Beforepay Group

ASX Announcement (ASX: B4P)

17 November 2026

Chair Address to Annual General Meeting

The following is a transcript of the address by the Chair of Beforepay Group Limited (ASX: B4P), Mr Brian Hartzer, to the shareholders at today's 2026 Annual General Meeting.

Good afternoon, and thank you for joining us.

FY26 was Beforepay's third consecutive profitable year, and performance was better than the year before on the measures that matter most.

Revenue was $50.6 million, up 26 per cent. Total advances were $963 million, up 19 per cent. Statutory net profit after tax was $8.2 million, up 22 per cent.

On a cash basis net profit was $15.7 million, up 57 per cent. The statutory number is the audited result. The cash number adjusts for non-cash items, principally depreciation and amortisation and movements in the credit loss provision. We believe the cash basis better reflects what the business generates while the loan book is growing, because the provision for future losses rises even when the book is performing well.

Pay Advances grew 17.5 per cent to $946 million in FY26, as we became better at attracting higher-value customers. And a smaller proportion of our customers ran into difficulty than the year before. Net bad debts improved to 0.93 per cent of advances from 1.14 per cent, on a larger book.

During the year we reviewed the value Pay Advance delivers to our customers and how it is priced against the alternatives, and we brought our pricing into line with both. We know our customers can go elsewhere, and they have continued to choose us. We made that change across hundreds of thousands of customers with very few issues. That decision has played an important part in the revenue growth we have seen in the first quarter, and we expect it to underpin strong growth for the full year.

First quarter revenue was $16.5 million, up 45 per cent year-on-year. Statutory net profit was $4.7 million, up 40 per cent year-on-year. The cost-to-income ratio improved from 41 per cent to 36.9 per cent, and headcount came down from a peak of 59 to 50. So the company delivered more profit from fewer people. That's good operating leverage.

The Share Price

Now turning to the share price, which I suspect is why most of you are here.

Over the 2026 financial year our shares fell from around $1.65 to $1.27, roughly 23 per cent. That was despite revenue growing by a quarter and profit rising strongly on both a statutory and a cash basis over the same period. You are entitled to be dissatisfied with that, and your board is dissatisfied with it too.

As directors we don't control the share price. We are responsible for the earnings, for the quality of those earnings, and for how well they are understood. On the first two, the record is in our annual report and our first quarter results. On the third point, we have work to do.

What we intend to do about it

Part of the explanation is that Beforepay is a small company, lightly traded and thinly covered by analysts.

We are working to put the company in front of the investors who should own it, and to make its performance easier to follow, through a more active investor engagement program and more consistent updates on operational progress between results.

As a first step, I have been reaching out to our largest shareholders, and I am happy to speak to any shareholder who would like to share their views.

Capital

One of our shareholders has asked us in writing what the board is doing to support shareholder returns, and whether we have considered a buy-back.

As a board we are stewards of your capital, and our obligation is to earn the best available return on it.

Where we are confident we can generate a superior return by retaining capital in the business, whether by growing the loan book or investing in growth, we will do that.

Where we are not confident in the returns, and the capital is not needed for day-to-day requirements, it should be returned to you.

Capital management is regularly on the board's agenda. While we have nothing specific to announce today, I can tell you that we apply that framework seriously, and that if our assessment changes, you will hear it from us.

The Transition

As you know, we recently announced that Jamie Twiss is stepping down as CEO in December. Jamie has led the company for more than five years, taking Beforepay through its listing and to the first profit in its history. He rebuilt the lending platform, launched Personal Loans, and made the repricing decision now driving the improvement I described.

Earlier this year Jamie told the board he thought this was the right moment to hand over as the business enters its next phase. Jamie has agreed to support Kasey through the transition and stay available to us as an adviser. So on behalf of the board and of shareholders, thank you Jamie for everything you have done for this company. And we look forward to continuing to have you on board as a significant shareholder.

The board has appointed Kasey Kaplan as CEO and Managing Director, effective 7 December. That followed a formal succession process with an external search adviser, in which internal and external candidates were assessed against the same criteria and benchmarked independently.

Kasey was the board's choice on the merits. He joined Beforepay in 2021, became Deputy CEO in April, and has been accountable for commercial performance across Pay Advance, Personal Loans and Carrington Labs. He knows the business well and has a strong view on where the next phase of growth will come from. You'll hear from Kasey in a few minutes.

The Board

Your board currently has four directors and will have five when Kasey joins as Managing Director in December.

Some shareholders have asked about the future composition of the board. The experience a board needs changes as its business changes. As Personal Loans scales, as Carrington Labs develops, and as we examine opportunities beyond Australia, this board will increasingly need skills beyond those we need today. Building and keeping the right mix will be a focus for the Remuneration and Nomination Committee over the coming year.

The Year Ahead

Our primary focus for the year remains disciplined growth in Pay Advance and profitably scaling Personal Loans. We are also pursuing two further opportunities.

Carrington Labs is the credit engine behind our own lending, and a principal reason we can grow the book while keeping losses where they are. Selling that capability to other institutions, both here and abroad, has taken longer than we expected, and the pace of progress to date reflects that. The level of interest and the direction are both positive. None of it is guaranteed, and we will announce agreements once they are signed.

The second opportunity is geographic expansion. We believe our pay advance model is distinctive, and we are actively examining whether it could work in other markets. Nothing is decided and there is nothing to announce today. Any such step would have to clear regulatory, capital and execution tests before this board approved it.

To Jamie, Kasey and the entire Beforepay team: thank you for your work this year on behalf of our customers and our shareholders.

And to all our shareholders, thank you for your continued support. You have my commitment, and the board's, that we will keep working to deliver a strong return on your investment. Thank you.

This announcement has been authorised for release by the Board.

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About Beforepay Group

Beforepay Group was founded in 2019 to support working Australians who have not been well-served by the traditional financial-services industry.

Our lending arm, Beforepay, offers consumers an ethical, customer-friendly way to help manage temporary cash-flow challenges through small pay advances, as well as offering personal loans. Carrington Labs, our enterprise arm, enables banks, credit unions and fintechs to elevate their lending performance through deep credit risk insights that can help increase approval rates, cut defaults and grow margins.

For more information visit **www.beforepaygroup.com**

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