

ASX Announcement (ASX: B4P)

27 February 2025

Beforepay Group Limited Half-Year Results to 31 December 2024

Beforepay delivers continuing strong profit and growth with half-yearly revenue of c. \$20m and net profit before tax of \$2.8m

Beforepay Group Limited (the Company) (ASX: B4P) has released its results for the half-year ended 31 December 2024 (H1 FY25).

Beforepay Group CEO, Jamie Twiss said, "This was our strongest half-year result yet, driven by continued top-line growth, disciplined cost management, and excellent credit outcomes, made possible by our deep capabilities in data, analytics, and risk. With the launch of our new Personal Loan product and continued progress in Carrington Labs, Beforepay Group continues to progress from strength to strength."

H1 FY25 Business Update

- The Company achieved a net profit before tax (NPBT) of \$2.8m and EBITDA of \$5.5m.
- Beforepay Group revenue increased by 12% year on year (YoY) from \$17.6m in H1 FY24 to \$19.7m in H1 FY25, finishing with a strong holiday season in November and December.
- Net defaults declined to 1.1% down 13% YoY reflecting continued improvements to limit management and upgrades to the credit model. The net defaults were supported by recoveries of \$4.3m.
- Net transaction margin increased by 18% to \$11.8m in H1 FY25 (H1 FY24: \$10.1m). This result was driven by growth in advance volumes and lower net defaults.
- The Company achieved record active users of 257,627 (H1 FY24: 235,644), with customer acquisition costs (CAC) of \$39 (H1 FY24: \$31), reflecting continued success in attracting new customer
- Operating expenses increased to \$8.8m from \$7.7m in the previous period primarily due to a one-off non-cash adjustment relating to share-based payments in the period.
- The Company maintained a strong balance sheet with an underlying cash on hand balance of \$18.3m and equity position of \$35.6m.
- The Company launched its new Personal Loan product in Q2 FY25, offering customers access to larger sums over a longer period than the Pay Advance product. The product is undergoing a low-volume test period to assess the way in which our approach to risk assessment translates to the increased size and duration.
- In H1FY25, Carrington Labs, the Company's enterprise software division, completed a fully

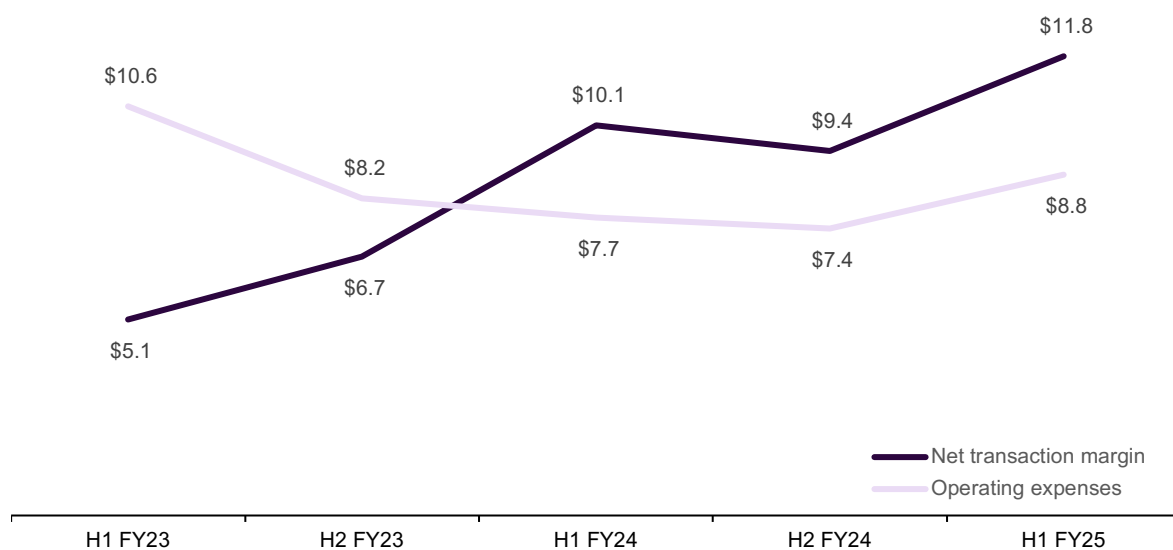
implemented solution for one of its US-based clients.

- Carrington Labs has been selected to join the Mastercard Start Path Accelerator program, unlocking a global network, and has also engaged a dedicated salesperson based in the United States to focus on partnership opportunities.

Overview

	H1 FY25	H1 FY24	YoY Change %
Platform metrics			
Advances	\$396.7m	\$358.6m	11%
Average advance	\$393	\$387	1%
Active users (no. users) ¹	257,627	235,644	9%
Financial metrics			
Beforepay revenue	\$19.7m	\$17.6m	12%
Net Default % (of advances plus fees)	(1.1%)	(1.3%)	(13%)
Net transaction margin	\$11.8m	\$10.1m	18%
Net transaction margin % (of advances)	3.0%	2.8%	6%
EBITDA (excluding one-off and significant items)	\$5.5m	\$4.2m	29%
NPBT (excluding one-off and significant items)	\$2.8m	\$2.2m	27%

Net Transaction Margin and Operating Expenses (\$m)



¹ Customers of Beforepay who have taken out an advance in the previous 12 months from the relevant date. This includes customers who have not yet repaid their most recent cash out and are not eligible to re-borrow until they have done so.

	H1 FY25	FY24	Change
Balance sheet			
Cash position	\$18,258,669 ²	\$19,227,764	(\$969,095)
Equity position	\$35,607,972 ³	\$30,531,790	\$5,076,182

This announcement has been authorised for release to the ASX by the Board.

For more information, please contact:

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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. Beforepay Group operates two business lines: Beforepay, the Company's direct-to-consumer lending business and Carrington Labs, which builds and deploys explainable AI-powered loan portfolio recommendations and lending solutions. The company has won several awards in 2024 including APAC Insider Australia Enterprise Awards 2024: Best Ethical-Lending FinTech 2024 and Most Innovative Ethical Lender of the Year 2024. For more information visit www.beforepay.com.au.

Important notice

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Investors should note that certain financial data in this announcement is not recognised under the Australian Accounting Standards ('AAS') and is classified as 'non-IFRS financial information' under ASIC Regulatory Guide 230 'Disclosing non-IFRS financial information'. Beforepay Group considers that non-IFRS information provides useful information to users in measuring the financial performance and position of the Beforepay Group. The non-IFRS financial measures do not have standardized meanings under AAS and therefore may not be comparable to similarly titled measures determined in accordance with AAS. Readers are cautioned to not place undue reliance on any non-IFRS financial information and ratios in this announcement. All dollar values are in Australian dollars (\$) unless stated otherwise. All figures are unaudited. Change percentages are calculated using unrounded figures and may differ slightly from a number calculated using rounded figures.

² Cash position as at 31 December 2024 represents statutory cash and cash equivalents (excludes \$5.8m in cash held by third parties to fund customer advances).

³ Equity position as at 31 December 2024 comprises issued capital, reserves and accumulated losses.