up to 26,000,000 ordinary fully paid shares. The extended buy-back commenced on 24 November 2025 and continues until 23 November 2026, unless completed or terminated earlier. During the financial year ended 30 June 2026, the Company purchased a total of 27,144,381 ordinary shares for $4,873,000 under its on-market share buy-back programs, comprising shares purchased under both the original buy-back and the extended buy-back.

*Performance rights exercised*
On 5 December 2025, 20,000 performance rights converted into shares on satisfaction of the performance measure applicable to the tranche of performance rights during the financial period.

*Capital risk management*
The Group and the parent entity's objective when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide returns to shareholders and benefits to other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group's debt and capital includes ordinary share capital, and financial liabilities, supported by financial assets.

Management effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues.

There are no externally imposed capital requirements. This strategy is to ensure that the Group's gearing ratio remains under 90%. The gearing ratios for the year ended 30 June 2026 and 30 June 2025 are as follows:

## Note 23. Issued capital (continued)

| | Consolidated 2026 $'000 | Consolidated 2025 $'000 |
|---|---|---|
| **Gearing ratios** | | |
| Total borrowings (note 20) | 291,850 | 234,904 |
| Less: Cash and cash equivalents (note 11) | (34,936) | (37,109) |
| Net debt | 256,914 | 197,795 |
| Total equity | 67,905 | 74,051 |
| Total capital | 324,819 | 271,846 |
| Gearing ratio | 79.09% | 72.76% |

The capital risk management policy remains unchanged from the 30 June 2025 Annual Report.

## Note 24. Reserves

| | Consolidated 2026 $'000 | Consolidated 2025 $'000 |
|---|---|---|
| Share-based payments reserve | 409 | 363 |

*Share-based payments reserve*
The reserve is used to recognise the value of equity benefits provided to employees and Directors as part of their remuneration.

*Movements in reserves*
Movements in reserve during the current and previous financial year are set out below:

| Consolidated | Share-based payments $'000 |
|---|---|
| Balance at 1 July 2024 | 152 |
| Share-based payments expense | 363 |
| Transfer to retained earnings | (152) |
| Balance at 30 June 2025 | 363 |
| Share-based payments expense | 50 |
| Amount transferred to issued capital | (4) |
| Balance at 30 June 2026 | 409 |

## Note 25. Dividends

*Dividends*
Dividends paid during the financial year were as follows:

| | Consolidated | |
|---|---|---|
| | 2026 | 2025 |
| | $'000 | $'000 |
| Final dividend for the year ended 30 June 2025 of 0.65 cents (2024: 0.15 cents) per ordinary share | 1,769 | 409 |
| Interim dividend for the year ended 30 June 2026 of nil cents (2025: 0.14 cents) per ordinary share | - | 381 |
| | 1,769 | 790 |

A fully franked dividend of 0.18 cents per ordinary share for the financial year ended 30 June 2026 has been declared subsequent to balance date.

*Franking credits*

| | Consolidated | |
|---|---|---|
| | 2026 | 2025 |
| | $'000 | $'000 |
| Franking credits available for subsequent financial years based on a tax rate of 30% | 6,767 | 6,810 |

The above amounts represent the balance of the franking account as at the end of the financial year, adjusted for:
- franking credits that will arise from the payment of the amount of the provision for income tax at the reporting date;
- franking debits that will arise from the payment of dividends recognised as a liability at the reporting date; and
- franking credits that will arise from the receipt of dividends recognised as receivables at the reporting date.

*Accounting policy for dividends*
Dividends are recognised when declared during the financial year and no longer at the discretion of the Company.

## Note 26. Cash flow information

*Reconciliation of profit after income tax to net cash from operating activities*

| | Consolidated 2026 $'000 | Consolidated 2025 $'000 |
|---|---|---|
| Profit after income tax expense for the year | 446 | 2,868 |
| Adjustments for: | | |
| Depreciation and amortisation expense | 2,780 | 3,261 |
| Credit impairment expense | 3,237 | 725 |
| Change in operating assets and liabilities: | | |
| (Increase)/decrease in invoice finance receivables | (8) | 264 |
| Increase in other financial assets | (89) | - |
| Decrease/(increase) in other assets | 915 | (456) |
| (Decrease) in other liabilities | (572) | (22) |
| Increase/(decrease) in trade and other payables | 608 | (1,804) |
| (Decrease)/increase in provision for income tax | (484) | 2,789 |
| Increase in employee benefits | 51 | 498 |
| Increase in lease liabilities | - | 548 |
| Increase in borrowings | 673 | - |
| Net cash from operating activities | 7,557 | 8,671 |

*Non-cash investing and financing activities*

| | Consolidated 2026 $'000 | Consolidated 2025 $'000 |
|---|---|---|
| Additions to the right-of-use assets (note 17) | 386 | 44 |

*Changes in liabilities arising from financing activities*

| Consolidated | Insurance premium funding $'000 | Securitised invoice finance warehouse - overdraft facility $'000 | Securitised invoice finance warehouse facility – A note $'000 | Securitised invoice finance warehouse facility – B note $'000 | Corporate bond no. 2 $'000 |
|---|---|---|---|---|---|
| Balance at 1 July 2024 | 1,166 | 16,769 | 110,005 | 10,000 | 19,207 |
| Net cash used in financing activities | (1,260) | - | (20,005) | - | (19,207) |
| Other non-cash changes | 1,221 | 2,801 | (839) | - | - |
| Balance at 30 June 2025 | 1,127 | 19,570 | 89,161 | 10,000 | - |
| Net cash (used in)/from financing activities | (1,127) | (2,863) | 8,000 | - | - |
| Other non-cash changes | - | - | 342 | (140) | - |
| Balance at 30 June 2026 | - | 16,707 | 97,503 | 9,860 | - |

## Note 26. Cash flow information (continued)

| Consolidated | Securitised equipment finance warehouse facility – A note $'000 | Securitised equipment finance warehouse facility – B note $'000 | Lease liabilities $'000 | Total $'000 |
|---|---|---|---|---|
| Balance at 1 July 2024 | 55,864 | 21,770 | 1,939 | 236,720 |
| Net cash from financing activities | 37,300 | 730 | (699) | (3,141) |
| Other non-cash changes | (34) | (584) | 173 | 2,738 |
| Balance at 30 June 2025 | 93,130 | 21,916 | 1,413 | 236,317 |
| Net cash from financing activities | 38,836 | 13,500 | (703) | 55,643 |
| Other non-cash changes | (76) | 474 | 438 | 1,038 |
| Balance at 30 June 2026 | 131,890 | 35,890 | 1,148 | 292,998 |

## Note 27. Financial instruments

***Financial risk management objectives***

The Audit and Risk Committee has been delegated responsibility by the Board of Directors for, amongst other issues, monitoring and managing financial risk exposures of the Group which includes credit risk, market risk and liquidity risk. The committee monitors the Group's financial risk management policies and exposures and approves financial transactions within the scope of its authority. It also reviews the effectiveness of internal controls relating to financing risk and interest rate risk.

The Group's overall risk management strategy is to ensure that financial targets are met, while minimising potential adverse effects on financial performance relating to current and future cash flow requirements.

The Group's financial instruments consist mainly of deposits with banks, invoice finance receivables, equipment finance receivables, borrowings, lease liabilities and trade and other payables.

The total for each category of financial instruments are as follows:

| | Consolidated 2026 $'000 | Consolidated 2025 $'000 |
|---|---|---|
| *Financial assets* | | |
| Cash and cash equivalent | 34,936 | 37,109 |
| Invoice finance receivables | 122,655 | 114,005 |
| Equipment finance receivables | 172,332 | 125,774 |
| Other assets | 1,398 | 2,695 |
| | 331,321 | 279,583 |
| *Financial liabilities* | | |
| Trade and other payables | 2,131 | 1,889 |
| Borrowings - variable | 125,107 | 146,965 |
| Borrowings - fixed | 166,743 | 87,939 |
| Lease liabilities | 1,148 | 1,413 |
| | 295,129 | 238,206 |

The above financial instruments are all held at amortised cost.

Earlypay

## Note 27. Financial instruments (continued)

### *Credit risk*

Credit risk arises predominantly from receivables from customers and also from cash and cash equivalents, and deposits with banks and financial institutions. For banks and financial institutions, only independently rated parties with a minimum rating of 'AA-' are accepted. If customers are independently rated, these ratings are used. If there is no independent rating for customers, the Group's risk controls assess the credit quality of the customer, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Group. The compliance with credit limits by clients is regularly monitored by line management.

The maximum exposure to credit risk at the reporting date, excluding any amounts recoverable under the Group's credit insurance (which is not able to be reliably estimated) is the carrying amount of the financial assets summarised in the following table. The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparties default rates.

Earlypay's credit risk policies specify key credit underwriting and ongoing credit management requirements. Key features of the Group's credit risk management include:

- specific eligibility criteria for invoice finance and equipment finance facilities;
- defined credit underwriting process and delegated lending authorities;
- take-on verification of new invoice finance client ledgers (typically 50% of ledger);
- ongoing verification of new invoice finance batch purchases (typically at least 20 – 30%);
- dedicated collections team follow-up overdue invoices;
- dedicated allocations team reconcile cash receipts to individual invoices;
- dedicated risk management oversight function; and
- trade credit insurance policies in place to cover a proportion of outstanding debtor invoices.

| | Consolidated 2026 $'000 | Consolidated 2025 $'000 |
|---|---|---|
| *Invoice finance and equipment finance receivables* | | |
| AAA Federal government departments and instrumentalities | 1,967 | 6,430 |
| Counterparties without external credit rating | 293,020 | 233,349 |
| | 294,987 | 239,779 |
| *Cash at bank and short-term bank deposits* | | |
| AA- | 34,936 | 37,109 |
| | 34,936 | 37,109 |

### *Allowance for expected credit loss ('ECL')*

The Group establishes an allowance for loan impairment that represents its estimate of expected future losses for its invoice finance receivables and equipment finance receivables. Receivables and portfolio performance is subject to ongoing assessment and monitoring by the Group to ensure that the allowance for expected credit losses remains adequate.

*Impairment of invoice finance receivables*

| Consolidated | Stage 1 $'000 | Stage 2 $'000 | Stage 3 $'000 | 2026 Total $'000 | 2025 Total $'000 |
|---|---|---|---|---|---|
| Opening balance | 821 | 522 | 38 | 1,381 | 5,204 |
| Net impact of originations and repayments | 95 | (80) | (60) | (45) | (344) |
| Transfers between stages | (15) | (5) | 20 | - | - |
| Net remeasurement of loss allowance | (39) | (53) | 1,026 | 934 | 1,059 |
| Write-offs | - | - | (419) | (419) | (4,538) |
| Closing balance | 862 | 384 | 605 | 1,851 | 1,381 |

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## Note 27. Financial instruments (continued)

*Credit risk profile of invoice finance receivables*[1]

| Consolidated | Expected credit loss 2026 % | Expected credit loss 2025 % | Gross carrying amount 2026 $'000 | Gross carrying amount 2025 $'000 | Allowance for ECL 2026 $'000 | Allowance for ECL 2025 $'000 |
|---|---|---|---|---|---|---|
| Stage 1 | 0.9% | 1.0% | 96,228 | 85,194 | 862 | 821 |
| Stage 2 | 1.7% | 2.1% | 22,451 | 25,174 | 384 | 522 |
| | | | 118,679 | 110,368 | 1,246 | 1,343 |
| *Credit impaired* | | | | | | |
| Stage 3 | 10.4% | 0.8% | 5,827 | 5,018 | 605 | 38 |
| | | | 124,506 | 115,386 | 1,851 | 1,381 |

[1] During the year, the Group refined the estimation methodology and presentation applied to expected credit losses on invoice finance receivables. The disclosure has been updated to present exposures separately by Stage 1, Stage 2 and Stage 3 and by reference to the gross carrying amount of the related receivables, replacing the previous presentation based on arrears of underlying client invoices. The estimation methodology was refined to better align the assessment and measurement of expected credit losses with the Group's current credit risk assessment framework and observed portfolio experience. Comparative information has been re-presented on a consistent basis, with no change to the total expected credit loss allowance previously reported at 30 June 2025. The refinement did not represent a change in the Group's accounting policy for expected credit losses.

*Impairment of equipment finance receivables*

| Consolidated | Stage 1 $'000 | Stage 2 $'000 | Stage 3 $'000 | 2026 Total $'000 | 2025 Total $'000 |
|---|---|---|---|---|---|
| Opening balance | 1,239 | 26 | 766 | 2,031 | 2,640 |
| Net impact of originations and repayments | 504 | (18) | (153) | 333 | 343 |
| Transfers between stages | (66) | 15 | 51 | - | - |
| Net remeasurement of loss allowance | (279) | 344 | 2,350 | 2,415 | 487 |
| Write-offs | - | - | (1,770) | (1,770) | (1,439) |
| Closing balance | 1,398 | 367 | 1,244 | 3,009 | 2,031 |

*Credit risk profile of equipment finance receivables*[1]

| Consolidated | Expected credit loss 2026 % | Expected credit loss 2025 % | Gross carrying amount 2026 $'000 | Gross carrying amount 2025 $'000 | Allowance for ECL 2026 $'000 | Allowance for ECL 2025 $'000 |
|---|---|---|---|---|---|---|
| Stage 1 | 0.8% | 1.0% | 167,435 | 124,117 | 1,398 | 1,239 |
| Stage 2 | 13.6% | 2.1% | 2,699 | 1,233 | 367 | 26 |
| | | | 170,134 | 125,350 | 1,765 | 1,265 |
| *Credit impaired* | | | | | | |
| Stage 3 | 23.9% | 31.2% | 5,207 | 2,455 | 1,244 | 766 |
| | | | 175,341 | 127,805 | 3,009 | 2,031 |

## Note 27. Financial instruments (continued)

[1] During the year, the Group refined the estimation methodology and presentation applied to expected credit losses on equipment finance receivables. The disclosure has been updated to present exposures separately by Stage 1, Stage 2 and Stage 3, replacing the previous presentation by arrears category. The estimation methodology was also refined to better align the measurement of expected credit losses with the Group's current credit risk assessment framework and observed portfolio experience. Comparative information has been re-presented on a consistent basis, with no change to the total expected credit loss allowance previously reported at 30 June 2025. The refinement did not represent a change in the Group's accounting policy for expected credit losses.

### *Measurement of expected credit loss*

The Group’s ECL model incorporates consideration of:
- the probability of default ('PD') – the likelihood that a facility will default over a given time frame;
- the loss given default ('LGD') – the expected credit loss in the event of default; and
- the exposure at default ('EAD') – the expected outstanding balance of the receivable at the time of default.

AASB 9 establishes a three-stage credit risk framework based on changes in credit risk since initial recognition. The Group applies this framework having regard to the characteristics and expected life of its invoice finance and equipment finance portfolios, as set out below.

| | |
|---|---|
| Performing (Stage 1) | Facilities that have not had a significant increase in credit risk since initial recognition. For these assets, 12-month expected credit losses are recognised. |
| Increasing risk (Stage 2) | Facilities that have experienced a significant increase in credit risk since initial recognition, but do not have objective evidence of impairment. For these assets, lifetime expected credit losses are recognised. |
| Credit impaired (Stage 3) | Facilities that are credit impaired. Expected credit losses are assessed on an individual basis based on expected recoveries. |

Lifetime expected credit losses represent the expected credit losses that are expected to result from default events over the expected life of the financial asset. Where an asset is expected to mature in 12 months or less, the 12-month ECL and the lifetime ECL have the same effective meaning.

*Significant increase in credit risk*

In assessing whether a financial asset has experienced a significant increase in credit risk since initial recognition, the Group considers relevant qualitative and quantitative information. Indicators of a significant increase in credit risk include:
- deterioration in the Group's internal assessment of the counterparty's credit risk;
- deterioration in payment or arrears performance;
- adverse changes in the counterparty's financial position or ability to meet its contractual obligations;
- changes in the conduct or performance of the facility that indicate increased credit risk; and
- other relevant forward-looking economic or credit information that may indicate an increase in the risk of default.

*Credit impairment*

Financial assets are regarded as credit impaired when one or more events have occurred that have a detrimental impact on the estimated future cash flows of the financial asset. Indicators that a financial asset is credit impaired include observable data about the following:
- significant financial difficulty of the borrower;
- the borrower is in material breach of the facility agreement or other transaction document which leads Earlypay to believe that the borrower’s ability to meet its credit obligations to the lending company is in doubt;
- the Group, for economic or contractual reasons relating to the borrower’s financial difficulty, has granted concessions to the borrower that it would not otherwise consider; and
- a borrower has, or it is becoming probable that a borrower will, enter administration, bankruptcy or other financial reorganisation.

## Note 27. Financial instruments (continued)

*Forward-looking information*
In addition to considering historical experience based on a 'through-the-cycle' view of expected credit losses, Earlypay also incorporates forward-looking information in determining ECL factors. In particular, based on the Group's judgement of forward-looking macroeconomic conditions, ECL factors may be adjusted to reflect point-in-time expectations. The following macroeconomic factors are considered:
- expected Gross Domestic Product growth;
- the level of the RBA cash rate;
- the level of inflation (CPI); and
- the level of insolvencies.

### *Market risk*
*Cash flow and fair value interest rate risk*
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates. The Group's main interest rate risk arises from its receivables and borrowings.

Interest rates on the Group's invoice finance receivables are linked to a discretionary variable rate set by the Group. Interest rates on the Group's equipment finance receivables are fixed at inception of each client facility. Therefore, the Group ensures it has a balanced mix of variable rate borrowings and fixed rate borrowings to manage its interest rate exposure.

All of the Group's borrowings are on a floating rate basis, except for the Securitised Equipment Finance Warehouse facility. The A note of the facility (held by the senior lender) is hedged on an ongoing basis via an interest rate swap with the senior lender. The interest rate swap converts the variable rate of the facility to a fixed rate.

*Sensitivity analysis*
The following table illustrates sensitivities to the Group's exposures to changes in interest rates. The table indicates the impact on how profit and equity values reported at balance date would have been affected by changes in the interest rate that management considers to be reasonably possible. These sensitivities assume that the movement in interest rate is independent of other variables.

| | Consolidated | |
|---|---|---|
| *Sensitivity analysis* | 2026 $'000 | 2025 $'000 |
| *Financial assets* | | |
| Cash and cash equivalents | 34,936 | 37,109 |
| Invoice finance receivables – variable | 122,655 | 114,005 |
| *Financial liabilities* | | |
| Borrowings – variable | (125,107) | (146,965) |
| Net | 32,484 | 4,149 |
| +/- 2% in interest rate | | |
| Equity | +/- 455 | +/- 58 |
| Profit after tax | +/- 455 | +/- 58 |

### *Liquidity risk*
Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities. The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

*Remaining contractual maturities*
The following tables detail the Group's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

## Note 27. Financial instruments (continued)

| Consolidated - 2026 | Weighted average interest rate % | 1 year or less $'000 | Between 1 and 5 years $'000 | Contractual cashflows $'000 | Carrying value $'000 |
|---|---|---|---|---|---|
| **Non-derivatives** | | | | | |
| Non-interest bearing | | | | | |
| Trade payables | - | 2,131 | - | 2,131 | 2,131 |
| *Interest-bearing* | | | | | |
| Borrowings | 6.27% | 18,851 | 295,073 | 313,924 | 291,850 |
| Lease liabilities | 6.62% | 724 | 494 | 1,218 | 1,148 |
| Total non-derivatives | - | 21,706 | 295,567 | 317,273 | 295,129 |

| Consolidated - 2025 | Weighted average interest rate % | 1 year or less $'000 | Between 1 and 5 years $'000 | Contractual cashflows $'000 | Carrying value $'000 |
|---|---|---|---|---|---|
| **Non-derivatives** | | | | | |
| Non-interest bearing | | | | | |
| Trade payables | - | 1,889 | - | 1,889 | 1,889 |
| *Interest-bearing* | | | | | |
| Borrowings | 6.60% | 145,173 | 107,616 | 252,789 | 234,904 |
| Lease liabilities | 5.86% | 684 | 857 | 1,541 | 1,413 |
| Total non-derivatives | - | 147,746 | 108,473 | 256,219 | 238,206 |

## Note 28. Key management personnel disclosures

*Compensation*
The aggregate compensation made to Directors and other members of key management personnel of the Group is set out below:

| | Consolidated 2026 $ | Consolidated 2025 $ |
|---|---|---|
| Short-term employee benefits | 1,386,781 | 1,457,111 |
| Post-employment benefits | 94,931 | 101,003 |
| Share-based payment | 14,515 | 244,480 |
| | 1,496,227 | 1,802,594 |

## Note 29. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Pitcher Partners, the auditor of the Company:

| | Consolidated 2026 $ | Consolidated 2025 $ |
|---|---|---|
| *Audit services - Pitcher Partners* | | |
| Audit or review of the financial statements | 358,600 | 365,200 |
| | | |
| *Other services - Pitcher Partners* | | |
| Other assurance and agreed upon procedures | 22,550 | 22,660 |
| Taxation services | 45,760 | - |
| | | |
| | 426,910 | 387,860 |

## Note 30. Contingent liabilities

The Group has provided guarantees in respect of leases over its premises of $536,000 (2025: $448,000).

## Note 31. Commitments

There were no capital commitments as at 30 June 2026 or 30 June 2025.

## Note 32. Related party transactions

*Parent entity*
Earlypay Ltd is the parent entity.

*Subsidiaries*
Interests in subsidiaries are set out in note 34.

*Key management personnel*
Disclosures relating to key management personnel are set out in note 28 and the remuneration report included in the Directors' report.

*Receivable from and payable to related parties*
There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

*Loans to/from related parties*
There were no loans to or from related parties at the current and previous reporting date.

## Note 33. Parent entity information

Set out below is the supplementary information about the parent entity.

*Statement of profit or loss and other comprehensive income*

| | Parent 2026 $'000 | Parent 2025 $'000 |
|---|---|---|
| Profit after income tax | 22,700 | 22,858 |
| | | |
| Other comprehensive income for the year, net of tax | - | - |
| | | |
| Total comprehensive income | 22,700 | 22,858 |

## Note 33. Parent entity information (continued)

*Statement of financial position*

| | Parent 2026 $'000 | Parent 2025 $'000 |
|---|---|---|
| Total current assets | 52,266 | 23,745 |
| Total non-current assets | 52,514 | 48,919 |
| Total assets | 104,780 | 72,664 |
| Total current liabilities | 835 | 2,184 |
| Total non-current liabilities | 131 | 534 |
| Total liabilities | 966 | 2,718 |
| Net assets | 103,814 | 69,946 |
| Equity | | |
| Issued capital | 67,044 | 71,913 |
| Share-based payments reserve | 409 | 363 |
| Accumulated profits (losses) | 36,361 | (2,330) |
| Total equity | 103,814 | 69,946 |

*Guarantees entered into by the parent entity in relation to the debts of its subsidiaries*
Other than guarantees detailed in note 35, the parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2026 and 30 June 2025.

*Contingent liabilities*
The parent entity had no contingent liabilities as at 30 June 2026 and 30 June 2025.

*Capital commitments - Property, plant and equipment*
The parent entity had no capital commitments for property, plant and equipment as at 30 June 2026 and 30 June 2025.

*Material accounting policy information*
The accounting policies of the parent entity are consistent with those of the Group, as disclosed in note 2, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

## Note 34. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries:

| Name | Principal place of business / Country of incorporation | Ownership interest 2026 % | Ownership interest 2025 % |
|---|---|---|---|
| *Controlled Companies* | | | |
| Earlypay Cashflow Finance Pty Ltd | Australia | 100% | 100% |
| Earlypay Cashflow Advantage Pty Ltd | Australia | 100% | 100% |
| Earlypay 180 Group Pty Ltd | Australia | 100% | 100% |
| *Wholly-owned entity:* | | | |
| Earlypay 180 Funding Pty Ltd | Australia | 100% | 100% |
| Earlypay 1stCash Pty Ltd | Australia | 100% | 100% |
| Earlypay Payroll Pty Ltd | Australia | 100% | 100% |
| Earlypay Equipment Group Pty Ltd | Australia | 100% | 100% |
| *Wholly-owned entities:* | | | |
| Earlypay Equipment Finance Pty Ltd | Australia | 100% | 100% |
| Earlypay Management Services Pty Ltd | Australia | 100% | 100% |
| Earlypay CCFS Pty Ltd | Australia | 100% | 100% |
| Earlypay CCEF Pty Ltd | Australia | 100% | 100% |
| Earlypay EST Pty Ltd | Australia | 100% | 100% |
| *Controlled trusts* | | | |
| Earlypay Invoice Finance Trust | Australia | 100% | 100% |
| Earlypay Equipment Finance Trust | Australia | 100% | - |
| Classic Equipment Finance Trust | Australia | - | 100% |

## Note 35. Deed of cross guarantee

The following entities are party to a deed of cross guarantee under which each company guarantees the debts of the others:

Earlypay Ltd
Earlypay Payroll Pty Ltd
Earlypay Cashflow Finance Pty Ltd

By entering into the deed, the wholly-owned entities have been relieved from the requirement to prepare financial statements and Directors' report under *ASIC Corporations (Wholly-owned Companies) Instrument 2016/785*.

The above companies represent a 'Closed Group' for the purposes of the Corporations Instrument, and as there are no other parties to the deed of cross guarantee that are controlled by Earlypay Ltd, they also represent the 'Extended Closed Group'.

Set out below is a consolidated statement of profit or loss and other comprehensive income and statement of financial position of the 'Closed Group'.

| Statement of profit or loss and other comprehensive income | 2026 $'000 | 2025 $'000 |
|---|---|---|
| Revenue | 16,382 | 15,858 |
| **Profit before income tax expense** | 16,382 | 15,858 |
| Income tax expense | (8,723) | (8,092) |
| **Profit after income tax expense** | 7,659 | 7,766 |
| Other comprehensive income for the year, net of tax | - | - |
| **Total comprehensive income for the year** | 7,659 | 7,766 |

## Note 35. Deed of cross guarantee (continued)

| Equity - retained profits | 2026 $'000 | 2025 $'000 |
|---|---|---|
| Retained profits/(accumulated losses) at the beginning of the financial year | 3,089 | (7,340) |
| Profit after income tax expense | 7,659 | 7,766 |
| Transfer to other member | (1,872) | 2,663 |
| Retained profits at the end of the financial year | 8,876 | 3,089 |

| Statement of financial position | 2026 $'000 | 2025 $'000 |
|---|---|---|
| **Assets** | | |
| Cash and cash equivalents | 11,407 | 14,180 |
| Invoice finance receivables | 9,110 | 13,129 |
| Income tax receivable | 24,965 | 16,030 |
| Property, plant and equipment | 141 | 169 |
| Right-of-use assets | 1,045 | 1,248 |
| Deferred tax asset | 3,178 | 2,675 |
| Intangible assets | 28,163 | 30,028 |
| Other assets | 19,801 | 16,687 |
| **Total assets** | 97,810 | 94,146 |
| **Liabilities** | | |
| Trade and other payables | 18,548 | 15,011 |
| Lease liabilities | 1,148 | 1,413 |
| Employee benefits | 1,556 | 1,556 |
| Other liabilities | 229 | 801 |
| Total liabilities | 21,481 | 18,781 |
| Net assets | 76,329 | 75,365 |
| Equity | | |
| **Issued capital** | 67,044 | 71,913 |
| Reserve | 409 | 363 |
| Retained profits | 8,876 | 3,089 |
| Total equity | 76,329 | 75,365 |

## Note 36. Share-based payments

### Performance rights

The Group maintains a performance rights program to motivate executives to achieve long term performance targets.

*Prior Rights Plan*
The prior performance rights plan was approved by shareholders on 17 November 2022. All remaining rights under this plan lapsed on 30 June 2025.

*Current Rights Plan*
The current performance rights plan was approved by shareholders on 28 November 2024. Senior executives (including executive KMP) are invited to participate at the Board's discretion.

*Common features*

| Feature | Description |
| --- | --- |
| Instrument | Performance rights being a right to receive a share subject to performance and vesting conditions. |
| Dividends and other rights | Prior to exercise, a participant does not have any rights to dividends, rights to vote or rights to the capital of the Company as a result of holding a right. |
| Vesting conditions and exercise | Performance, vesting or other conditions specified in the rights offer must be satisfied before a right can vest. On the date on which any vesting condition is not capable of being satisfied, reached or met, the rights will lapse. If rights vest, the participant must exercise the rights before the last exercise date specified in the offer. |
| Corporate control event | If a corporate control event occurs, all unvested rights held by a participant will vest. The Company shall provide a participant with 3 days' notice of the impending expiry of all vested rights (which will otherwise lapse). |
| Termination | If a participant ceases to be an employee during the vesting period due to resignation, dismissal or other circumstances, then unless otherwise determined by the Board, any unvested rights will lapse. Any vested rights must be exercised within a prescribed period. |
| Breach, fraud or misconduct | If the Board determines that a participant has been implicated or involved in certain acts including breach, fraud or misconduct then all associated rights will lapse. |
| Claw back provisions | If the Board becomes aware of a material misstatement in the Company's financial statements relating to a Vesting Period or some other event has occurred during a Vesting Period which, as a result, means that the vesting conditions were not, or should not have been determined to have been, satisfied, then the participant will cease to be entitled to those vested rights. |

*Specific grant parameters*

2025 grant

| | |
| --- | --- |
| Grant date | 28 November 2024 |
| Number of rights | 3,035,000 |
| Tranches | The number of performance rights is divided into three equal tranches |
| Measurement periods | Three annual periods ending 30 June 2025, 30 June 2026 and 30 June 2027 |
| Vesting dates | 1 October 2025, 1 October 2026 and 1 October 2027 |
| Performance measure | The Compound Annual Growth Rate ("CAGR") in Earnings Per Share for the specific measurement period. |

| Performance level | Performance measure | Vesting % of the Tranche |
| --- | --- | --- |
| Below threshold | 0% | 0% |
| Between Threshold and Target 1 | 0% to 2.5% | 25% |
| Between Target 1 and Target 2 | 2.5% to 7.5% | Pro-rata |
| Target 2 | 7.5% | 100% |

## Note 36. Share-based payments (continued)

Tranche 1 of the performance rights vested on 1 October 2025. The measurement period for Tranche 2 expired on 30 June 2026, and the Board has determined that none of these rights will vest. Tranche 3 remains outstanding.

### 2026 grant

| | |
|---|---|
| Grant date | 27 November 2025 |
| Number of rights | 1,639,000 |
| Tranches | The number of performance rights is divided into three equal tranches |
| Measurement periods | Three annual periods ending 30 June 2026, 30 June 2027 and 30 June 2028 |
| Vesting dates | 1 October 2026, 1 October 2027 and 1 October 2028 |
| Performance measure | The Compound Annual Growth Rate ("CAGR") in Earnings Per Share for the specific measurement period. |

| Performance level | Performance measure | Vesting % of the Tranche |
|---|---|---|
| Below threshold | 0% | 0% |
| Between Threshold and Target 1 | 0% to 2.5% | 25% |
| Between Target 1 and Target 2 | 2.5% to 7.5% | Pro-rata |
| Target 2 | 7.5% | 100% |

1,639,000 performance rights were granted in FY26. The measurement period for tranche 1 expired on 30 June 2026, and the Board has determined that none of these rights will vest. Tranche 2 and 3 remain outstanding.

Performance right grants
The following performance rights over ordinary shares were issued as part of compensation during the current and prior financial years, affecting remuneration in the current and future financial years:

| Rights Series | Grant date | Last vesting date | Exercise price | Number of Rights | Fair value per right at grant date |
|---|---|---|---|---|---|
| FY26 – Tranche 1 | 27/11/2025 | 01/10/2026[1] | $0.00 | 546,332 | $0.2019 |
| FY26 – Tranche 2 | 27/11/2025 | 01/10/2027 | $0.00 | 546,332 | $0.1923 |
| FY26 – Tranche 3 | 27/11/2025 | 01/10/2028 | $0.00 | 546,336 | $0.1832 |
| FY25 – Tranche 1 | 28/11/2024 | 01/10/2025 | $0.00 | 1,011,667 | $0.2016 |
| FY25 – Tranche 2 | 28/11/2024 | 01/10/2026[1] | $0.00 | 1,011,667 | $0.1920 |
| FY25 – Tranche 3 | 28/11/2024 | 01/10/2027 | $0.00 | 1,011,666 | $0.1828 |

[1] Represents the performance rights tested against the relevant vesting conditions over the measurement period during the current year

*Performance right movements*
The movement in performance rights over the period is set out below:

| Series | Balance at the start of the year | Granted | Exercised | Lapsed | Balance at the end of the year | Vested | Unvested |
|---|---|---|---|---|---|---|---|
| FY26 Rights | - | 1,639,000 | - | (546,332) | 1,092,668 | - | 1,092,668 |
| FY25 Rights | 3,035,000 | - | (20,000) | (1,011,667) | 2,003,333 | 991,667 | 1,011,666 |
| | 3,035,000 | 1,639,000 | (20,000) | (1,557,999) | 3,096,001 | 991,667 | 2,104,334 |

The maximum value of the performance rights to be recognised in profit or loss and equity is the grant-date fair value. The minimum value is nil, as the performance rights may not vest if the performance conditions are not satisfied.

## Note 36. Share-based payments (continued)

All performance rights have a $0.00 exercise price.

The weighted average remaining contractual life of performance rights outstanding at the end of the financial year was 1.28 years (2025: 1.75 years).

*Fair value and expense*
The fair value of performance rights and associated share-based payment expense has been determined as follows.

| Description | Number of rights | Grant date fair value $'000 | Cumulative expense recognised to date $'000 | Current year expense $'000 |
|---|---|---|---|---|
| 2025 Rights | 3,035,000 | 583 | 327 | (36) |
| 2026 Rights | 1,639,000 | 315 | 86 | 86 |
| | | 898 | 413 | 50 |

The fair value of the performance rights on grant date is calculated using a Black Scholes option pricing model, ignoring the impact of the non-market vesting conditions. The associated share-based payment expense is recognised over the vesting period of the rights.

| 2026 Rights<br>Key Terms / Assumptions | Tranche 1 | Tranche 2 | Tranche 3 |
|---|---|---|---|
| Number of rights | 546,332 | 546,332 | 546,336 |
| Grant date | 27/11/2025 | 27/11/2025 | 27/11/2025 |
| Vesting date | 01/10/2026 | 01/10/2027 | 01/10/2028 |
| Share price | $0.21 | $0.21 | $0.21 |
| Exercise price | $0.00 | $0.00 | $0.00 |
| Risk free rate (annual) | 3.44% | 3.47% | 3.55% |
| Dividend yield (annual) | 5% | 5% | 5% |
| Volatility | 48.80% | 50.80% | 55.60% |
| Fair value per right | $0.2019 | $0.1923 | $0.1832 |

| 2025 Rights<br>Key Terms / Assumptions | Tranche 1 | Tranche 2 | Tranche 3 |
|---|---|---|---|
| Number of rights | 1,011,667 | 1,011,667 | 1,011,666 |
| Grant date | 28/11/2024 | 28/11/2024 | 28/11/2024 |
| Vesting date | 01/10/2025 | 01/10/2026 | 01/10/2027 |
| Share price | $0.21 | $0.21 | $0.21 |
| Exercise price | $0.00 | $0.00 | $0.00 |
| Risk free rate (annual) | 3.85% | 3.51% | 3.46% |
| Dividend yield (annual) | 5% | 5% | 5% |
| Volatility | 55.10% | 57.70% | 60.30% |
| Fair value per right | $0.2016 | $0.1920 | $0.1828 |

The cumulative and current year expense is adjusted for the number of rights that are expected to vest (because of the non-market conditions).

The maximum value of the performance rights to be recognised in profit or loss and equity is the grant-date fair value. The minimum value is nil, as the performance rights may not vest if the performance conditions are not satisfied.

*Accounting policy for share-based payments*
The Group provides equity-settled share-based compensation to employees. The current performance rights are subject to non-market conditions only.

## Note 36. Share-based payments (continued)

The cost of equity-settled transactions is recognised as an expense, with a corresponding increase in the share-based payment reserve within equity, over the vesting period in which the related services are rendered.

The cumulative expense recognised reflects the grant-date fair value of the awards and the Group's best estimate of the number of awards that are expected to vest, adjusted each reporting date for changes in expectations. The amount recognised in profit or loss for a period is the cumulative amount determined at the reporting date less amounts recognised in previous periods.

When awards ultimately vest, the balance in the share-based payment reserve is transferred to share capital. Where awards lapse or are forfeited, the balance is transferred to profit or loss.

## Note 37. Events after the reporting period

In August 2026, the Group renewed and increased its securitised equipment finance warehouse facility, with the availability period extended until August 2027.

In August 2026, the Group completed the migration of its Invoice Finance clients from three legacy loan management systems onto a single core platform.

Apart from the dividend declared as disclosed in note 25 and the matters referred to above, no other matter or circumstance has arisen since 30 June 2026 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.

## Consolidated entity disclosure statement

| Entity name | Entity type | Place formed / Country of incorporation | Ownership interest % | Tax residency |
|---|---|---|---|---|
| Earlypay Ltd | Body corporate | Australia | | Australia |
| *Subsidiaries* | | | | |
| Earlypay Cashflow Finance Pty Ltd | Body corporate | Australia | 100% | Australia |
| Earlypay Cashflow Advantage Pty Ltd | Body corporate | Australia | 100% | Australia |
| Earlypay 180 Group Pty Ltd | Body corporate | Australia | 100% | Australia |
| *Wholly-owned entity:* | | | | |
| Earlypay 180 Funding Pty Ltd | Body corporate | Australia | 100% | Australia |
| Earlypay 1stCash Pty Ltd | Body corporate | Australia | 100% | Australia |
| Earlypay Payroll Pty Ltd | Body corporate | Australia | 100% | Australia |
| Earlypay Equipment Group Pty Ltd | Body corporate | Australia | 100% | Australia |
| *Wholly-owned entities:* | | | | |
| Earlypay Equipment Finance Pty Ltd | Body corporate | Australia | 100% | Australia |
| Earlypay Management Services Pty Ltd | Body corporate | Australia | 100% | Australia |
| Earlypay CCFS Pty Ltd | Body corporate | Australia | 100% | Australia |
| Earlypay CCEF Pty Ltd | Body corporate | Australia | 100% | Australia |
| Earlypay EST Pty Ltd | Body corporate | Australia | 100% | Australia |
| Earlypay Invoice Finance Trust | Trust | Australia | 100% | Australia |
| Earlypay Equipment Finance Trust | Trust | Australia | 100% | Australia |

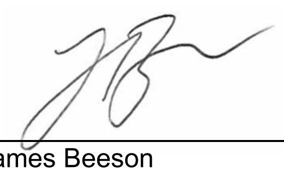
In the Directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with IFRS Accounting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2026 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable;
- at the date of this declaration, there are reasonable grounds to believe that the members of the Extended Closed Group will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee described in note 35 to the financial statements; and
- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

The Directors have been given the declarations required by section 295A of the *Corporations Act 2001*.

Signed in accordance with a resolution of Directors made pursuant to section 295(5)(a) of the *Corporations Act 2001*.

On behalf of the Directors



James Beeson
Managing Director

27 August 2026
Sydney

**Pitcher Partners Sydney**
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## Independent Auditor's Report
## To the Members of Earlypay Ltd
## ABN 88 098 952 277

### Report on the Audit of the Financial Report

*Opinion*

We have audited the financial report of Earlypay Ltd ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the Directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

i. giving a true and fair view of the Group's financial position as at 30 June 2026 and of its financial performance for the year then ended; and

ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001.*

*Basis for Opinion*

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit 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 *(*"the Code") issued by Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* that are relevant to audits of the financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the Directors of the Company, would be in the same terms if given to the Directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Key Audit Matters*

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| **Key Audit Matter** | **How our Audit Addressed the Matter** |
|---|---|
| **Invoice Finance and Equipment Finance Income**<br>Refer to Note 5 Income | |
| The Group reported invoice finance income of $32.54 million and equipment finance income of $20.26 million for the year ended 30 June 2026.<br><br>Significant judgement is required in determining income recognised in accordance with AASB 9 *Financial Instruments* and AASB 15 *Revenue from Contracts with Customers.*<br><br>Given the inherent complexity and significant management judgement involved, we have determined this as a key audit matter. | Our procedures included, amongst others:<br><br>• Obtained an understanding of the Group's revenue recognition policies for all revenue streams and assessed whether they are in accordance with AASB 9 *Financial Instruments* and AASB 15 *Revenue from Contracts with Customer*s;<br><br>• Obtained an understanding of and evaluated the design and implementation of controls over the amount and timing of revenue recognised including the application of AASB 9 *Financial Instruments* and AASB 15 *Revenue from Contracts with Customers*;<br><br>• Tested samples of invoice and equipment finance contracts to agree that interest income was calculated in accordance with the rates applicable under the contract and AASB 9 *Financial Instruments*;<br><br>• Tested samples of invoice and equipment finance contracts by reviewing the contract to identify the terms and circumstances that indicate that all performance obligations have been satisfied for revenue recognised under AASB 15 *Revenue from Contracts with Customers*; and<br><br>• Evaluated the adequacy of disclosures in the financial statements. |

*Key Audit Matters (continued)*

<table>
<tr><th>Key Audit Matter</th><th>How our Audit Addressed the Matter</th></tr>
<tr><td colspan="2">Allowance for expected credit losses<br>Refer to Note 14 Invoice finance receivables, Note 15 Equipment finance receivables, and Note 27 Financial instruments</td></tr>
<tr><td>At 30 June 2026, the Group reported net invoice finance receivables of $122.66 million and $172.33 million for equipment finance receivables.<br><br>As at 30 June 2026, the Group recognised an allowance for expected credit losses (ECL) amounting to $1.85m for invoice finance receivables and $3.01m for equipment finance receivables in accordance with AASB 9 Financial Instruments.<br><br>The estimation of ECL involves significant judgement and a high degree of estimation uncertainty, particularly in relation to the assumptions and inputs used within the impairment model. The Group's ECL methodology incorporates historical loss experience, current credit performance of the finance receivables, and forward-looking information, including economic and industry-specific factors.<br><br>Given the significance of the finance receivables, the complexity of the ECL methodology, and the level of management judgement involved in estimating future credit losses, we considered this matter to be a key audit matter.</td><td>Our procedures included, amongst others:<br><br>• Obtained an understanding of management's methodology for determining the allowance for expected credit losses;<br><br>• Obtained an understanding of and evaluated the design and implementation of controls in the assessment process for determining the allowance for expected credit losses;<br><br>• Assessed management's methodology and evaluated significant judgements and assumptions used in determining the allowance for expected credit losses to assess its compliance with AASB 9 Financial Instruments;<br><br>• Performing sensitivity analysis over the ECL model to challenge management's assumptions, including macroeconomic factors and forward-looking information; and<br><br>• Evaluated the adequacy of disclosures in the financial statements.</td></tr>
</table>

*Other Information*

The Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2026 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

*Responsibilities of the Directors for the Financial Report*

The Directors of the Company are responsible for the preparation of:

a. the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and

b. the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*; and

c. for such internal control as the Directors determine is necessary to enable the preparation of:

   i. the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
   ii. the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

*Auditor's Responsibilities for the Audit of the Financial Report*

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

*Auditor's Responsibilities for the Audit of the Financial Report (continued)*

- Evaluate the overall presentation, structure, and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision, and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on the Remuneration Report**

*Opinion on the Remuneration Report*

We have audited the Remuneration Report included in pages 13 to 20 of the Directors' Report for the year ended 30 June 2026. In our opinion, the Remuneration Report of Earlypay Limited, for the year ended 30 June 2026, complies with section 300A of the *Corporations Act 2001*.

*Responsibilities*

The Directors of Earlypay Limited are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

**Rod Shanley**
Partner

**Pitcher Partners**
Sydney

27 August 2026

The shareholder information set out below was applicable as at 28 July 2026.

## Distribution of equitable securities

Analysis of number of equitable security holders by size of holding:

| | Number of holders of ordinary shares | Total units held | % Held | Number of holders of performance rights | Total units held | % Held |
|---|---|---|---|---|---|---|
| 1 to 1,000 | 47 | 2,812 | - | - | - | - |
| 1,001 to 5,000 | 163 | 559,775 | 0.23 | - | - | - |
| 5,001 to 10,000 | 252 | 2,319,538 | 0.95 | - | - | - |
| 10,001 to 100,000 | 373 | 13,894,840 | 5.67 | 8 | 423,334 | 13.67 |
| 100,001 and over | 154 | 228,307,746 | 93.15 | 5 | 2,672,667 | 86.33 |
| | 989 | 245,084,711 | 100.00 | 13 | 3,096,001 | 100.00 |
| Holding less than a marketable parcel | 164 | 344,234 | - | - | - | - |

## Equity security holders

*Twenty largest quoted equity security holders*

The names of the twenty largest security holders of quoted equity securities are listed below:

| | Ordinary shares Number held | % of total shares issued |
|---|---|---|
| SOLVAR LIMITED | 54,169,609 | 22.10 |
| UBS NOMINEES PTY LTD | 39,286,217 | 16.03 |
| FIRST SAMUEL LTD ACN 086243567 <ANF ITS MDA CLIENTS A/C> | 37,931,451 | 15.48 |
| THE BEESON SUPER FUND PTY LTD <THE BEESON SUPER FUND A/C> | 9,821,401 | 4.01 |
| PALM BEACH NOMINEES PTY LIMITED | 7,040,656 | 2.87 |
| BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT> | 6,319,265 | 2.58 |
| MR JAMES BEESON + MRS ESTHER BEESON <THE BEESON FAMILY A/C> | 6,131,052 | 2.50 |
| J P MORGAN NOMINEES AUSTRALIA PTY LIMITED | 6,042,792 | 2.47 |
| VANWARD INVESTMENTS LIMITED | 3,096,675 | 1.26 |
| HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED | 2,760,389 | 1.13 |
| GUERILLA NOMINEES PTY LTD <TOOTH RETIREMENT PLAN A/C> | 2,228,255 | 0.91 |
| PEJAY PTY LIMITED | 2,150,000 | 0.88 |
| ANNANDALE SUPER PTY LTD <SAM FAMILY SUPER FUND A/C> | 2,127,068 | 0.87 |
| TECTCORP PTY LTD <HERBERT-SMITH FAMILY S/F A/C> | 2,035,321 | 0.83 |
| VIP EXECUTIVE PTY LTD <VIP EXECUTIVE SUPER FUND A/C> | 1,842,668 | 0.75 |
| DMX CAPITAL PARTNERS LIMITED | 1,604,762 | 0.65 |
| WILBOW GROUP PTY LTD | 1,385,234 | 0.57 |
| CITICORP NOMINEES PTY LIMITED | 1,354,836 | 0.55 |
| BILBO SUPER PTY LTD <BILBO SUPER FUND A/C> | 1,154,286 | 0.47 |
| AVENUE 8 PTY LIMITED <GAN SUPER FUND A/C> | 1,150,000 | 0.47 |
| | 189,631,937 | 77.38 |

*Unquoted equity securities*

| Class | Number on issue | Number of holders |
|---|---|---|
| Performance rights | 3,096,001 | 13 |

Paul Murray (33.6%) and James Beeson (26.3%) are the only people holding more than 20% of unquoted equity securities.

## Substantial holders

Substantial holders in the Company are set out below based on substantial shareholder notices lodged on the ASX:

| | Ordinary shares | |
|---|---|---|
| | Number held | % of total shares Issued |
| SOLVAR LIMITED | 54,169,609 | 21.98 |
| TIGA TRADING PTY / THORNEY OPPORTUNITIES LTD | 39,286,217 | 15.94 |
| FIRST SAMUEL LTD ACN 086243567 | 40,152,190 | 14.75 |
| JAMES BEESON & ESTHER BEESON | 15,952,453 | 6.51 |

## Voting rights

The voting rights attached to ordinary shares are set out below:

*Ordinary shares*
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.

*Unlisted performance rights*
The unlisted performance rights on issue do not carry any voting rights.

There are no other classes of equity securities.

## Buy-back

The Company announced an on-market buy-back 1 November 2024 for up to 27,000,000 shares with a start date of 21 November 2024 for up to a 12-month period. On 21 November 2025, the Company announced a further on-market buy-back commencing 24 November 2025 of up to 10% of the Company's ordinary shares for up to a 12-month period. As at the date of this shareholder information, 27,144,381 shares have been bought back during the prior 12 months.

## Annual General Meeting

The Annual General Meeting will be held at 10.00 a.m. on Thursday, 26 November 2026. Other details relating to the meeting will be advised in the Notice of Meeting to be sent to all shareholders and released to the ASX.

The Closing date for receipt of nomination for the position of Director is Thursday, 8 October 2026. Any nominations must be received in writing no later than 5.00 p.m. (Sydney time) on Thursday, 8 October 2026, at the Company's Registered Office. The Company notes that the deadline for the nominations for the position of Director is separate to voting on Director elections. Details of the Directors to be elected will be provided in the Company's Notice of Annual General Meeting in due course.

Earlypay Ltd
ABN 88 098 952 277