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LATITUDE

# Annual Report
2025

LATITUDE GROUP HOLDINGS LIMITED ACN 604 747 391

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# Acknowledgement of Country

We acknowledge the Traditional Owners and Custodians of the lands across Australia where we live and work and pay our respects to Aboriginal & Torres Strait Islander Elders, past and present.

In Aotearoa New Zealand,
we acknowledge Māori as tangata whenua.

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# Performance Highlights 2025

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Financial

Operational

Partners

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| | | |
|---|---|---|
| **$105.1m**<br>Cash NPAT | **$94.4m**<br>Statutory NPAT (cont. ops) | **9c**<br>Dividend per share*<br>*1H25 4c per share unfranked, 2H25 5c per share fully franked |
| **$9.1bn**<br>New Volume | **$7.2bn**<br>Total Receivables | **12.12%**<br>Operating Income Margin |
| **8.28%**<br>Risk Adjusted Income yield | **43.1%**<br>Cash Cost-to-Income Ratio | **7.1%**<br>Tangible Equity Ratio |
| **307,000**<br>New Customers | **59m**<br>Total Card Transactions | **3bn**<br>New Funding Raised |
| **5,500+**<br>Retail partner outlets | **5,500+**<br>Loan accredited brokers | **62**<br>Debt investors |

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# From the Chairman



**Mike Tilley**
Chairman

## Dear Shareholders,

I am pleased to report that your company delivered a strong financial performance in 2025, as we continued to realise the benefits of our considerable and ongoing work to build a more agile and focused business.

Cash NPAT rose to $105 million in 2025, up 59%, on the back of increased volumes, receivables and margins.

The strong result and strength of our balance sheet saw the Group's Tangible Equity Ratio (TER) close the year at 7.1%, in line with our 6-7% target range. This enabled the board to declare a 2H25 dividend of 5 cents per share fully franked, following a 4 cent per share unfranked dividend in 1H25.

Latitude's 2025 performance follows the steady momentum we saw across our business over the previous 18 months, as we continued to implement the measures we have outlined in previous years. Those measures focus on our core strengths across credit cards, sales finance and personal and auto lending in Australia and New Zealand. Our presence and share in these product segments continue to grow to the point that we are number two in new personal loans volumes in Australia, as well as number one in New Zealand.

Our 2025 performance gives us further confidence that we are building the capability, discipline and focus to deliver long-term value to all our stakeholders, as well as better services to the many customers, partners and communities that we serve.

We are encouraged by the prospect of economic conditions that support continued demand for consumer credit, including continuing low unemployment, cash rates at historically moderate levels and a strong investment market.

We continue to strengthen our balance sheet so we have the runway required to accommodate future growth and the capacity to capitalise on strategically aligned opportunities as they arise.

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While work under our Path to Full Potential program is far from complete, the foundations are firmly in place as a result of the strong action we have taken to improve operations and reshape Latitude into a leaner, more focused growth business.

Late in the year the board endorsed a new set of strategic initiatives we are calling the Bridge to the Future, the next phase of Latitude's Path to Full Potential strategy, which looks to:

- **Extend the fundamentals** by taking the best of what we've built and embedding it universally across the business
- **Deliver sustained asset growth** through deepening our existing partnerships, expanding into near-adjacent categories to enable our customers to enjoy such things as more travel and better healthcare, and enhancing our traditional offerings
- **Eliminate legacy technology** to reduce costs, underpin growth and modernise at speed. The rate of technology advancements is continuing to speed up and the useful life of technology platforms is reducing at a rapid rate
- **Enhance productivity and customer experience with AI** to improve efficiency and deliver materially enhanced customer service and experiences
- **Strengthen operational excellence** by continuing to raise the bar on security, reliability and risk management in an ever more global, complex and legalistic operating environment

This important evolution in strategy will enable us to evolve with the changes in our external environment to ensure we maintain and enhance our improved performance across key volume and operational metrics, and support our 1.8 million customers – people from all walks of life across Australia and New Zealand – and our many partners.

These partners include iconic retailers who help form our unrivalled network of more than 5,500 online and physical stores, the 5,500 brokers who help connect our customers with the right personal or auto loans, our growing list of international and local debt investors and, of course, our many shareholders. I thank each of you for your ongoing support for and trust in our company.

On behalf of the board, I also want to offer my thanks to all of the Latitude team for their commitment, under Managing Director and CEO Bob Belan's strong leadership, to supporting our customers and partners over the past year, while helping drive significant change in how we do things.

The ongoing changes at Latitude extend to the board where we welcomed the appointment early in the year of Ilfryn Carstairs as a non-executive director representative of major shareholder Varde. Ilfryn has deep expertise in credit and consumer finance drawn from more than 20 years in the finance sector. In a short time he has made a strong impression at Latitude, where he also sits on the Board Risk Committee.

The Board looks forward to working together with our many partners and customers for many years to come and in seeing Latitude reach its fullest potential.



**Mike Tilley**
Chairman

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# From the Managing Director and CEO

## Dear Shareholders,

Latitude made significant progress against its priorities in FY25 under its *Path to Full Potential* strategy. The Group remained focused on disciplined execution, strengthening its core foundations and positioning the business to deliver strong, sustainable results and long-term value for shareholders.

Momentum built steadily through the year and was reflected in improvements across key operating metrics, including total new volumes of $9.1bn (+10%), gross receivables of $7.2bn (+7%), operating income of $839m (+15%), and a further improvement in the cash cost-to-income ratio.

Volume growth drove receivables to their highest level in five years, while net interest margins continued to expand, supported by targeted yield initiatives and lower funding costs.

In the Money Division, new lending originations of $1.6bn drove receivables growth of 10% to a record $3.3bn. This performance reflected the benefits of new loan features, incremental investment in growth-focused marketing and expanded distribution through our broker network. Disciplined pricing actions enabled further net interest margin improvement, while reinforcing Latitude's position as the second-largest issuer of personal loans in Australia.

In the Pay Division, we continued to enhance our credit card proposition, including the introduction of *Latitude Rewards* and customer experience improvements across our interest-free products. Growth in applications, approved accounts and usage supported higher purchase volumes and receivables.



**Bob Belan**
Managing Director and CEO

Our retail partner network remained a key competitive advantage. During the year, we added new merchants including E&S Trading and Adairs Retail Group (Focus on Furniture and Mocka), renewed major partnerships including with Harvey Norman and realised the full-year benefits of the David Jones store card partnership. Alongside continued growth in core categories, we also entered selected adjacent segments with initial signings including Webjet and Dental Boutique.

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As the business grew, we maintained disciplined cost management, delivering a further ~800bps improvement in the cash cost-to-income ratio on a normalised basis. This created capacity to invest in technology, marketing and innovation to support improved customer and partner experiences.

We further strengthened the balance sheet during the year, while diversifying the global investor base and extending the debt maturity profile. The 59bps improvement in funding costs year-on-year was due to spread tightening and lower base rates reflecting central bank rate reductions earlier in the year.

These results validate the foundational work undertaken under the *Path to Full Potential* strategy to simplify the business, sharpen focus on core markets and products, and embed the capabilities required to consistently outperform.

Building on this progress, late in the year we launched *Bridge to the Future*, the next phase of Latitude's strategy. This phase builds on the strong operational foundations established to date and is focused on five strategic priorities:

- Extend and embed the fundamentals
- Deliver sustained asset growth
- Eliminate legacy technology
- Enhance productivity and customer experience through AI
- Drive operational and risk management excellence

Execution against these priorities is already underway, including more sophisticated use of data across the credit lifecycle, commencement of credit card platform modernisation, and the deployment of AI to improve efficiency and service outcomes.

Our ambition is clear: to deliver market-leading growth, disciplined execution and superior returns, while building a business that is trusted by customers, partners and the communities we serve.

I would like to thank our colleagues for their continued commitment and focus during a period of significant change. I also thank the Board and Executive Leadership Team for their support, including welcoming our new CFO, Guillaume Leger, whose global experience and impact have already strengthened the Group.

Finally, I thank our shareholders, customers and partners for your ongoing support.



**Bob Belan**
Managing Director & CEO

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# About Latitude

## **We make it possible** – with financing solutions for our customers in the moments that matter.

Latitude is a leading consumer finance business in Australia and New Zealand, helping more than 1.8 million customers make the purchases important to them, whether they are big, small, or in moments planned or unexpected.

Latitude's products span personal loans, auto loans and segment-leading credit cards, including cards that offer customers the flexibility of interest free payment plans.

Through its scale and unique distribution model, Latitude's customers can:

- Shop and make purchases across an unrivalled merchant partner network of more than 5,500 online and physical outlets across Australia and New Zealand, and
- Find the right personal or auto loan for them directly through Latitude's contemporary digital channels or through its network of more than 5,500 accredited brokers

Latitude also offers white label solutions on behalf of its partners, including the in-store customer credit card for iconic Australian retailer David Jones.

At December 31 2025, Latitude's gross receivables totalled $7.2bn, including $3.9bn of credit card balances and $3.3bn of personal and motor loans. New volumes or originations in 2025 reached $9.1bn.

## 100 years of serving the community

Latitude's story began in 1925 with the establishment of the Australian Guarantee Corporation (AGC) to help people access finance for everyday essentials like household goods and farm equipment. AGC later expanded into New Zealand, was bought by the Bank of New South Wales (Westpac) in 1957 and became part of GE Capital in 2002. The business became Latitude Financial Services in 2015 after it was purchased by the consortium of KKR, Värde and Deutsche Bank. Latitude listed on the ASX in 2021.

## Path to Full Potential – Bridge to the Future

In 2023, Latitude adopted the Path to Full Potential strategy which focussed on delivering the basics brilliantly and building strong, sustainable foundations across our core markets, Australia and New Zealand, and competencies in credit cards, sales finance, personal loans and auto loans.

Latitude completed the first phase of the strategy at the end of 2025, having enhanced capability, stopped non-core activity and restored sustainable growth. The next phase of the strategy, Bridge to the Future, builds on the strong foundations that were established under Path to Full Potential so that Latitude can grow strongly, perform better than our competitors, maximise value through disciplined execution and ultimately be a world class brand.

Bridge to the Future has 5 core pillars:

- Extend & Embed the Fundamentals
- Ensure Sustained Asset Growth
- Eliminate Legacy Technology
- Enhance Productivity & Customer Experience with AI
- Drive Operational & Risk Management Excellence

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# Differentiated operating model

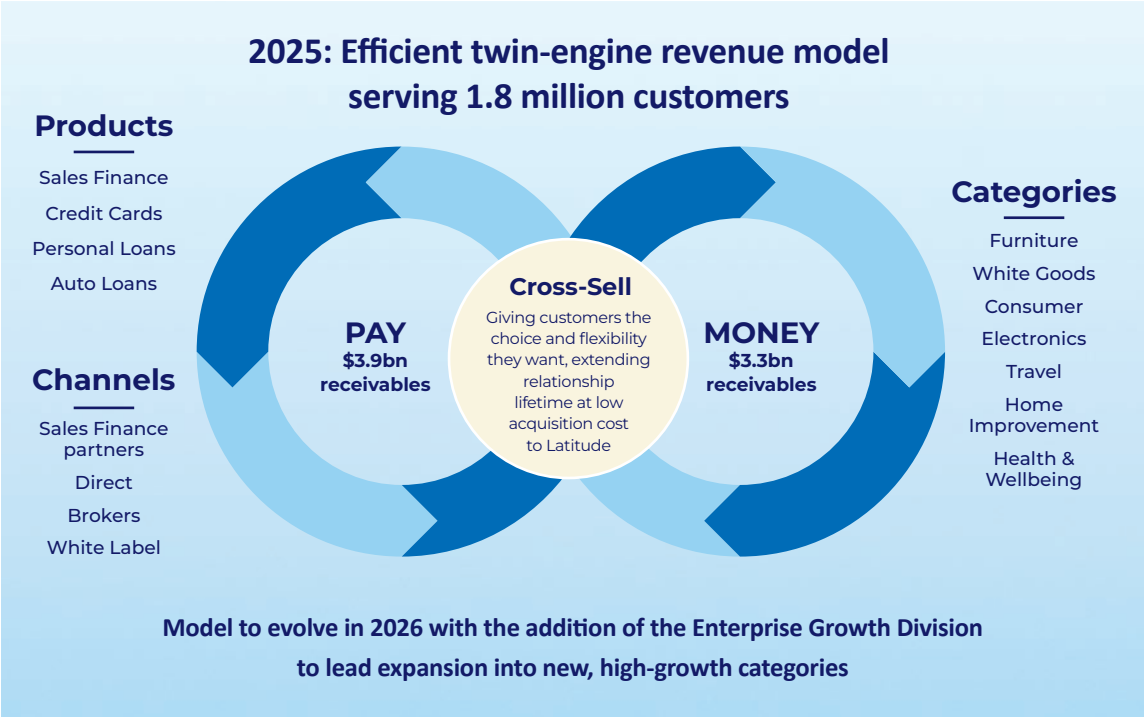
Through 2025, Latitude's revenue, service and delivery model remained centred on its end-to-end Pay and Money divisions.

Money offers customers variable and fixed-rate personal and auto loans directly and through our broker network. In 2024, Latitude became Australia's second largest personal loan lender, behind only one major bank, with strong growth underpinned by our cloud-based, contemporary technology platform.

Pay offers credit cards direct and through our retail partner network. Our credit cards include the Latitude Gem Visa and Latitude GO Mastercard, which offer the flexibility of interest free payment plans and choice of everyday purchases, as well as leading travel card Latitude 28° Global Platinum Mastercard, the new Latitude Low Rate Mastercard and David Jones cards.

Latitude's retail partners include major local brands Harvey Norman, JB Hi-Fi, The Good Guys and David Jones, and international technology giants Apple and Samsung.

In February 2026, Latitude introduced a new Enterprise Growth Division to lead our expansion into new, high-growth categories, starting with Health and Wellness and Home Services. Enterprise Growth will have end-to-end ownership of this important strategic push, including piloting new products, value propositions and merchant services.




# Investors

Latitude's fixed income and equity investors play an essential role in helping our customers with financial solutions that make things possible, and in ensuring the balance sheet strength so our company can evolve and grow.

In 2025, the number of institutional investors in our $7.5bn secured debt funding programs increased to 62, with 60% based offshore. This diversified investor base enabled us to raise $1.5 billion in ABS term debt and a further $1.5 billion in warehouse securitisation, contributing to an almost doubling in public ABS outstanding over the past two years.

Latitude continued to actively manage its capital structure, including the buyback of ~$11 million of perpetual capital notes issued in 2021. This action supported efficient use of excess cash while maintaining a strong balance sheet. Following the buyback, more than 1,300 investors remain, with $139 million of notes in issuance.

Latitude maintains a broad, stable equity investor base of ~1,700 shareholders, including former private equity owners Deutsche Bank, Värde Partners, and KKR Australia, as well as long-term cornerstone investor SBI Holdings, Inc.

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# Sustainability at Latitude

## Our Approach

Real progress begins with responsibility. By listening, learning and acting on what matters most, we make a better future possible.

We are building momentum in our sustainability journey, strengthening the foundations that support long-term growth and resilience.

Our focus is on earning trust from our customers, our people and the communities we serve by understanding our footprint, improving our performance and creating positive change.

## 2025 Highlights

| | |
|---|---|
| Supported vulnerable customers through **tailored hardship arrangements** | Rolled out **two new company-wide development programs** for our people |
| **$2m+** donated to charities since Latitude began | Achieved an average monthly compliance training completion rate of **99%** |
| Established a three-year **Diversity & Inclusion Strategy** | Measured and published our **Scope 1 & 2 emissions** |
| Launched our inaugural **Reconciliation Action Plan** | Issued our first **climate-related financial disclosure** |

# Sustainability Framework

Our Sustainability Framework guides how we integrate sustainability across the business. It sets the priorities that shape our actions: maintaining strong governance, advancing our climate response, fostering a safe and inclusive workplace, contributing to our communities and delivering responsible financial outcomes for customers. We are intent on turning ambition into action and ensuring progress is measured by transparency, accountability and long-term impact.




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# Sustainability Governance

Strong governance underpins Latitude's approach to sustainability and the climate. The Board has overall accountability, guiding the strategic direction and ensuring our approach is aligned with Latitude's purpose, strategy and regulatory obligations.

Oversight is supported by the People and Remuneration Committee, which leads the development of our sustainability strategy and the management of climate-related risks and opportunities.

The Audit Committee provides independent assurance over our climate-related disclosures, while the Enterprise Risk Management Committee reinforces oversight across broader risk frameworks. Day-to-day responsibility for advancing our sustainability and climate agenda sits with Latitude's Executive Leadership team, which translates strategy into action across the business.



For information about climate governance, see our Sustainability Report (AASB S2) included at the end of the Annual Report.

# Material Impacts

| | | | |
|---|---|---|---|
| **Responsible Lending** | **Corporate Governance** | **Risk Management** | **Anti-Money Laundering and Counter Terrorism Financing** |
| **Cyber Security and Data Privacy** | **Ethical Conduct** | **Vulnerable Customers and Financial Hardship** | **Culture and Employee Engagement** |

Last year, Latitude completed its first impact materiality assessment, evaluating how our activities influence the environment, people and society. The resulting insights directly informed the development of our Sustainability Framework and the identification of our most material sustainability topics.

These topics capture what matters most to our stakeholders and where Latitude can have the greatest impact, guiding how we embed sustainability across the organisation. We will undertake another impact materiality assessment in 2026 to ensure our priorities remain relevant and aligned with evolving expectations.

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## Supporting the United Nations Sustainable Development Goals

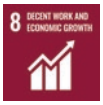
We recognise the important role the financial sector plays in advancing the United Nations Sustainable Development Goals (SDGs).

This includes enabling fair and inclusive access to finance, maintaining strong and transparent governance, and engaging meaningfully with communities.

Based on our operations and sustainability priorities, we've identified five SDGs where we are best placed to make a positive contribution.




**Reduced Inequalities** – through the design and delivery of responsible credit products that help reduce barriers to financial opportunity, particularly for underserved customers.




**Decent Work and Economic Growth** – by offering meaningful employment, supporting employee wellbeing, and providing products that help people manage and participate in the economy.




**Climate Action** – by working to understand and disclose our climate-related risks and opportunities and address our environmental impact over time.




**Peace, Justice and Strong Institutions** – by maintaining strong governance, compliance and ethical business practices that build and protect stakeholder trust.




**Gender Equality** – by fostering a diverse, equitable and inclusive workplace, and supporting gender balance in leadership and across all levels of the organisation.

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# Customer

We work to deliver financial solutions that adapt to the changing needs of our customers through all life's moments, helping them manage today and prepare for the future. This means continually refining our products, offering extra support to those in vulnerable circumstances, protecting people from fraud and scams, and making it easy for customers to engage with us when they need to.

## Responsible lending

We ensure lending practices are fair, transparent and aligned with the financial goals of our customers. Thorough assessments are undertaken to evaluate each borrower's ability to repay, helping to prevent overextension and financial stress.

Our credit underwriting strategies are designed to responsibly provide access to borrowing for a wide range of customers from different walks of life.

Our Lending Responsibly Policy provides the framework and standards that guide every product we offer. These standards reflect the requirements of the Australian National Consumer Credit Protection Act, the New Zealand Credit Contracts and Consumer Finance Act and associated codes. We continue to refine our products and policies to support diverse customer needs while upholding the highest ethical standards.

We also provide practical tools to help customers stay in control of their accounts, including payment reminders and a range of support options.

## Customers needing extra care

We support customers who are vulnerable or experiencing financial hardship with tailored solutions through our dedicated Hardship Care Team. Guided by our Vulnerable Customer Standard, we provide personalised assistance that helps customers regain control of their financial situation.

We continue to work with the financial counsellor network and contribute to the Financial Counselling Industry Fund, helping more Australians access financial counselling services when they need them most.

For more information about how we support our customers, visit Support for Vulnerable Customers on our website.

### Support when it matters most

In 2025, Latitude assisted many customers experiencing financial difficulty, providing hardship support along with concessions and waivers across Australia and New Zealand.

## Fraud and scam prevention

Fraud and scams continue to pose significant risks for customers and the wider community. As a consumer lender, Latitude has a responsibility to help protect people from these threats and to respond quickly when issues arise.

Our approach to fraud and scam prevention combines strong systems with proactive education. In 2025, we continued to strengthen our fraud detection and monitoring capabilities so we can identify suspicious activity earlier and act quickly to protect customers. Our dedicated Fraud Team works across the business to investigate incidents, disrupt attempted scams and strengthen controls against evolving tactics.

We know technology alone is not enough. That's why we are empowering customers to recognise and avoid scams. We provide clear information and practical advice through our website, customer communications and frontline teams.

We also invest in our people by providing ongoing training and timely scam updates to frontline teams, recognising that our staff play a vital role in keeping our business and customers safe.

To learn how you can protect yourself, visit our Scams & Security Hub on our website.



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## Driving continuous improvement

We aim to treat customers fairly and ensure the products we offer meet their needs. We comply with Australian Securities and Investments Commission's guidance on complaints handling. We have a dedicated customer complaints team and well-established complaint handling processes to resolve issues in a responsible, timely manner.

We aim to resolve all complaints to a satisfactory level; however, customers can refer their complaint to the Australian Financial Complaints Authority or the Insurance & Financial Services Ombudsman Scheme in New Zealand if they are not satisfied, and we notify them of this option.

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# Responsible Business

Responsibility is central to the way we operate and the decisions we make at Latitude. It shapes how we manage risk and act to safeguard the trust placed in us by customers, employees, partners and communities. Through strong governance, ethical conduct, privacy, cyber security and the prevention of financial crime, we ensure our business operates with transparency and accountability.

## Corporate governance

Our governance practices are essential to the long-term performance and sustainability of Latitude. They provide the structure through which our strategy and business objectives are set, our performance is monitored and the risks we face are managed.



For more information, see our 2025 Corporate Governance Statement on our website.



For specific information about climate governance, see our Sustainability Report (AASB S2) included at the end of the Annual Report.

## Managing risk

Latitude continually reviews its risk management capabilities to reflect changes in strategy, developments in the external environment and our focus on achieving the best outcomes for customers. Our Enterprise Risk Management Framework (ERMF), Risk Appetite Statement (RAS) and supporting processes are regularly assessed and updated to ensure risks related to our business activities are identified, measured, monitored and managed appropriately and effectively.

We maintain a system of internal controls that is proportionate to the scale of our business and aligned to the Board-defined risk appetite. To support this, Latitude applies a three-lines-of-defence model[1] that provides clarity of responsibility and helps ensure strong oversight of risk management across the organisation.



For specific information about climate risk, see our Sustainability Report (AASB S2) included at the end of the Annual Report.

## Acting with integrity

We expect all our people to act responsibly and with integrity in line with the requirements of our Code of Conduct.

Each year, our people undertake a suite of mandatory compliance training modules which reinforce the behaviours expected of them. Modules are assigned by employment type and role, and in many cases to all employees regardless of their role or employment type. Topics include, but are not limited to: privacy, information security, risk management, responsible lending, financial crime, health and safety, and inclusion. As of 31 December 2025, we achieved an average monthly compliance training completion rate of 99%.

## Behaving ethically

Enabling our people to speak up securely and confidentially about concerns is an important part of our culture. Our Whistleblower Policy defines our commitment to the highest standards of ethics and explains to employees how concerns can be raised. Employees complete annual training that includes guidance on the policy and available reporting channels.

Alongside internal reporting options, our people can also contact *YourCall*, an independent external provider, to raise concerns confidentially or anonymously. We take every report seriously.

1 The three lines of defence is a risk management model where frontline teams own and manage their risks, Risk and Compliance functions provide oversight and guidance, and Internal Audit offers independent assurance.



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## Protecting privacy and information

Every day, millions of Australians and New Zealanders entrust us with their personal information. We take seriously our responsibility to handle that data with care, fairness and respect.

Our approach is guided by a clear commitment to transparency. We are open about what information we collect, how we use it and the choices available to customers. We annually review our Privacy & Credit Reporting Policy to ensure it remains clear, accessible and relevant, reflecting the latest regulatory requirements and community expectations in Australia and New Zealand.

Privacy responsibilities are embedded across the organisation, with oversight from senior management and the board. Employees complete regular training, and privacy considerations are built into decision-making processes for new initiatives.

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## Cyber security

Safeguarding customer data and maintaining trust are central to Latitude's responsibilities as a leading non-bank lender. Cyber security is recognised as a material risk and managed through strong governance processes overseen by the Board and Risk Committees. Specialist teams provide specific cyber security functions such as threat detection, incident response, identity management and continuous controls testing.

Recognising the evolving nature of cyber threats, we embed robust controls into every level of our business. This includes ongoing investment in advanced monitoring technology, rigorous testing of our defences, and stronger protocols for third-party and vendor security management. We also prioritise data privacy and customer confidence, ensuring that personal information is handled transparently and securely, in accordance with all relevant Australian and New Zealand laws.

Latitude aligns its Cyber Security capability to both the Australian Signals Directorate Strategies to Mitigate Cyber Incidents and the US National Institute of Standards and Technology Cyber Security Framework. A Cyber Security Strategy, reviewed annually, guides the introduction of cyber security capability to ensure it meets the needs of the business and keeps pace with the threat landscape. Major initiatives planned to be completed in 2026 include the continued deployment of a centralised Identity Management System, the implementation of strong network security controls (microsegmentation) and a refresh of Latitude's threat detection and incident response systems to better leverage automation and agentic AI.

Our people play a critical role in maintaining a strong security culture. Regular training and scam awareness programs equip employees to identify and respond to emerging risks, while fostering a culture of accountability and vigilance. By combining strong governance, advanced technology and a culture of shared responsibility, Latitude is building the resilience needed to safeguard our customers and stakeholders in an increasingly digital financial landscape.

## Anti-money laundering and counter-terrorism financing

Protecting our customers and the wider community from financial crime is a core responsibility for Latitude. We are committed to maintaining a strong and effective framework that prevents, detects and deters activities linked to money laundering and terrorism financing.

Our Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) programs in Australia and New Zealand set out how we meet our obligations and how we manage the risks of financial crime across our business. The programs are supported by detailed policies and procedures that guide how risks are identified and addressed throughout the life of all customers' relationship with Latitude.

All Latitude employees, from the board through to frontline teams, complete annual AML/CTF training, with additional targeted role-specific learning provided where specific risks are identified. By equipping our people with the right knowledge, we ensure they can play an active role in protecting our customers and communities.

To provide confidence in the effectiveness of our programs, we undertake regular reviews and quality assurance testing. Independent assessments also form part of our approach, ensuring our practices remain robust and aligned to regulatory expectations, including Australia's AML/CTF reforms which come into effect in 2026.

## Working with our regulators

Latitude operates in a highly regulated environment and maintains open and constructive relationships with our Australian and New Zealand regulators.

In Australia, our primary regulator is the Australian Securities and Investments Commission (ASIC). We are also subject to oversight from various other regulators including the Australian Transaction Reports and Analysis Centre (AUSTRAC), the Office of the Australian Information Commissioner (OAIC) and the Australian Media and Communications Authority (ACMA). In New Zealand, our primary regulator is currently the Commerce Commission. We are also subject to oversight by the Department of Internal Affairs (DIA) and the Office of the Privacy Commissioner (OPC).

## Industry associations

Latitude maintains strong relationships with key industry bodies across Australia and New Zealand, including the Australian Finance Industry Association (AFIA), the Australian Retail Credit Association (ARCA) and the Financial Services Federation in New Zealand. This involvement supports our understanding of emerging regulatory developments and evolving industry best practice.

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# Employee Growth and Development

Latitude's people are the foundation of both our culture and our performance. In 2025, their collective efforts strengthened our core business, improved customer outcomes and supported growth across key markets. By focusing on development, recognition and wellbeing, we are building a workplace where our people can thrive and, in doing so, secure Latitude's success.

## Culture and employee engagement

Latitude's workplace culture, essential for realising our purpose and business strategy, is reflected in our four values (below) and supporting behaviours. They guide how we perform in our roles and form the foundation of our performance and development framework to embed a winning culture.




Building on this foundation, we continue to listen closely to our people through regular surveys and open discussions, using their insights to shape meaningful change. In 2025, our Enterprise-Wide Engagement Action Plan translated feedback into tangible outcomes, contributing to an engagement score of 66% and an exceptional participation rate of 88%.

### Introducing Beny

In response to employee feedback, we made it easier for our people to access the perks, discounts and benefits available at Latitude. The Beny App brings together all of Latitude's existing offers alongside a wide range of new perks and discounts in one simple, easy-to-use platform. From everyday essentials to lifestyle experiences, our people now enjoy savings and rewards in just a few taps, making the benefits of working at Latitude easier to enjoy every day.

## Learning and development

Latitude's learning culture ensures our people are equipped for today and prepared for the future. We provide targeted training and professional development opportunities that build skills, foster leadership and encourage innovation. Our investment in digital learning platforms and tailored programs supports employees at all stages of their careers, whether building foundational capabilities or developing specialised expertise.

Development is supported by regular conversations between our people and their leaders, complemented by peer feedback. These discussions cover progress, career aspirations and development needs, helping individuals to grow while contributing to Latitude's success.

### Growing and leading together

This year, we strengthened our focus on growth and capability by launching two complementary frameworks. *Grow Your Impact* is Latitude's personal learning and development program for all employees, designed to help build the skills, habits and mindset for lasting success. Through interactive masterclasses, practical toolkits and curated resources, our people gain new skills they can put into practice immediately.

Alongside this, we introduced *Leadership at Latitude*, a framework that defines the skills and behaviours our leaders need to thrive in their roles and guide our business forward. These competencies are embedded into learning programs, performance measures and talent management, creating a shared language for leadership that connects directly to our purpose, values and strategy.

Together, *Grow Your Impact* and *Leadership at Latitude* provide a clear and connected pathway for development, helping every employee to expand their impact and every leader to lift their teams and our organisation.

## Performance and reward

Recognising and rewarding performance is a cornerstone of our employee experience. We have a transparent performance framework that aligns individual contribution with Latitude's purpose, values and strategic priorities. Our pay-for-performance approach ensures that outcomes and behaviours are recognised. Individual performance ratings, together with Latitude's overall results, inform both fixed and incentive pay for the majority of our people, reinforcing accountability and achievement.

### Celebrating achievement together

Our Congratitude platform allows real-time recognition of achievements, milestones and behaviours that reflect Latitude's values. In 2025, there were more than 11,000 recognitions across the business. This strong uptake shows how much our people value celebrating one another and reinforces the behaviours that underpin Latitude's success.

## Diversity and inclusion

Latitude's strength comes from the diversity of its people. We value the different perspectives and experiences that shape our business and are building a culture of inclusion where everyone feels respected and able to thrive.

Our Diversity & Inclusion (D&I) Policy provides the framework for achieving measurable objectives. This is supported by our Workplace Behaviour Policy which outlines our commitment to providing a safe and inclusive working environment where we treat each other with respect.

### Strengthened focus on inclusion

In 2025, we developed our 2026–2028 D&I Strategy. The three-year plan provides a clear framework to attract and retain talent, lift engagement and strengthen Latitude's reputation as an employer of choice. It was shaped by feedback from our people and leaders, together with insights from external research and best practice, ensuring it reflects both our culture and the broader environment in which we operate.

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We continue to advance gender diversity across our organisation in line with the 40:40:20 commitment. This approach aims for 40% women, 40% men and 20% open to any gender across our workforce.

It recognises that balance is achieved not by fixed quotas but by creating flexibility that allows teams to reflect the diversity of our people.

Our current gender metrics and targets as of 31 December 2025 are detailed in the table below.

| Gender Representation Objective | Current Target | 31 December 2025 Outcomes |
|---|---|---|
| **Gender Representation** | | |
| **Board** | Not less than 25% female representation | 29% Women |
| **Independent Non-Executive Director** | 40% female, 40% male<br>20% any gender (40:40:20) | 50% Women<br>50% Men |
| **Executive Leadership Team (ELT)**<br>CEO, EGMs | 40% female, 40% male<br>20% any gender (40:40:20) | 33% Women<br>67% Men |
| **Senior Leadership Team**<br>Direct reports of ELT | 40% female, 40% male<br>20% any gender (40:40:20) | 39% Women<br>61% Men |
| **Total Workforce** | 40% female, 40% male<br>20% any gender (40:40:20) | 50% Women<br>50% Men |
| **Pay Gap***<br>Base Remuneration Average Gap | Reduce 2% pa to achieve <10% by 2028 | 20.4%, up 0.98% |
| **Recruitment** | Not less than 40% of each gender | 43% Women<br>57% Men |
| **Succession** | Equal representation of gender across talent pipelines through to GM and EGM roles | 25% Women<br>75% Men |

* Sourced from Latitude's internal reporting. It reflects actuals at time of extraction and may differ from WGEA published figures due to differing capture dates.

## Promoting health, safety and wellbeing

We prioritise health, safety and wellbeing so that every employee can feel supported and perform at their best. We maintain strong workplace safety standards, supported by clear policies, training and risk management practices.

Latitude understands that employee wellbeing has a significant impact on safety and their ability to thrive. We provide free and confidential medical, physical and mental health support via the Sonder App to our people and their immediate families. During 2025, 63% of use took place outside standard hours, reflecting the importance of Sonder's 24/7 support through phone or online chat. This pattern of use shows that our people value having care available at any time.

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# Social Impact

Creating impact beyond our business means focusing on issues that matter most to our people and communities. Through partnerships, workplace giving, reconciliation and respect for human rights, we direct resources where they can achieve the greatest benefit. Together with our employees and customers we support efforts that help communities grow stronger and more resilient.

## Investing in our communities

Our workplace giving program is guided by our purpose and values and shaped in collaboration with our people. We partner with employee-nominated charities to address critical issues, such as improving literacy and numeracy, assisting individuals experiencing domestic violence, supporting people with cancer and promoting health and wellbeing.

Our workplace giving partners in 2025 included, ReachOut, Redkite, the Salvation Army and Murdoch Childrens' Research Institute in Australia, and Duffy Books in Homes, Child Cancer Foundation, Mental Health Foundation and Women's Refuge in New Zealand. In 2025, Latitude employees donated over $22,000 to these charities, with their donations matched dollar for dollar by Latitude. In addition, our customers also contributed through the donation of small surplus balances and unclaimed monies.

## Reconciliation

This year, we launched our inaugural Reflect Reconciliation Action Plan (RAP) coinciding with National Reconciliation Week 2025. The RAP provides a framework to build meaningful relationships, respect and opportunities with First Nations peoples, guided by collaboration and mutual accountability. Through the plan, we aim to strengthen understanding, embed reconciliation into our culture and contribute to a more inclusive and equitable future.

For more information, see our Reconciliation Action Plan on our website.

## Respecting human rights

We maintain a zero-tolerance approach to modern slavery and human trafficking across our operations and supply chain. Our governance framework and supporting policies such as our Code of Conduct, Procurement Policy and Whistleblower Policy, help ensure we act ethically and with integrity in all business relationships. We take a risk-based approach to supplier management, requiring due diligence, contractual commitments and monitoring to safeguard against modern slavery practices. Through regular training, awareness initiatives and engagement with suppliers and third parties, we aim to strengthen resilience against human rights risks.

For more information, see our latest Modern Slavery Act Statement on our website.

# Climate Action

We acknowledge the importance of understanding the environmental impacts of our operations and continuing to strengthen resilience to climate-related risks.

In 2025, we published our first climate disclosure prepared in accordance with the Australian Sustainability Reporting Standards AASB S2. The report provides information on our Scope 1 and 2 emissions and outlines how climate considerations are being reflected in Latitude's operating environment.

You can read our Sustainability Report (AASB S2) included at the end of the Annual Report.

# 2025 Consolidated Financial Report

Latitude Group Holdings Limited- For the year ended 31 December 2025

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# Directors' Report

The Directors present their report together with the financial statements of Latitude Group Holdings Limited ('the Company') and the entities it controlled ('the Group') at the end of, or during, the year ended 31 December 2025 ('year') and the auditor's report thereon.

The Group reported a $94.4 million profit after tax from continuing operations for the year ended 31 December 2025 (2024: $30.6 million).

## Directors

The following persons held office as Directors of Latitude Group Holdings Limited during the financial year and up to the date of this report, unless otherwise stated:

**Michael Tilley**
*Independent Non-Executive Chairman*
*Appointed September 2020*

Michael served as Chief Executive Officer of Challenger Financial Services Group Ltd from 2004 to 2008, following his tenure as Deputy Chairman. His prior roles at Merrill Lynch (Australasia) Pty Ltd included Chairman and Chief Executive Officer, and Chairman of Mergers & Acquisitions for the Asia Pacific Region. He has held Non-Executive Director positions at ASX-listed Orica from 2003 to 2013 and served as Chairman of Hotel Property Investments Ltd and Tubi Limited.

Michael holds a Post Graduate Diploma in Business Administration from Swinburne University and is a Fellow of the Australian Institute of Company Directors.

**Robert Belan**
*Managing Director and CEO*
*Appointed April 2023*

Bob was appointed Managing Director and CEO of Latitude Financial Services in April 2023.

He previously led Latitude's personal lending division as Executive General Manager, Money, and was co-founder and CEO of Symple Loans, acquired by Latitude in 2021.

With over 20 years of global management experience, Bob has held executive roles at American Express, JPMorgan Chase, and ANZ Banking Group, overseeing large-scale consumer payment and lending businesses.

He holds a Bachelor of Arts from The University of Western Ontario, Canada, and a Master of Business Administration from Columbia Business School, New York.

**Mark Joiner**
*Independent Non-Executive Director*
*Appointed March 2021*

Mark served as Chief Financial Officer of National Australia Bank Limited from 2008 to 2013. His earlier career includes roles with Citigroup in the United States and as a management consultant with Boston Consulting Group in both Australia and the United States. He currently serves as a Director of various Insignia Limited asset management entities and is Chairman of Pexa Limited.

Mark is a Chartered Accountant and holds a Master of Business Administration from Melbourne Business School. He is Chair of the Risk Committee and a member of the Audit Committee.

**Alison Ledger**
*Independent Non-Executive Director*
*Appointed March 2021*

Alison held senior strategic and operational roles at Insurance Australia Group Ltd for eight years, including Executive General Manager for Product, Pricing & eBusiness and Chief Operating Officer of The Buzz Insurance, where she led the digital transformation of the direct-to-consumer business. She previously worked as a Partner at McKinsey & Company in the UK and Australia, and as a banker with Chase Investment Bank and Bankers Trust. She currently serves as a Director of ASX-listed Audinate Group Limited, Count Limited, and Auto & General Insurance Australia.

# Directors' Report

Alison holds a Master of Business Administration from Harvard Business School and a Bachelor of Economics (magna cum laude) from Boston College. She is a Graduate and Member of the Australian Institute of Company Directors. She is Chair of the People & Remuneration Committee and Chair of the Technology Committee.

**Julie Raffe**
*Independent Non-Executive Director*
*Appointed September 2022*

Julie has over 40 years of professional experience across customer service, tourism, entertainment, and media sectors. She is a former Finance Director and Company Secretary of Village Roadshow Limited, previously listed on the ASX 200/300 with operations across Australia, Asia, the USA, and Europe.

She currently serves as a Director of ASX-listed Ridley Corporation Limited, Deputy Chair of Entertainment Assist, a not-for-profit mental health forum and on the advisory board of Maestro Talent, a non-listed fractional employment agency.

Julie is a Chartered Accountant, Fellow of the Financial Services Institute of Australasia, and a Graduate and Member of the Australian Institute of Company Directors. She is Chair of the Audit Committee and a member of the Technology Committee.

**Beaux Pontak**
*Non-Executive Director*
*Appointed June 2015*

Beaux is Managing Director and Co-Head of Deutsche Bank AG's Global Finance & Credit Trading business in Asia Pacific. Prior to joining Deutsche Bank in 2005, he worked as a Senior Manager in Management Consulting at Ernst & Young Global Limited.

He holds a Bachelor of Arts in Economics and a Bachelor of Arts in International Studies. Beaux is a member of the Risk Committee, the People & Remuneration Committee, and the Technology Committee.

**Philip Busfield**
*Non-Executive Director*
*Appointed October 2023*

Philip has over 27 years of experience in investment banking across London and Sydney. He was Board Director and Head of Risk Management at Nikko Principal Investments, overseeing a diverse portfolio of financial and non-financial assets, including financing sub-prime car loans, non-standard mortgages, and government-originated student loans.

He served as Chair of the Finance and Audit Committee for the 2023 Sydney World Pride event and is co-founder and Board Director of Biscuit Tin Productions. He also serves on the boards of several Australian not-for-profit organisations as Treasurer and Chair.

Philip holds a Degree in Mathematics (Honours) from Cambridge University. He is a member of the People & Remuneration Committee.

**Ilfryn Carstairs**
*Non-Executive Director*
*Appointed January 2025*

Ilfryn is Partner and Co-Executive Chair of Värde and a member of the firm's Investment Committee. He joined Värde in 2006 in London and became Partner in 2011. He previously served as CEO of the firm and has invested across a broad range of financial assets, including corporate restructurings, liquidations, and actively traded opportunities.

Prior to Värde, Ilfryn worked at Deutsche Bank London in the Financial Sponsors Group and at Pacific Equity Partners in Australia.

He holds an Honours degree in Commerce from the University of Queensland and a Master of Business Administration from INSEAD Business School, France. He is a member of the Risk Committee.

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# Directors' Report

## Company Secretaries

**Tiffany Barton**
*Company Secretary*
*Appointed December 2022*

Tiffany joined the Group in August 2019 and was appointed General Counsel in October 2022, followed by her appointment as Company Secretary in December 2022. She previously served as a partner at Ashurst and PwC Legal, and brings extensive experience in mergers and acquisitions, corporate and commercial law across multiple sectors, with a particular focus on financial services.

Tiffany holds a Bachelor of Laws (Honours).

**Vicki Letcher**
*Company Secretary*
*Resigned October 2025*

## Directors' meetings

The number of Directors' meetings held during the year and each Director's attendance at those meetings is set out in the table below.

| | Board meetings scheduled | | Results Sub-Committee[1] | | Risk Committee | | Audit Committee | | People & Remuneration Committee | | Technology Committee | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Director | Held | Attended | Held | Attended | Held | Attended | Held | Attended | Held | Attended | Held | Attended |
| Mike Tilley | 9 | 9 | 2 | 2 | - | - | - | - | - | - | - | - |
| Robert Belan | 9 | 9 | 2 | 2 | - | - | - | - | - | - | - | - |
| Julie Raffe | 9 | 9 | 2 | 2 | - | - | 4 | 4 | - | - | 3 | 3 |
| Mark Joiner | 9 | 9 | - | - | 4 | 4 | 4 | 4 | - | - | - | - |
| Alison Ledger | 9 | 9 | - | - | - | - | - | - | 4 | 4 | 3 | 3 |
| Beaux Pontak | 9 | 7 | - | - | 4 | 4 | - | - | 4 | 3 | 3 | 3 |
| Philip Busfield | 9 | 9 | - | - | - | - | - | - | 4 | 4 | - | - |
| Ilfryn Carstairs | 9 | 9 | - | - | 3 | 3 | - | - | - | - | - | - |

*[1] Sub-committee meetings held to approve half year and full year financial results for release to the market.*

## Directors' interest

Details of each Director's relevant interests in shares and options are disclosed in Sections 8 and 9 of the Remuneration Report.

## Principal activities

The Group offers customers in Australia and New Zealand the following products:

**Pay Division**: credit cards that allow customers to make everyday purchases and access interest free payment plans to finance goods and services from Latitude's retail partners.

**Money Division**: providing secured and unsecured lending products to customers who are seeking personal loans and motor loans products.

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# Directors' Report

## Summary of Group performance

**Statutory profit after tax from continuing operations** increased from $30.6 million in 2024 to $94.4 million in 2025, an increase of $63.8 million.

**Cash Net Profit After Tax (Cash NPAT)[1] from continuing operations** increased from $65.9 million in 2024 to $105.1 million in 2025, an increase of $39.2 million. The movements in Cash NPAT are discussed in detail below.

## Summary of financial results

| $'m | 2025 | 2024 | Change % |
|---|---|---|---|
| Net interest income | 813.6 | 688.5 | 18% |
| Other income | 25.9 | 40.7 | (36%) |
| **Total operating income** | **839.5** | **729.2** | **15%** |
| Net charge offs | (266.3) | (214.0) | (24%) |
| **Risk adjusted income[1]** | **573.2** | **515.2** | **11%** |
| Cash operating expenses[2] | (362.1) | (360.0) | (1%) |
| **Cash PBT[1]** | **211.1** | **155.2** | **36%** |
| Movement in provision for impairment | (34.3) | (21.8) | (57%) |
| Depreciation & amortisation (excl leases) | (31.8) | (38.0) | 16% |
| **Profit before tax & notable items** | **145.0** | **95.4** | **52%** |
| Income tax expense | (39.9) | (29.5) | (35%) |
| **Cash NPAT[1] from continuing operations** | **105.1** | **65.9** | **59%** |
| *Notable items after tax[1][2]* | | | |
| Amortisation of acquisition intangibles | - | (25.5) | 100% |
| Other notable items | (10.7) | (9.8) | (9%) |
| **Statutory profit after tax from continuing operations** | **94.4** | **30.6** | **208%** |
| Discontinued operations | (0.4) | (9.0) | 96% |
| **Statutory profit after tax** | **94.0** | **21.6** | **335%** |
| Profit is attributable to: | | | |
| Owners of Latitude Group Holdings Limited | 94.0 | 21.6 | 335% |
| **Statutory profit after non-controlling interest** | **94.0** | **21.6** | **335%** |

*[1] Cash NPAT, Risk Adjusted Income and Notable items are non-IFRS metrics used for management reporting and reflects what the Group considers to be the underlying performance of the business. Cash NPAT is not audited.*
*[2] Cash operating expenses excludes notable items. Notable Items are items outside the ordinary course of business and temporary in nature or relate to the costs associated with entering new segments and markets where the associated revenues or benefits from that investment will not evolve during the reporting period.*

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# Directors' Report

## Note on statutory profit and cash NPAT

Statutory profit is prepared in accordance with the Corporations Act 2001 and the Australian Accounting Standards, which comply with International Financial Reporting Standards (IFRS). Figures disclosed in the Summary of Group Performance are on a cash NPAT basis unless stated as being on a statutory profit after tax basis. Cash NPAT is unaudited. Cash NPAT exclusions relate to:

- Amortisation of acquisition intangibles – reflects the amortisation of customer lists and distribution agreements recognised as part of the acquisition accounting (fully amortised in November 2024),
- Restructuring and corporate development costs – reflects the transition costs to a simplified operating structure and the costs associated with acquisitions and integrations,
- Remediation costs – reflects the costs relating to customer remediation, regulatory and enforcement activities and legal costs net of interim insurance recoveries received,
- Asset impairment – primarily reflects the decommissioning of platforms and site relocation, and
- Decommissioned facilities – reflects the costs relating to facilities that are decommissioned and are not intended to be utilised going forward.

## Reconciliation of cash NPAT from continuing operations to statutory profit/(loss) after tax from continuing operations

| $'m | 2025 | 2024 | Change % |
|---|---|---|---|
| **Cash NPAT from continuing operations** | **105.1** | **65.9** | **59%** |
| Amortisation of acquisition intangibles | **-** | (25.5) | 100% |
| Restructuring and corporate development costs | **(3.2)** | (3.1) | (3%) |
| Remediation costs | **(3.1)** | (3.0) | (3%) |
| Asset impairment | **(4.1)** | (1.7) | (141%) |
| Decommissioned facilities | **(0.3)** | (2.0) | 85% |
| **Statutory profit after tax from continuing operations** | **94.4** | **30.6** | **208%** |

## Reconciliation of notable items 2025

| $'m | Cash NPAT | Restructuring costs | Remediation costs | Asset impairment | Decomm-issioned facilities | Statutory profit/ (loss) after tax |
|---|---|---|---|---|---|---|
| Net interest income | 813.6 | - | - | - | - | 813.6 |
| Other income | 25.9 | - | - | - | - | 25.9 |
| **Total Operating Income** | **839.5** | **-** | **-** | **-** | **-** | **839.5** |
| Net charge offs | (266.3) | - | - | - | - | (266.3) |
| **Risk Adjusted Income** | **573.2** | **-** | **-** | **-** | **-** | **573.2** |
| Cash operating expenses | (362.1) | (4.5) | (2.9) | (5.8) | (0.3) | (375.6) |
| **Cash PBT** | **211.1** | **(4.5)** | **(2.9)** | **(5.8)** | **(0.3)** | **197.6** |
| Movement in provision for impairment | (34.3) | - | - | - | - | (34.3) |
| Depreciation & Amortisation (excl leases) | (31.8) | - | - | - | (0.2) | (32.0) |
| **Profit before Tax** | **145.0** | **(4.5)** | **(2.9)** | **(5.8)** | **(0.5)** | **131.3** |
| Income tax (expense)/benefit | (39.9) | 1.3 | (0.2) | 1.7 | 0.2 | (36.9) |
| **Profit after tax from continuing operations** | **105.1** | **(3.2)** | **(3.1)** | **(4.1)** | **(0.3)** | **94.4** |

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# Directors' Report

## Review of operations

FY25 was a year of solid financial performance, disciplined execution and continued progress against Latitude's strategic priorities to simplify and sharpen our focus on what we do best across our core markets in Pay and Money divisions. The Group delivered significant growth in volumes and receivables, expanded margins, maintained prudent credit discipline and strengthened its balance sheet, culminating in Cash NPAT of $105.1 million, up 59% YoY.

Supported by increased consumer lending demand, new product features, and expanded partner networks, Latitude enters FY26 with strengthened momentum, improved profitability and a capital position in line with its target range.

New volume of $9.1 billion was up 10% YoY, supported by strong demand for lending products and solid retail purchase activity. Receivables for the Group grew 7% YoY to $7.2 billion, with interest-bearing receivables up 8% YoY.

Margin expansion continued with operating income increasing 15% YoY to $839.5 million. This was driven by a 18% uplift in net interest income, supported by 104bps YoY improvement in net interest margin to 11.75% as a result of lower funding costs and pricing strategy discipline. Higher delinquencies and net charge offs are in line with point in cycle expectations, with NCOs increasing to 3.85% of average receivables, up 52bps YoY. The increase remains within the pre-Covid historical charge off range, while still delivering strong risk adjusted returns.

Cash operating expenses increased 1% YoY (decreased 3% YoY excluding the 1H24 one-off benefit). The Group continued to invest in technology, marketing and capability building to support growth, while maintaining strong cost discipline, offsetting the impact of increased volumes. The cash cost-to-income ratio improved to 43.1%, down 625bps YoY (down 802bps YoY excluding the 1H24 one-off benefit).

The results of FY25 reflect the successful execution of Latitude's Path to Full Potential strategy, with ongoing improvement across key operational and financial metrics. Management remains focused on driving sustainable growth, disciplined credit performance, and delivering long-term value for shareholders.

## Summary of financial analysis

Cash NPAT of $105.1 million in FY25, an increase of $39.2 million or 59% compared to FY24, due to the following key drivers:

- **Total Operating Income** rose $110.3 million or 15% YoY to $839.5 million. This growth was primarily driven by a $125.1 million or 18% increase in net interest income to $813.6 million, reflecting a 104bps YoY improvement in net interest margin to 11.75%. Interest income yield increased 45bps to 17.16%, supported by funding cost improvements (interest expense/AGR down 59bps to 5.41%). Other income declined by $14.8 million YoY due to loyalty program costs (launched in 2H24) and FX market volatility, with other income yield falling 26bps to 0.37%. Despite this, operating income margin improved 78bps YoY to 12.12%.
- **Net Charge Offs** increased $52.3 million or 24% YoY to $266.3 million. This reflected a rise in the net charge off yield to 3.85%, up 52bps YoY. The increase is attributed to the increasing delinquencies in line with point in cycle expectations. The increase remains within the pre-Covid historical range, facilitating strong risk adjusted returns.
- **Cash operating expenses** were $362.1 million, up $2.1 million or 1% YoY, with productivity improvements helping offset the expense impact of higher volumes, enabling operating leverage across the year. The cash cost-to-income ratio continues to improve, down 625bps YoY to 43.1%. Excluding the one off 1H24 short term incentive provision release, there was an underlying cost reduction of 3% YoY and 802bps YoY reduction in cash cost-to-income ratio.
- **Provision movement** increased to $34.3 million, primarily due to receivable growth (including FX). Group coverage rose to 4.45%, up 16bps YoY, reflecting prudent provisioning for the macro economic environment.

## Balance sheet management and dividends

The results achieved in 2025, the growing momentum of the Group's business performance and the continued strength of the balance sheet, which saw Latitude's Tangible Equity Ratio (TER) close the year at 7.1%, enabling Latitude's Board to declare a 2H25 fully franked dividend of 5.00 cents per share (with 4.00 cents unfranked paid at the interim), totalling 9.00 cents per share for the full year equivalent to a 89% payout ratio relative to FY25 Cash NPAT of $105.1m.

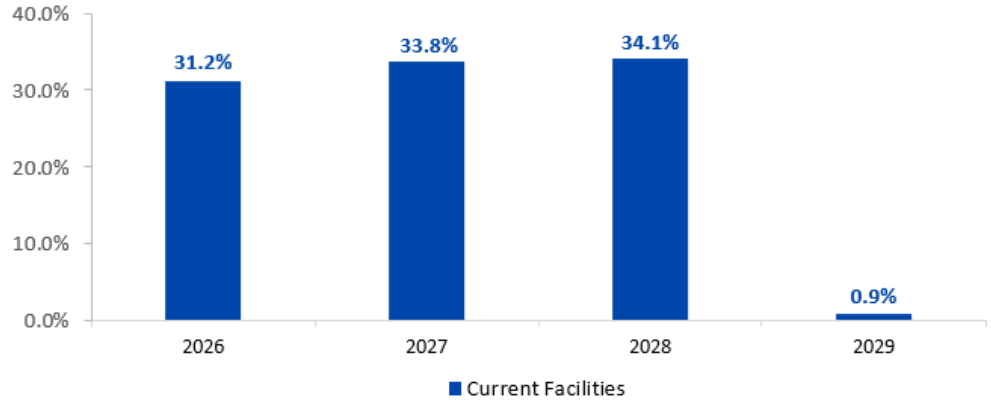
Latitude systematically manages its maturity profile within its target range of no more than 50% of funding maturities in any given year and no more than 40% of funding maturities within the next 12 months.

The following graph sets out Latitude's debt maturity profile as at 31 December 2025.

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# Directors' Report

## Securitised debt maturity profile




*The above includes current balance of all securitised debt at the first contractual maturity.*
*Latitude Australia Personal Loans Series 2024-1, Series 2025-1 and 2025-2 included at 10% call option.*

Over the 12-month period Latitude raised $1.5 billion of new term funding and refinanced $1.5 billion of private credit facilities at more favourable margins and structural terms, while enhancing the diversification of its funding sources and extending our debt maturity profile. The Group maintained a 12-month liquidity runway throughout the year with greater than $1.0 billion of committed headroom available as at 31 December 2025 to support continued receivables growth in 2026.

Latitude continued to reduce the overall amount of corporate debt outstanding in 2025, repaying part of the outstanding debt facilities. Latitude maintains access to undrawn commitments of $76.7 million via the syndicated facility agreement.

## Strategy and outlook

Latitude has made continued progress on the first phase of its Path to Full Potential corporate strategy which has led to material improvements in key business drivers and financial performance. Following the successful completion of many of the strategic imperatives involved in that phase of the strategy, Latitude will transition to the next phase of its Path to Full Potential strategy in 2026 – the Bridge to the Future. This phase of the strategy will involve continued focus on delivering fundamental consumer finance capabilities including marketing, credit, product, servicing and collections, ensuring sustained, profitable asset growth, modernising enabling technology, leveraging artificial intelligence to deliver customer experience and productivity improvements, and continuously augmenting and elevating operational risk management excellence.

## Risks

Risk management is fundamental to the success of the Group. The Group is continually reviewing its risk management capabilities to cater for changes to its strategy, developments in the external environment, as well as the enduring focus of achieving the best customer outcomes. The Group's enterprise risk management framework ('ERMF'), risk appetite statement ('RAS') and supporting processes are designed to ensure that relevant risks in business activities are effectively identified, measured, monitored and managed.

The Group's operating model for risk management is intended to:

- Maintain an effective system of internal controls commensurate with the scale of the business and consistent with the 'three lines' approach. This incorporates management and staff taking primary responsibility for identifying and managing risks; and
- Support the business in enabling growth and productivity, while ensuring operational reliability and resilience.

The RAS articulates the nature and quantum of risk that the Group is willing to accept in pursuit of its strategic objectives and business plan. The RAS is reviewed and approved by the Board annually.

Leadership and oversight of risk management is executed through an established enterprise governance structure, risk assessments and risk appetite metrics. Adherence to policies and procedures are monitored by management, Board committees and the Board.

Each executive reviews and attests to the appropriateness of the risk and control environment for their individual business unit via completion of Risk and Control Self-Assessments ('RCSA'). The results and observations are presented to the Enterprise Risk Management Committee, with material results reported to the Board Risk Committee. This process is complemented by second line review and independent third line audits.

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# Directors' Report

The Group manages risk in the following areas:

- **Technology enabled risk management** - The Group uses data and technology to enhance risk management. This includes leveraging Internal Bureau and customer data through a proprietary tool that combines customer data on repayment behaviour and transactional history. Latitude also partners with third parties to build efficient and effective processes to assist in enhancing credit management and conduct.
- **Cyber risk** - The Group utilizes platforms and systems that are accessible via the Internet to support its operations and to deliver lending services to its customers and partners. Given the rapidly evolving risks associated with cyber, the Group regularly assesses the effectiveness of its security controls and implements strategies to mitigate cyber risk. This includes increasing the Group's threat detection and response capabilities, as well as other incremental security control enhancements.
- **Operational risk** - The Group has established processes to manage and monitor key operational risks, including business resilience, cybersecurity, fraud, operational processes and human resources. All employees are encouraged to identify, report and manage operational risks to ensure customer outcomes and business objectives are prioritised.
- **Credit risk management** - Credit risk management is a core feature of the Group's capability. It manages credit according to risk rating grades and product types across the credit risk lifecycle and makes credit approval decisions in accordance with applicable regulatory requirements and underwriting procedures. The Group is also a participant in Comprehensive Credit Reporting (CCR).
- **Asset quality** - When a customer does not meet minimum monthly payment requirements, they are deemed to be delinquent on their contractual terms. The Group makes provisions for expected losses from the time of origination and thereafter each account is re-assessed monthly. Refer to section 3.2 for further information on credit risk management.
- **Funding and liquidity** - The Group's funding strategy aims to provide diversity across multiple financiers, markets and facilities, and provides the business with a balanced funding maturity profile. The key features of Latitude's funding strategy include maintaining a funding platform with a broad base of financiers and a balanced maturity profile, while managing incremental receivables, funding capacity and foreign exchange risk.
- **Regulatory and legislative reform** - The industry in which the Group operates is subject to a range of laws and regulations. While these laws and regulations are complex and subject to change, we maintain an appropriately skilled and experienced workforce, as well as relationships with specialist advisers, to minimise the risk of non-compliance.
- **Environmental, Social and Governance (ESG)** – The Group manages ESG risks through its established governance framework. A Sustainability Strategy has been developed, informed by a cross-functional Sustainability Working Group and aligned with stakeholder expectations. ESG principles continue to be embedded across operations. Climate-related financial disclosures are included in the Group's Sustainability Report for the year ended 31 December 2025, in accordance with AASB S2 and the *Corporations Act 2001*.

## Dividends and distributions

Information relating to dividends and distributions for the current and prior financial year, including dividends determined by the Board since the end of the year ended 31 December 2025, is disclosed in notes 2.4(a) & 2.4(b) of the financial report.

## Significant changes in the state of affairs

On 17 March 2025, the Group announced the appointment of Mr Guillaume Leger as Chief Financial Officer effective 16 June 2025.

There have been no other significant changes in the Group's state of affairs during the year ended 31 December 2025.

## Events subsequent to balance date

There has not arisen in the interval between the end of the year and the date of this report any other item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Group, to affect significantly the operations of the Group, the results of those operations or the state of affairs of the Group, in future financial years.

## Environmental regulation

AASB S2 *Climate-related Disclosures*, issued under the Australian Sustainability Reporting Standards (ASRS), is effective for the Group for the year ended 31 December 2025. In accordance with AASB S2 and the *Corporations Act 2001*, the Group will present climate-related disclosures in a dedicated Sustainability Report accompanying this Annual Report.

The Group does not believe that its operations are subject to any other particular or significant environmental regulation under a law of the Commonwealth or of a State or Territory.

# Directors' Report

## Insurance of officers and indemnities

**Insurance of officer**
During the financial year and subsequent to the year ended 31 December 2025, Latitude Financial Services Australia Holdings Pty Ltd, a subsidiary of the Group, has paid Directors and Officers insurance and liability premiums on behalf of the Group's Parent and its subsidiaries. The insurance has a limit of liability unless specified within the policy.

The insurance policies prohibit the disclosure of limits of liability, the nature of liability indemnified and the premium payable.

**Indemnity of auditors**
The Group has not during or since the end of the year, paid or agreed to pay any premiums in respect of any person who has been an auditor of the Group for the purposes of indemnifying them against any claims by third parties arising from their audit report.

## Performance rights and options

At the date of this report, the number of Performance Rights and Options on issue is shown below:

| | 31 December 2025 | 31 December 2024 |
|---|---|---|
| Performance rights on issue | 4,438,715 | 7,560,776 |
| Options on issue | 3,000,000 | 12,381,486 |

Further details in relation to Performance Rights and Options on issue are disclosed in note 6.1 Share based payments.

## Proceedings on behalf of the Group

No application for leave has been made under section 237 of the Corporations Act 2001 in respect of the Group and no proceedings brought or intervened in on behalf of the Group under that section.

## Non-audit services

The Board of Directors has considered the non-audit services provided during the year by the auditor and in accordance with advice provided by resolution of the Audit Committee, is satisfied that the provision of those non-audit services is compatible with, and did not compromise, the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- Non-audit services were subject to the corporate governance procedures adopted by the Group and have been reviewed by the Audit Committee
- Non-audit services provided do not undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as an advocate for the Group or jointly sharing risks and rewards.

Refer to note 6.6(a) of the financial statements for Auditor's remuneration.

## Auditor's independence declaration

As required under section 307C of the Corporations Act 2001, the lead auditor's independence declaration is set out on page 51. Additionally, the lead sustainability auditor's independence declaration is set out on page 127. These declarations form part of the Director's Report for the financial year ended 31 December 2025.

## Rounding of amounts

The Company is of a kind referred to in ASIC Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the Directors' report. Amounts in the Directors' report have been rounded off in accordance with that Instrument to the nearest hundred thousand dollars, unless otherwise indicated.

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# Remuneration Report

## Introduction from the Chair of the People and Remuneration Committee

Dear Shareholder,

On behalf of the Latitude's Board, I am pleased to present the 2025 Remuneration Report. This report explains how our remuneration framework supports our business strategy, aligns executive pay with performance and shareholder outcomes, and details remuneration outcomes for our Key Management Personnel (KMP), including the Managing Director & Chief Executive Officer (MD & CEO), Executive Team, and Non-Executive Directors.

**2025 Performance Overview**

Delivering on our *Path to Full Potential* corporate strategy has remained our priority. Over the past 18 months, we have focused on building a more agile, resilient, and customer-centric business. This strategic focus has positioned Latitude to capture growth opportunities as economic conditions improve, and interest rates stabilise in 2025.

Our strategy is underpinned by disciplined capital management, operational efficiency, and a commitment to delivering sustainable returns for shareholders. These priorities have shaped both our business decisions and the design of our executive remuneration framework. Our strategic execution translated into strong financial performance. Below are the key highlights:

- **Cash NPAT:** $105.1 million (up 59% YoY)
- **Receivables:** $7.2 billion (up 7% YoY)
- **New volumes:** $9.1 billion (up 10% YoY)
- **Net Interest Margin:** 11.7% (up 104 bps)
- **Cost-to-Income Ratio:** Improved to 43.1% (from 49.4%)

These results reflect the success of our strategic actions to simplify operations, focus on core markets, and deliver efficiency gains. They also demonstrate the resilience of our business model and our ability to generate sustainable earnings growth.

**Changes for 2025**

*KMP Changes*

In 2025, Guillaume Leger joined Latitude as Chief Financial Officer (CFO) on 16 June, succeeding Acting CFO Stefano Tognan.

*2025 Framework Changes*

To ensure our remuneration approach continues to support strategy and shareholder value, the Board completed a comprehensive review of the Executive Remuneration Framework in 2025. As part of this review, the Board approved a refreshed Long-Term Incentive (LTI) Plan design that shifts delivery from equity-based Performance Rights to a cash-based structure, reflecting Latitude's ownership profile and liquidity considerations. The new plan maintains strong alignment with shareholder outcomes through performance metrics.

The performance period remains three years, with metrics focused on Interest Bearing Receivables (IBR) and Cash Profit Before Tax (Cash PBT), reflecting the core drivers of sustainable growth and disciplined capital management under our Path to Full Potential strategy. Cash Earnings Per Share (EPS) Growth now operates as a modifier applied at the end of Year 3, rather than a core hurdle, reinforcing shareholder value alignment. The Short-Term Incentive (STI) framework remains unchanged for 2025, continuing to reinforce Latitude's strategic priorities and accountability for sustainable performance.

**Executive Variable Reward Outcomes**

Executive variable reward outcomes for 2025 demonstrate alignment between company performance and remuneration:

- **Enterprise Scorecard** achieved 109%, resulting in STI outcomes at 86% of target for the MD & CEO and other Executive KMP ranging between 73% and 125% of target.
- **2023 LTI** did not vest as performance hurdles were not met.
- **Fixed Remuneration** was reviewed against market benchmarks, with two Executive KMP receiving modest increases from 1 April 2026, and all others unchanged.

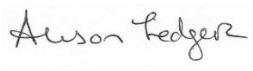
Non-Executive Director (NED) fees remain unchanged for 2025, with total Board fees staying within the shareholder-approved pool.

**Looking Ahead**

As we continue to execute our *Path to Full Potential* strategy, the People and Remuneration Committee remains committed to:

- Rewarding sustainable performance aligned to strategy.
- Attracting and retaining key talent in a competitive market.
- Meeting shareholder expectations and maintaining transparency.

I invite you to read the full Remuneration Report, which will be presented for adoption at Latitude's 2025 Annual General Meeting.



**Alison Ledger**
Chair of the People and Remuneration Committee

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# Remuneration Report

## 1. Introduction

This Remuneration Report outlines Latitude's remuneration framework and outcomes of Key Management Personnel (KMP).

The report has been prepared in accordance with the requirements of the Corporations Act 2001 (the Act) and audited as required by section 308(3C) of the Act. It forms part of the Directors' Report.

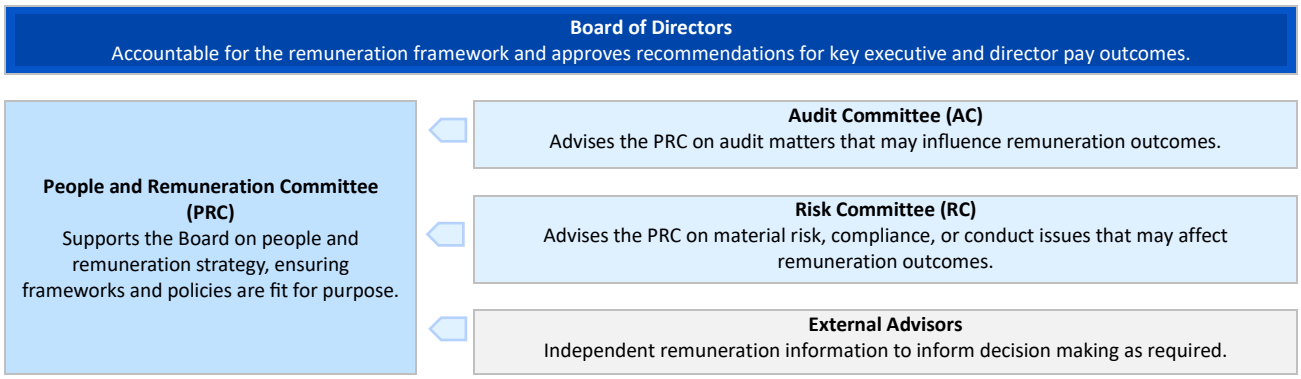
## 2. Key Management Personnel

This report covers KMP who have the authority and responsibility for planning, directing and controlling the activity of an entity, directly or indirectly. It includes both the Non-Executive Directors and Executive KMP as outlined below:

| Name | Position | Term as KMP |
|---|---|---|
| **Non-Executive Directors** | | |
| Michael Tilley | Independent Non-Executive Director and Chairman | Full year |
| Mark Joiner | Independent Non-Executive Director | Full year |
| Alison Ledger | Independent Non-Executive Director | Full year |
| Julie Raffe | Independent Non-Executive Director | Full year |
| Philip Busfield | Non-Executive Director (Shareholder Representative, KKR) | Full year |
| Beaux Pontak | Non-Executive Director (Shareholder Representative, Deutsche Bank) | Full year |
| Ilfryn Carstairs | Non-Executive Director (Shareholder Representative, Varde) | Commenced 28 January 2025 |
| **Executive KMP** | | |
| Bob Belan | Managing Director and Chief Executive Officer (MD & CEO) | Full year |
| Adriana Martinez | Executive General Manager (EGM), Pay | Full year |
| Steve Rubenstein | Executive General Manager (EGM), Money | Full year |
| Guillaume Leger | Chief Financial Officer (CFO) | Commenced 16 June 2025 |
| **Former Executive KMP** | | |
| Stefano Tognon | Acting EGM, Finance and CFO | 1 January to 15 June 2025 |

## 3. Remuneration Governance

The Board holds responsibility for approving remuneration outcomes and is supported by a dedicated committee of directors. This committee considers input on financial and risk matters from other Board committees and may seek independent external advice when appropriate.




The Board may adjust, defer or cancel any variable remuneration (STI or LTI) where performance, conduct, risk or compliance outcomes warrant it. Malus and clawback provisions apply for up to three years post-award and may be enforced for material misstatement, misconduct or significant risk events. No external advisors were engaged for remuneration matters in 2025.

Additional details on governance arrangements are available in our Corporate Governance Statement and committee charters on our website: https://investors.latitudefinancial.com.au/investor-centre/?page=corporate-governance.

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# Remuneration Report

## 4. Executive Remuneration Framework

Latitude's executive remuneration strategy is designed to attract and retain talented leaders while rewarding them for delivering high performance and creating long-term value for our customers and shareholders. Our approach is guided by five remuneration principles:

| | | | | |
|---|---|---|---|---|
| Offer competitive and equitable pay to attract and retain exceptional people | Align stakeholders' interests by ensuring a clear link between Key Performance Indicators and remuneration | Simple, transparent and consistently applied | Recognising both financial and non-financial achievements | Drive delivery of long-term performance and sustainability |

Consistent with these principles, the Board reviewed the executive remuneration framework to ensure alignment with Latitude's strategy and shareholder outcomes. The 2025 Long-Term Incentive (LTI) was redesigned to deliver cash-based awards, reflecting Latitude's ownership profile and liquidity considerations. The refreshed plan retains Interest Bearing Receivables (IBR) as a growth measure, introduces Cash Profit Before Tax (Cash PBT) to sharpen focus on profitability, and applies a Cash Earnings Per Share (EPS) Growth modifier at the end of Year 3 to maintain shareholder alignment. These enhancements strengthen the link between executive reward and long-term value creation, ensuring our framework remains competitive and strategically aligned. This applies to all grants made from 1 January 2025 onward.

Legacy LTI awards (detailed in *Section 4.6 – Legacy Long-Term Incent ve Arrangements*) granted under prior LTI frameworks remain subject to their original terms and conditions, including performance hurdles and vesting schedules.

### 4.1. Executive Remuneration Framework Overview

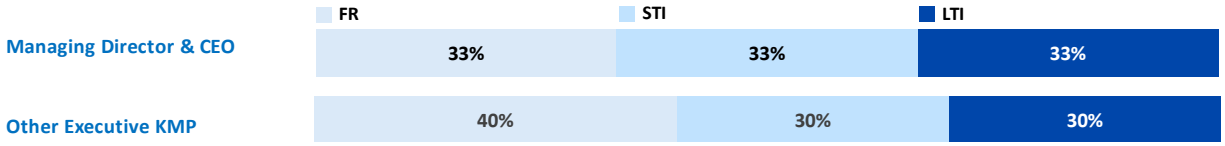
The executive framework supports the MD & CEO and Executive Team to drive both short and long-term performance that aligns with our strategy, market developments, customer and investor expectations.

| Component | Purpose | Year 1 | Year 2 | Year 3 |
|---|---|---|---|---|
| **Fixed Remuneration (FR)** | • Provides market competitive remuneration to reflect role scope and accountabilities<br>• Comprises of salary and superannuation | | | |
| **Short-Term Incentive (STI)** | • Rewards executives for delivering financial and non-financial annual objectives<br>• Performance assessed against a balanced scorecard | **50% cash** Paid - March | **50% deferred cash** Paid - March | |
| **Long-Term Incentive (LTI)** | • Rewards executives for creating shareholder value over the long-term<br>• Performance assessed against strategically critical long-term measures over a 3-year period | Grant | Granted at beginning of period and settled in cash following the 3-year assessment period | Paid -March |

# Remuneration Report

### 4.2. Remuneration Mix [1]

The 2025 remuneration mix for the MD & CEO and other Executive KMP (detailed in *Section 2 – Key Management Personnel*) is designed with a significant proportion of reward at-risk and based on performance below. The diagram below outlines the target remuneration mix showing the relative proportion of each component of the executive remuneration framework as a percentage of total target opportunity.




(1) Remuneration mix reflects annual target opportunity. Actual remuneration may differ for executives who joined partway through the year or acted in the role; STI and LTI opportunities were pro-rated accordingly.

### 4.3 Remuneration Framework (Detailed)

The table below summarises the key features of Latitude's executive remuneration framework, including purpose, structure, performance measures, and governance provisions.

| | Fixed Remuneration (FR) | Short-Term Incentive (STI) | Long-Term Incentive (LTI) |
|---|---|---|---|
| **Purpose** | Provides market competitive remuneration to reflect role scope and accountabilities | Rewards annual performance against strategic, financial, and conduct standards. | Rewards sustained performance and long-term shareholder value.<br><br>Legacy LTI plans prior to 2025 remain subject to original terms, refer to *Section 4.6 – Legacy Long-Term Incent ve Arrangements*. |
| **Opportunity** | Positioned around market median | **Target as % of FR:** MD & CEO 100%. Other Executive KMP 75%.<br>**Max:** 125% of Target. | **Target as % of FR:** MD & CEO 100%. CFO & EGMs 75%.<br>**Max:** 125% of Opportunity after Cash EPS modifier. |
| **Structure and Delivery** | Salary (inclusive of superannuation in Australia) paid in cash | 50% cash paid around March.<br>50% deferred cash paid around March in the following year subject to continuous employment. | 100% cash settled following three-year performance period, around March following the end of the three-year period.<br><br>Design reflects ownership structure and liquidity considerations. |
| **Performance Objectives** | Compliance with the terms and conditions of employment | Enterprise scorecard measures were selected to balance growth, leadership, and reputation outcomes critical to annual strategy execution.<br><br>**Enterprise Scorecard** is weighted for the following metrics:<br><br>• **70%** Growth & Performance<br>• **10%** Leadership & Culture<br>• **20%** Reputation & Sustainability<br><br>**Individual objectives:** Reflect role-specific accountabilities and are approved annually by the Board. | Interest Bearing Receivables (IBR) and Cash Profit Before Tax (Cash PBT) were selected to align with Path to Full Potential strategy, focusing on sustainable growth and disciplined capital management.<br><br>**Annual metrics** [1] compare year-on-year improvements and are weighted as follows:<br><br>• **50% IBR** measures the growth in revenue generating lending, which is the total loan balances currently earning interest (excludes promotional interest-free balances until expiry).<br>• **50% Cash PBT** for risk-adjusted profitability.<br><br>**A three-year Cash EPS Growth** applies at the end of Year 3 to ensure outcomes align with sustained shareholder value. The modifier is based on how Cash EPS has changed over the three-year period (end compared to start), and the outcome is subject to the plan cap. |

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# Remuneration Report

| | Fixed Remuneration (FR) | Short-Term Incentive (STI) | Long-Term Incentive (LTI) |
|---|---|---|---|
| **Assessment and Calculation** | Annual review with changes applied from 1 April | Performance is assessed over the 12-month period from 1 January to 31 December, and outcomes are subject to overall STI pool availability and Board discretion.<br><br>Outcomes are calculated on a straight-line basis between the following and capped at 125% of target:<br><br>• Threshold = 50%<br>• Target = 100%<br>• Maximum = 125%<br><br>For the MD & CEO, the Enterprise Scorecard applies at 100%. For other Executive KMP, the Enterprise Scorecard and Business Unit Scorecard each apply at 50%.<br><br>The Available STI pool for distribution is adjusted by the Enterprise Scorecard result and subject to a Cash NPAT gateway to ensure alignment with profitability and risk.<br><br>**STI Outcome** = Target STI × Available STI Pool % × Business Unit Scorecard % × Individual Performance Multiplier. | Performance is assessed over a three-year period (1 January 2025 to 31 December 2027).<br><br>Each year, one-third of the award is assessed against the annual metrics. If performance meets threshold, that position is credited towards the final outcome, with each annual outcome capped at 100% of target. At the end of Year 3, the Cash EPS Growth modifier is applied to the cumulative total. This can reduce the total to zero or increase it, subject to a cap of 125% of the original opportunity.<br><br>**Outcomes** calculated on a straight-line basis between threshold, target and maximum:<br><br>• 85% performance = 50% of target<br>• 100% performance = 80% of target<br>• 110% performance = 100% of target<br>• Below-threshold outcomes are forfeited unless the Board determines otherwise.<br><br>**LTI Outcome** = (Sum of annual outcomes) × Cash EPS Modifier (capped at 125%). |
| **Risk Adjustments** | N/A | Outcomes are subject to financial and risk gateways.<br><br>The Board may reduce outcomes (including to zero) for conduct or compliance breaches. | Same as STI. |
| **Board Discretion** | Board approves all KMP fixed remuneration outcomes | Board may adjust outcomes for exceptional circumstances.<br><br>*See Section 3 – Remuneration Governance.* | Board may adjust outcomes or vesting for exceptional circumstances.<br><br>See *Section 3 – Remuneration Governance.* |
| **Treatment of awards on Termination** | N/A | **Resignation or For Cause:** Forfeiture.<br>**Good Leaver:** Pro-rata based on time and performance; paid on normal timetable.<br>**Change of Control:** Board may adjust outcomes. | **Resignation or For Cause:** Forfeiture.<br>**Good Leaver:** Unvested awards may continue original schedule (often prorated).<br>**Change of Control:** Board discretion to test/vest, replace or vary. |
| **Malus and Clawback** | N/A | Applies for up to three years after payment (including deferred components) for misconduct, material breach, risk or compliance failures, or material misstatement. Payments can be deferred during investigations and future awards adjusted. | Same as STI. |

(1) IBR and Cash PBT are sourced from audited financials (see *Section 5 – Performance Outcomes*).

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# Remuneration Report

### 4.4 Executive Employment Agreements and Ownership

Executive KMP are employed under ongoing contracts that provide clarity on notice periods, termination treatment, and post-employment obligations. The table below summarises the key provisions:

| Provision | Standard Terms |
|---|---|
| **Notice period to terminate employment** | MD & CEO: 12 months.<br>Other Executive KMP: 6 months. |
| **Termination payments on termination without cause** | Deferred STI and unvested LTI treated under plan rules; subject to malus and clawback. |
| **Termination for cause** | All unvested STI and LTI forfeited, noting the Board has discretion to determine otherwise. |
| **Post-employment restraints and payments** | Generally subject to post-employment restraints including a non-compete period of up to 12 months (commonly 6 months) and a non-solicit period of up to 12 months, with specific terms varying by contract. |

In addition to our remuneration framework, the Board has adopted a Minimum Shareholding Requirement (MSR) to strengthen alignment with shareholders. The MD & CEO is expected to build and maintain a shareholding equal to 100% of Fixed Remuneration, and other Executive KMP are expected to hold 50% of Fixed Remuneration. Executives have five years from listing, appointment, or becoming Executive KMP (whichever is later) to meet this requirement. In late December 2025, the Board endorsed updates to the MSR policy. The updated settings apply from 2026 and limit the requirement to the MD & CEO only.

### 4.5 Special Arrangements and Other Benefits

*Sign on or buy-out arrangements*

The Board may approve sign-on or buy-out arrangements in limited circumstances to attract and retain critical talent, particularly where an executive forfeits significant incentives from a previous employer. These arrangements are structured to reflect the value and risk profile of the forfeited awards and are subject to service conditions, deferral, and malus and clawback provisions.

During 2025 the Board approved a one-off sign-on award for Guillaume Leger, Chief Financial Officer, to compensate for incentives forfeited on leaving his previous employer. The award was delivered as 219,708 Restricted Shares [(1)] under the Latitude Equity Plan (LEP), allocated on 1 July 2025. The shares are subject to restriction periods ending in July 2025 (Tranche 1), June 2026 (Tranche 2) and June 2027 (Tranche 3), and will lapse if Guillaume resigns or is terminated for cause before the end of the relevant restriction period. Relocation assistance was provided to Guillaume in line with company policy, and the associated cost is disclosed in *Section 8.2 – 2025 Statutory Remuneration – Executive KMP*. In addition to Guillaume, Adriana Martinez was granted a one-off sign-on award in November 2023 under the Latitude Equity Plan to compensate for forfeited entitlements from her previous employer. Tranche 3 of this award remains on foot and is scheduled for testing following the 2025 full-year results.

*Other Executive Benefits*

Executive KMP receive benefits consistent with company policy, including car parking, mobile phone, income protection, total and permanent disability insurance through the corporate superannuation plan, and an additional week of annual leave. These benefits are provided on the same basis as for other employees where applicable.

(1) The fair value of Restricted Shares was determined at grant date based on the 5-day VWAP preceding allocation. The cost of relocation assistance and the fair value of the sign-on award are disclosed in the statutory remuneration table in *Section 8.1 – 2025 Statutory Remuneration – Executive KMP*.

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# Remuneration Report

### 4.6 Legacy Long-Term Incentive Arrangements

A small number of historical equity-based arrangements granted under prior frameworks remain on foot. These plans differ from the 2025 LTI design and continue under their original terms, including malus and clawback provisions. Movements in these awards, including units and fair value at grant, are disclosed in *Section 8.2 – Equity Movements – Executive KMP.*

Legacy plans were aligned to priorities at the time of grant, using Return on Equity (ROE) and Cash EPS growth to reinforce profitability and capital discipline. From 2024, new measures IBR and Cash EPS were introduced to reflect lending growth and operational performance under the Path to Full Potential strategy.

Below is a summary of the legacy awards granted:

- **2022 LTI:** ROE and EPS hurdles for performance period 1 January 2022 to 31 December 2024. Following testing in February 2025, no vesting occurred as neither measure met threshold performance.
- **2023 LTI**: ROE and EPS hurdles for performance period 1 January 2023 to 31 December 2025 and will be tested after the 2025 full-year results.
- **2023 Options**: Tested against share price hurdles using the 20-day VWAP following the relevant results announcement. Tranches 1 and 2 lapsed after hurdles were not met ($1.65 and $2.00). Tranche 3 remains on foot and will be tested after the FY25 full-year results ($2.60).
- **2024 LTI:** Introduced IBR and Cash EPS for performance period 1 January 2024 to 31 December 2026.

No changes were made during 2025, and all legacy awards remain subject to original terms and governance.

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# Remuneration Report

## 5 Performance Outcomes

### 5.1. 5-year Performance Highlights

In determining variable remuneration outcomes, the PRC considers Latitude's financial performance and its impact on shareholder value with reference to the current financial year and the preceding four years, using the financial metrics outlined below:

| | Measure | 2025 | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|---|---|
| **Short-term measures** | Cash PBT (un-audited) (1) | $211.1m | $155.2m | $97.7m | $232.8m | $281.3m |
| | Cash NPAT (un-audited) | $105.1m | $65.9m | $27.6m | $153.5m | $200.0m |
| | Cash Operating Expense to Operating Income Ratio (2) | 43.1% | 49.4% | 52.6% | 46.6% | 45.9% |
| **Short and Long-term measure** | Interest Bearing Receivables (IBR) (3) | $5.4bn | $5.0bn | $4.5bn | $4.6bn | $4.4bn |
| **Long-term measures (4)** | Return on equity (ROE) | 8.7% | 5.3% | 2.1% | 10.1% | 14.3% |
| | Cash Earnings per share (EPS) | 10.1 cents | 6.3 cents | 2.7 cents | 14.8 cents | 19.9 cents |
| **Other measures** | Closing share price (5) | $1.04 | $1.15 | $1.17 | $1.31 | $2.00 |
| | Change in share price | $(0.11) | $(0.02) | $(0.14) | $(0.69) | $(0.60) |
| | Dividends per share (6) | 9.0 cents | 3.0 cents | 0.0 cents | 11.85 cents | 15.7 cents |

(1) Cash PBT and Cash NPAT are non-IFRS measures, not audited, and used internally to assess underlying performance. They exclude notable items such as amortisation of acquisition intangibles, restructuring and remediation costs. Refer to statutory NPAT in the financial statements for reconciliation.
(2) Calculated on a cash basis, excluding notable items, and reflects operating efficiency. Non-IFRS measure, not audited.
(3) IBR represents total Gross Loan Receivables excluding any receivables on a current promotional interest free plan.
(4) ROE and Cash EPS are non-IFRS measures used for legacy LTI performance testing. Cash EPS is based on Cash NPAT and weighted average shares on issue.
(5) Closing share price sourced on the last working day of the calendar year.
(6) Dividend per share reflects declared amounts for the financial year.

### 5.2 Performance Linked Variable Remuneration Outcomes

The following table provides an overview of the performance-based remuneration outcomes for 2025 and with the prior reporting for reference.

| | | MD & CEO | | Other Executive KMP (1) | |
|---|---|---|---|---|---|
| | | 2025 | 2024 | 2025 | 2024 |
| STI | % of Target | 86% | 77% | 91% | 43% |
| | % of Maximum | 69% | 62% | 73% | 34% |
| LTI | % of Opportunity Vested | 0% | 0% | 0% | 0% |
| Options | | 0% | 0% | 0% | 0% |

(1) Includes outcomes for CFO and Acting CFO based on time in role.

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# Remuneration Report

## 6. Performance Against 2025 Enterprise Scorecard

2025 has been pivotal for our company, and a cornerstone year for our Path to Full Potential corporate strategy, as we realise the benefits of a renewed and uncompromising focus on Latitude's core business lines and core markets of Australia and New Zealand. The business set ambitious targets at the start of the year, and many of these were achieved and exceeded. This has resulted in an Enterprise Scorecard outcome of 109%.

The following table outlines performance against the 2025 Enterprise scorecard:

| Scorecard Measure | Weight (%) | Threshold (50% payout) | Target (100% payout) | Ambition (125% payout) | Outcome (%) | Commentary |
|---|---|---|---|---|---|---|
| **Performance & Growth** | | | | | | |
| **Interest Bearing Receivables**<br>Total interest-earning loan balances, excluding promotional interest-free periods | **20%** | | | | **21%** | • Disciplined growth delivered within risk appetite. |
| **Cash Operating Expense to Operating Income Ratio**<br>Ratio of cash expenses to operating income | **20%** | | | | **25%** | • Efficiency gains from simplification and diligent cost control. |
| **Cash Profit Before Tax**<br>Cash earnings before tax, excluding notable items | **30%** | | | | **37%** | • Strong profitability supported by asset growth, margin expansion and improved operating leverage |
| **Leadership & Culture** | | | | | | |
| **Employee Engagement**<br>Measure of employee connection and motivation | **10%** | | | | **7%** | • Stable overall and targeted actions to be continue. |
| **Reputation and Sustainability** | | | | | | |
| **Active Customers**<br>Customers with a monthly balance or transaction | **15%** | | | | **13%** | • Slightly below plan, with focus on higher existing customer engagement and LTV. |
| **Enterprise NPS**<br>Customer loyalty score based on likelihood to recommend | **5%** | | | | **6%** | • Improved as product, capability and service delivery initiatives are embedded. |
| **Total** | | | | | **109%** | |

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# Remuneration Report

## 7. Executive KMP Remuneration Outcomes

### 7.1. 2025 STI Outcomes

Outcomes take into consideration performance of the Enterprise scorecard (as shown in *Section 6 – Performance Against 2025 Enterprise Scorecard*), business unit performance, values and leadership behaviour, and risk management.

| Name | STI target [1] $ | STI maximum $ | STI Actual | | | STI actual as a % of STI target | STI actual as a % of STI maximum |
|---|---|---|---|---|---|---|---|
| | | | Total $ | Cash $ | Deferred Cash $ | | |
| Bob Belan | 1,400,000 | 1,750,000 | **1,200,000** | 600,000 | 600,000 | 86% | 69% |
| Adriana Martinez | 450,000 | 562,500 | **369,914** | 184,957 | 184,957 | 82% | 66% |
| Steve Rubenstein | 450,000 | 562,500 | **387,226** | 193,613 | 193,613 | 86% | 69% |
| Guillaume Leger | 284,795 | 355,993 | **206,647** | 103,324 | 103,324 | 73% | 58% |
| Stefano Tognon | 208,045 | 260,057 | **260,057** | 130,029 | 130,029 | 125% | 100% |

(1) STI Target amounts reflect time served as KMP and Stefano Tognon (1 January to 15 June 2025) and Guillaume Leger (from 16 June 2025).

### 7.2. 2023 LTI Vesting Outcome

Executive KMP were granted Performance Rights on 9 November 2023 under the 2023 LTI, subject to performance conditions over the period 1 January 2023 to 31 December 2025. The plan was equally weighted between Return on Equity (ROE) and Cash EPS growth. ROE and Cash EPS were selected to align executive reward with sustainable profitability and capital discipline. Performance is assessed using audited financial results at the end of the performance period against Board-approved targets and vesting occurs on a straight-line basis between threshold and maximum. Only Bob Belan and Adriana Martinez participated in the 2023 LTI grant.

Following testing of the performance conditions, the vesting outcome is as follows:

| Component | Weighting | Target (50% vests) | Maximum (100% vests) | Result | % vesting |
|---|---|---|---|---|---|
| **ROE** | 50% | 8.5% | 10.5% | 5.3% | 0% |
| **Cash EPS** | 50% | 7.0% | 10.0% | (11.9%) | 0% |
| **Overall vesting** | **100%** | | | | **0%** |

As neither performance condition met the required threshold, no Performance Rights vested. All unvested rights have lapsed and will not be retested. Executive KMP who were granted both Options and Performance Rights under the 2023 LTI may only benefit from one instrument, subject to vesting outcomes. As neither the ROE nor Cash EPS hurdles were met, no Performance Rights vested, and all unvested awards lapsed.

### 7.3. Options Plan

In 2023, Options were granted under the Legacy LTI arrangements, subject to Share Price Hurdles (SPH) and continued employment. SPH was designed to ensure rewards are directly linked to shareholder value creation. Each tranche is tested using a 20-day VWAP following the relevant results announcement against its SPH.

- **Tranche 1:** Tested after the 2024 half-year results; SPH of $1.65 was not met, and all Options were forfeited.
- **Tranche 2:** Tested after the 2024 full-year results; SPH of $2.00 was not met, and all Options were forfeited.
- **Tranche 3:** Remains on-foot and will be tested after the 2025 full-year results in March 2026. Based on current share price performance, it is unlikely to meet the SPH of $2.60.

Options that do not vest will lapse and will not be retested.

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# Remuneration Report

## 8. Executive Remuneration

### 8.1. 2025 Statutory Remuneration – Executive KMP

The table below presents Executive KMP remuneration for 2025, prepared in accordance with Australian Accounting Standards. Further details on the structure, purpose, and operation of each remuneration component are provided in the accompanying notes and throughout this Report.

| | | Short-term Benefits | | | Post-Employment Benefits | Long-term Benefits | | Share-based payments | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Executive KMP (1) | Year | Salary (2) | Cash STI (3) | Other Benefits (4) | Super | Cash LTI (5) | LSL (6) | Share Rights and Options (7) | Restricted Shares (8) | Total | Variable Reward as a % of Total |
| | | $ | $ | $ | $ | $ | $ | $ | $ | $ | |
| **Bob Belan** | **2025** | **1,345,034** | **1,200,000** | **10,748** | **29,966** | **466,667** | **22,823** | **523,333** | **-** | **3,598,571** | **61%** |
| | 2024 | 1,271,334 | 1,000,000 | 10,384 | 30,949 | - | 60,171 | 684,049 | - | 3,056,887 | 55% |
| **Adriana Martinez** | **2025** | **570,034** | **369,914** | **6,584** | **29,966** | **150,000** | **10,848** | **195,214** | **14,961** | **1,347,521** | **54%** |
| | 2024 | 571,335 | 201,232 | 4,016 | 30,949 | - | 12,971 | 195,616 | 102,936 | 1,119,055 | 45% |
| **Steve Rubenstein** | **2025** | **559,708** | **387,226** | **3,356** | **29,966** | **150,000** | **9,312** | **55,629** | **-** | **1,195,197** | **50%** |
| | 2024 | 207,092 | 79,149 | - | 14,966 | - | 3,642 | 55,479 | - | 360,328 | 37% |
| **Guillaume Leger** | **2025** | **364,249** | **206,647** | **101,761** | **15,000** | **95,411** | **6,053** | **-** | **125,385** | **914,506** | **47%** |
| **Stefano Tognon** | **2025** | **264,683** | **260,057** | **735** | **14,966** | **34,674** | **4,390** | **-** | **-** | **579,505** | **51%** |

(1) Amounts reflect time served as KMP. Stefano Tognon (1 January to 15 June 2025) and Guillaume Leger (from 16 June 2025).
(2) Salary reflects adjustments for any unpaid leave taken and excludes movements in annual leave accruals.
(3) Cash STI represents the total STI outcome (inclusive of deferred STI) for the performance year (see *Section 7.2 – 2025 STI Outcomes*).
(4) Other Benefits include car parking, mobile phone, and insurance costs paid via Latitude's corporate superannuation provider. For Guillaume Leger this includes $99,786 relocation costs (see *Section 4.5 – Special Arrangements and Other Benefits*).
(5) Cash LTI reflects the annual accrued amount adjusted provisional performance and potential upside. The outcome is subject to Cash EPS modifier and malus/clawback.
(6) Includes movements in long service leave accruals.
(7) Share Rights and Options reflect accrued costs for Performance Rights under the 2023 and 2024 LTI plans and the one-off 2023 Options grant (see *Section 4.6 – Legacy Long-Term Incentive Arrangements*). Options relate to one individual only.
(8) Restricted Shares represent sign-on awards for Adriana Martinez and Guillaume Leger.

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# Remuneration Report

### 8.2. Equity Movements – Executive KMP

The table below outlines all equity instruments held by Executive KMP during 2025, including Performance Rights, Options, and any sign-on restricted shares. It shows grant date, fair value at grant, and movements during the year.

Performance testing of the 2023 LTI and Options Plan is detailed in *Section 7 – Executive KMP Remuneration Outcomes*, with no vesting occurring as hurdles were not met. Movements relate to legacy equity awards granted under prior frameworks and sign-on arrangements, which remain on foot. 2025 Long-Term Incentive awards are cash-based and therefore excluded from this table.

| Name (1) | Instrument (2) (3) | Grant Date | Expiry Date (4) | Fair Value Price at Allocation (5) $ | Exercise Price / Market Price at Allocation $ | Balance at 1 January 2025 | Granted | Exercised / Vested | Forfeited/ Lapsed (6) | Balance at 31 December 2025 | Accounting Fair Value of balance (7) $ |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Bob Belan** | 2022 LTI Performance Rights | 28 Apr 2022 | 31 Mar 2025 | 1.998468 | n/a | **225,172** | - | | (225,172) | - | **n/a** |
| | 2023 Options | 3 Apr 2023 | 30 Mar 2025 | n/a | 1.4000 | **6,000,000** | - | - | (3,000,000) | **3,000,000** | **n/a** |
| | 2024 LTI Performance Rights | 15 May 2024 | 31 Mar 2027 | 1.1550 | n/a | **1,125,541** | - | - | - | **1,125,541** | **1,300,000** |
| **Adriana Martinez** | 2023 Sign-On | 9 Nov 2023 | 15 Mar 2026 | 1.1789 | | **125,000** | - | (98,000) | - | **27,000** | **n/a** |
| | 2023 LTI Performance Rights | 9 Nov 2023 | 31 Mar 2026 | 1.1762 | n/a | **116,348** | - | - | - | **116,348** | **136,849** |
| | 2024 LTI Performance Rights | 15 May 2024 | 31 Mar 2027 | 1.1550 | n/a | **389,610** | - | - | - | **389,610** | **450,000** |
| **Steve Rubenstein** | 2024 LTI Performance Rights | 8 Oct 2024 | 31 Mar 2027 | 1.1519 | n/a | **144,490** | - | - | - | **144,490** | **166,438** |
| **Guillaume Leger** | 2025 Sign-On | 1 Jul 2025 | 15 Jun 2027 | 1.1244 | n/a | **-** | 219,708 | (48,792) | - | **170,916** | **n/a** |

(1) Stefano Tognon is not included in the table as he did not hold or receive any equity awards during the reporting period.
(2) Only equity awards for those who participated in each plan and outstanding at 31 December 2025 are included in this table.
(3) 2025 Long-Term Incentive awards are cash-based and therefore excluded from this table. Restricted Shares granted as sign-on awards are subject to service-based restrictions and malus or clawback provisions (see *Section 2 – Key Management Personnel*).
(4) Expiry date means the last date on which the plan remains in effect.
(5) Fair value at grant date is based on the 5-day VWAP preceding allocation.
(6) Options lapsed during the year as the SPH was not met (Tranche 2 tested post the 2024 full-year results in March 2025).
(7) Represents the grant-date fair value of performance rights outstanding and reflects the maximum potential value of those awards. This amount does not represent remuneration expense recognised in the year. Options and sign on awards are excluded.

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# Remuneration Report

### 8.3. Ordinary Shareholdings - Executive KMP

The table below outlines the relevant interests of Executive KMP in the Company's ordinary shares as at 31 December 2025.

| Name (1) | Share type | Balance on 1 January 2025 | Shares acquired (2) | Shares disposed | Balance on 31 December 2025 |
|---|---|---|---|---|---|
| Bob Belan | Ordinary | 8,907,527 | 68,637 | (1,264,039) | 7,712,125 |
| Adriana Martinez | Ordinary | 125,000 | 109,160 | - | 234,160 |
| Steve Rubenstein | Ordinary | - | - | - | - |
| Guillaume Leger | Ordinary | - | 138,201 | | 138,201 |
| | Capital Notes | - | 100 | - | 100 |

(1) Stefano Tognon held no ordinary shares during the year and ceased as Executive KMP on 15 June 2025.
(2) Shares acquired by Adriana Martinez and Guillaume Leger during the year include releases from restricted sign-on awards upon vesting under plan rules.

### 8.4. Supplementary Disclosure - Realised Remuneration by Executive KMP

The table below is provided as a voluntary disclosure to assist shareholders in understanding what Executive KMP actually received during 2025. It reflects realised remuneration, cash payments and vested equity, rather than statutory remuneration prepared under Australian Accounting Standards, which includes accruals for unvested awards. This supplementary view aims to enhance transparency and show the link between performance and actual pay outcomes.

| Name | Fixed Remuneration (1) | Non-Monetary Benefits | STI (2) | LTI (3) | Sign-On Award (4) | One off Awards (5) | Total Realised Remuneration |
|---|---|---|---|---|---|---|---|
| | $ | $ | $ | $ | $ | $ | $ |
| Bob Belan | 1,375,000 | 10,748 | 500,000 | - | - | - | **1,885,748** |
| Adriana Martinez | 600,000 | 6,584 | 100,616 | - | 115,532 | - | **822,732** |
| Steve Rubenstein | 589,674 | 3,356 | 39,575 | - | - | - | **632,605** |
| Guillaume Leger | 379,249 | 1,975 | - | - | 54,862 | 99,786 | **535,872** |
| Stefano Tognon | 279,649 | 735 | - | - | - | - | **280,384** |

(1) Fixed Remuneration includes salary received and superannuation contributions. Non-cash benefits such as mobile phone and insurance allowances are included in Non-Monetary Benefits.
(2) STI represents cash STI paid relating to the 2024 performance year. Amounts may be nil where the executive was not KMP for the relevant performance year.
(3) No LTI vested in 2025.
(4) Reflects the value of Restricted Shares that vested during 2025, calculated using the 5-day VWAP at grant date. Remaining tranches remain subject to service-based restrictions and malus/clawback provisions (see *Section 4.5 – Special Arrangements and Other Benefits*).
(5) For Guillaume Leger, $99,786 includes relocation costs (see *Section 4.5 – Special Arrangements and Other Benefits*).

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# Remuneration Report

## 9. Non-Executive Director Remuneration

Non-Executive Directors (NEDs) receive fixed fees only, reflecting their responsibilities and time commitment. Fees are paid in cash inclusive of statutory superannuation contributions, and there are no performance-based payments, minimum shareholding requirements, or discretionary bonuses. This approach supports independence and aligns with ASX governance expectations.

The aggregate fee pool for NEDs is $2.2 million per annum (inclusive of superannuation), last approved by shareholders 23 January 2021. The Chair's fee covers all Board and Committee responsibilities, while additional fees apply for Committee roles. Shareholder representative NEDs receive fees on the same basis as Independent NEDs. NEDs may also be reimbursed for reasonable expenses incurred in performing their duties.

No changes were made to the pool or individual fee levels during 2025. The fees for 2025 are outlined below:

| Board and Committee Fees | Chair $ | Member $ |
|---|---|---|
| Board | 360,000 | 180,000 |
| Audit Committee | 20,000 | 10,000 |
| People and Remuneration Committee | 15,000 | 7,500 |
| Risk Committee | 15,000 | 7,500 |
| Technology Committee | 15,000 | 7,500 |

## 9.1 Statutory Remuneration Disclosure - NEDs

The table below sets out the NED remuneration for 2025, prepared in accordance with relevant Australian Accounting Standards.

| | | Short-term Benefits | Post-employment Benefits | |
|---|---|---|---|---|
| **Name** | **Year** | **Directors' Fees $** | **Super [1] $** | **Total Statutory Remuneration $** |
| Michael Tilley | **2025** | **330,034** | **29,966** | **360,000** |
| | 2024 | 331,334 | 28,666 | 360,000 |
| Mark Joiner | **2025** | **183,446** | **21,554** | **205,000** |
| | 2024 | 184,271 | 20,729 | 205,000 |
| Alison Ledger | **2025** | **199,170** | **10,830** | **210,000** |
| | 2024 | 188,765 | 21,235 | 210,000 |
| Julie Raffe | **2025** | **185,683** | **21,817** | **207,500** |
| | 2024 | 186,518 | 20,982 | 207,500 |
| Philip Busfield | **2025** | **167,786** | **19,714** | **187,500** |
| | 2024 | 168,540 | 18,960 | 187,500 |
| Beaux Pontak | **2025** | **202,500** | - | **202,500** |
| | 2024 | 202,500 | - | 202,500 |
| Ilfryn Carstairs [2] | **2025** | - | - | - |

(1) Includes statutory superannuation contributions capped at the maximum contributions base under Superannuation Guarantee legislation. No superannuation applies for Beaux Pontak as no services were performed in Australia. Alison Ledger holds an ATO exemption allowing a portion of her superannuation contributions to be capped.
(2) Ilfryn Carstairs has elected to waive their entitlement to Director fees.

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# Remuneration Report

### 9.2. NED Ordinary Shareholdings and Capital Notes

The relevant interest of NEDs in the shares issued by the Company, and Capital Notes (perpetual, subordinated, unsecured notes issued by Latitude on 28 September 2021 and listed on the ASX under the code LFSPA) is as follows:

| Name | Type | Opening Balance at 1 January 2025 | Shares acquired | Shares disposed | Closing balance at 31 December 2025 |
|---|---|---|---|---|---|
| Michael Tilley | Ordinary shares | 3,737,266 | - | - | 3,737,266 |
| Mark Joiner | Ordinary shares | 514,322 | - | - | 514,322 |
| | Capital notes | 161 | - | - | 161 |
| Alison Ledger | Ordinary shares | 98,760 | - | - | 98,760 |
| Julie Raffe | Ordinary shares | 79,527 | - | - | 79,527 |
| | Capital notes | 550 | - | - | 550 |
| Philip Busfield | Ordinary shares | - | - | - | - |
| Beaux Pontak | Ordinary shares | - | - | - | - |
| Ilfryn Carstairs | Ordinary shares | - | - | - | - |

## 10. Other Disclosures

### 10.1. Director's Insurance and Indemnities

The Insurance of Officers and Indemnities Section of the Directors' Report provides details regarding the insurance that applies for Directors and Officers of Latitude.

### 10.2. Directors' Declaration and Related Party Transactions

Please refer to the Directors' Report for details of all other directorships held by KMP. Please refer to *Section 6.3(b)* of the Financial Statements for Related party transactions for KMP.

Details regarding the aggregate of all lending balances, guaranteed or secured by any entity in the Group to KMP and their related parties, and the number of individuals in each group as of 31 December 2025 are as follows:

| | 2025 |
|---|---|
| Outstanding balances at 31 December 2024 | $54,415 |
| Interest paid and payable for the period | $372 |
| Outstanding balances at 31 December 2025 | $19,943 |
| Total available credit facility during the period | $190,000 |
| Maximum drawn amount during the period | $95,240 |
| Number of individuals in the group | 7 |

Lending balances made to Directors, and their related parties are made in the ordinary course of business on normal commercial terms and conditions are no more favourable than those given to other employees or customers, including the term of the loan, security required and the interest rate. No lending balances were written off during the period, and no individual Director's indebtedness to the organisation is greater than $100,000.

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# Directors' Declaration

The Directors of Latitude Group Holdings Limited declare that:

(a) the consolidated financial statements and notes set out on pages 52 to 103 and the Remuneration Report in sections 1 to 10 in the Directors' report, are in accordance with the *Corporations Act 2001*, including:

(i) section 296, that they comply with the Australian Accounting Standards and any further requirements in the *Corporations Regulations 2001*; and

(ii) section 297, that they give a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the year ended on that date.

(b) the financial statements also comply with the International Financial Reporting Standards.

(c) as at the date of this declaration, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

(d) the consolidated entity disclosure statement as at 31 December 2025 set out on page 104 is true and correct.

(e) at the date of this declaration, there are reasonable grounds to believe that the members of the extended closed group identified in section 6.2(a) will be able to meet any obligations or liabilities to which they are or may become subject to by virtue of the Deed of Cross Guarantee in note 6.7(a) between the Company and those group entities pursuant to ASIC Corporations (Wholly owned Companies) Instrument 2016/785.

The Directors have received declarations required under section 295A of the Corporations Act 2001 from the Chief Executive Officer and the Chief Financial Officer for the financial year ended 31 December 2025.

Signed in accordance with a resolution of the Directors.



Michael Tilley

Director

Sydney
20 February 2026

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# Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

## To the Directors of Latitude Group Holdings Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of the financial report of Latitude Group Holdings Limited for the financial year ended 31 December 2025 there have been:

i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

Beenish Durrani
*Partner*

Melbourne

20 February 2026

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# Consolidated Income Statement

| | Notes | 2025 $'m | 2024 $'m |
|---|---|---|---|
| **Continuing operations** | | | |
| Interest Income | | **1,188.4** | 1,074.5 |
| Interest expense | | **(374.8)** | (386.1) |
| **Net interest income** | 2.2(a) | **813.6** | 688.4 |
| Other operating income | 2.2(b) | **25.9** | 40.7 |
| **Total operating income** | | **839.5** | 729.1 |
| Loan impairment expense | 3.2(f) | **(300.6)** | (235.8) |
| **Operating expenses** | | | |
| Employee benefit expense | | **(132.3)** | (115.3) |
| Depreciation and amortisation expense | | **(34.8)** | (80.0) |
| IT and data processing expenses | | **(79.5)** | (80.2) |
| Marketing expenses | | **(37.8)** | (39.8) |
| Administrative and professional expenses | | **(61.8)** | (80.7) |
| Occupancy and operating expenses | | **(21.5)** | (19.5) |
| Other expenses | | **(39.9)** | (27.2) |
| **Total operating expenses** | | **(407.6)** | (442.7) |
| **Profit before income tax** | | **131.3** | 50.6 |
| Income tax expense | 2.3(a) | **(36.9)** | (20.0) |
| **Profit from continuing operations** | | **94.4** | 30.6 |
| **Discontinued operations** | | | |
| Net loss after tax from discontinued operations | | **(0.4)** | (9.0) |
| **Profit for the year** | | **94.0** | 21.6 |

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

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# Consolidated Statement of Comprehensive Income

| | Notes | 2025 $'m | 2024 $'m |
|---|---|---|---|
| **Profit for the year** | | **94.0** | 21.6 |
| | | | |
| **Other comprehensive income** | | | |
| **Items that may be reclassified to income statement** | | | |
| Cash flow hedges - fair value gain/(loss) | 4.1(b) | **5.9** | (20.9) |
| Cash flow hedges - related taxes | 4.1(b) | **(1.7)** | 6.2 |
| Currency translation differences arising during the year | 4.1(b) | **(8.8)** | (5.8) |
| **Other comprehensive loss for the year net of income tax** | | **(4.6)** | (20.5) |
| | | | |
| Total comprehensive income for the year is attributable to: | | | |
| Owners of Latitude Group Holdings Limited | | **89.4** | 1.1 |
| **Total comprehensive income for the year** | | **89.4** | 1.1 |
| | | | |
| **Earnings/(loss) per share for income attributable to the ordinary equity holders of the Company** | | **Cents** | Cents |
| Earnings per share | 2.5 | **9.0** | 2.1 |
| Diluted earnings per share | 2.5 | **8.0** | 1.8 |
| | | | |
| **Earnings/(loss) per share for income from continuing operations attributable to the ordinary equity holders of the Company** | | **Cents** | Cents |
| Earnings per share | 2.5 | **9.1** | 2.9 |
| Diluted earnings per share | 2.5 | **8.1** | 2.6 |

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

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# Consolidated Balance Sheet

| | Notes | 2025 $'m | 2024 $'m |
|---|---|---|---|
| **Assets** | | | |
| Cash and cash equivalents | 3.1(b) | **300.7** | 410.2 |
| Derivative financial instruments | 3.1(c) | **10.0** | 10.8 |
| Loans and other receivables | 3.1(d) | **6,859.2** | 6,417.7 |
| Other assets | | **11.4** | 11.1 |
| Current tax assets | | **-** | 28.7 |
| Deferred tax assets | 2.3(d) | **200.1** | 202.1 |
| Other financial assets | | **14.2** | 14.2 |
| Property, plant and equipment | 5.1(a) | **7.9** | 18.8 |
| Intangible assets | 5.1(b) | **731.8** | 769.2 |
| **Total assets** | | **8,135.3** | 7,882.8 |
| | | | |
| **Liabilities** | | | |
| Trade and other liabilities | 3.1(e) | **161.6** | 214.4 |
| Current tax liabilities | | **11.1** | - |
| Derivative financial instruments | 3.1(c) | **6.8** | 6.4 |
| Provisions | 5.1(e) | **92.4** | 93.7 |
| Deferred tax liabilities | 2.3(d) | **26.8** | 27.7 |
| Borrowings | 3.1(f) | **6,618.9** | 6,316.2 |
| **Total liabilities** | | **6,917.6** | 6,658.4 |
| **Net assets** | | **1,217.7** | 1,224.4 |
| | | | |
| **Equity** | | | |
| Contributed equity | 4.1(a) | **2,211.5** | 2,222.5 |
| Reserves | 4.1(b) | **(679.3)** | (675.1) |
| Retained losses | 4.1(c) | **(314.5)** | (323.0) |
| **Total equity** | | **1,217.7** | 1,224.4 |

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

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# Consolidated Statement of Changes in Equity

| | Attributable to owners of Latitude Group Holdings Limited | | | |
|---|---|---|---|---|
| | Contributed equity $'m | Reserves $'m | Retained losses $'m | Total Equity $'m |
| **At 1 January 2025** | **2,222.5** | **(675.1)** | **(323.0)** | **1,224.4** |
| Profit for the year | **-** | **-** | **94.0** | **94.0** |
| Other comprehensive loss for the year | **-** | **(4.6)** | **-** | **(4.6)** |
| **Total comprehensive profit for the year** | **-** | **(4.6)** | **94.0** | **89.4** |
| **Transactions with owners in their capacity as owners:** | | | | |
| Issue of ordinary shares - dividend reinvestment plan | **0.1** | **-** | **-** | **0.1** |
| Capital note buy-back | **(11.1)** | **-** | **-** | **(11.1)** |
| Dividends paid | **-** | **-** | **(72.8)** | **(72.8)** |
| Capital note distributions | **-** | **-** | **(12.7)** | **(12.7)** |
| Share-based payments | **-** | **0.4** | **-** | **0.4** |
| **Total transactions with owners** | **(11.0)** | **0.4** | **(85.5)** | **(96.1)** |
| **At 31 December 2025** | **2,211.5** | **(679.3)** | **(314.5)** | **1,217.7** |
| | | | | |
| **At 1 January 2024** | 2,222.5 | (652.9) | (335.0) | 1,234.6 |
| Profit for the year | - | - | 21.6 | 21.6 |
| Other comprehensive loss for the year | - | (20.5) | - | (20.5) |
| **Total comprehensive loss for the year** | - | (20.5) | 21.6 | 1.1 |
| **Transactions with owners in their capacity as owners:** | | | | |
| Capital note distributions | - | - | (9.6) | (9.6) |
| Share-based payments | - | (1.7) | - | (1.7) |
| **Total transactions with owners** | - | (1.7) | (9.6) | (11.3) |
| **At 31 December 2024** | 2,222.5 | (675.1) | (323.0) | 1,224.4 |

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

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# Consolidated Statement of Cash Flows

| | Notes | 2025 $'m | 2024 $'m |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Interest received | | **1,172.4** | 1,075.4 |
| Interest paid | | **(375.5)** | (380.8) |
| Other operating income received | | **33.0** | 35.1 |
| Operating expenses paid | | **(327.1)** | (315.4) |
| Net income taxes refunded/(paid) | | **1.6** | (5.6) |
| **Cash flow from operating activities before changes in operating assets and liabilities** | | **504.4** | 408.7 |
| Net increase in loans and other receivables | | **(855.8)** | (812.4) |
| Net increase in trade and other liabilities | | **33.3** | 24.4 |
| **Changes in operating assets and liabilities arising from cash flow movements** | | **(822.5)** | (788.0) |
| **Net cash used in operating activities** | | **(318.1)** | (379.3) |
| | | | |
| **Cash flows from investing activities** | | | |
| Net purchases of intangible assets, property, plant & equipment | | **(7.0)** | (19.9) |
| **Net cash used in investing activities** | | **(7.0)** | (19.9) |
| | | | |
| **Cash flows from financing activities** | | | |
| Proceeds from borrowing issuances and drawdowns | | **2,427.7** | 3,770.0 |
| Repayment of borrowings | | **(2,059.5)** | (3,118.0) |
| Payments of transaction costs from financing activities | | **(4.4)** | (5.3) |
| Repayment of facility agreements | | **-** | (25.8) |
| Repayment of loan due to related parties | | **(19.1)** | - |
| Dividends paid | | **(72.8)** | (25.1) |
| Capital note distributions paid | | **(12.9)** | (9.6) |
| Capital note buy-back | | **(11.1)** | - |
| Outflow from share-based payment plan | | **(0.3)** | - |
| Payment of lease liabilities | | **(3.5)** | (6.5) |
| Deferred consideration paid | | **(16.6)** | (16.6) |
| **Net cash provided by financing activities** | | **227.5** | 563.1 |
| | | | |
| **Net increase/(decrease) in cash and cash equivalents** | | **(97.6)** | 163.9 |
| Cash and cash equivalents at beginning of financial year | | **410.2** | 250.7 |
| Effects of exchange rate changes on cash and cash equivalents | | **(11.9)** | (4.4) |
| **Cash and cash equivalents at end of financial year** | 3.1(b) | **300.7** | 410.2 |

*The Consolidated Statement of Cash Flows includes discontinued operations.*

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

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# Notes to the Consolidated Financial Statements

## Section 1 | Basis of preparation

### 1.1 Basis of preparation

**(a) Reporting entity**

The consolidated financial report is for Latitude Group Holdings Limited (the 'Company') and its controlled entities (the 'Group'). Latitude Group Holdings Limited is a for-profit public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is Level 18, 130 Lonsdale Street, Melbourne, Victoria, 3000.

These consolidated financial statements were authorised for issue by the Directors on 20 February 2026.

**(b) Statement of compliance**

The consolidated financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (AASs) and other pronouncements of the Australian Accounting Standards Board (AASB), the Corporations Act 2001 and International Financial Reporting Standards (IFRS) and interpretations published by the International Accounting Standards Board (IASB).

Certain comparative amounts have been restated to conform with the basis of preparation adopted in the current period.

**(c) Basis of measurement**

These consolidated financial statements have been prepared under the historical cost basis, except for the following:

- Derivative financial instruments;
- Financial assets and financial liabilities designated at fair value through profit or loss (FVTPL);
- Financial assets designated at fair value through other comprehensive income (FVOCI); and
- Assets held for sale - measured at the lower of carrying amount and fair value less costs of disposal.

**(d) Functional and presentation currency**

These consolidated financial statements are presented in Australian Dollars, which is Latitude Group Holdings Limited's deemed functional and presentation currency.

**(e) Rounding of amounts**

The Company is of a kind referred to in ASIC Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the consolidated financial report. Amounts in the consolidated financial report have been rounded off in accordance with that Instrument to the nearest hundred thousand dollars, unless otherwise indicated.

**(f) Significant estimates and judgements**

The preparation of the consolidated financial statements that conform to accounting standards requires Management to exercise judgement in applying the Group's accounting policies and to make estimates and assumptions. The significant estimates and judgements made by Management in preparing these consolidated financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

Areas involving assumptions and estimates that are material to the financial statements or areas requiring a higher degree of judgement, are disclosed in the following sections:

- Section 2.3: Deferred tax assets and liabilities
- Section 3.1: Determination of fair values
- Section 3.2: Recoverability of loans and other receivables
- Section 5.1: Recoverability of goodwill and other intangible assets and estimated useful life (other than goodwill)
- Section 5.1: Provisions including remediations
- Section 6.4: Contingent liabilities and contingent assets

# Notes to the Consolidated Financial Statements

## 1.2 Material accounting policies

Material accounting policies adopted in the preparation of these consolidated financial statements have been included in the relevant notes to which the policies relate. Other material accounting policies are listed below. These policies have been consistently applied to all the years presented, unless otherwise stated.

### (a) Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').

*Transactions and balances*

Foreign currency transactions are translated into the functional currency 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 period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated income statement. Non-monetary items that are measured based on historical cost in a foreign currency are translated using the spot exchange rate at the date of the transaction. Foreign exchange gains and losses are presented in the consolidated income statement on a net basis within other operating income.

*Group companies*

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each consolidated balance sheet presented are translated at the closing rate at the date of that balance sheet;
- Income and expenses for each consolidated income statement and consolidated statement of other comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- All resulting exchange differences are recognised in other comprehensive income and accumulated in the translation reserve.

### (b) Principles of consolidation

*Subsidiaries*

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated.

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# Notes to the Consolidated Financial Statements

## 1.3 New and amended standards

### (a) New and amended standards adopted

The Group has adopted the following standards and amendments effective from 1 January 2025:

- *AASB 2023-5 – Amendments to AASB 121 The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability,* which are effective for annual reporting periods beginning on or after 1 January 2025.

The Group has assessed its operations and determined that the amendments do not have a material impact on the financial statements for the year ended 31 December 2025.

### (b) New standards and interpretations not yet adopted

The following standards and amendments have been issued but are not yet effective and have not been early adopted by the Group. Adoption will occur on their respective effective dates. Based on current assessments, none are expected to have a material impact on the Group's financial statements, unless otherwise noted.

- *Classification and Measurement of Financial Instruments – Amendments to AASB 9 and AASB 7* (effective 1 January 2026), clarifying derecognition of financial liabilities and updating the SPPI test to include ESG-linked features.
- *AASB 2024-3 Annual Improvements Volume II* - Effective 1 January 2026, this amendment aims to improve consistency and clarity across several standards:
    - Clarification of lease liability derecognition (*AASB 9*)
    - Enhanced cross-referencing and language consistency (*AASB 7*)
    - Clarification of de facto agent determination (*AASB 10*)
    - Updated terminology (*AASB 107*)
- *AASB 2025-1 Contracts Referencing Nature-dependent Electricity – Amendments to AASB 7 and AASB 9* (effective 1 January 2026), providing guidance on accounting for renewable energy contracts. The Group has no exposure.
- *AASB 18 Presentation and Disclosure in Financial Statements* – Replaces AASB 101 (effective 1 January 2027), introducing significant changes to financial statement structure and presentation. The Group anticipates an impact on presentation and is reviewing current reporting practices.

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# Notes to the Consolidated Financial Statements

## Section 2 | Results

### 2.1 Segment information

**(a) Description of segments**

The Group's Managing Director and Chief Executive Officer (CEO), who is the chief operating decision maker (CODM) is responsible for the overall performance of the Group and is accountable for monitoring the Group's business affairs, setting its strategic direction, establishing policies and overseeing the Group's financial position. The CODM assesses the business on a Cash NPAT basis where the Cash NPAT is calculated by adding back the after-tax impact of amortisation of acquisition intangibles and notable items to Statutory profit/(loss) after tax from continuing operations.

The CEO has identified the following reportable segments of its business:

- **Australia and New Zealand Pay (A&NZ Pay)**: credit cards, including cards that offer interest free payment plans.
- **Australia and New Zealand Money (A&NZ Money)**: personal loans and motor loans.
- **Other**: other business activities and corporate costs.

Transactions between segments are carried out at arm's length and are eliminated on consolidation when they arise within the Group.

No single customer contributes revenue greater than 10% of the Group's revenue.

| | External Revenue from continuing operations | | Non-current assets[1] | |
|---|---|---|---|---|
| | 31 December 2025 $'m | 31 December 2024 $'m | 31 December 2025 $'m | 31 December 2024 $'m |
| **Geographical information** | | | | |
| Australia | 979.0 | 890.5 | 3,437.5 | 3,298.7 |
| New Zealand | 235.3 | 224.7 | 710.1 | 672.4 |
| **Total** | **1,214.3** | **1,115.2** | **4,147.6** | **3,971.1** |

*[1] Non-current assets exclude financial instruments and deferred tax assets.*

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# Notes to the Consolidated Financial Statements

## 2.1 Segment information (continued)

**(b) Operating segment overview**

| Year ended 31 December 2025 | A&NZ Pay $'m | A&NZ Money $'m | Other $'m | Total $'m |
|---|---|---|---|---|
| **External revenue** | | | | |
| Net interest income | 462.0 | 354.8 | (3.2) | 813.6 |
| Other income | 20.7 | 6.0 | (0.8) | 25.9 |
| **Total operating income** | **482.7** | **360.8** | **(4.0)** | **839.5** |
| Net charge offs | (131.5) | (134.8) | - | (266.3) |
| **Risk adjusted income** | **351.2** | **226.0** | **(4.0)** | **573.2** |
| Cash operating expenses | (222.2) | (139.9) | - | (362.1) |
| **Cash PBT** | **129.0** | **86.1** | **(4.0)** | **211.1** |
| Movement in provision | (8.1) | (26.2) | - | (34.3) |
| Depreciation & amortisation (excluding leases) | (28.7) | (3.1) | - | (31.8) |
| **Profit/(loss) before tax & notable items** | **92.2** | **56.8** | **(4.0)** | **145.0** |
| Income tax expense | - | - | (39.9) | (39.9) |
| **Cash NPAT** | **92.2** | **56.8** | **(43.9)** | **105.1** |
| Notable items | | | | |
| Remediation costs | - | - | (2.9) | (2.9) |
| Restructuring costs | - | - | (4.5) | (4.5) |
| Asset impairment | - | - | (5.8) | (5.8) |
| Decommissioned facilities | - | - | (0.5) | (0.5) |
| Tax effect of adjustments | - | - | 3.0 | 3.0 |
| **Statutory profit/(loss) after tax from continuing operations** | **92.2** | **56.8** | **(54.6)** | **94.4** |
| Discontinued operations | | | | (0.4) |
| **Statutory profit after tax** | | | | **94.0** |
| | | | | |
| **31 December 2025** | | | | |
| **Segment balance sheet information** | | | | |
| Total assets reported by the Consolidated Group | 3,947.4 | 3,480.1 | 707.8 | 8,135.3 |
| Total liabilities reported by the Consolidated Group | (3,104.9) | (2,587.8) | (1,224.9) | (6,917.6) |

# Notes to the Consolidated Financial Statements

## 2.1 Segment information (continued)

| Year ended 31 December 2024 | A&NZ Pay $'m | A&NZ Money $'m | Other $'m | Total $'m |
|---|---|---|---|---|
| **External revenue** | | | | |
| Net interest income | 407.1 | 288.7 | (7.3) | 688.5 |
| Other income | 31.2 | 4.9 | 4.6 | 40.7 |
| **Total operating income** | **438.3** | **293.6** | **(2.7)** | **729.2** |
| Net charge offs | (116.8) | (97.2) | - | (214.0) |
| **Risk adjusted income** | **321.5** | **196.4** | **(2.7)** | **515.2** |
| Cash operating expenses | (224.2) | (135.8) | - | (360.0) |
| **Cash PBT** | **97.3** | **60.6** | **(2.7)** | **155.2** |
| Movement in provision | (16.8) | (5.0) | - | (21.8) |
| Depreciation & amortisation (excluding leases) | (31.4) | (6.6) | - | (38.0) |
| **Profit before tax & notable items** | **49.1** | **49.0** | **(2.7)** | **95.4** |
| Income tax expense | - | - | (29.5) | (29.5) |
| **Cash NPAT** | **49.1** | **49.0** | **(32.2)** | **65.9** |
| Notable items | | | | |
| Amortisation of acquisition intangibles | - | - | (36.4) | (36.4) |
| Remediation costs | - | - | 1.2 | 1.2 |
| Corporate development | - | - | (0.9) | (0.9) |
| Restructuring costs | - | - | (3.5) | (3.5) |
| Asset impairment | - | - | (2.4) | (2.4) |
| Decommissioned facilities | - | - | (2.8) | (2.8) |
| Tax effect of adjustments | - | - | 9.5 | 9.5 |
| **Statutory profit/(loss) after tax from continuing operations** | **49.1** | **49.0** | **(67.5)** | **30.6** |
| Discontinued operations | | | | (9.0) |
| **Statutory profit after tax** | | | | **21.6** |
| | | | | |
| **31 December 2024** | | | | |
| **Segment balance sheet information** | | | | |
| Total assets reported by the Consolidated Group | 3,868.0 | 3,218.4 | 796.4 | 7,882.8 |
| Total liabilities reported by the Consolidated Group | (3,011.3) | (2,376.1) | (1,271.0) | (6,658.4) |

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# Notes to the Consolidated Financial Statements

## 2.2 Revenue and expenses

### Accounting Policy

### Revenue recognition

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities below. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. Interest is applied to the gross carrying value of a financial asset unless the asset is credit impaired, in which case it is applied to the net carrying value.

**Net interest income**

The Group recognises interest on loans and receivables as interest income. Interest income is recognised based on the effective interest rate method. The effective interest rate method allocates interest income over the life of the financial asset based on the amortised carrying value. The expected life of the financial instrument (portfolio average expected life; sales finance 14 months; personal loans 19 months and motor loans 19 months), or when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability.

The Group recognises fees and costs, which are integral to the financial assets (for example loan origination fees and costs), using the effective interest rate method. When applying the effective interest method, fees and costs are amortised over the expected life of the financial asset or a shorter period if this is the period to which the fees and costs relate.

**Other operating income**

Interchange and operating fee income from contracts with customers is measured based on the consideration specified in a contract with the customer. The Group recognises revenue over the service period when it transfers control over a service to a customer.

Other fees include service and incremental fees charged per transaction and revenue is recognised at the point in time when the related services are performed.

**Other expenses**

Operating expenses are recognised as services are provided to the Group, over the period in which an asset is consumed, or once a liability is created.

### Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case, it is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the consolidated balance sheet. Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

# Notes to the Consolidated Financial Statements

## 2.2 Revenue and expenses

### (a) Net interest income

| | 2025 $'m | 2024 $'m |
|---|---|---|
| Interest income | **1,176.0** | 1,063.5 |
| Bank interest income | **12.4** | 11.0 |
| **Total interest income calculated using the effective interest method** | **1,188.4** | 1,074.5 |
| | | |
| Finance costs on borrowings | **(374.3)** | (385.2) |
| Lease interest expense | **(0.5)** | (0.9) |
| **Total interest expense** | **(374.8)** | (386.1) |
| **Net interest income** | **813.6** | 688.4 |

### (b) Other operating income

| | 2025 $'m | 2024 $'m |
|---|---|---|
| Interchange and operating fees | **26.2** | 35.6 |
| Other | **(0.3)** | 5.1 |
| **Total other operating income** | **25.9** | 40.7 |

### (c) Reconciliation of profit/(loss) after income tax to net cash inflow/(outflow) from operating activities

| | 2025 $'m | 2024 $'m |
|---|---|---|
| Net profit after income tax | **94.0** | 21.6 |
| (Increase) in interest receivable | **(16.0)** | (0.9) |
| Increase/(decrease) in interest payable | **(0.7)** | 6.6 |
| Depreciation and amortisation | **34.8** | 80.4 |
| Non-cash charge offs | **379.6** | 298.6 |
| Other expenses including income tax | **12.7** | 2.4 |
| (Increase) in loans and other receivables | **(855.8)** | (812.4) |
| Net (decrease) in trade and other liabilities | **33.3** | 24.4 |
| **Net cash (used in) operating activities** | **(318.1)** | (379.3) |

*Reconciliation of profit/(loss) after income tax to net cash inflow from operating activities includes discontinued operations.*

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# Notes to the Consolidated Financial Statements

## 2.3 Income tax expense and deferred tax

### Accounting Policy

### Taxation

**Income tax**

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated based on the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate, based on amounts expected to be paid to the tax authorities.

**Deferred tax**

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination, that, at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. 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. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset when there is a legally enforceable right to offset and an intention to settle the liability simultaneously. Current and deferred tax is recognised in the consolidated income statement except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity respectively.

**Tax consolidation legislation (Australian Group only)**

The Company and some wholly-owned controlled entities have implemented the tax consolidation legislation from December 2015. On adoption of the tax consolidation legislation, the entities in the tax consolidated group entered into a tax sharing agreement which limits the joint and several liability of the wholly-owned entities in the case of a default by the head entity, Latitude Group Holdings Limited. The entities are taxed as a single entity and the deferred tax assets and liabilities of these entities are set-off in the consolidated financial statements. The head and controlled entities in the tax consolidated group account for their own current and deferred tax accounts. These tax amounts are measured as if each entity in the tax consolidation group was a separate taxpayer with the Group. In addition to its own current and deferred tax amounts, the Company also recognises the current tax liabilities (assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidation group.

The entities have also entered into a tax funding agreement under which the wholly-owned entities fully compensate the Company for any current tax payable assumed. The funding amounts are determined by reference to the amounts recognised in the wholly-owned entities' financial statements. The amounts receivable or payable under the tax funding agreement are due upon receipt of the funding advice from the head entity. The funding amounts are recognised as intercompany receivables. Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the Group.

**Pillar Two – Global minimum top-up tax**

Pillar Two applies to large multinational groups ('MNE') that operate in more than one country and have annual consolidated revenue greater than EUR €750 million (or ~AUD $1.31 billion) in at least two out of the last four years. Under this legislation, MNEs are liable to pay a top-up tax for any difference between the effective tax rate ('ETR') for each jurisdiction in which it operates, and the 15% minimum rate (under these rules) should a jurisdiction's ETR be lower than 15%. Whilst the Group is a MNE, it currently does not meet the revenue threshold test for these rules to apply to it. All entities within the Group have an ETR that exceeds 15%.

# Notes to the Consolidated Financial Statements

## 2.3 Income tax expense and deferred tax (continued)

### (a) Income tax expense

| | Note | 2025 $'m | 2024 $'m |
|---|---|---|---|
| Current tax on profits for the year | | **42.0** | 29.9 |
| Adjustments recognised in the year for current tax of prior years | | **(2.9)** | 1.0 |
| **Current tax expense** | | **39.1** | 30.9 |
| | | | |
| Origination and reversal of temporary differences | 2.3(c) | **(2.2)** | (10.9) |
| **Deferred tax benefit** | | **(2.2)** | (10.9) |
| | | | |
| **Income tax expense** | | **36.9** | 20.0 |
| | | | |
| Income tax expense is attributable to: | | | |
| Profit from continuing operations | | **36.9** | 20.0 |
| (Loss) from discontinued operations | | **-** | - |
| **Income tax expense** | | **36.9** | 20.0 |

### (b) Numerical reconciliation of income tax expense/(benefit) to prima facie tax payable

| | 2025 $'m | 2024 $'m |
|---|---|---|
| Profit/(loss) from continuing operations before income tax expense | **131.3** | 50.6 |
| Loss from discontinued operations before income tax expense | **(0.4)** | (9.0) |
| | **130.9** | 41.6 |
| Tax at the Australian tax rate of 30% (2024: 30%) | **39.3** | 12.5 |
| Tax effect of amounts which are not deductible (taxable) in calculating taxable income: | | |
| Permanent differences | **0.6** | 5.2 |
| Effect of differences in tax rates in foreign jurisdictions | **(0.1)** | 1.3 |
| Adjustments of prior years | **(2.9)** | 1.0 |
| **Income tax expense** | **36.9** | 20.0 |

### (c) Deferred tax expense represents movements in deferred tax assets/liabilities

| | 2025 $'m | 2024 $'m |
|---|---|---|
| Provisions and other liabilities | **(11.1)** | (8.4) |
| Deferred income | **2.5** | (0.5) |
| Acquisition transaction costs | **1.2** | 0.8 |
| Intangible assets - software | **(1.6)** | (1.8) |
| Property, plant and equipment | **(0.5)** | 0.2 |
| Intangible assets - other | **0.3** | (7.2) |
| Deferred expenses and prepayments | **1.9** | 1.8 |
| Trust net income | **5.4** | 2.5 |
| Other | **(0.3)** | 1.7 |
| **Deferred tax benefit** | **(2.2)** | (10.9) |

The Group has $13.9 million (2024: $13.8 million) of unused tax losses and $1.1 million (2024: $1.4 million) deductible temporary differences for which no deferred tax asset is recognised in the balance sheet (2024: $nil). These relate to the Group's operations in Asia and Canada and may be carried forward indefinitely (subject to shareholding test requirements) or until the entities cease to exist.

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# Notes to the Consolidated Financial Statements

## 2.3 Income tax expense and deferred tax (continued)

### (d) Deferred tax assets and liabilities

| | 2025 $'m | 2024 $'m |
|---|---|---|
| **Deferred tax assets** | | |
| Provisions and other liabilities | **125.1** | 119.2 |
| Tax losses | **21.6** | 25.3 |
| Deferred income | **22.7** | 25.2 |
| Acquisition transaction costs | **1.3** | 1.8 |
| Lease liability | **2.1** | 5.6 |
| Intangible assets - software | **21.9** | 19.7 |
| Property, plant and equipment | **2.4** | 2.2 |
| Other | **3.0** | 3.1 |
| **Deferred tax assets** | **200.1** | 202.1 |
| | | |
| **Deferred tax liabilities** | | |
| Intangible assets - other | **4.9** | 4.6 |
| Deferred expenses & prepayments | **16.0** | 14.1 |
| Right-of-use assets | **2.0** | 4.3 |
| Interest rate swaps | **2.5** | 0.9 |
| Trust net income | **-** | 0.4 |
| Other | **1.4** | 3.4 |
| **Deferred tax liabilities** | **26.8** | 27.7 |
| | | |
| **Net deferred tax assets** | **173.3** | 174.4 |
| Amounts expected to be settled within 12 months | **109.1** | 111.8 |
| Amounts expected to be settled after more than 12 months | **64.2** | 62.6 |
| **Net deferred tax assets** | **173.3** | 174.4 |

### (e) Other tax recognised

| | 2025 $'m | 2024 $'m |
|---|---|---|
| **Income tax recognised in other comprehensive income:** | | |
| Cash flow hedge reserve | **1.7** | (6.2) |

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# Notes to the Consolidated Financial Statements

## 2.4 Dividends and distributions

**Dividends on ordinary shares**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Group, on or before the end of the reporting period but not distributed at the end of the reporting period.

### (a) Dividends

On 20 February 2026, the following dividends were declared by the Directors.

| | Cents per share | Total $m | Date of payment | Franked amount per share |
|---|---|---|---|---|
| Final 2025 dividend | **5.00** | **52.0** | **21 April 2026** | **30%** |

The following dividends were declared and paid by the Company during the current year:

| 2025 | Cents per share | Total $'m | Date of payment | Franked amount per share |
|---|---|---|---|---|
| Interim 2025 dividend | **4.00** | **41.6** | **23 October 2025** | **Unfranked** |
| Final 2024 dividend | 3.00 | 31.2 | 23 April 2025 | Unfranked |

No dividends were declared or paid by the Company during 2024.

**Dividend reinvestment plan**

On 20 February 2026, the Directors resolved to suspend the Dividend Reinvestment Plan (DRP) with immediate effect until further notice.

**Franking credits**

The amount of Australian franking credits available to shareholders at year ended 31 December 2025 for subsequent financial years is $2.6 million (2024: $3.8 million).

### (b) Distributions

Distributions paid on other equity instruments relate to capital notes issued as described in note 4.1(a). The following distributions were paid during the current and comparative year.

| | 2025 $'m | 2024 $'m |
|---|---|---|
| Distributions paid on capital notes[1][2] | **12.9** | 9.6 |

*[1] Distributions payable is within trade and other payables Note 3.1(e)*

*[2] Distributions paid during 2024 include both fully franked and unfranked components, consistent with the franking status of the ordinary shares.*

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# Notes to the Consolidated Financial Statements

## 2.5 Earnings/(loss) per ordinary share

### (a) Earnings/(loss) per share

The earnings and weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share are as follows:

| | Basic | | Diluted | |
|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 |
| **Earnings ($'m)** | | | | |
| Profit/(loss) for the year attributable to owners of the Company | **94.0** | 21.6 | **94.0** | 21.6 |
| Net loss from discontinued operations attributable to owners of the Company | **(0.4)** | (9.0) | **(0.4)** | (9.0) |
| Earnings from continuing operations attributable to owners of the Company | **94.4** | 30.6 | **94.4** | 30.6 |
| **Weighted average number of ordinary shares (millions)** | | | | |
| Weighted average number of ordinary shares | **1,039.7** | 1,039.7 | **1,039.7** | 1,039.7 |
| Potential dilutive weighted average number of ordinary shares: | | | | |
| Conversion of capital notes | - | - | **130.7** | 133.8 |
| **Total weighted average number of ordinary shares** | **1,039.7** | 1,039.7 | **1,170.4** | 1,173.5 |
| | | | | |
| **Earnings per share (cents) attributable to owners of the Company** | | | | |
| Earnings/(loss) per share (cents) | **9.0** | 2.1 | **8.0** | 1.8 |
| Earnings/(loss) per share (cents) from continuing operations | **9.1** | 2.9 | **8.1** | 2.6 |

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# Notes to the Consolidated Financial Statements

## Section 3 | Financial Instruments and Risk Management

### 3.1 Financial assets and liabilities

#### Accounting Policy

#### Classification - Financial assets and liabilities

#### Amortised cost

Debt instruments are measured at amortised cost if both the following conditions apply:

(a) the instrument is held to collect contractual cash flows, rather than being sold prior to contractual maturity to realise fair value changes; and

(b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**Recognition and derecognition**

Financial instruments are recognised when the Group becomes party to the contractual provisions of the instrument. Financial assets are derecognised when the Group's contractual rights to the cash flows from the instrument expire or if the Group transfers the instrument to another party without retaining control or substantially all the risks and rewards of the asset. Financial liabilities are derecognised when the Group's obligation under the contract is discharged, cancelled or it expires.

**Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, restricted cash and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash.

**Loans and other receivables**

Loan receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and that the Group did not intend to sell immediately or in the near term. Loans and advances are amounts due from customers in the ordinary course of business. They are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost, using the effective interest method, net of any provision for doubtful debts.

**Trade and other liabilities**

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 60 days of recognition.

**Borrowings**

Borrowings are initially recognised at fair value, net of directly attributable transaction costs and subsequently measured at amortised cost, using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

#### Fair value through profit or loss (FVTPL)

The Group may choose to designate, at initial recognition, a financial asset or a financial liability at FVTPL if it eliminates or reduces an accounting mismatch. Equity investments are measured at FVTPL unless the Group has elected to measure them as FVOCI below.

#### Fair value through other comprehensive income (FVOCI)

**Other financial assets**

The Group elects to measure its non-traded equity instruments at fair value through other comprehensive income, with only dividend income being recognised in profit or loss as the Group intends to hold them for the long term for strategic purposes.

#### Loss provisioning

**Provision for losses on loans and advances**

Loss provisioning is based on a three-stage approach to measuring expected credit losses (ECLs) for loans and advances which is based on the change in credit quality of financial assets since initial recognition:

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# Notes to the Consolidated Financial Statements

## 3.1 Financial assets and liabilities (continued)

**Stage 1:** Where there has been no significant increase in the risk of default since origination, reserves reflect the portion of the lifetime ECL from expected defaults in the following twelve months.

**Stage 2:** For assets where there has been a significant increase in risk since origination but are not credit impaired, a lifetime ECL is recognised.

**Stage 3:** For assets deemed as credit impaired, a lifetime ECL is recognised.

ECLs are derived from probability-weighted estimated loss measures taking account the time value of money, and possible outcomes, informed by current and future economic conditions.

The Group employs account-level provision models featuring granular risk segmentation based on shared credit risk characteristics and lending type, by product category. As asset quality deteriorates an exposure will move through ECL stages. As asset quality improves, an asset that was previously assessed as a significant increase in credit risk ('SICR') that had lifetime ECL, may in subsequent periods revert to Stage 1.

**Significant increase in credit risk ('SICR')**
The Group determines that a SICR occurs when an account triggers specific criteria based on relevant risk indicators, including but not limited to:

- Indication of a significant deterioration in the asset's internal risk rating grade since origination, which may take into account customer repayment history information or customer behavioural attributes, and
- Modified loans information (hardship): the SICR rules may be adjusted based on changing portfolio dynamics and are monitored and assessed by the Group to ensure the rules remain appropriate. The Group uses the back-stop criteria of 30 days past due to determine SICR.

**Credit impaired**
Exposures are assessed as credit impaired where the Group determines that an account is in default, being an account that is either 90 days or more past due or it is an account identified as bankrupt, deceased, fraudulent or in litigation.

Impaired accounts existing in the portfolio resulting from the purchase of impaired financial assets are referenced as 'Purchased or Originated Credit-Impaired' (POCI) assets under AASB 9. In accordance with AASB 9, POCI should be reserved for on a lifetime basis. The Group therefore identifies any POCI accounts in Stage 1 and adjusts the reserve for these to ensure lifetime coverage is achieved.

**Modified loans**
Modified loans comprise those under a hardship arrangement or in the process of litigation. When a flag indicator is removed from the modified loan, signalling the end of the modification arrangement, then the loss allowance for the account will revert to being measured at an amount equal to Stage 1 (12-month) ECL if the account does not otherwise show a significant increase in credit risk or determined to be credit-impaired.

**Write-off**
Loans and advances from customers are written off when they are deemed non-collectable at a portfolio level, or at an earlier date depending on customer status. Subsequent recoveries from legal enforcement relating to an amount previously charged off are set off against loan impairment expenses in the statement of profit or loss and statement of other comprehensive income.

**Macroeconomic scenarios**
The estimation of expected credit losses and assessment of credit risk leverages various information including past events, current conditions, and reasonable information about future events including economic conditions. As part of the measurement of expected credit losses for financial assets, the Group determines multiple scenarios (Baseline case, Upside case, and Downside case), informed by the economic outlook, to produce multiple ECLs.

The Group determines the probability of each scenario according to the Group's AASB 9 governance process, taking into consideration the relevant macro-economic outlooks in Australia and New Zealand and their likely impact on Latitude's portfolios, with the scenario ECLs then weighted to determine a final probability weighted ECL.

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# Notes to the Consolidated Financial Statements

## 3.1 Financial assets and liabilities (continued)

**Second-generation models**

The Group implemented second-generation provisioning models to generate ECL in 2024, which addressed key improvement opportunities identified in the first-generation models, while further aligning the Group's methodologies and modelling techniques to industry common practice. Refer to table 3.2(e) for impact.

### Derivative financial instruments

Derivatives are classified as FVTPL unless they are designated hedging instruments. They are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates derivatives as hedges of a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges). The Group documents at the inception of the hedging transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. It also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair values of cash flows on hedged items.

**Cash flow hedge**

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated in reserves in equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss within other operating income. When a hedging instrument expires or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately reclassified to profit or loss.

**Derivatives that do not qualify for hedge accounting**

Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in profit or loss within other operating income.

### Offsetting

Financial assets and liabilities are offset and the net amount is presented in the balance sheet when the Group has a legal right to offset the amounts and intends to settle on a net basis or to realise the asset and settle the liability simultaneously.

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# Notes to the Consolidated Financial Statements

## 3.1 Financial assets and liabilities

### (a) Financial assets and financial liabilities

| Financial assets | Notes | Assets designated FVOCI $'m | Assets designated FVTPL $'m | Assets at amortised cost $'m | Total $'m |
|---|---|---|---|---|---|
| **31 December 2025** | | | | | |
| Cash and cash equivalents | 3.1(b) | **-** | **-** | **300.7** | **300.7** |
| Derivative financial instruments | 3.1(c) | **-** | **10.0** | **-** | **10.0** |
| Loans and other receivables | 3.1(d) | **-** | **-** | **6,859.2** | **6,859.2** |
| Other financial assets | | **1.6** | **-** | **12.6** | **14.2** |
| **Total financial assets** | | **1.6** | **10.0** | **7,172.5** | **7,184.1** |
| | | | | | |
| **31 December 2024** | | | | | |
| Cash and cash equivalents | 3.1(b) | - | - | 410.2 | 410.2 |
| Derivative financial instruments | 3.1(c) | - | 10.8 | - | 10.8 |
| Loans and other receivables | 3.1(d) | - | - | 6,417.7 | 6,417.7 |
| Other financial assets | | 1.6 | - | 12.6 | 14.2 |
| Total financial assets | | 1.6 | 10.8 | 6,840.5 | 6,852.9 |

| Financial liabilities | Notes | Liabilities designated FVTPL $'m | Liabilities at amortised cost $'m | Total $'m |
|---|---|---|---|---|
| **31 December 2025** | | | | |
| Trade and other liabilities | 3.1(e) | **-** | **161.6** | **161.6** |
| Derivative financial instruments | 3.1(c) | **6.8** | **-** | **6.8** |
| Borrowings | 3.1(f) | **-** | **6,618.9** | **6,618.9** |
| **Total financial liabilities** | | **6.8** | **6,780.5** | **6,787.3** |
| | | | | |
| **31 December 2024** | | | | |
| Trade and other liabilities | 3.1(e) | - | 214.4 | 214.4 |
| Derivative financial instruments | 3.1(c) | 6.4 | - | 6.4 |
| Borrowings | 3.1(f) | - | 6,316.2 | 6,316.2 |
| Total financial liabilities | | 6.4 | 6,530.6 | 6,537.0 |

# Notes to the Consolidated Financial Statements

## 3.1 Financial assets and liabilities (continued)

### (b) Cash and cash equivalents

| | 2025 $'m | 2024 $'m |
|---|---|---|
| **Current assets** | | |
| Cash and cash equivalents | **298.6** | 406.9 |
| Restricted cash[1] | **2.1** | 3.3 |
| **Total cash and cash equivalents** | **300.7** | 410.2 |

[1] *Being cash deposited as a security*

### (c) Derivatives

| | 2025 $'m | 2024 $'m |
|---|---|---|
| **Current derivative assets** | | |
| Interest rate swap contracts - cash flow hedges | **0.4** | 1.6 |
| Forward foreign exchange contracts | **-** | 4.5 |
| Total current derivative financial instrument assets | **0.4** | 6.1 |
| **Non-current derivative assets** | | |
| Interest rate swap contracts - cash flow hedges | **9.6** | 4.7 |
| Total non-current derivative financial instruments | **9.6** | 4.7 |
| **Total derivative assets** | **10.0** | 10.8 |
| | | |
| **Current derivative liabilities** | | |
| Interest rate swap contracts - cash flow hedges | **0.5** | 0.1 |
| Forward foreign exchange contracts | **2.6** | - |
| Total current derivative financial instrument liabilities | **3.1** | 0.1 |
| **Non-current derivative liabilities** | | |
| Interest rate swap contracts - cash flow hedges | **3.7** | 6.3 |
| Total non-current derivative financial instrument liabilities | **3.7** | 6.3 |
| **Total derivative liabilities** | **6.8** | 6.4 |

The Group enters into derivative transactions for economic hedging purposes under International Swaps and Derivatives Association ('ISDA') master agreements. The agreements generally allow for simultaneous netting of payments in relation to each party's obligations for derivative assets and liabilities. Therefore, although the Group does not have a current legal enforceable right of set off and does not offset the assets and liabilities on the balance sheet, it will settle the derivative on a net basis simultaneously when the amounts due or owed are with the same counterparty.

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# Notes to the Consolidated Financial Statements

## 3.1 Financial assets and liabilities (continued)

### (d) Loans and other receivables

| | 2025 $'m | 2024 $'m |
|---|---|---|
| **Loans and advances** | | |
| Loans and advances | **7,211.5** | 6,747.7 |
| Unearned income | **(40.1)** | (56.1) |
| Provision for impairment losses | **(321.0)** | (289.4) |
| Total loans and advances | **6,850.4** | 6,402.2 |
| | | |
| **Other receivables** | | |
| Trade receivables | **4.5** | 13.0 |
| Other receivables | **4.3** | 2.5 |
| Total other receivables | **8.8** | 15.5 |
| | | |
| **Total loans and other receivables** | **6,859.2** | 6,417.7 |
| | | |
| Current | **3,451.3** | 3,234.6 |
| Non-current | **3,407.9** | 3,183.1 |
| **Total loans and other receivables** | **6,859.2** | 6,417.7 |

As the majority of the Group's customer loans are variable rate products, their fair values are deemed not to be significantly different to their carrying amounts. Other receivables are generally of a short-term nature whose fair value approximates their carrying amounts.

Information about the impairment of loans and other receivables, their credit quality and the Group's exposure to credit risk can be found in section 3.2.

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# Notes to the Consolidated Financial Statements

## 3.1 Financial assets and liabilities (continued)

### (e) Trade and other liabilities

| | Notes | 2025 $'m | 2024 $'m |
|---|---|---|---|
| **Current** | | | |
| Trade and other payables | | **60.7** | 59.6 |
| Accrued expenses | | **47.8** | 62.1 |
| Payables to related parties | 6.3(c) | **-** | 16.6 |
| Customer credit balances | | **44.3** | 54.8 |
| Lease liability | | **1.7** | 4.4 |
| Capital note distributions | | **1.5** | 1.7 |
| **Current trade and other liabilities** | | **156.0** | 199.2 |
| | | | |
| **Non-Current** | | | |
| Lease liability | | **5.6** | 15.2 |
| **Non-current trade and other liabilities** | | **5.6** | 15.2 |
| | | | |
| **Total trade and other liabilities** | | **161.6** | 214.4 |

The carrying amounts of trade and other liabilities approximates fair value. When measuring lease liabilities, the Group discounts lease payments using its incremental borrowing rate. The weighted-average discount rate applied is 5.66% as at 31 December 2025 (31 December 2024: 4.19%).

### (f) Borrowings

| | 2025 $'m | 2024 $'m |
|---|---|---|
| **Current** | | |
| Secured securitisation liabilities | **1,364.6** | 734.5 |
| Unsecured facility agreements | **30.5** | 49.5 |
| **Current borrowings** | **1,395.1** | 784.0 |
| | | |
| **Non-current** | | |
| Secured securitisation liabilities | **5,223.8** | 5,532.2 |
| **Non-current borrowings** | **5,223.8** | 5,532.2 |
| | | |
| **Total borrowings** | **6,618.9** | 6,316.2 |

The Group's principal sources of funding are through revolving warehouse facilities and asset-backed securities (ABS) issued in Australia and New Zealand. These debt issuances fund pools of customer loans and advances that are sold to the special purpose entities that issue the debt.

The contractual maturities attached to the securitisation liabilities range between 0-5 years. Actual securitisation liability repayments occur when the trust reaches contractual amortisation periods (commencing in 0-3 years) based on assumed repayment patterns in the underlying receivables. Refer to section 3.2(p) for further details relating to liquidity management. The funding programme provides additional committed facilities as described in section 3.2(o).

Significant changes in funding during the year ended 31 December 2025 include:

**Securitisation liabilities**

- The Latitude Australia Personal Loans Series 2021-1 Trust was fully redeemed on 17 February 2025.
- In March 2025, $500.0 million was issued by the Latitude Australia Personal Loans Series 2025-1 Trust with an expected call date in 17 May 2028.
- In May 2025, the New Zealand Personal Loans Trust was refinanced for NZD $593.3 million and increased in December 2025 to NZD $667.6 million with an expected amortisation date of 17 February 2028.
- In July 2025, $500.0 million was issued by the Australian Credit Card Master Trust Series 2025-1 with a scheduled amortisation date of 22 November 2028.

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# Notes to the Consolidated Financial Statements

## 3.1 Financial assets and liabilities (continued)

- In August 2025, the Australian Sales Finance and Credit Card Trust No. 3 was refinanced for $568.5 million with an expected amortisation date of 22 August 2028.
- In October 2025, $500 million was issued by the Latitude Australia Personal Loans Series 2025-2 Trust with an expected call date of in 17 May 2029.
- In November 2025, the Australian Sales Finance and Credit Card Trust No.4 was established for $24 million with a scheduled amortisation date of 11 November 2028.

### Facility agreements

- On 6 January 2025 the remaining USD $10 million of the single draw bullet facility #2 with SBI Shinsei Bank was fully repaid on its maturity date.
- In March 2025, the USD $20 million unsecured single draw bullet term credit facility #1 with SBI Shinsei Bank was extended to mature in March 2026.

As at 31 December 2025, AUD $2.5 million of Facility A & C was utilised to support bank guarantees. AUD $75.0 million of Facility A & C remained undrawn. USD $39.9 million of Facility B was utilised to support existing letters of credit provided as collateral for access to Schemes. USD $1.1 million of Facility B remained undrawn.

### Transaction costs incurred to establish funding

Borrowings are shown net of capitalised transaction costs incurred to establish the funding programme. Unamortised transaction costs of $6.1 million are set off against borrowings at 31 December 2025 (2024: $5.1 million). During the year $4.4 million (2024: $5.3 million) of borrowing costs were capitalised.

### Covenants

Under the terms of the major borrowing facilities, the Group is required to comply with financial covenants. The Group has complied with the financial covenants during the year 31 December 2025 and in the comparative reporting period. There are no indications that the Group may have difficulties complying with the debt covenants within 12 months of the reporting date.

### Fair value

For the Group's borrowings, the fair values are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short-term nature.

### (g) Recognised fair value measurements

The Group uses valuation techniques and hierarchy levels to determine the value of its financial instruments measured at fair value. Three classification levels are used. There were no transfers between levels for recurring fair value measurements during the year.

Level 1: This includes instruments for which the valuation is based on quoted market prices.

Level 2: This includes instruments that do not have quoted market prices, where observable market data is used to determine fair value.

Forward foreign exchange contracts are valued using forward pricing valuation techniques. The fair value is determined using quoted forward foreign exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies.

Interest rate swaps are valued using swap models. The fair value is calculated as the present value of the estimated future cash flows. Estimates of future floating-rate cash flows are based on quoted swap rates, future prices and interbank borrowing rates. Estimated cash flows are discounted using a yield curve constructed from similar sources and which reflects the relevant benchmark interbank rate used by market participants for this purpose when pricing interest rate swaps. The fair value estimate is subject to a credit risk adjustment that reflects the credit risk of the Group and of the counterparty; this is calculated based on credit spreads derived from current credit default swap or bond prices.

Level 3: This category level has no observable market data inputs.

The Group holds two unquoted equity investments with no active market within Level 3, of which one has previously been recognised at nil value and remains as such at the reporting date. The fair value inputs are based on entity-specific financial statement information, discounted for their non-marketable nature and any other considerations such as the proximity of the transaction to the reporting date.

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# Notes to the Consolidated Financial Statements

## 3.1 Financial assets and liabilities (continued)

### (h) Recurring fair values

| 2025 | Level 1 $'m | Level 2 $'m | Level 3 $'m | Total $'m |
|---|---|---|---|---|
| **Financial assets** | | | | |
| Derivative financial assets | | | | |
| Derivatives used for hedging - interest rate swaps | - | **10.0** | - | **10.0** |
| Other financial assets | - | - | **1.6** | **1.6** |
| **Total financial assets** | - | **10.0** | **1.6** | **11.6** |
| | | | | |
| **Financial liabilities** | | | | |
| Derivative financial liabilities | | | | |
| Derivatives used for hedging - interest rate swaps | - | **4.2** | - | **4.2** |
| Derivatives - foreign exchange contracts | - | **2.6** | - | **2.6** |
| **Total financial liabilities** | - | **6.8** | - | **6.8** |

| 2024 | Level 1 $'m | Level 2 $'m | Level 3 $'m | Total $'m |
|---|---|---|---|---|
| **Financial assets** | | | | |
| Derivative financial assets | | | | |
| Derivatives used for hedging - interest rate swaps | - | 6.3 | - | 6.3 |
| Derivatives - foreign exchange contracts | - | 4.5 | - | 4.5 |
| Other financial assets | - | | 1.6 | 1.6 |
| **Total financial assets** | - | 10.8 | 1.6 | 12.4 |
| | | | | |
| **Financial liabilities** | | | | |
| Derivatives used for hedging - interest rate swaps | - | 6.4 | - | 6.4 |
| **Total financial liabilities** | - | 6.4 | - | 6.4 |

The table shows the fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Financial assets using significant unobservable inputs (Level 3), have no impact on profit or loss or other comprehensive income for the year.

### (i) Level 3 fair values

Reconciliation from the opening balances to the closing balances for Level 3 fair values:

| | 2025 $'m | 2024 $'m |
|---|---|---|
| **Other financial assets:** | | |
| Opening balance as at 1 January | **1.6** | 1.6 |
| Acquisitions/disposals | **-** | - |
| **Closing balance at 31 December** | **1.6** | 1.6 |

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# Notes to the Consolidated Financial Statements

## 3.2 Financial risk management

### Overview

The main risks arising from the Group's financial instruments are operational risk, credit risk, liquidity risk and market risk (interest rate risk and foreign currency risk). The Group has established risk management processes and has an enterprise risk management framework in place that aims to ensure enterprise risks are effectively identified, measured, monitored and managed. The Group operates under a governance and risk management culture, managed ultimately by a Board Risk Committee, responsible for all enterprise risk. Risk management is cascaded to the business through a Board approved risk appetite statement, approved strategies and policies and operating procedures that establish appropriate limits and controls to monitor and manage the Group's level of risk exposure. Management committees supporting risk governance include an Enterprise Risk Management Committee, which manages strategic, credit, fraud, operational and regulatory risks, and an Asset and Liability Committee, which manages funding, liquidity and market risks. A 'three-lines' of defence model is operated to comply with the Group's risk management framework.

### Operational risk

The Company may, from time to time, be involved in legal proceedings (including class actions), regulatory actions or arbitration. Litigation could be commenced by a range of plaintiffs, such as customers, shareholders, suppliers, counterparties and regulators.

Litigation may, either individually or in aggregate, adversely affect the Group's business, operations, prospects, reputation or financial condition. This risk is heightened by increases in the severity of penalties for certain breaches of the law. Such matters are subject to many uncertainties and the outcome may not be predicted accurately. Furthermore, the Group's ability to respond to and defend litigation may be adversely affected by inadequate record keeping.

Depending on the outcome of any litigation, the Group may be required to comply with broad court orders, including compliance orders, enforcement orders or otherwise pay significant damages, fines, penalties or legal costs.

### Credit risk

Credit risk is the risk of financial loss to the Group if a customer fails to meet their contractual obligations, arising principally from the Group's loans to customers. Credit risk management is a core feature of Latitude's business model, having developed and refined its credit risk management capabilities to foster prudent underwriting, portfolio management and effective controls. These processes include risk-based loan pricing and lending limits for its customers, allowing Latitude to approve credit to customers while maintaining delinquencies and net charge offs in accordance with Latitude's risk appetite statement. Along with the risk appetite statement, management has a credit policy in place that ensures our portfolios are diversified across various risk rating grades. Management continually assesses the effectiveness of internal credit controls and policies as part of the overall asset management at Latitude.

*Exposure*

**(a) Total undrawn exposure of loans and advances to credit risk by credit risk rating grades**

| | Stage 1 $'m | Stage 2 $'m | Stage 3 $'m | Total $'m |
|---|---|---|---|---|
| Very low risk | **4,933.7** | **2.0** | **-** | **4,935.7** |
| Low risk | **468.0** | **0.3** | **-** | **468.3** |
| Medium risk | **229.9** | **0.1** | **-** | **230.0** |
| Moderate risk | **34.0** | **9.7** | **-** | **43.7** |
| High risk | **7.3** | **6.2** | **-** | **13.5** |
| **2025** | **5,672.9** | **18.3** | **-** | **5,691.2** |

| | Stage 1 $'m | Stage 2 $'m | Stage 3 $'m | Total $'m |
|---|---|---|---|---|
| Very low risk | 5,799.0 | 3.4 | - | 5,802.4 |
| Low risk | 505.9 | 0.5 | - | 506.4 |
| Medium risk | 195.5 | 0.2 | - | 195.7 |
| Moderate risk | 28.3 | 10.7 | - | 39.0 |
| High risk | 6.9 | 4.5 | - | 11.4 |
| **2024** | 6,535.6 | 19.3 | - | 6,554.9 |

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# Notes to the Consolidated Financial Statements

## 3.2 Financial risk management (continued)

*Credit risk rating*

**(b) Loans and advances by credit risk rating grades**

| | Stage 1 $'m | Stage 2 $'m | Stage 3 $'m | Total $'m |
|---|---|---|---|---|
| Very low risk | **2,647.2** | **38.3** | **-** | **2,685.5** |
| Low risk | **1,533.7** | **36.7** | **-** | **1,570.4** |
| Medium risk | **1,558.0** | **68.6** | **-** | **1,626.6** |
| Moderate risk | **502.1** | **92.1** | **-** | **594.2** |
| High risk | **221.0** | **329.0** | **184.8** | **734.8** |
| **2025** | **6,462.0** | **564.7** | **184.8** | **7,211.5** |

| | Stage 1 $'m | Stage 2 $'m | Stage 3 $'m | Total $'m |
|---|---|---|---|---|
| Very low risk | 2,552.8 | 39.2 | - | 2,592.0 |
| Low risk | 1,490.5 | 33.9 | - | 1,524.4 |
| Medium risk | 1,438.9 | 58.0 | - | 1,496.9 |
| Moderate risk | 387.2 | 100.6 | 0.1 | 487.9 |
| High risk | 180.8 | 320.9 | 144.8 | 646.5 |
| **2024** | 6,050.2 | 552.6 | 144.9 | 6,747.7 |

The credit risk grade scale is used to summarise the risk distribution of the portfolio, based on the probability of an account going to default as determined by behavioural scorecards.

*Credit quality*

**(c) Loans and advances aging**

| Gross loans and advances | 2025 $'m | 2024 $'m |
|---|---|---|
| Current | **6,278.9** | 5,826.7 |
| Past due 1-29 days | **629.5** | 663.3 |
| Past due 30-89 days | **187.6** | 166.5 |
| Past due > 90 days | **115.5** | 91.2 |
| **Total** | **7,211.5** | 6,747.7 |

*Counterparty risk*

The Group is exposed to counterparty risk by holding cash and cash equivalents, and entering into derivatives with financial institutions. Their credit quality can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

**(d) Counterparty risk**

| | 2025 $'m | 2024 $'m |
|---|---|---|
| **Cash and cash equivalents** | | |
| *Investment grade (credit rating range [A-1 to A-1+])* | **300.7** | 410.2 |
| **Derivative financial assets** | | |
| *Investment grade (credit rating [A+ to AA-])* | **10.0** | 10.8 |

Other financial assets held by the Group are with counterparties with no external credit rating.

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# Notes to the Consolidated Financial Statements

## 3.2 Financial risk management (continued)

*Provision for impairment losses*

### (e) Movements in the provision for impairment of loans and advances

Movements in the provision for impairment of loans and advances that are assessed for impairment collectively below include transition between stages of loans considered modified.

| | Stage 1 | | Stage 2 | | Stage 3 | | Total | |
|---|---|---|---|---|---|---|---|---|
| | Loans & Advances | Provisions | Loans & Advances | Provisions | Loans & Advances | Provisions | Loans & Advances | Provisions |
| | $'m | $'m | $'m | $'m | $'m | $'m | $'m | $'m |
| **At 1 January 2025** | **6,050.2** | **(89.6)** | **552.6** | **(135.6)** | **144.9** | **(64.2)** | **6,747.7** | **(289.4)** |
| *Transfers between stages:* | | | | | | | | |
| Transfers to Stage 1 | **176.4** | **(38.6)** | **(163.4)** | **33.4** | **(13.0)** | **5.2** | **-** | **-** |
| Transfers to Stage 2 | **(246.0)** | **3.2** | **256.4** | **(7.3)** | **(10.4)** | **4.1** | **-** | **-** |
| Transfers to Stage 3 | **(66.8)** | **0.8** | **(44.9)** | **9.1** | **111.7** | **(9.9)** | **-** | **-** |
| Net of receivables movements and charge-offs | **603.9** | **(3.5)** | **(31.1)** | **9.4** | **(47.1)** | **14.0** | **525.7** | **19.9** |
| Net remeasurement of loss allowance | **-** | **35.5** | **-** | **(50.9)** | **-** | **(38.7)** | **-** | **(54.1)** |
| Foreign exchange movements | **(55.7)** | **0.8** | **(4.9)** | **1.2** | **(1.3)** | **0.6** | **(61.9)** | **2.6** |
| **At 31 December 2025** | **6,462.0** | **(91.4)** | **564.7** | **(140.7)** | **184.8** | **(88.9)** | **7,211.5** | **(321.0)** |
| | | | | | | | | |
| **At 1 January 2024** | 5,750.9 | (185.4) | 289.1 | (15.4) | 204.8 | (63.3) | 6,244.8 | (264.1) |
| Implementation of new models | - | 90.8 | - | (89.4) | - | 17.5 | - | 18.9 |
| *Transfers between stages:* | | | | | | | | |
| Transfers to Stage 1 | 135.1 | (30.8) | (125.2) | 27.1 | (9.9) | 3.7 | - | - |
| Transfers to Stage 2 | (315.8) | 4.2 | 323.2 | (7.0) | (7.4) | 2.8 | - | - |
| Transfers to Stage 3 | (60.8) | 0.8 | (33.2) | 7.3 | 94.0 | (8.1) | - | - |
| Net of receivables movements and charge-offs | 570.6 | 4.3 | 100.0 | (6.4) | (135.8) | 11.5 | 534.8 | 9.4 |
| Net remeasurement of loss allowance | - | 25.5 | - | (51.9) | - | (28.6) | - | (55.0) |
| Foreign exchange movements | (29.8) | 1.0 | (1.3) | 0.1 | (0.8) | 0.3 | (31.9) | 1.4 |
| **At 31 December 2024** | 6,050.2 | (89.6) | 552.6 | (135.6) | 144.9 | (64.2) | 6,747.7 | (289.4) |

The Group's total provision for impairment losses increased $31.6 million between 31 December 2024 and 31 December 2025 ($289.4 million to $321.0 million) and the coverage ratio increased by 16bps (4.29% at December 2024 to 4.45% at December 2025). The application of model risk overlays is used to offset a number of inherent model risks.

A consistent approach has been applied to the following model risk overlays held by the Group for the December 2025 reporting period compared to December 2024:

- A model imprecision overlay, calculated as 10% of the core model coverage rate and applied evenly across all products $28.1 million (31 December 2024: $25.6 million); and
- A seasonality overlay to adjust for ordinary movements in the stage distribution of receivables due to seasonal delinquency trends exhibited by the underlying portfolios $0.7 million (31 December 2024: $0.6 million); and
- An economic overlay to cater for forward looking impacts and uncertainty that are not easily modelled, leveraging sensitivity on staging taking into consideration the potential impacts to hardship and delinquency from the changing economic outlook $8.5 million (31 December 2024: $6.8 million).

# Notes to the Consolidated Financial Statements

## 3.2 Financial risk management (continued)

The Group applied the below scenario weightings during the year ended 31 December 2025:

| Scenario | Weighting 2025 | | Weighting 2024 |
|---|---|---|---|
| | Australia | New Zealand | Australia & New Zealand |
| **Scenario One** – Upside<br>A 100% weighting to this scenario would result in a decrease to the total ECL provision at the reporting date of $33.8 million | 10% | 10% | 10% |
| **Scenario Two** – Baseline<br>A 100% weighting to this scenario would result in a decrease to the total ECL provision at the reporting date of $8.8 million | 65% | 60% | 65% |
| **Scenario Three** – Downside<br>A 100% weighting to this scenario would result in an increase to the total ECL provision at the reporting date of $36.6 million | 25% | 30% | 25% |

Latitude's Economic Panel recommended maintaining the economic scenario weightings at 10% Upside Scenario, 65% Baseline Scenario and 25% Downside Scenario for Australia, with Australia's economic outlook remaining resilient, and moved towards the downside with weightings of 10%, 60% and 30% for New Zealand, with New Zealand emerging from a deeper slowdown than Australia and facing a more fragile recovery.

The Group considers inflation, GDP, unemployment rate and house prices in the determination of the scenarios noted above.

*Impairment losses*

### (f) Losses recognised in relation to loans and advances

During the year, the following losses were recognised:

| | 2025 $'m | 2024 $'m |
|---|---|---|
| **Recognised in profit or loss** | | |
| Movement in provision on loans and advances | **(34.3)** | (21.8) |
| Net impairment loss on loans and advances | **(266.3)** | (214.0) |
| **Losses recognised in relation to loans and advances** | **(300.6)** | (235.8) |

*Enforcement activity*

Loans and advances with a contractual amount of $19.2 million (2024: $77.1 million) written off during the year are subject to enforcement activity.

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# Notes to the Consolidated Financial Statements

## 3.2 Financial risk management (continued)

*Collateral*

**(g) Collateral held**

| | 2025 | 2024 |
|---|---|---|
| **Maximum exposure ($'m)** | **7,211.5** | 6,747.7 |
| **Collateral classification:** | | |
| Secured | **15.1%** | 16.4% |
| Unsecured | **84.9%** | 83.6% |

Both secured and unsecured personal loans are offered to the customer. Subject to lending criteria, allowable collateral for a secured loan includes motor vehicles and other vehicles such as caravans and camper trailers, motorcycles, motor homes and boats. There is no minimum or maximum loan value ratio applicable to a secured personal loan and a minimum value of security applies. When an Australian customer takes a motor loan for the purposes of acquiring a new or used car, motorcycle or other recreational vehicle, certain allowable vehicles are accepted as security for the loan.

*Guarantees*

The Group does not have any guarantees at 31 December 2025 (2024: nil). The facility agreement of SGD $30 million between Latitude Financial International Pte. Ltd. and Hong Kong and Shanghai Banking Corporation Limited (HSBC) which Latitude Group Holdings Limited was guarantor was fully repaid on 22 October 2024.

### Foreign exchange risk

Foreign exchange risk arises where changes in foreign exchange rates impact the Group's profit after tax and equity.

The Group has exposures primarily arising from investment in foreign subsidiaries whose functional currency is not AUD (primarily NZD). Additional exposure arises from transactions denominated in non-functional currencies, such as USD debt and expenses. The Group's exposure to foreign exchange risk is not considered material, and therefore, no detailed disclosures have been made.

*Risk management*

Material transactions denominated in currencies which are not denominated in a functional currency are hedged where they are highly probable.

The Group uses forward foreign exchange contracts to manage its foreign exchange risk. These contracts are not designated as hedging instruments.

### Interest rate risk

The Group's main interest rate risk arises from mismatches in the interest rate characteristics of its receivables assets and the corresponding funding liabilities.

*Risk management*

The Group's receivables consist of three types of applicable interest rate:

- Fixed rate personal and auto loans where the interest rate is fixed for the life of the contract. Fixed rate personal loans are typically provided on a term of one to seven years and amortise fully over this term. Auto loans are typically provided on a term of one to seven years with the majority fully amortising over this term and a small proportion partially amortising to a residual balance.
- Interest free instalment products; and
- Variable rate personal loans and auto loans, credit and instalment products which bear interest and whose interest varies over time as the applicable rate changes.

The Group's funding facilities are variable rate borrowings where rates are reset at regular intervals (generally monthly) in-line with current market rates.

Interest rate risk is managed by entering into derivatives (pay fixed interest rate swaps) whereby the Group agrees to pay a fixed interest rate and in return receive a variable market interest rate to hedge the variable borrowing costs. The Group ensures the proportion of hedges to net exposure is within the range of 95 - 105%. The Group applies a hedge ratio of 1:1.

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# Notes to the Consolidated Financial Statements

## 3.2 Financial risk management (continued)

Swaps are currently in place over floating rate securitisation liabilities relating to fixed rate personal and auto loans sold into securitisation trusts. Hedging amounts and tenors reflect the expected repayment profiles of these fixed rate receivables. Additional swaps are in place to cover a portion of the floating rate securitisation liabilities relating to interest free instalment products sold into securitisation trusts. These derivatives are designated in hedging relationships to minimise profit and loss volatility.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the reference interest rates, tenors, repricing dates and the maturities and amounts. The Group assesses whether the derivative designated in each hedging relationship is expected to be effective in offsetting changes in cash flows of the hedged item using the hypothetical derivative method.

In these hedge relationships, the main source of ineffectiveness is change in credit risk of the hedge instrument.

*Exposure*

### (h) Interest rate profile

Amounts at the reporting date relating to the exposure of the Group's borrowing to interest rate changes and the contractual re-pricing dates of the interest rate borrowings are as follows:

| | 2025 $'m | 2024 $'m |
|---|---|---|
| Variable rate borrowings | **6,612.7** | 6,307.9 |

### (i) Interest rate swaps

At the reporting date the Group had the following interest rate swap contracts outstanding:

| | 2025 | | 2024 | |
|---|---|---|---|---|
| | Weighted average interest rate % | Balance $'m | Weighted average interest rate % | Balance $'m |
| Interest rate swaps (nominal amount) | **3.56%** | **2,490.9** | 3.57% | 2,023.3 |

*Hedged items and hedging instruments*

### (j) Amounts relating to items designated as hedged items

Amounts at the reporting date relating to items designated as hedged items were as follows:

| | Change in value used for calculating hedge ineffectiveness $'m | Cash flow hedge reserve $'m | Balances remaining in the cash flow hedge reserve from hedging relationships for which hedge accounting is no longer applied $'m |
|---|---|---|---|
| **2025** | | | |
| **Interest rate risk** | | | |
| Variable rate borrowings | **5.8** | **4.2** | **-** |
| **2024** | | | |
| **Interest rate risk** | | | |
| Variable rate borrowings | (21.0) | - | - |

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# Notes to the Consolidated Financial Statements

## 3.2 Financial risk management (continued)

### (k) Amounts relating to items designated as hedging instruments and hedge ineffectiveness

| Line item in Balance sheet / income statement | Nominal amount - maturity 1-6 months | 7-12 months | More than one year | Carrying amount Assets | Liabilities | Changes in the value of the hedging instrument recognised in OCI | Hedge ineffective-ness recognised in profit or loss | Amount reclassified from hedging reserve to profit or loss |
|---|---|---|---|---|---|---|---|---|
| | | | | Derivative financial instruments | | | Other income | |
| | $'m | $'m | $'m | $'m | $'m | $'m | $'m | $'m |
| **2025** | | | | | | | | |
| **Interest rate risk** | | | | | | | | |
| Interest rate swaps | **152.7** | **131.9** | **2,206.4** | **10.0** | **4.2** | **5.9** | **-** | **-** |
| **2024** | | | | | | | | |
| **Interest rate risk** | | | | | | | | |
| Interest rate swaps | 60.6 | 190.5 | 1,779.8 | 6.3 | 6.4 | (20.9) | - | - |

### (l) Amounts relating to hedged items as continuing hedges and discontinued hedges

| | Hedged risk | Cash flow hedge reserve Total $'m |
|---|---|---|
| **2025** | | |
| **Cash flow hedges** | | |
| Variable rate borrowings | Interest rate | **4.2** |
| **2024** | | |
| **Cash flow hedges** | | |
| Variable rate borrowings | Interest rate | - |

*Fair value gains or losses*

### (m) Gains/(losses) recognised in relation to derivatives designated as cash flow hedges

During the year, the following gains/(losses) were recognised:

| | 2025 $'m | 2024 $'m |
|---|---|---|
| **Recognised in profit or loss** | | |
| Net gain/(loss) for ineffective portion of derivatives designated as cash flow hedges | **-** | - |
| **Recognised in other comprehensive income** | | |
| Gain/(loss) recognised in other comprehensive income | **4.2** | (14.7) |

# Notes to the Consolidated Financial Statements

## 3.2 Financial risk management (continued)

*Sensitivity*

### (n) Sensitivity to changes in interest rates

| | Impact on pre-tax profit | | Impact on other components of equity | |
|---|---|---|---|---|
| | 2025 $'m | 2024 $'m | 2025 $'m | 2024 $'m |
| Interest rates - increase by 100 basis points - Increase/(decrease) in profit | **(6.8)** | (11.0) | **29.1** | 22.6 |
| Interest rates - decrease by 100 basis points - Increase/(decrease) in profit | **6.8** | 11.0 | **(29.6)** | (23.0) |

The analysis above shows the impact of shifts in interest rates on the Group's profit over a year assuming all other things remain equal at the end of the reporting period.

## Liquidity risk

The Group ensures it has access to liquidity and has the resources to meet its contractual financial obligations during the normal course of business and in periods of stress. This includes maintaining sufficient cash and other liquid assets and flexibility in funding through committed credit lines.

*Risk management*

Funding is monitored on a regular basis and risk management includes forecasts and modelling including stress testing scenarios.

### (o) Undrawn facilities

*Financing arrangements – Corporate facilities*

The Group has an existing syndicated facility agreement for the following lines of credit:

- Facility A & C: AUD $77.5 million multicurrency bullet revolving credit facility;
- Facility B: USD $41.0 million bullet revolving credit facility.

As at 31 December 2025, $2.5 million of the Facility A & C was utilised to finance bank guarantees letters of credit and the remaining $75.0 million undrawn.

Since its establishment, Facility B has been utilised to refinance existing letters of credit provided as collateral for access to Schemes. As at 31 December 2025 USD $1.1 million of Facility B remains undrawn.

The Group has an existing Bilateral Facility Agreement for the following lines of credit:

- USD $20.0 million single draw bullet term credit facility maturing 28 March 2026. As at 31 December 2025 the facility was fully drawn.

*Financing arrangements – Securitisation facilities*

In addition to the lines of credit above, the Group had access to the following undrawn borrowing facilities in relation to securitisation borrowings disclosed in section 3.1:

| Floating rate | 2025 $'m | 2024 $'m |
|---|---|---|
| Borrowing facilities available | **8,042.6** | 7,221.2 |
| Drawn facilities | **(6,582.8)** | (6,259.6) |
| Undrawn facilities | **1,459.8** | 961.6 |

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# Notes to the Consolidated Financial Statements

## 3.2 Financial risk management (continued)

*Maturities of financial liabilities*

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities. The amounts disclosed are the undiscounted cash flows, including both principal and associated future interest payments. The carrying amounts presented exclude accrued interest and unamortisedtransaction costs and therefore will not agree to the carrying amounts on the balance sheet.

### (p) Contractual maturities of financial liabilities

| | Less than 6 months $'m | 6 - 12 months $'m | 1-2 years $'m | 2-5 years $'m | Over 5 years $'m | Total contractual cash flows $'m | Carrying amount liabilities $'m |
|---|---|---|---|---|---|---|---|
| **2025** | | | | | | | |
| **Non-derivatives** | | | | | | | |
| Borrowings – Securitisation liabilities | **482.5** | **687.5** | **1,810.7** | **4,423.2** | **-** | **7,403.9** | **6,582.8** |
| Borrowings – facility agreements | **31.0** | **-** | **-** | **-** | **-** | **31.0** | **29.9** |
| Trade and other liabilities | **155.4** | **1.1** | **2.3** | **2.3** | **1.9** | **163.0** | **161.6** |
| **Total non-derivatives** | **668.9** | **688.6** | **1,813.0** | **4,425.5** | **1.9** | **7,597.9** | **6,774.3** |
| **Derivatives** | | | | | | | |
| Derivatives - Forward foreign exchange contracts | **2.4** | **0.2** | **-** | **-** | **-** | **2.6** | **2.6** |
| Derivatives - interest rate swaps | **2.5** | **1.7** | **0.6** | **(0.2)** | **-** | **4.6** | **4.2** |
| **Total derivatives** | **4.9** | **1.9** | **0.6** | **(0.2)** | **-** | **7.2** | **6.8** |
| | | | | | | | |
| **2024** | | | | | | | |
| **Non-derivatives** | | | | | | | |
| Borrowings – Securitisation liabilities | 342.1 | 291.5 | 1,108.7 | 5,592.1 | - | 7,334.4 | 6,259.6 |
| Borrowings – facility agreements | 50.1 | - | - | - | - | 50.1 | 48.3 |
| Trade and other liabilities | 180.8 | 18.8 | 4.5 | 11.1 | 0.8 | 216.0 | 214.4 |
| **Total non-derivatives** | 573.0 | 310.3 | 1,113.2 | 5,603.2 | 0.8 | 7,600.5 | 6,522.3 |
| **Derivatives** | | | | | | | |
| Derivatives - Forward foreign exchange contracts | - | - | - | - | - | - | - |
| Derivatives - interest rate swaps | 0.1 | 2.6 | 3.2 | 1.0 | - | 6.9 | 6.4 |
| **Total derivatives** | 0.1 | 2.6 | 3.2 | 1.0 | - | 6.9 | 6.4 |

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# Notes to the Consolidated Financial Statements

## Section 4 | Capital Management

### 4.1 Capital Management

**Accounting Policy**

**Contributed equity**

Ordinary shares and capital notes that meet AASB 132 criteria are classified as equity. Incremental costs directly attributable to the issue of new shares, options or capital notes are shown in equity as a deduction, net of tax, from the proceeds.

The Group's capital management objectives seek to implement an efficient and diverse capital structure focused on balancing shareholder returns and financial risk, with sufficient liquidity and flexibility to support its strategy and growth.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

**(a) Contributed equity**

| | 2025 $'m | 2024 $'m |
|---|---|---|
| Ordinary share capital | **2,075.6** | 2,075.5 |
| Capital notes | **135.9** | 147.0 |
| **Total contributed equity** | **2,211.5** | 2,222.5 |

*Ordinary share capital*

| | 2025 Number of shares | 2025 $'m | 2024 Number of shares | 2024 $'m |
|---|---|---|---|---|
| Balance as at 1 January | **1,039,676,643** | **2,075.5** | 1,039,676,643 | 2,075.5 |
| Issue of shares - dividend reinvestment plan | **56,258** | **0.1** | - | - |
| **Balance as at 31 December** | **1,039,732,901** | **2,075.6** | 1,039,676,643 | 2,075.5 |

*Capital notes*

| | 2025 Number of securities | 2025 $'m | 2024 Number of securities | 2024 $'m |
|---|---|---|---|---|
| Balance as at 1 January | **1,500,000** | **147** | **1,500,000** | **147** |
| Capital notes buy-back | **(110,618)** | **(11.1)** | - | - |
| **Balance as at 31 December** | **1,389,382** | **135.9** | **1,500,000** | **147.0** |

The capital notes are unsecured redeemable securities with no fixed maturity date and the Company may convert or redeem the capital notes on the optional exchange date of 27 October 2026 and in certain other circumstances. On conversion, holders would receive a number of the Company's ordinary shares in exchange for their capital notes, the number determined based on the prevailing volume-weighted average price (VWAP) of the ordinary shares less a 2.50% discount. The capital notes have priority over ordinary shares but are subordinated to the claims of senior creditors in a winding-up of the Company.

Cumulative discretionary distributions must be paid quarterly or accrue until paid. No ordinary share dividends can be paid while accrued capital note distributions remain unpaid.

On 21 February 2025, the Group announced the launch of an on-market buy-back program of up to $10 million of its $150 million capital notes for a period of 12 months. Subsequently, the program was upsized to $20 million and extended until 26 October 2026.

# Notes to the Consolidated Financial Statements

## 4.1 Capital Management (continued)

**(b) Reserves**

| | 2025 $'m | 2024 $'m |
|---|---|---|
| **Cash flow hedge reserve** | | |
| At 1 January | **-** | 14.7 |
| Fair value gains/(losses) | **5.9** | (20.9) |
| Income taxes on fair value gains/(losses) | **(1.7)** | 6.2 |
| **Cash flow hedge reserve at 31 December** | **4.2** | - |
| | | |
| **Share-based payment reserve** | | |
| At 1 January | **40.6** | 42.3 |
| Employee share plan movement | **0.4** | (1.7) |
| **Share-based payment reserve at 31 December** | **41.0** | 40.6 |
| | | |
| **Other reserves** | | |
| At 1 January | **(7.1)** | (7.1) |
| NCI acquisition | **-** | - |
| **Other reserves at 31 December** | **(7.1)** | (7.1) |
| | | |
| **Foreign currency translation reserve** | | |
| At 1 January | **(0.7)** | 5.1 |
| Currency translation differences arising during the year | **(8.8)** | (5.8) |
| **Foreign currency translation reserve at 31 December** | **(9.5)** | (0.7) |
| | | |
| **Fair value through other comprehensive income reserve** | | |
| At 1 January | **(2.4)** | (2.4) |
| Net change in fair value of equity investments at FVOCI | **-** | - |
| **Fair value through other comprehensive income reserve at 31 December** | **(2.4)** | (2.4) |
| | | |
| **Common control reserve** | | |
| At 1 January | **(705.5)** | (705.5) |
| Net change in fair value of common control reserve | **-** | - |
| **Common control reserve at 31 December** | **(705.5)** | (705.5) |
| | | |
| **Total reserves** | **(679.3)** | (675.1) |

*Cash flow hedge reserve*

The hedging reserve is used to record gains or losses on derivatives that are designated and qualify as cash flow hedges and that are recognised in other comprehensive income. Amounts are reclassified to profit or loss when the associated hedged transaction affects profit or loss, or to the extent the hedge becomes ineffective.

*Share-based payment reserve*

The share-based payments reserve is used to recognise the fair value of equity plan units granted to participating employees in relation to the Group's Equity Plans.

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# Notes to the Consolidated Financial Statements

## 4.1 Capital Management (continued)

*Other reserve*

Other reserve reflects the fully vested value of equity instruments issued to certain directors and employees. It also includes amounts from transactions with non-controlling interests that do not result in loss of control, which are treated as equity transactions.

*Foreign currency translation reserve*

Exchange differences arising on translation of entities that have a non-Australian dollar functional currency are recognised in other comprehensive income and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment in the entity is disposed of by the Group.

*Fair value through other comprehensive income reserve*

This reserve includes the cumulative net change in fair value on revaluation of equity instruments at FVOCI.

*Common control reserve*

The difference between the purchase consideration and the net assets acquired on the restructure under common control that occurred in March 2021 was transferred to a common control reserve.

### (c) Retained earnings/(losses)

| | 2025 $'m | 2024 $'m |
|---|---|---|
| At 1 January | **(323.0)** | (335.0) |
| Net profit for the year - attributable to owners | **94.0** | 21.6 |
| Ordinary share dividends | **(72.8)** | - |
| Capital note distributions | **(12.7)** | (9.6) |
| **At 31 December** | **(314.5)** | (323.0) |

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# Notes to the Consolidated Financial Statements

## Section 5 | Other Assets and Liabilities

### 5.1 Other Assets and Liabilities

#### Accounting Policy

#### Goodwill

Goodwill on acquisitions of subsidiaries is included in intangible assets and represents the excess of the cost paid over the fair value of the net identifiable assets acquired at the date of acquisition.

#### Customer relationships

Separately acquired customer contracts are shown at historical cost. Those acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses. Customer contracts are amortised on a straight-line basis over 5-9 years.

#### Software

Software relates to IT projects and associated system expenditure that does not result in the acquisition of physical hardware, including software licence acquisitions, upgrades to software platforms, applications and internal functions and network configuration, including internally generated development costs. Software is amortised on a straight-line basis over 1-5 years, or in the case of a licenced intangible, straight line over the licence period.

An intangible asset is recognised if it is probable that the associated future economic benefits will flow to the Group and the cost can be measured reliably where the following criteria are met: it is technically feasible to complete the software so that it will be available for use; it can be demonstrated how the software will generate probable future economic benefits; adequate technical, financial and other resources to complete the development and to use or sell the software are available, and the expenditure attributable to the software during its development can be reliably measured. Any other costs associated with maintaining software are recognised as an expense as incurred.

#### Development activities

Capitalised development costs are recorded as software intangible assets and amortised on a straight-line basis from the point at which the asset is ready for use, over the useful life of the intangible. Each phase of a project is considered separately to determine the useful life of the project. Development expenses that do not meet the criteria as software above is recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

#### Impairment of assets

Goodwill and 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 assets are tested 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. The recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

#### Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

#### Employee benefit obligations

Short-term obligations: Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Other long-term employee benefit obligations - Long service leave: These are measured as the present value of expected future

# Notes to the Consolidated Financial Statements

## 5.1 Other Assets and Liabilities (continued)

payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

Expected future payments are discounted using market yields at the end of the reporting period of government bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the combined balance sheet if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting date, regardless of when the actual settlement is expected to occur.

### (a) Property, plant and equipment

During the year ended 31 December 2025, the Group entered into an agreement to terminate the lease of its Auckland office premises prior to the original expiry date. This resulted in the derecognition of the associated right-of-use asset and lease liability, together with an impairment of leasehold improvements, resulting in a net loss of AUD $0.3 million. Subsequently, the Group entered into a new lease agreement for replacement office premises in Auckland. On commencement of the new lease, a lease liability of AUD $4.0 million and a corresponding right-of-use asset were recognised.

### (b) Intangible assets

| | Goodwill $'m | Customer contracts $'m | Software $'m | Capital works in progress $'m | Total $'m |
|---|---|---|---|---|---|
| Cost | **703.3** | **22.6** | **136.5** | **2.3** | **864.7** |
| Accumulation amortisation | **-** | **(7.0)** | **(88.5)** | **-** | **(95.5)** |
| **Net book amount** | **703.3** | **15.6** | **48.0** | **2.3** | **769.2** |
| | | | | | |
| Balance at 1 January 2025 | **703.3** | **15.6** | **48.0** | **2.3** | **769.2** |
| Additions | **-** | **6.3** | **-** | **-** | **6.3** |
| Amortisation charge | **-** | **(5.0)** | **(29.8)** | **-** | **(34.8)** |
| Impairment loss | **-** | **-** | **(3.6)** | **-** | **(3.6)** |
| Transfers | **-** | **-** | **2.2** | **(2.2)** | **-** |
| Foreign exchange movements | **(5.0)** | **-** | **(0.2)** | **(0.1)** | **(5.3)** |
| **Balance at 31 December 2025** | **698.3** | **16.9** | **16.6** | **-** | **731.8** |
| Cost | **698.3** | **28.1** | **74.2** | **-** | **800.6** |
| Accumulated amortisation | **-** | **(11.2)** | **(57.6)** | **-** | **(68.8)** |
| **Net book amount at 31 December 2025** | **698.3** | **16.9** | **16.6** | **-** | **731.8** |
| | | | | | |
| Balance at 1 January 2024 | 706.0 | 25.0 | 71.0 | 15.8 | 817.8 |
| Additions | - | 15.0 | 1.0 | 2.7 | 18.7 |
| Amortisation charge | - | (24.5) | (37.5) | - | (62.0) |
| Impairment loss | - | - | (2.5) | - | (2.5) |
| Transfers | - | - | 16.2 | (16.2) | - |
| Foreign exchange movements | (2.7) | 0.1 | (0.2) | - | (2.8) |
| **Balance at 31 December 2024** | 703.3 | 15.6 | 48.0 | 2.3 | 769.2 |
| **At 31 December 2024** | | | | | |
| Cost | 703.3 | 22.6 | 136.5 | 2.3 | 864.7 |
| Accumulated amortisation | - | (7.0) | (88.5) | - | (95.5) |
| **Net book amount at 31 December 2024** | 703.3 | 15.6 | 48.0 | 2.3 | 769.2 |

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# Notes to the Consolidated Financial Statements

## 5.1 Other Assets and Liabilities (continued)

### (c) Impairment testing for cash-generating units containing goodwill

For the purposes of impairment testing, goodwill is allocated to the Group's CGUs Pay A&NZ and Money A&NZ. These represent the lowest level within the Group at which the assets are monitored for internal management purposes. Each CGU is not higher than the Group's operating segments as reported in Note 2.1.

Goodwill is subject to impairment testing on an annual basis or when there is an indicator of impairment. The annual impairment testing performed at year end results in headroom within the Pay and Money CGUs and no impairment was identified.

| Goodwill allocated to CGU | 2025 | 2024 |
|---|---|---|
| Pay A&NZ | **293.3** | 296.2 |
| Money A&NZ | **405.0** | 407.1 |
| | **698.3** | **703.3** |

Cash flows used in the value-in-use calculations are based on the latest forecast information produced by Management. Management considers the forecast information to reflect the best estimates of revenue based on historical results, strategic initiatives, forecasts and facts and circumstances available as at 31 December 2025.

The recoverable amount of a cash generating unit (CGU) is determined based on value-in-use calculations which require the use of assumptions. The calculations use discounted cash flow projections based on financial forecasts covering a five-year period. Cash flows are extrapolated using a growth rate and a terminal value to yield value appropriate to each CGU.

The following assumptions were made in determining the recoverable amount:

| | Pre-tax discount rate | Terminal growth rate | Average revenue growth rate applied from years 1 - 5 |
|---|---|---|---|
| | % | % | % |
| **2025** | | | |
| Pay A&NZ | 18.6 | 2.0 | 0.7 |
| Money A&NZ | 18.6 | 2.0 | 5.1 |
| | | | |
| **2024** | | | |
| Pay A&NZ | 18.9 | 2.0 | 2.8 |
| Money A&NZ | 18.9 | 2.0 | 7.7 |

### (d) Sensitivity

The Group assesses reasonably possible changes for other key assumptions and have not identified any instances that could cause the carrying amounts of the CGUs to exceed their respective recoverable amounts for Pay A&NZ and Money A&NZ.

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# Notes to the Consolidated Financial Statements

## 5.1 Other assets and liabilities (continued)

### (e) Provisions

| | 2025 $'m | 2024 $'m |
|---|---|---|
| **Current** | | |
| Leave obligations | **13.2** | 14.9 |
| Other employee benefit obligations | **14.6** | 13.2 |
| **Current employee benefit obligations** | **27.8** | 28.1 |
| Remediation and other provisions | **59.6** | 62.6 |
| **Total current provisions** | **87.4** | 90.7 |
| | | |
| **Non-current** | | |
| Leave obligations | **0.9** | 1.0 |
| Other employee benefit obligations | **1.9** | - |
| **Non-current employee benefit obligations** | **2.8** | 1.0 |
| Remediation and other provisions | **2.2** | 2.0 |
| **Total non-current provisions** | **5.0** | 3.0 |
| | | |
| **Total Provisions** | **92.4** | 93.7 |

*Leave obligations and other employee benefits*

Leave obligations represent the Group's liability for long service leave and annual leave. The current portion of this liability includes all of the accrued annual leave, the unconditional entitlements to long service leave where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. Other employee benefit obligations cover the Group's liability for other employee benefit obligations such as bonus payments and cash-settled long-term incentives offered to eligible employees.

| | Remediation $'m | Other $'m | Total $'m |
|---|---|---|---|
| **Balance at 1 January 2025** | 57.3 | 7.3 | **64.6** |
| Additional provision | 11.2 | 1.5 | **12.7** |
| Amounts utilised or reversed during the year | (13.2) | (2.3) | **(15.5)** |
| **Balance at 31 December 2025** | **55.3** | **6.5** | **61.8** |
| | | | |
| **Balance comprised of:** | | | |
| Current | 55.3 | 4.3 | **59.6** |
| Non-current | - | 2.2 | **2.2** |
| **Total provisions** | **55.3** | **6.5** | **61.8** |

*Remediation*

Remediation includes customer remediation for expected refunds to customers, related customer claims, remediation project costs, cyber-incident remediation costs for customer identification document replacement, costs to respond to the regulatory investigations, regulatory enforcement costs (refer to section 6.4 for further details), regulatory remediation provisions and other remediation project costs.

*Other*

Other provisions include various other provisions including make-good provisions associated with leased premises, fraud losses and buy-back provisions.

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# Notes to the Consolidated Financial Statements

## Section 6 | Other Disclosures

### 6.1 Share-based payments

Accounting policy

#### Share-based payments

The fair value of units granted under equity based compensation benefits is recognised as employment expenses in the consolidated income statement with a corresponding increase in equity. The fair value is recognised at grant date and recognised over the period during which the party becomes unconditionally entitled to the instruments. The fair value is independently determined using an option-granting model as measured at the grant date which includes the terms and conditions of the instruments. The fair value of the instruments granted is adjusted to reflect market vesting conditions, but excludes the impact of any non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number and value of instruments that are expected to become exercisable. The equity-based payment expense recognised each year takes into account the most recent estimate.

**(a) Description of share-based payment arrangements**

In 2025, the Group reviewed its long-term incentive (LTI) plan. As a result, the plan is now accounted for under employee benefit obligations and will be cash-settled at the conclusion of the three-year performance period. Previously, the LTI plan was equity-settled. Performance Rights granted under the Latitude Equity Plan (LEP) in 2023 and 2024 remain equity-settled and continue to be offered under the original terms and conditions.

*Terms and conditions – Performance Rights Granted 2024 and 2023*

| Performance Hurdles | | |
|---|---|---|
| **2024 Grants** | **Interest Bearing Receivables (IBR)** | **Cash Earnings per share (EPS) growth** |
| | 50% of Performance Rights may vest subject to the IBR performance condition. | 50% of Performance Rights may vest subject to the EPS growth performance condition. |
| **2023 Grants** | **Return on Equity (ROE)** | **Cash Earnings per share (EPS) growth** |
| | 50% of Performance Rights may vest subject to the ROE performance condition. | 50% of Performance Rights may vest subject to the EPS growth performance condition. |

| Testing outcomes | | |
|---|---|---|
| **2024 Grants** | Following the release of the 2026 full-year results in 2027, the Performance Rights will be tested equally against each measure and the number that vest will be calculated as: | |
| | **IBR performance level achieved over the Performance Period** | **% of Performance Rights subject to the IBR hurdles that will vest** |
| | At or above maximum targets | 100% |
| | Between threshold and maximum targets | Straight-line pro-rata vesting between 50% and 100% |
| | At threshold targets | 50% |
| | Below threshold | 0% |
| **2023 Grants** | Following the release of the 2025 full-year results in 2026, the Performance Rights will be tested equally against each measure and the number that vest will be calculated as: | |
| | **ROE/ EPS performance level achieved over the Period** | **% of Performance Rights subject to the ROE/EPS hurdles that will vest** |
| | At or above maximum targets | 100% |
| | Between threshold and maximum targets | Straight-line pro-rata vesting between 50% and 100% |
| | At threshold targets | 50% |
| | Below threshold | 0% |

# Notes to the Consolidated Financial Statements

## 6.1 Share-based payments (continued)

**2024 and 2023 Grants**

| Cash EPS performance level achieved over the Performance Period | % of Performance Rights subject to the Cash EPS hurdles that will vest |
|---|---|
| At or above maximum targets | 100% |
| Between threshold and maximum targets | Straight-line pro-rata vesting between 50% and 100% |
| At threshold targets | 50% |
| Below threshold | 0% |

- Performance Rights that vest are exercised into Shares.
- Performance Rights that don't vest will lapse and are not re-tested.
- In certain circumstances, participants may receive as Cash Equivalent Value of the vested element, after testing.
- The LTI outcome will be reported in the Remuneration Report in the year following the end of the Performance Period.

**Cessation of employment**

Participants who depart Latitude prior to the vesting date, are generally treated as follows, although Board retains discretion to determine a different treatment:
- Misconduct or summary dismissal for cause: lapse.
- Resignation: The Board will typically lapse the Performance Rights.
- In all other circumstances: remain on foot, subject to the original performance conditions and vesting period. The Board may elect to pro-rata the original grant based on time served during the Performance period.

Rights that vest at the end of the original vesting period are automatically exercised at that date for ex-employees.

**Restrictions on dealings**

Performance Rights are subject to restrictions and participants cannot sell, transfer, encumber, hedge or otherwise deal with unvested Performance Rights without prior approval of the Board or in certain circumstances by force of law.
Following vesting, the disposal restrictions cease and Shares are held subject to restrictions under the Share Trading Policy.

*LTI Performance Rights (Equity-settled)*

| | 2025 Number | 2024 Number |
|---|---|---|
| **Outstanding at 1 January** | 7,560,776 | 5,628,994 |
| Granted | - | 3,968,908 |
| Forfeited/lapsed | (3,122,061) | (2,037,126) |
| Exercised | - | - |
| **Outstanding closing balance at 31 December** | **4,438,715** | **7,560,776** |
| **Exercisable at 31 December** | **-** | **-** |

Significant assumptions used as inputs into the grant date fair value:

| Grant date: | 15 May 2024 | 8 October 2024 |
|---|---|---|
| Contractual life (years) | 2.63 | 2.23 |
| Risk free interest rate (%) | 4.16 | 3.87 |
| Fair value at grant date ($) | 1.15 | 1.15 |
| Share closing price at grant date ($) | 1.15 | 1.16 |
| Expected dividend yield per annum (%) | - | - |
| Expected volatility of share price (%) | 11.28 | 11.27 |

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# Notes to the Consolidated Financial Statements

## 6.1 Share-based payments (continued)

*Latitude Options Offer (Equity-settled)*

No Latitude Options were granted during 2025.

| | 2025 Number | 2024 Number |
|---|---|---|
| **Outstanding at 1 January 2025** | 12,381,486 | 22,557,707 |
| Granted | - | |
| Forfeited/lapsed | (9,381,486) | (10,176,221) |
| **Balance at 31 December** | **3,000,000** | **12,381,486** |

*Short term incentive plan – (Equity-settled)*

No further grants have been made under the STI plan.

| | 2025 Number | 2024 Number |
|---|---|---|
| **Balance at 1 January** | - | 316,437 |
| Granted | - | - |
| Released from restriction | - | (316,437) |
| **Balance at 31 December** | **-** | **-** |

*Sign-on shares*

The Group granted 219,708 restricted shares to Executives at sign-on (FY24: 233,798). The sign-on awards are granted under and subject to the Latitude Equity Plan. Vesting of awards are subject to the executives being employed by the Company on the relevant vesting dates. The fair-value of the Sign-on awards is determined at grant date and recognised over the vesting period.

| **Grant date 1 July 2025**<br>**Tranche** | **1** | **2** | **3** |
|---|---|---|---|
| Approximate vesting date | July 2025 | June 2026 | June 2027 |
| Contractual life (years) | 0.000 | 0.959 | 1.959 |
| Risk free interest rate (%) | 3.25 | 3.25 | 3.25 |
| Fair value at grant date ($) | 1.1244 | 1.0508 | 0.9787 |
| Share closing price at grant date ($) | 1.13 | 1.13 | 1.13 |
| Expected dividend yield per annum (%) | 0.00 | 7.11 | 7.11 |
| Expected volatility of share price (%) | 12.48 | 12.48 | 12.48 |

| **Grant date 15 November 2024**<br>**Tranche** | **1** | **2** |
|---|---|---|
| Approximate vesting date | December 2024 | December 2025 |
| Contractual life (years) | 0.044 | 1.044 |
| Risk free interest rate (%) | 3.87 | 3.87 |
| Fair value at grant date ($) | 1.15 | 1.15 |
| Share closing price at grant date ($) | 1.15 | 1.15 |
| Expected dividend yield per annum (%) | - | - |
| Expected volatility of share price (%) | 11.27 | 11.27 |

# Notes to the Consolidated Financial Statements

## 6.2 Interests in other entities

### (a) Controlled entities

| Name of entity | Ownership 2025 % | Ownership 2024 % | Principal activities |
|---|---|---|---|
| **Country of incorporation - Australia:** | | | |
| Latitude Financial Group Pty Ltd | **100** | 100 | Group financier |
| Latitude Financial Services Australia Holdings Pty Ltd | **100** | 100 | Employer/servicer |
| Latitude Finance Australia | **100** | 100 | Sales finance/credit cards |
| Latitude Automotive Financial Services | **100** | 100 | Automotive lending |
| Latitude Personal Finance Pty Ltd | **100** | 100 | Personal lending |
| LatitudePay Australia Pty Ltd | **100** | 100 | Non trading |
| KVD TM Pty Ltd | **100** | 100 | Trust manager |
| Latitude Financial IP Pty Ltd | **100** | 100 | Intellectual property |
| Australian Sales Finance and Credit Cards Trust | **100** | 100 | Securitisation of receivables |
| Australian Personal Loans Trust | **100** | 100 | Securitisation of receivables |
| Australian Auto Loans Trust | **100** | 100 | Securitisation of receivables |
| Australian Sales Finance and Credit Cards Trust No.3 | **100** | 100 | Securitisation of receivables |
| Australian Sales Finance and Credit Cards Trust No.4 | **100** | - | Securitisation of receivables |
| Latitude Australia Credit Card Master Trust | **100** | 100 | Securitisation of receivables |
| Latitude Australia Credit Card Loan Note Trust | **100** | 100 | Securitisation of receivables |
| Latitude Australia Personal Loans Series 2021-1 Trust | **-** | 100 | Securitisation of receivables |
| Latitude Australia Personal Loans Series 2024-1 Trust | **100** | 100 | Securitisation of receivables |
| Latitude Australia Personal Loans Series 2025-1 Trust | **100** | - | Securitisation of receivables |
| Latitude Australia Personal Loans Series 2025-2 Trust | **100** | - | Securitisation of receivables |
| Australian Personal Loans Trust No. 2 | **100** | 100 | Securitisation of receivables |
| Symple Financial Group Pty Limited | **100** | 100 | Holding company |
| Symple Loans Pty Limited | **100** | 100 | Personal lending |
| Symple Canada Holdings Pty Limited | **100** | 100 | Holding company |
| **Country of incorporation - Canada:** | | | |
| Symple Canada Financial Group Limited[(1)] | **100** | 100 | Personal lending |
| **Country of incorporation - New Zealand:** | | | |
| Latitude Financial Services Limited | **100** | 100 | Operating/lending company |
| New Zealand Sales Finance and Credit Cards Trust | **100** | 100 | Securitisation of receivables |
| New Zealand Personal Loans Trust | **100** | 100 | Securitisation of receivables |
| Latitude New Zealand Credit Card Master Trust | **100** | 100 | Securitisation of receivables |
| Latitude Innovation Holdings Limited | **100** | 100 | Non trading |
| **Country of incorporation - Singapore:** | | | |
| Latitude Financial International Pte. Ltd[(1)] | **100** | 100 | Holding company |
| LatitudePay Singapore Pte. Ltd[(1)] | **100** | 100 | Factoring/BNPL lending |
| Latitude AM Pte. Ltd | **-** | 100 | Non trading |
| **Country of incorporation - Malaysia:** | | | |
| LatitudePay Malaysia Sdn. Bhd.[(1)] | **100** | 100 | Factoring/BNPL lending |

*[(1)] Latitude is in the process of winding up Symple Canada Financial Group Limited and the Asia operations.*

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# Notes to the Consolidated Financial Statements

## 6.2 Interests in other entities (continued)

### (b) Structured entities

A structured entity is one that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. The Group uses structured entities to support its loan securitisation programme. They are consolidated by the Group as it is exposed to variable returns from the securitised entities and it has the ability to affect those returns through its power over the activities of the structured entities.

| | 2025 $'m | 2024 $'m |
|---|---|---|
| Customer loans | **7,139** | 6,700 |
| Funding related to receivables and customer loans | **(7,078)** | (6,750) |

## 6.3 Related party transactions

### (a) Ultimate parent entity

Latitude Group Holdings Limited is the ultimate parent entity of the Group.

### (b) Key Management Personnel

Key Management Personnel (KMP) are Directors and those persons having authority and responsibility for planning, directing and controlling the activities of the Group.

*Compensation*

| | 2025 $'thousands | 2024 $'thousands |
|---|---|---|
| Short-term employee benefits | **6,920** | 6,121 |
| Long-term benefits | **950** | 394 |
| Post-employment benefits | **224** | 244 |
| Termination benefits | **-** | 360 |
| Share based payments | **914** | 1,316 |
| | **9,008** | 8,435 |

*Lending balances*

The Group provides KMP with consumer finance facilities offered in the ordinary course of business. Interest charged on these products is at normal consumer rates and under normal terms and conditions.

There is no allowance account for impaired receivables in relation to any outstanding balances, and no expense has been recognised in respect of impaired receivables due from any related parties.

| | 2025 $'thousands | 2024 $'thousands |
|---|---|---|
| Outstanding balances at 31 December | **54** | 55 |
| Total available credit facility | **190** | 197 |
| Maximum drawn amount | **95** | 85 |

### (c) Other transactions and outstanding balances

Loan payable to related party relates to an unsecured single draw bullet term credit facility agreement with SBI Shinsei Bank, for USD $20.0 million (AUD $29.9 million) which was extended in March 2025 to mature in March 2026.

On 30 March 2021, the Company and KVD Singapore Pte. Ltd (KVDS) entered into an agreement whereby KVDS sold historic distribution entitlements to the Company for a total consideration of $84.5 million. Following KVDS ceasing to be the ultimate parent entity of the Company in August 2023, the remaining consideration of $16.6 million was paid on 30 September 2025 to KKR Clarendon Holdings L.P and Vatpo Investments Pte. Ltd.

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# Notes to the Consolidated Financial Statements

## 6.3 Related party transactions (continued)

| | 2025 $'thousands | 2024 $'thousands |
|---|---|---|
| **Other transactions paid** | | |
| Ordinary share dividends paid | **72,714** | - |
| Capital note distribution paid | **12,891** | 9,650 |
| Interest paid to related party | **2,949** | 6,912 |
| Deferred consideration paid to selling shareholders | **16,592** | 16,585 |

| | 2025 $'thousands | 2024 $'thousands |
|---|---|---|
| **Outstanding balances** | | |
| Loan payable to related party | **29,944** | 48,282 |
| Payable to selling shareholders | **-** | 16,592 |
| Interest payable to related party | **519** | 1,246 |
| Capital note distribution payable | **1,469** | 1,710 |

## 6.4 Contingent liabilities and contingent assets

The Group is subject to a number of obligations which, if not discharged or considered not to be discharged, may give rise to potential claims or other costs. Where some loss from an actual or alleged non-performance of an obligation is more likely than not and can be reliably estimated, provisions have been made.

### Regulatory and customer exposures arising from business operations

The Group has received regulatory notices and requests for information across various areas of its operations and continues to work with regulators to respond to these inquiries.

There is a risk that any customer complaint, claim or regulatory inquiry may lead to penalty or other costs following any settlement or determination by a regulator or by a Court in any legal proceedings. The outcomes and total costs associated with such matters remain uncertain.

Specific contingent liabilities in relation Taxation audits and the Cyber incident that may impact the Group are set out below.

### Taxation

The Group is subject to an ongoing Tax Audit by the Australian Taxation Office, that is still subject to finalisation, regarding the transfer pricing of the transaction fees charged to the Group when it was acquired.

### Regulatory and customer exposures arising from the Cyber incident

In March 2023, the Group was subject to a Cyber incident via a supply chain attack, which resulted in a data breach of customers' personal information.

In May 2023, the Office of the Australian Information Commissioner (OAIC) and the New Zealand Office of the Privacy Commissioner (OPC) commenced investigations into the personal information handling practices of the Group. The investigations to date have focused on whether the Group took reasonable steps to protect customers' personal information and whether the Group took reasonable steps to destroy or de-identify personal information that was no longer required.

Whilst the Group does not believe that there is any evidence of customers having suffered financial loss arising from the Cyber incident, it has provided a range of support services to customers including reimbursing customers who replaced their identification documents.

The investigations and determinations may result in potential litigation, customer compensation or other regulatory enforcement action.

The Group continues to fully cooperate with the respective regulators and ombudsman in relation to the Cyber incident.

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# Notes to the Consolidated Financial Statements

## 6.4 Contingent liabilities and contingent assets (continued)

At 31 December 2025, the Group maintains a provision that relates to anticipated remediation costs for customers for identification document replacement, costs to respond to the investigations and regulatory and enforcement action costs. This provision does not include the potential for:

- **Representative complaints and class actions**: Latitude is aware that two representative complaints were filed with the OAIC. At the current time, no class action has been filed. Given the status of the aforementioned matters, and the Group's belief that there is no evidence of customers having suffered financial loss arising from the Cyber incident, no provision has been recognised.
- **Insurance Proceeds:** The Group maintains insurance policies to cover risks, including Cyber-security risks. The Group is cooperating with the respective insurers, across our policies, as they assess the potential claims. Interim recovery payments have been received, however the respective claims assessment processes are continuing. At this point further recoveries are not considered virtually certain, therefore further insurance recoveries have not been recognised.

## 6.5 Events occurring after the reporting date

There has not arisen in the interval between the end of the year and the date of this report any other item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Group, to affect significantly the operations of the Group, the results of those operations or the state of affairs of the Group, in future financial years.

## 6.6 Remuneration of auditor

**(a) Remuneration to KPMG**

| | 2025 $ | 2024 $ |
|---|---|---|
| **Audit and other assurance services** | | |
| Audit and review of financial statements | **1,542,500** | 1,642,800 |
| Regulatory assurance services | **122,500** | 122,500 |
| Other assurance services | **297,010** | 167,000 |
| Total remuneration for audit and other assurance services | **1,962,010** | 1,932,300 |
| | | |
| **Other services** | | |
| Transaction and other advisory services | **48,000** | 229,595 |
| Total remuneration for other services | **48,000** | 229,595 |
| | | |
| **Total remuneration of KPMG** | **2,010,010** | 2,161,895 |
| | | |
| **Total auditor's remuneration** | **2,010,010** | 2,161,895 |

The remuneration to KPMG for audit and assurance services is for the Group and related entities in Australia, New Zealand and Asia.

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# Notes to the Consolidated Financial Statements

## 6.7 Deed of cross guarantee

**(a) Consolidated statements of entities party to the deed of cross guarantee**

| | 2025 $'m | 2024 $'m |
|---|---|---|
| **Consolidated statement of profit or loss and other comprehensive income** | | |
| Profit/(loss) before income tax expense | **128.6** | 80.8 |
| Income tax (expense)/benefit | **(35.0)** | (29.0) |
| **Profit/(loss) for the year** | **93.6** | 51.8 |
| Other comprehensive income | **(4.3)** | (16.4) |
| **Total comprehensive income for the year** | **89.3** | 35.4 |
| | | |
| **Summary of movements in consolidated retained earnings/(losses)** | | |
| Retained losses at the beginning of the financial year | **(265.7)** | (307.9) |
| Profit/(loss) for the year | **93.6** | 51.8 |
| Dividends paid | **(72.8)** | - |
| Capital note distribution | **(12.6)** | (9.6) |
| **Retained (losses) at the end of the financial year** | **(257.5)** | (265.7) |
| | | |
| **Consolidated balance sheet** | | |
| **Assets** | | |
| Cash and cash equivalents | **102.7** | 152.9 |
| Investments | **396.3** | 391.8 |
| Current tax receivables | **-** | 24.4 |
| Derivatives financial instruments | **12.9** | 10.7 |
| Loans and other receivables | **5,805.9** | 5,355.7 |
| Other assets | **11.2** | 10.8 |
| Deferred tax assets | **160.4** | 157.0 |
| Investment in controlled entity | **230.3** | 100.4 |
| Other financial assets | **14.2** | 14.2 |
| Property, plant and equipment | **3.9** | 6.0 |
| Intangible assets | **626.0** | 656.1 |
| **Total assets** | **7,363.8** | 6,880.0 |
| **Liabilities** | | |
| Trade and other liabilities | **139.3** | 179.7 |
| Current tax liabilities | **13.1** | - |
| Derivatives financial instruments | **-** | 3.2 |
| Provisions | **90.1** | 90.9 |
| Deferred tax liabilities | **24.6** | 24.1 |
| Borrowings | **5,756.0** | 5,242.1 |
| **Total liabilities** | **6,023.1** | 5,540.0 |
| **Net assets** | **1,340.7** | 1,340.0 |
| | | |
| **Equity** | | |
| Contributed equity | **2,211.5** | 2,222.5 |
| Other reserves | **(613.3)** | (616.8) |
| Retained losses | **(257.5)** | (265.7) |
| **Total equity** | **1,340.7** | 1,340.0 |

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# Notes to the Consolidated Financial Statements

## 6.7 Deed of cross guarantee (continued)

Latitude Group Holdings Limited and some of its controlled entities (refer section 6.2) have entered into a deed of cross guarantee pursuant to ASIC Corporations (Wholly owned Companies) Instrument 2016/785, under which each Company guarantees the debts of the others. The consolidated results of the Company and the controlled entities which are party to the deed of cross guarantee (referred to as a closed group) are presented above, where transactions between entities to the deed are eliminated in full in the profit or loss and balance sheet.

## 6.8 Parent entity financial information

### (a) Summary financial information

The individual financial statements for the parent entity (Latitude Group Holdings Limited) show the following aggregate amounts:

| | 2025 $'m | 2024 $'m |
|---|---|---|
| **Balance sheet** | | |
| Current assets | **197.9** | 164.0 |
| Total assets | **1,952.8** | 1,845.7 |
| | | |
| Current liabilities | **184.8** | 134.0 |
| Total liabilities | **184.8** | 135.6 |
| | | |
| **Shareholders' equity** | | |
| Contributed equity | **2,224.7** | 2,235.7 |
| Reserves | | |
| Common control reserve | **(627.9)** | (627.9) |
| Foreign currency translation reserve | **(11.0)** | (3.1) |
| Retained earnings/(accumulative losses) | **182.2** | 105.4 |
| **Total shareholders' equity** | **1,768.0** | 1,710.1 |
| | | |
| **Profit for the year** | **162.3** | 125.7 |
| Currency translation differences arising during the year | **7.9** | 5.3 |
| **Total comprehensive income** | **170.2** | 131.0 |

### (b) Contingent liabilities of the parent entity

Information relating to contingent liabilities of the parent entity is disclosed in Note 6.4.

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# Consolidated entity disclosure statement

| Name of entity | Body corporate, partnership or trust | Place incorporated/formed | % of share capital held directly or indirectly by the Company in the body corporate | Australian or Foreign tax resident | Jurisdiction for Foreign tax resident |
|---|---|---|---|---|---|
| **Country of incorporation - Australia:** | | | | | |
| Latitude Group Holdings Limited (Company) | Body corporate | Australia | | Australian | N/A |
| Latitude Financial Group Pty Ltd | Body corporate | Australia | **100** | Australian | N/A |
| Latitude Financial Services Australia Holdings Pty Ltd | Body corporate | Australia | **100** | Australian | N/A |
| Latitude Finance Australia | Body corporate | Australia | **100** | Australian | N/A |
| Latitude Automotive Financial Services | Body corporate | Australia | **100** | Australian | N/A |
| Latitude Personal Finance Pty Ltd | Body corporate | Australia | **100** | Australian | N/A |
| LatitudePay Australia Pty Ltd | Body corporate | Australia | **100** | Australian | N/A |
| KVD TM Pty Ltd | Body corporate | Australia | **100** | Australian | N/A |
| Latitude Financial IP Pty Ltd | Body corporate | Australia | **100** | Australian | N/A |
| Australian Sales Finance and Credit Cards Trust | Trust | N/A | **N/A** | Australian | N/A |
| Australian Personal Loans Trust | Trust | N/A | **N/A** | Australian | N/A |
| Australian Auto Loans Trust | Trust | N/A | **N/A** | Australian | N/A |
| Australian Sales Finance and Credit Cards Trust No.3 | Trust | N/A | **N/A** | Australian | N/A |
| Australian Sales Finance and Credit Cards Trust No.4 | Trust | N/A | **N/A** | Australian | N/A |
| Latitude Australia Credit Card Master Trust | Trust | N/A | **N/A** | Australian | N/A |
| Latitude Australia Credit Card Loan Note Trust | Trust | N/A | **N/A** | Australian | N/A |
| Latitude Australia Personal Loans Series 2024-1 Trust | Trust | N/A | **N/A** | Australian | N/A |
| Latitude Australia Personal Loans Series 2025-1 Trust | Trust | N/A | **N/A** | Australian | N/A |
| Latitude Australia Personal Loans Series 2025-2 Trust | Trust | N/A | **N/A** | Australian | N/A |
| Australian Personal Loans Trust No. 2 | Trust | N/A | **N/A** | Australian | N/A |
| Symple Financial Group Pty Limited | Body corporate | Australia | **100** | Australian | N/A |
| Symple Loans Pty Limited | Body corporate | Australia | **100** | Australian | N/A |
| Symple Canada Holdings Pty Limited | Body corporate | Australia | **100** | Australian | N/A |
| **Country of incorporation - Canada:** | | | | | |
| Symple Canada Financial Group Limited[(1)] | Body corporate | Canada | **100** | Foreign | Canada |
| **Country of incorporation - New Zealand:** | | | | | |
| Latitude Financial Services Limited | Body corporate | New Zealand | **100** | Foreign | New Zealand |
| New Zealand Sales Finance and Credit Cards Trust | Trust | N/A | **N/A** | Foreign | New Zealand |
| New Zealand Personal Loans Trust | Trust | N/A | **N/A** | Foreign | New Zealand |
| Latitude New Zealand Credit Card Master Trust | Trust | N/A | **N/A** | Foreign | New Zealand |
| Latitude Innovation Holdings Limited | Body corporate | New Zealand | **100** | Foreign | New Zealand |
| **Country of incorporation - Singapore:** | | | | | |
| Latitude Financial International Pte. Ltd[(1)] | Body corporate | Singapore | **100** | Foreign | Singapore |
| Latitudepay Singapore Pte. Ltd[(1)] | Body corporate | Singapore | **100** | Foreign | Singapore |
| **Country of incorporation - Malaysia:** | | | | | |
| LatitudePay Malaysia Sdn. Bhd.[(1)] | Body corporate | Malaysia | **100** | Foreign | Malaysia |

*[(1)] The Group is in the process of winding-up/liquidating these entities.*

# Consolidated entity disclosure statement (continued)

**Key assumptions and judgements**
Section 295(3A) of the Corporations Act 2001 requires that the tax residency of each entity which is included in the Consolidated Entity Disclosure Statement be disclosed. In the context of an entity which was an Australian resident, "Australian resident" has the meaning provided in the Income Tax Assessment Act 1997. The determination of tax residency involves judgement as it is highly fact dependent and there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

**Australian tax residency**
The consolidated entity has applied current legislation and judicial precedent, including having regard to the Commissioner of Taxation's public guidance in Tax Ruling TR 2018/5.

**Foreign tax residency**
The consolidated entity has applied current legislation and judicial precedent in the determination of foreign tax residency.

**Trusts**
Australian tax law does not contain specific residency tests for trusts and these entities are typically taxed on a flow-through basis. Additional disclosures on the tax status of trusts have been provided where relevant.

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# Independent Auditor's Report

## To the shareholders of Latitude Group Holdings Limited

## Report on the audit of the Financial Report

### Opinion

We have audited the ***Financial Report*** of Latitude Group Holdings Limited (the Company).

In our opinion, the accompanying Financial Report of the Company gives a true and fair view, including of the ***Group***'s financial position as at 31 December 2025 and of its financial performance for the year then ended, in accordance with the *Corporations Act 2001,* in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The ***Financial Report*** comprises:

- Consolidated Balance Sheet as at 31 December 2025;
- Consolidated Statement of comprehensive income, Consolidated Statement of changes in equity, and Consolidated Statement of cash flows for the year then ended;
- Consolidated entity disclosure statement and accompanying basis of preparation as at 31 December 2025;
- Notes, including material accounting policies; and
- Directors' Declaration.

The ***Group*** consists of the Company and the entities it controlled at the year end or from time to time during the financial year.

### Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (the Code) that are relevant to audits of the financial report of public interest entities in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

### Key Audit Matters

The ***Key Audit Matters*** we identified are:

- Provision for impairment losses
- General IT controls
- Valuation of goodwill

***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 period.

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.

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| **Provision for impairment losses ($321m)** | |
|---|---|
| Refer to Note 3.2(a)-(g) to the Financial Report | |
| **The key audit matter** | **How the matter was addressed in our audit** |
| Provision for impairment losses is a Key Audit Matter due to the audit effort and judgement arising from:<br>• The significance of loans and advances balances to the Group<br>• The inherent complexity of the Group's expected credit loss (ECL) models used to measure the provision for impairment on loans and advances. These models are reliant on data and assumptions including probability weighted economic scenarios, forward-looking macroeconomic assumptions and indicators of a significant increase in credit risk (SICR).<br>• The judgement involved in Model risk overlays applied by the Group to address modelling deficiencies, which include a model imprecision overlay, a seasonality overlay and a macroeconomic (staging and forward-looking adjustment) overlay.<br>We involved credit and economic specialists and IT specialists to supplement our senior audit team members in assessing this key audit matter. | • Working with our credit and economic specialists, we:<br>- Tested the design, implementation and operating effectiveness of key controls in the Group's provision for impairment loss processes, including:<br>○ Review and approval of forward-looking macroeconomic assumptions and scenario weightings and model risk overlays, including challenge applied by the Group's internal governance processes<br>○ Data quality checks and back testing controls performed by the Group.<br>- Assessed the appropriateness of the Group's provisioning methodology used to estimate the probability of default, loss given default in the provision models, and the model risk overlays, against the requirements in the accounting standards and industry practice.<br>- Assessed the integrity of the provision for impairment loss models, including the model risk overlays, by checking the accuracy of the underlying calculation formulas.<br>- Independently developed provisioning models to challenge management's models, key assumptions, inputs, including:<br>○ Inspected the Group's analysis and related workings underlying the SICR criteria and staging methodology and re-performed the staging assessment to assess the Group's application of the SICR criteria.<br>○ Assessed the accuracy of relevant data elements used in the ECL models by checking a sample of these data fields, such as account balances, product type and default flag to the relevant source system and source documents.<br>○ Assessed the appropriateness of macroeconomic scenarios considered by the Group, the significant assumptions under each scenario, and the weightings |

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|---|---|
| | assigned to the scenario against relevant publicly available macroeconomic information. We considered other known variables and information obtained through our other procedures to identify contradictory indicators.<br>○ Compared the Group's coverage rates against industry data. Using our knowledge of the Group's loan portfolios and industry experience, we compared the outputs of the Group's models to publicly available data of a group of comparable entities.<br>- Assessed the accuracy of the provision model by re-performing the provision calculation and comparing this to the amount recorded by the Group.<br>• Working with our IT specialists, we tested the relevant general IT controls of the Group and IT system application controls in relation to the key IT applications used by the Group in ECL provisioning, including to check reliability of relevant data within the system. |
| **General IT controls** | |
| **The key audit matter** | **How the matter was addressed in our audit** |
| General IT controls over key financial IT systems is a Key Audit Matter because our audit approach could significantly differ depending on the effective operations of these Group general IT controls. The Group's key financial accounting and reporting processes are highly dependent on the integrity of information in the system, and therefore the effectiveness of general IT controls. The Group uses a number of IT systems to process and record a high volume of financial transactions.<br>We involved IT specialists alongside our senior audit team members in assessing this Key Audit Matter. | • Working with our IT specialists, we obtained an understanding of the Group's IT environment, and how the Group uses IT in the recording and reporting of financial transactions. Our subsequent procedures included testing controls with respect to:<br>- The governance and higher-level controls across the IT environment, including IT policy design and user awareness of the policy.<br>- User access management lifecycle, including how users are on-boarded, monitored, and removed on a timely basis from critical IT applications and supporting infrastructure relevant to financial reporting. We also tested the controls for managing privileged roles and functions across each key financial reporting IT application and the supporting infrastructure, impacting segregation of duties in relation to mitigating the risk of unauthorised access.<br>- Change management for systems relevant to financial reporting – including how changes are initiated, documented, tested |

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|---|---|
| | and authorised prior to migration into the production environment of critical financial reporting IT applications. We assessed the appropriateness of users with access to release changes to the IT application production environment, considering requirements of their roles.<br>• Where we identified deficiencies in the design, implementation or operating effectiveness of General IT Controls, we performed alternative audit procedures, including testing compensating controls, in order to respond to the impact on our overall audit approach. |
| **Valuation of Goodwill ($698.3)** | |
| Refer to Note 5.1(a)-(c) to the Financial Report | |
| **The key audit matter** | **How the matter was addressed in our audit** |
| • A Key Audit Matter was the Group's annual testing of the recoverability of goodwill given the size of the balance and the estimation uncertainty associated with current economic and market conditions. We focused on the significant forward-looking assumptions the Group applied in their value-in-use models, including:Forecast operating cash flows, growth rates and terminal growth rates – there is uncertainty in forecasting the cashflows prepared by the Group due to estimating the future trends and economic uncertainty. There is a risk of inaccurate forecasts and a wider range of possible outcomes for us to consider, leading to the possibility of goodwill being impaired.<br>• Discount rate – this is complicated in nature and varies according to the conditions and environment the specific Cash Generating Unit (CGU) is subject to from time to time, as well as the Group's approach to incorporating risk into the cash flows or discount rates.<br>We involved valuation specialists alongside our senior team members in assessing this Key Audit Matter. | • Working with our valuation specialists, our procedures included:<br>- Considered the appropriateness of the value-in-use method applied by the Group to perform the test of goodwill for impairment against the requirements of the accounting standards.<br>- Tested the design, implementation and operating effectiveness of controls, including the review and approval of the goodwill impairment models and approval of the budget used for impairment assessment by the Board of Directors.<br>- Assessed the integrity of the value-in-use models used, including the accuracy of the underlying calculation formulas.<br>- Compared forecast cash flows contained in value-in-use models to Board approved forecasts.<br>- Assessed the accuracy of previous Group forecasts to inform our evaluation of forecasts incorporated in the current year models.<br>- Assessed the sensitivity of the models by varying key assumptions, such as forecast growth rates and discount rates, within a reasonably possible range. We considered key assumptions when performing the sensitivity analysis. We did this to identify those CGUs at higher risk of impairment and |

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|---|---|
| | to focus our further procedures.<br>- Used our knowledge of the Group, its past performance, business and customers, and our industry experience to challenge the Group's forecast cash flows. We compared key events to the Board approved plan and strategy. We compared forecast growth rates and terminal growth rates to published studies of industry trends and expectations and evaluated differences for the Group's operations.<br>- Independently developed a discount rate range using publicly available data for comparable entities, adjusted by risk factors specific to the Group's CGUs and the industry they operate in.<br>• Assessed the disclosures in the financial report using understanding obtained from our testing, inquiries with Management and the Board, against the requirements of the accounting standards. |

## Other Information

Other Information is financial and non-financial information in Latitude Group Holdings Limited's annual report which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

The Other Information we obtained prior to the date of this Auditor's Report was the Directors' Report, Sustainability Report and Remuneration Report. The 2025 Performance Highlights, From the Chairman, From the Managing Director and CEO, About Latitude, Sustainability at Latitude sections are expected to be made available to us after the date of the Auditor's Report.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not and will not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report and specified sustainability disclosures within the Sustainability Report and our respective assurance conclusions.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we 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.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.



## Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001;*
- implementing necessary internal control to enable the preparation of a Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and that is free from material misstatement, whether due to fraud or error; and
- assessing the Group and Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- 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 *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They 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 the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf. This description forms part of our Auditor's Report.

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## Report on the Remuneration Report

### Opinion

In our opinion, the Remuneration Report of Latitude Group Holdings Limited for the year ended 31 December 2025, complies with *Section 300A* of the *Corporations Act 2001*.

### Directors' responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with *Section 300A* of the *Corporations Act 2001*.

### Our responsibilities

We have audited the Remuneration Report included in pages 36 to 49 the Directors' report for the year ended 31 December 2025.

Our responsibility is to express an opinion as to whether the Remuneration Report complies in all material respects with *Section 300A* of the *Corporations Act 2001*, based on our audit conducted in accordance with *Australian Auditing Standards*.

KPMG

Beenish Durrani

*Partner*

Melbourne

20 February 2026

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# Sustainability Report

### 1. Reporting Entity

Latitude's Sustainability Report is prepared on a consolidated basis for all entities controlled by Latitude Group Holdings Limited (the Group) for the reporting period 1 January to 31 December 2025 (reporting period). Greenhouse gas (GHG) emissions are measured and reported using the financial control approach in accordance with Greenhouse Gas (GHG) Protocol Corporate Standard.

### 1.2. Compliance and Transitional Provisions

This report has been prepared in accordance with the Australian Sustainability Reporting Standards AASB S2 - *Climate-related Financial Disclosures*. Consistent with the transitional provisions, Latitude has elected not to present Scope 3 emissions and comparative information.

### 1.3. Forward Looking Statements

This report includes scenario-based climate-related and other forward-looking statements, metrics and estimates concerning the Group and its operating environment. These statements are inherently subject to uncertainties, assumptions and external factors outside Latitude's control, including but not limited to credit losses, portfolio exposure, and operating expenses. As the climate scenarios used are illustrative and based on hypothetical assumptions, actual outcomes may differ materially due to changes in economic, environmental, or policy conditions.

While the Group has prepared the information in this report in good faith, it is based on assumptions that may not materialise, information available as at the date of this report, and interpretations of environmental and other external factors that may change over time. The Group may update or revise its views in future reporting periods as circumstances evolve.

The Group's consolidated financial statements have been prepared in accordance with Australian Accounting Standards. After considering the work undertaken, including scenarios analysis, the Group has determined that no further material provision is required as at 31 December 2025 in relation to the matters referred to in this report.

## 2. Governance

During the year, Latitude strengthened its governance arrangements for managing climate-related matters. The Board and its Committees expanded oversight for climate-related risks and opportunities, strategy, risk management, targets and regulatory obligations. Board and Board Committee charters were updated to formalise responsibilities for climate-related matters and to clarify accountability across the Board, its Committees, and the Enterprise Risk Management Committee (ERMC) as the relevant management forum. In parallel key governance documents, including the Group's Risk Taxonomy and Risk Appetite Statement, were updated to incorporate climate-related considerations.

The table below summarises key climate governance responsibilities and the frequency of Board, Committees and management engagement on climate-related matters pertaining to the reporting period.

| **Board** | |
|---|---|
| **Responsibility** | **Oversight** |
| The Board holds ultimate accountability for setting and overseeing Latitude's strategic direction, including sustainability and climate-related risks and opportunities. The Board considers these in relation to Latitude's risk appetite and strategic direction. It sets the governance structures to manage climate-related matters, performance and reporting, including approval of annual climate disclosures. It is supported by the Board People and Remuneration Committee, Board Audit Committee and Board Risk Committee, each with distinct responsibilities. | The Board received two briefings on climate-related risks and opportunities during the year. They first noted the climate-related risk assessment process and scenario analysis outcomes. They subsequently approved the final climate disclosures on 19 February 2026 following the Board Audit Committee's recommendation. The Board also approved updates to its Charter, the Charters of its Committees and key risk management documents. |

# Sustainability Report

| Board People and Remuneration Committee | |
|---|---|
| **Responsibility** | **Oversight** |
| The People and Remuneration Committee lead the development of Latitude's sustainability agenda, including oversight of climate-related risks and opportunities. It sets the sustainability and climate-related strategies, policies, targets and initiatives, ensuring alignment with Latitude priorities and stakeholder expectations. | The Committee reviewed Latitude's climate disclosure on two occasions and provided feedback ahead of its submission to the Board Audit Committee which recommends Board approval. The Committee also endorsed updates to its Charter to reflect climate-related matters. |

| Board Audit Committee | |
|---|---|
| **Responsibility** | **Oversight** |
| The Board Audit Committee provides oversight over the accuracy and completeness of climate-related reporting disclosures. The Committee oversees management's reporting processes, internal controls, and engages external assurance providers. It reports on findings to the Board. | The Committee reviewed preliminary findings from a review of the draft climate disclosure and noted the outcomes and actions that management had planned to take. It received a subsequent briefing, including review of the actions taken by management. Following this, the Committee recommended that the Board approves the final climate disclosure. The Committee also endorsed updates to its Charter to incorporate climate-related reporting and disclosures. |

| Board Risk Committee | |
|---|---|
| **Responsibility** | **Oversight** |
| The Board Risk Committee is responsible for the Group's enterprise Risk Management Framework, including annual review of the Risk Taxonomy and Risk Appetite Statement, and to identify any changes to material financial and non-financial risks, including climate-related risks, and whether these risks remain within the risk appetite set by the Board. | The Committee reviewed and endorsed updates to key risk management documents, including the Group's Risk Taxonomy and Risk Appetite Statement, to reflect climate-related risks. |

| Enterprise Risk Management Committee | |
|---|---|
| **Responsibility** | **Oversight** |
| The ERMC is an executive risk management committee that operates under the authority of the Board Risk Committee and has management oversight of financial and non-financial risks, including the treatment of climate-related risks and opportunities, and the Group's Enterprise Risk Management Framework, Risk Taxonomy and Risk Appetite Statement. | The ERMC received three briefings on climate-related risks and opportunities, reviewed the findings, discussed their implications for the Group's risk management framework, and reviewed and approved the climate-related risks for disclosure.<br>From 2026, the ERMC will receive quarterly climate risk and opportunity updates, with Board and Committee engagement schedules to be determined in line with overall Board priorities and meeting cadence. |

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# Sustainability Report

| Management Roles and Responsibilities |
| --- |
| The Chief People Officer, assisted by Chief Financial Officer and Chief Risk Officer, is responsible for climate-related; risks and opportunities, strategy and disclosures. The Sustainability and Inclusion Manager partners with key Pay and Money division stakeholders, including but not limited to, finance, risk and strategy to identify and assess climate-related risks and opportunities, monitor the quality and reliability of GHG data, and support the development of processes and controls to meet disclosure requirements. |

### 2.1. Board and Committee Skills

The members of the Board and its Committees bring extensive experience and a broad range of capabilities, including in strategy and risk, financial acumen, compliance and regulatory oversight, and health, safety and sustainability. Directors undertake an annual self-assessment to evaluate their proficiency and practical experience across key capability areas.

During the year, Latitude enhanced its Board Skills Matrix to include a specific assessment of capability and experience in overseeing climate-related risks and opportunities. Five of the eight Directors, including all non-executive independent Directors, reported proficiency or relevant practical experience in this area.

As this was a foundational year for AASB S2 readiness, no additional training or upskilling was undertaken by the Board; however, future development in this area was discussed.

## 3. Strategy

### 3.1. Establishing Latitude's Climate Risk Approach

Latitude has considered and assessed climate-related matters as part of its strategy development. The Group is at an early phase of maturity, focused on building the understanding, data, and governance foundations required to support informed future decision-making.

To date, potential effects of climate change have not necessitated material changes to the Group's overall business strategy, reflecting the nature of its products, operating model, and customer base. Latitude primarily provides consumer credit characterised by shorter-term lending exposures. The Group will continue to evaluate how climate-related risks and opportunities may influence its operations and strategic priorities over time.

During the year, there were no major transactions or strategic decisions that required consideration of climate-related risks or opportunities, and no material trade-offs arose in relation to climate matters.

### 3.2. Identifying and Assessing Climate-Related Risks and Opportunities

During 2025, Latitude assessed potential climate-related risks and opportunities relevant to its business model using the Group's Risk Assessment Matrix. This assessment drew on a combination of internal analysis, peer benchmarking, and published research to identify where climate-related factors are most likely to be relevant to the Group's operations.

The assessment considered both physical and transition risks classified as below:

- Physical Risks: These refer to the likelihood and severity of events resulting from weather patterns, including acute events such as floods, droughts, as well as chronic patterns like changes in agricultural yields and rising sea levels.
- Transition Risks: These arise from the shift toward a lower-carbon economy, including changes in policy, legal frameworks, technology or other systemic changes aimed at mitigating and adapting to climate change.

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# Sustainability Report

Time Horizons

The Group's business planning cycle is 12 months, commensurate with the nature of Latitude's products and customers. This enables regular reassessment of assumptions and timely responses as new information emerges, supporting the Group's ability to adapt to evolving climate-related risks and regulatory expectations. This agility is a key feature of Latitude's operating model and underpins its resilience in managing potential future climate impacts.

To meet disclosure requirements for short-, medium- and long-term time horizons, and consistent with the Group's three-year strategic planning cycle, climate-related risks were assessed over short-term (1–3 year), medium-term (3–6 year) and long-term (6–10 year) horizons.

Assessment Outcomes

Potential climate-related risks were assessed on both an inherent and, after applying mitigants, residual risk basis. This resulted in four risks being assessed as more material to Latitude's operations. While the four risks were all assessed as low[1], they nonetheless provide useful information for investors. Two of the risks relate to operational and supply chain impacts that may extend beyond the Group's ten-year analysis horizon.

While the review primarily identified potential risks, no material climate-related opportunities were identified during 2025. Latitude will continue to monitor developments in consumer demand, regulation and technology that may create future opportunities aligned with its core consumer finance business model.

The table below outlines Latitude's four potential climate-related risks, describing for each the risk type, underlying climate drivers, potential impacts, strategy and business model considerations, and the expected timeframe over which the risk is anticipated to manifest.

| Risk Type | Climate Driver | Description | Strategy & Business Model Considerations | Timeframe |
|---|---|---|---|---|
| **Physical and Transition** | Increased frequency and severity of extreme weather events; coupled with economic downturn and cost of living pressures. | Customers in climate-sensitive regions may experience financial hardship, which could increase credit losses or reduce loan volumes. | Latitude's exposure to this risk is assessed as low, reflecting the characteristics of its strategy and business model.<br>Latitude:<br>• does not secure lending against real estate<br>• does not provide loans to businesses<br>• loans have a term of weighted average life of 14-19 months[2]<br>• offers credit cards that are open ended but with relatively low credit limits, and<br>• has a small proportion of receivables in climate-sensitive regions.<br>Furthermore, Latitude has established processes and experience managing cyclical economic conditions, which further mitigate potential exposure. | Long-term (6-10 years) |

[1] Minimal or indirect effect on Latitude's financial performance.

[2] See 2025 Notes to the Consolidated Financial Statements, Revenue Recognition on page 63.

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## Sustainability Report

| Risk Type | Climate Driver | Description | Strategy & Business Model Considerations | Timeframe |
|---|---|---|---|---|
| **Transition** | Investor pressure on sustainability performance leading to reduced access to / or higher cost of capital. | Investors are progressively integrating sustainability considerations into capital allocation decisions, which may influence funding availability over time. | Latitude's exposure to this risk is assessed as low.<br>The Group's diversified funding base continues to support stable funding access, with no reliance on labelled sustainable funding instruments that would increase sensitivity to sustainability-related market preferences. Access to multiple funding channels further reduces concentration risk.<br>Sustainability factors may become more pronounced for Latitude over the longer term, as market expectations continue to evolve which may necessitate changes in funding sources of higher cost of capital | Long-term (6-10 years) |
| **Transition** | Operating and procurement costs may increase if suppliers or partners incur additional transitional or compliance costs associated with decarbonisation. | Latitude's supply chain exposure is concentrated in IT infrastructure and software, which may be more energy-intensive and therefore more susceptible to potential increases in carbon pricing and other transition-related costs. | Latitude's exposure to this risk is assessed as low, reflecting the nature of its business model.<br>Latitude actively manages supplier and partner risks through structured procurement processes, diversification of key service providers, and long-term contractual arrangements that help limit exposure to unilateral cost increases. | Short-term (1-3 years) |
| **Physical** | Business operations or third-party service delivery, including outsourced and offshore partners, may be subject to temporary disruption. | This risk is concentrated in Latitude's outsourced business processing operations located in India and the Philippines. These operations support key processes including customer servicing, collections, and transaction processing. | Latitude's exposure to this risk is considered low, reflecting the nature of its business model and established vendor resilience arrangements.<br>Latitude:<br>• maintains geographic diversification, providing the ability to reallocate work during localised disruptions<br>• requires partners to maintain climate-resilient infrastructure and contingency plans<br>• conducts regular resilience assessments of service providers, and<br>• manages a comprehensive Business Continuity Management Plan to ensure Latitude can recover and continue to operate following a disruption, including those arising from acute climate events. | Medium-term (3-6 years) |

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# Sustainability Report

### 3.3. Scenario Analysis and Business Resilience

Latitude used data from the Network for Greening the Financial System (NGFS) Phase V climate-scenario suite to explore how climate-related drivers could affect its operating environment over time.

The NGFS scenarios were selected because they are designed for use by financial institutions, central banks and the broader financial sector. Two contrasting transition pathways were applied to understand how different climate futures could affect the Group's external environment:

- **NGFS Net Zero 2050 (1.4 - 1.7 °C)** – This scenario reflects a rapid transition to a low-emissions economy, characterised by early policy tightening and market adjustments that cause short-term challenges such as rising carbon costs, shifts in consumer demand and adjustments across supply chains, but improve long-term economic stability.
- **NGFS Current Policies (3 °C)** – This scenario reflects delayed climate action, characterised by limited short-term policy intervention and increasing physical and financial impacts over time.

The table below summarises the scenario analysis conducted across Latitude's portfolio over a ten-year horizon, covering both the Money and Pay divisions and the associated business impacts.

| Risk | NGFS Net Zero (1.4 – 1.7 °C) | NGFS Current Policies (3 °C) | Business Impact |
|---|---|---|---|
| **Customer hardship and credit costs** | Short-term affordability and employment pressures, combined with increasing, yet less severe, exposures to floods, fires and heat stress, may increase hardship among some Latitude customers. | Greater exposure to floods, fires, and heat stress is projected to increase insurance costs and asset losses for customers, particularly in climate-exposed regions. These effects could elevate Latitude's customer financial stress due to slow recovery and wider economic impacts on households in climate-affected areas. | The potential financial impact is not expected to be material to the Group.<br>There were no impacts to the Expected Credit Loss Provision at period end that related to the potential effects of climate change for Latitude's customers.<br>Indicative statistical modelling indicates that, under the macroeconomic and climate conditions in both scenarios, unmitigated annual credit costs across Latitude's portfolio are not expected to be material over a ten-year period. This estimate is based on information and assumptions as at 31 December 2025. |
| **Shifting macroeconomic conditions** | Transition costs and carbon pricing may temporarily slow economic growth and reduce credit demand, leading to a short-term reduction in Latitude's customer base. As low-carbon investment supports economic stabilisation, customer demand is expected to normalise. | Persistent physical risks are projected to weaken economic growth and household income, increasing arrears and dampening loan demand over time which may impact Latitude's income over the coming decades. | The potential financial impact is not expected to be material to the Group.<br>Assessed qualitatively and quantitatively, under the macroeconomic and climate conditions in both scenarios, any fluctuation in receivables is expected to be temporary, and potentially mitigated by monetary policy responses, are not expected to be material over a ten-year period. |

# Sustainability Report

### 3.4. Exposure and Sensitivity to Climate-Related Risks

The scenario analysis outcomes above are complemented by an assessment of Latitude's exposure and sensitivity to climate-related risks, informed by the Group's strategy and business model consideration as described in the table on pages 116-117.

A geographical exposure review identified that less than 8% of current receivables relate to borrowers domiciled in areas currently considered climate sensitive. The review covered both Pay and Money portfolios and drew on national and regional datasets from government, research, and industry sources to assess exposure, sensitivity and adaptive capacity to climate-related hazards such as flooding, bushfires, and heat stress. Furthermore, the Group's lending settings can be adjusted relatively quickly in response to changing conditions, and its exposures are not directly linked to real estate or carbon-intensive assets.

While future changes in climate patterns may alter this exposure, Latitude will continue to monitor potential impacts through ongoing scenario analysis.

## 4. Metrics and Targets

The Group has not set any climate-related metrics or targets.

### 4.1. 2025 Greenhouse Gases

Organisational Boundary

Latitude applies the financial control approach under the Greenhouse Gas (GHG) Protocol Corporate Standard, reporting 100% of emissions from entities it controls. For FY25 the emissions boundary aligns with the Group's financial reporting boundary and includes only continuing operations in Australia and New Zealand. Discontinued operations in Asia and Canada are excluded because they were in liquidation or wind-down with no trading activity or emissions during the reporting period.

Operational Boundary

Latitude's operational boundary identifies the emission types included in its GHG inventory:

- **Scope 1:** Direct emissions from fuel use in leased vehicles that are operated and controlled by Latitude for business use.
- **Scope 2:** Indirect emissions from purchased electricity used in Latitude offices.

### 4.2. Scope 1 and 2 Calculation Methodologies

Latitude's Scope 1 and 2 emissions are calculated using activity data multiplied by the relevant emission factors published in the Australian National Greenhouse Accounts (NGA) Factors and the New Zealand Ministry for the Environment's Measuring Emissions Guide. Activity data is drawn from internal sources, including supplier electricity and vehicle fuel invoices, as this provides the most accurate representation of Latitude's emissions generating activities during the year. Estimates are applied on a limited basis for fuel and electricity consumption where usage relates to the reporting period, but supplier invoices are unavailable or finalised after the year-end close[3].

Scope 2 emissions are calculated using the location-based method, reflecting average grid-emission intensity in Australia and New Zealand. The Group does not hold renewable energy certificates or power purchase agreements.

[3] Estimates are applied to minimise omission of in-period energy and fuel-related emissions and to maintain consistency with financial close and end-of-period cut-off controls.

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# Sustainability Report

### 4.3. GHG Inventory

The table below describes Latitude's Scope 1 and 2 GHG inventory.

| Scope | Emissions Category | Activity | Unit | Data Source | Emissions factor source | |
|---|---|---|---|---|---|---|
| **Scope 1** | Mobile combustion | Quantity of fuel used in company-leased vehicles | Litre (L) | Invoices | **Australia**<br>Department of Climate Change, Energy, the Environment and Water<br>Australian National Greenhouse Accounts Factors 2025<br>Gasoline - Cars & Light Commercial Vehicles | **New Zealand**<br>Ministry for the Environment<br>Measuring Emission Guide 2025<br>Regular Petrol - Transport |
| **Scope 2**<br><br>(Location-based) | Purchased electricity | Electricity consumption | Kilowatt hour (kWh) | Invoices | **Australia**<br>Department of Climate Change, Energy, the Environment and Water<br>Australian National Greenhouse Accounts Factors 2025<br>Electricity - Australia (Location-based) | **New Zealand**<br>Ministry for the Environment<br>Measuring Emission Guide 2025<br>Electricity supplied from grid[4] |

### 4.4 2025 GHG Emissions (t CO2e)

The table below describes Latitude's Scope 1 and 2 greenhouse gas emissions, expressed in tonnes of carbon dioxide equivalent (t $CO_2e$), and relates to all entities controlled by the Group in line with its financial reporting boundary.

| | Scope 1 | Scope 2 (location based) | Scope 1 + 2 Emissions |
|---|---|---|---|
| **Australia** | 15.29 | 76.19 | 91.48 |
| **New Zealand** | 18.22 | 11.89 | 30.11 |
| **Total** | **33.51** | **88.08** | **121.59** |

### 4.5. Scope 3 GHG emissions

The Group has applied transitional reliefs under AASB S2, not to disclose Scope 3 emissions in the first year of application.

### 4.6. Carbon credits

The Group does not purchase or hold carbon credits and does not rely on them in relation to climate-related targets or reporting.

[4] Consistent with the New Zealand Ministry for the Environment Measuring Emissions Guide 2025, emissions from the 2024 reporting year onwards are calculated using emission factors published for the 2024 year.

# Sustainability Report

### 4.7. Other Climate Related Metrics

The table below summarises Latitude's other climate-related metrics for the reporting period, in accordance with disclosure requirements.

| Metrics | Amount ($)[5] | % of Total[6] | Explanation |
|---|---|---|---|
| **Climate-Related Costs** | $0 | 0% | No material climate-related costs were identified in 2025. |
| **Capital Deployment** | $0 | 0% | No capital expenditure, financing or investment was directed towards climate-related risks or opportunities in 2025. |
| **Internal Carbon Price** | - | - | The Group does not apply an internal carbon price in its decision-making processes. |
| **Remuneration** | - | 0% | No portion of executive remuneration was linked to climate-related considerations during 2025. |

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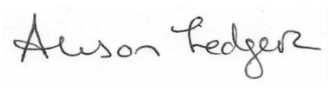
[5] Represents the estimated dollar value of the Group's exposures or activities that are subject to, or aligned with, identified climate-related risks and opportunities.

[6] Represents that amount expressed as a proportion of the Group's total exposures or activities.

# Directors' Declaration

The Directors of Latitude Group Holdings Limited declare that, in the Directors' opinions, the Sustainability Report for the reporting period has been prepared in accordance with the Corporations Act 2001 (Cth), and that the Group has taken reasonable steps to ensure that it complies with Australian Sustainability Reporting Standards AASB S2 - *Climate-related Financial Disclosures*.

Signed in accordance with a resolution of the Directors.



**Alison Ledger**
Chair of the People and Remuneration Committee

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# Independent Auditor's Review Report

To the shareholders of Latitude Group Holdings Limited

## Report on specified Sustainability Disclosures of Latitude Group Holdings Limited presented in the Sustainability Report prepared in accordance with the Corporations Act 2001

### Review Conclusion on specified Sustainability Disclosures as required under the Corporations Act 2001

We have conducted a review of the following specified Sustainability Disclosures presented in the Sustainability Report of Latitude Group Holdings Limited for the year ended 31 December 2025 in accordance with Australian Standards on Sustainability Assurance (ASSA) 5010 *Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001* issued by the Auditing and Assurance Standards Board (AUASB).

| ***specified Sustainability Disclosures*** | ***Reporting requirement of Australian Sustainability Reporting Standard AASB S2 Climate-related Disclosures (AASB S2) (including related general disclosures required by Appendix D)*** | ***Locations in Annual Report*** |
|---|---|---|
| *Governance disclosures* | *Paragraph 6* | *Section '2. Governance', paragraph '3.1 Establishing Latitude's Climate Risk Approach' and paragraph '4.7 Other Climate Related Metrics'* |
| *Strategy (risk and opportunities) disclosures* | *Subparagraphs 9(a), 10(a) and 10(b)* | *Paragraphs '3.2 Identifying and Assessing Climate-Related Risks and Opportunities'* |
| *Scope 1 greenhouse gas emissions* | *Subparagraphs 29(a)(i)(1) to (2) and 29 (a)(ii) to (v)* | *Paragraphs '4.1 2025 Greenhouse Gases to 4.4 2025 GHG Emissions (t CO2e)* |
| *Scope 2 greenhouse gas emissions* | | |

The requirements of AASB S2 identified in the table above form the Criteria relevant to the specified Sustainability Disclosures and apply under Division 1 of Part 2M.3 of the *Corporations Act 2001* (the Act).

We have not become aware of any matter in the course of our review that makes us believe that the specified Sustainability Disclosures specified in the table above do not comply with Division 1 of Part 2M.3 of the Corporations Act 2001.



## Basis for Conclusion

***Basis for Conclusion***

Our review has been conducted in accordance with ASSA 5000 *General Requirements for Sustainability Assurance Engagements* issued by the AUASB (ASSA 5000). Our review includes obtaining limited assurance about whether the specified Sustainability Disclosures are free from material misstatement.

In applying the relevant criteria, we note that subsection 296C(1) of the Act includes a requirement to comply with AASB S2.

Our conclusion is based on the procedures we have performed and the evidence we have obtained in accordance with ASSA 5000. The procedures in a review vary in nature and timing from, and are less in extent than for, an audit. Consequently, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an audit been performed. See the "Summary of the Work Performed" section of our report.

Our responsibilities under ASSA 5000 are further described in the "Our responsibilities" section of our report.

We comply with the independence and other ethical requirements of APES 110 Code of Ethics for Professional Accountants (including Independence Standards) issued by the Accounting Professional & Ethical Standards Board Limited related to sustainability assurance engagements.

Our firm applies Auditing Standard ASQM1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, issued by the AUASB. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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

## Other Information

The Directors of Latitude Group Holdings Limited are responsible for the other information. The other information comprises the financial and non-financial information included in Latitude Group Holdings Limited's annual report, but does not include the specified Sustainability Disclosures and our review report thereon.

Our conclusion on the specified Sustainability Disclosures does not cover the other information and we do not express any form of conclusion thereon, with the exception of the Financial Report and Remuneration Report and our respective assurance reports thereon.

In connection with our review of the Sustainability Disclosures, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the specified Sustainability Disclosures, or our knowledge obtained when conducting the review, 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.

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## Responsibilities for the Sustainability Disclosures

The Directors of Latitude Group Holdings Limited are responsible for:

- The preparation of the specified Sustainability Disclosures in accordance with the Act; and
- Designing, implementing and maintaining a system of internal control that it determines is necessary to enable the preparation of specified Sustainability Disclosures in accordance with the Act that are free from material misstatement, whether due to fraud or error.

## Inherent Limitations

Inherent limitations exist in all assurance engagements due to the selective testing of the information being examined. It is therefore possible that fraud, error or material misstatement in the specified Sustainability Disclosures may occur and not be detected. Non-financial data may be subject to more inherent limitations than financial data, given both its nature and the methods used for determining, calculating, and estimating such data. The precision of different measurement techniques may also vary. The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, evaluation and measurement techniques that can affect comparability between entities and over time.

For climate risks and opportunities, there is inherent uncertainty as a result of using assumptions about future events and management's actions that may not occur.

Greenhouse gas quantification is subject to inherent uncertainty due to the nature of the information and the uncertainties inherent in: (i) the methods used for determining or estimating the appropriate amounts, (ii) information used to determine emission factors and (iii) the values needed to combine emissions of different gases.

## Auditor's Responsibilities

Our objectives are to plan and perform the review to obtain limited assurance about whether the specified Sustainability Disclosures are free from material misstatement, whether due to fraud or error, and to issue an assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the specified Sustainability Disclosures.

As part of limited assurance engagements in accordance with ASSA 5000, we exercise professional judgment and maintained professional scepticism throughout the engagement. We also:

- Perform risk assessment procedures, including obtaining an understanding of internal controls relevant to the engagement to identify and assess the risks of material misstatement, whether due to fraud or error, at the disclosure level but not for the purpose of providing a conclusion on the effectiveness of the entity's internal control.
- Design and perform procedures responsive to the assessed risks of material misstatement at the disclosure level.

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.

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## Summary of the Work Performed

A review is a limited assurance engagement and involves performing procedures to obtain evidence about the specified Sustainability Disclosures. The nature, timing and extent of procedures selected depend on professional judgement, including the assessed risks of material misstatement at the disclosure level, whether due to fraud or error. In conducting our review, we:

- Enquired with relevant Latitude Group Holdings Limited personnel to understand the internal controls, governance structure and reporting process of the specified Sustainability Disclosures.
- Assessed the appropriateness of the reporting boundary applied by Latitude Group Holdings Limited to understand the entities within scope of the specified Sustainability Disclosures.
- Enquired with management responsible for developing the climate-related governance disclosures to consider whether the specified Sustainability Disclosures were aligned with our understanding of Latitude Group Holdings Limited.
- Obtained an understanding of processes and information flows related to the specified Sustainability Disclosures by performing walk throughs.
- Reviewed internal documentation including policies, charters, minutes of meetings (Board and management committees), technical papers documenting positions, risk management frameworks and basis of preparation documents.
- Obtained an understanding of the Group's process for identifying and assessing potential climate-related risks and opportunities. We did this through inquiries with management, reading the minutes and other relevant documentation of the Group's Board of Directors, Board Committees and various management committees.
- On a sample basis, tested Scope 1 and 2 greenhouse gas emission activity records and related emissions factors applied, to source documentation. We also re-performed emissions calculations based on the underlying data.
- Reconciled the specified Sustainability Disclosures to underlying source documents.

KPMG

KPMG

Glenn Austin

*Partner*

Melbourne

20 February 2026

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# Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

## To the Directors of Latitude Group Holdings Limited

I declare that, to the best of my knowledge and belief, in relation to the review of the specified Sustainability Disclosures in the Sustainability Report of Latitude Group Holdings Limited for the financial year ended 31 December 2025 there have been:

i. no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and

ii. no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

KPMG

Glenn Austin
Partner
Melbourne
20 February 2026

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# Notes to the Financial Statements

## ASX Additional Information

## For the financial year ended 31 December 2025

Additional information required by the Australian Stock Exchange Limited Listing Rules and not disclosed elsewhere in this report.

## ORDINARY SHARES

### A. 20 Largest Shareholders as at 13 February 2026 – Ordinary Shares

| Rank | Name | Units | % Units |
|---|---|---|---|
| 1 | HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED | 528,585,151 | 50.84 |
| 2 | VATPO INVESTMENTS PTE LTD | 217,796,336 | 20.95 |
| 3 | DEUTSCHE BANK AG <SYDNEY BRANCH A/C> | 171,834,389 | 16.53 |
| 4 | CITICORP NOMINEES PTY LIMITED | 23,609,598 | 2.27 |
| 5 | BNP PARIBAS NOMS PTY LTD | 14,012,574 | 1.35 |
| 6 | HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <GSCO CUSTOMERS A/C> | 13,433,691 | 1.29 |
| 7 | HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2 | 8,515,371 | 0.82 |
| 8 | MR ROBERT NICHOLAS BELAN | 7,712,125 | 0.74 |
| 9 | MCDONALD BROS HOLDINGS PTY LTD <ALFRED UNIT A/C> | 5,497,856 | 0.53 |
| 10 | ONE CREMORNE PTY LTD <ONE CREMORNE TR A/C> | 4,289,447 | 0.41 |
| 11 | OXLEIGH PTY LTD | 3,737,266 | 0.36 |
| 12 | ASTRA SUPER NOMINEES PTY LTD <ASTRA SUPERANNUATION A/C> | 2,692,308 | 0.26 |
| 13 | OTTOMIN PTY LTD | 1,880,353 | 0.18 |
| 14 | MARYGOLD THREE PTY LIMITED <MARYGOLD THREE A/C> | 1,869,351 | 0.18 |
| 15 | CENTRAL PARK INVESTMENTS (AUST) PTY LTD <GELBAK FAMILY A/C> | 1,771,241 | 0.17 |
| 16 | MR PAUL CHRISTOPHER BYRNE | 1,420,504 | 0.14 |
| 17 | COSTA ASSET MANAGEMENT P/L | 1,369,903 | 0.13 |
| 18 | MUTUAL TRUST PTY LTD | 1,208,448 | 0.12 |
| 19 | JARBARR PTY LTD <BARRINGTON RETIREMENT FUND> | 1,148,364 | 0.11 |
| 20 | ARMINELLA PTY LTD <SJHA INVESTMENT A/C> | 1,124,134 | 0.11 |
| **Total** | | **1,013,508,410** | **97.48** |

### B. Distribution of Shareholder Numbers as at 13 February 2026

| Range | Total holders | Units | % Units |
|---|---|---|---|
| 1 - 1,000 | 794 | 415,564 | 0.04 |
| 1,001 - 5,000 | 512 | 1,338,139 | 0.13 |
| 5,001 - 10,000 | 155 | 1,236,033 | 0.12 |
| 10,001 - 100,000 | 223 | 6,625,840 | 0.64 |
| 100,001 Over | 64 | 1,030,117,325 | 99.08 |
| **Total** | **1,748** | **1,039,732,901** | **100.00** |

**1.1 There were 449 holdings of less than a marketable parcel (less than $500 in value or 556 shares based on the market price of $0.90 per share).**

**1.2 The names of the substantial shareholders listed in the holding company's register, and their shareholdings (including shareholdings of their associates) that have disclosed a substantial shareholding notice to the Australian Securities Exchange (ASX), as at 13 February 2026 are:**

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| Shareholder | Ordinary | % |
|---|---|---|
| KKR Clarendon Holdings L.P | 272,903,548 | 26.25 |
| Vatpo Investments Pte. Ltd.* | 262,555,471 | 25.25 |
| SBI Holdings, Inc | 211,056,995 | 20.30 |
| Deutsche Bank AG | 171,834,389 | 16.53 |

*This includes the relevant interest Vatpo holds in 44,759,135 shares registered in the name of minority investors (Put Option Shares) as a result of the Put Option Deeds between Vatpo and those minority investors, as disclosed in the Substantial Holder Notice dated 21 August 2023. Vatpo does not control the voting rights, or the right to dispose, of any of the Put Option Shares.

### C. Voting Rights of ordinary shares

The Constitution provides for votes to be cast as follows: i) on show of hands, one vote for each shareholder; and ii) on a poll, one vote for every fully paid ordinary share.

## LATITUDE CAPITAL NOTES – LFSPA

As at 13 February 2026 the 20 largest holders of LFSPA held 602,518 securities, equal to 43.37% of the total issued securities. As at 13 February 2026 the total number of LFSPA on issue was 1,389,382.

### A. 20 Largest LFSPA Capital Note holders as at 13 February 2026

| Rank | Name | Units | % Units |
|---|---|---|---|
| 1 | CITICORP NOMINEES PTY LIMITED | 217,300 | 15.64 |
| 2 | HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED | 172,935 | 12.45 |
| 3 | MR DANIEL PATRICK MCALARY + MR MICHAEL FRANCIS CALLANAN + MR PAUL ARTHUR DALEY <ESTATE PATRICIA MCALARY A/C> | 45,874 | 3.30 |
| 4 | J P MORGAN NOMINEES AUSTRALIA PTY LIMITED | 31,221 | 2.25 |
| 5 | BNP PARIBAS NOMINEES PTY LTD <HUB24 CUSTODIAL SERV LTD> | 18,688 | 1.35 |
| 6 | BALMORAL FINANCIAL INVESTMENTS PTY LTD <NO 2 A/C> | 18,265 | 1.31 |
| 7 | NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C> | 10,206 | 0.73 |
| 8 | PREMIUM CAPITAL (AUST) PTY LTD | 10,150 | 0.73 |
| 9 | AURISCH INVESTMENTS PTY LTD | 10,000 | 0.72 |
| 10 | HUA INVESTMENTS PTY LTD <HUA INVESTMENTS SUPER A/C> | 9,441 | 0.68 |
| 11 | BUILD YOUR DESCENDANTS PTY LTD <G D DESCENDANTS A/C> | 9,200 | 0.66 |
| 11 | BNP PARIBAS NOMS PTY LTD | 8,564 | 0.62 |
| 13 | WING SING CAPITAL PTY LIMITED <WING SING CAPITAL A/C> | 7,307 | 0.53 |
| 13 | MR ROGER ANTHONY CLARKE <CONEGLIANO SUPER FUND A/C> | 5,053 | 0.36 |
| 13 | MR GORDON DENBY COAD | 5,000 | 0.36 |
| 16 | PUPGALL PTY LTD | 5,000 | 0.36 |
| 17 | THE CORPORATION OF THE TRUSTEES OF THE ORDER OF THE SISTERS OF MERCY IN QLD <CONGREGATION A/C> | 5,000 | 0.36 |
| 18 | MR IAIN CRAIG-SMITH | 4,675 | 0.34 |
| 19 | MR ORLANDO BERARDINO DI IULIO + MS CATHARINA MARIA KOOPMAN | 4,389 | 0.32 |
| 20 | PROGRESSIVE DISTRIBUTION PTY LTD | 4,250 | 0.31 |
| **Total** | | **602,518** | **43.37** |

### B. Distribution of LFSPA Capital Note holders as at 13 February 2026

| Range | Total holders | Units | % Units |
|---|---|---|---|
| 1 - 1,000 | 1,110 | 420,993 | 30.30 |
| 1,001 - 5,000 | 198 | 394,185 | 28.37 |
| 5,001 - 10,000 | 6 | 49,565 | 3.57 |
| 10,001 - 100,000 | 6 | 134,404 | 9.67 |
| 100,001 Over | 2 | 390,235 | 28.09 |
| **Total** | **1,322** | **1,389,382** | **100.00** |

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# Notes to the Financial Statements

**C. There were 0 holdings of less than a marketable parcel (less than $500 in value or 5 securities based on the market price of $100.21 per security).**

**D. Voting rights of LFSPA Capital Note Holders**

LFSPA Capital Note holders do not have any rights to vote at any meeting of members of the Company.

**E. On-market LFSPA Capital Note buy-back**

On 31 October 2025, Latitude announced an extension of its on-market buy-back program for its capital notes, upsizing the program to buy-back $20 million of capital notes in total, and extending the program until October 2026. As at 13 February 2026, Latitude had bought back a total of 110,618 capital notes for a total consideration of $10,849,811.34.
Further details on how many capital notes have been bought back has been released on the ASX.

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## Corporate Directory

**Directors**
Michael Tilley
Robert Belan
Mark Joiner
Alison Ledger
Julie Raffe
Beaux Pontak
Philip Busfield
Ilfryn Carstairs

**Company Secretary**
Tiffany Barton

**Registered Office**
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**Share and Securities Registry**
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**Auditor**
KPMG

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LATITUDE

LATITUDE GROUP HOLDINGS LIMITED