

Results for Announcement to the Market

Appendix 4D

Name of entity	Latitude Group Holdings Limited
ACN	604 747 391
Reporting period	Half-year ended 30 June 2025
Previous corresponding period	Half-year ended 30 June 2024

Comparisons to half-year ended 30 June 2025	30 June 2025	Change on previous period Up/Down	%
Revenue from ordinary activities ⁽¹⁾	600.0	Up	13.3%
Profit from ordinary activities after tax attributable to members on a continuing basis	39.7	Up	341.1%
Net profit for the period attributable to members	39.2	Up	1860.0%

⁽¹⁾Information is presented on a continuing operations basis, unless otherwise stated.

Details relating to dividends

	Amounts per share (cents)	Franked amount per share (cents)	Tax rate for franking credits
Interim 2025 dividend per share declared	4.00	-	-
Final 2024 dividend per share paid	3.00	-	-
Interim dividend dates			
Ex-dividend date			19 September 2025
Record date			22 September 2025
Payment date			23 October 2025

Dividend Reinvestment Plan Details

Latitude Group Holdings Limited has a Dividend Reinvestment Plan (DRP) that will operate for the 2025 interim dividend. Shares will be issued at the Average Market Price, which is the arithmetic average of the daily volume weighted average prices of the Company's shares on each day during the five-trading day period that commences on the second trading day after the record date and then rounded to the nearest whole cent.

Shares under the DRP will be provided through the issue of new shares and will rank equally in all respects with existing fully paid Latitude ordinary shares.

DRP elections for the 2025 interim dividend must be received by Latitude's Share Registrar by 5.00pm (AEST) on 23 September 2025.

Net tangible assets per security

	30 June 2025	30 June 2024
Net Tangible Assets / (Liabilities) per security (\$)	\$0.44	\$0.42

Additional information supporting the Appendix 4D disclosure requirements can be found in the Directors' Report and the Consolidated Interim Financial statements for the half-year ended 30 June 2025.

This report is based on the Consolidated Interim Financial Report for the half-year ended 30 June 2025 which has been reviewed by KPMG and is not subject to qualification.



LATITUDE GROUP HOLDINGS LIMITED

ABN 83 604 747 391

Consolidated Interim Financial Report
For the half-year ended 30 June 2025

This Consolidated Interim Financial Report is to be
read in conjunction with the 31 December 2024
Annual Financial Report

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2025 Consolidated Interim Financial Report

Latitude Group Holdings Limited

For the half-year ended 30 June 2025

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 half-year ended 30 June 2025 ('half-year') and the auditor's report thereon.

Directors

The following persons held office as Directors of Latitude Group Holdings Limited during the reporting period and up to the date of this report:

Michael Tilley	Independent Non-Executive Chairman
Robert Belan	Managing Director and CEO
Mark Joiner	Independent Non-Executive Director
Alison Ledger	Independent Non-Executive Director
Julie Raffe	Independent Non-Executive Director
Beaux Pontak	Non-Executive Director
Philip Busfield	Non-Executive Director
Ilfryn Carstairs	Non-Executive Director, appointed January 2025

Company Secretaries

Vicki Letcher	Company Secretary
Tiffany Barton	Company Secretary

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 from Latitude's retail partners.

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

2025 Consolidated Interim Financial Report
Latitude Group Holdings Limited
For the half-year ended 30 June 2025

Directors' Report

Summary of Group Performance

Statutory profit/(loss) after tax from continuing operations increased from \$9.0 million profit in 1H24 to \$39.7 million profit in 1H25, an increase of \$30.7 million.

Cash net profit after tax (Cash NPAT)⁽¹⁾ from continuing operations increased from \$27.4 million in 1H24 to \$46.2 million in 1H25, an increase of \$18.8 million. The movements in Cash NPAT are discussed in detail below.

Summary of financial results

\$'m	30-Jun-25 1H25	31-Dec-24 2H24	30-Jun-24 1H24	Change % HoH ⁽³⁾	Change % YoY ⁽³⁾
Net interest income	396.1	367.7	320.8	8%	23%
Other income	11.6	19.7	21.0	(41%)	(45%)
Total Operating Income	407.7	387.4	341.8	5%	19%
Net charge offs	(130.1)	(104.0)	(110.0)	(25%)	(18%)
Risk Adjusted Income⁽¹⁾	277.6	283.4	231.8	(2%)	20%
Cash operating expenses ⁽²⁾	(184.1)	(194.8)	(165.2)	5%	(11%)
Cash PBT⁽¹⁾	93.5	88.6	66.6	6%	40%
Movement in provision for impairment	(12.1)	(13.4)	(8.4)	10%	(44%)
Depreciation & Amortisation (excl leases)	(17.7)	(19.3)	(18.7)	8%	5%
Profit before Tax & Notable items	63.7	55.9	39.5	14%	61%
Income tax expense	(17.5)	(17.4)	(12.1)	(1%)	(45%)
Cash NPAT⁽¹⁾ from continuing operations	46.2	38.5	27.4	20%	69%
<i>Notable items after tax⁽¹⁾⁽²⁾</i>					
Amortisation of acquisition intangibles	-	(11.3)	(14.2)	100%	100%
Other notable items	(6.5)	(5.6)	(4.2)	(16%)	(55%)
Statutory profit after tax from continuing operations	39.7	21.6	9.0	84%	341%
Discontinued operations	(0.5)	(2.0)	(7.0)	75%	93%
Statutory profit after tax	39.2	19.6	2.0	100%	1860%
Profit is attributable to:					
Owners of Latitude Group Holdings Limited	39.2	19.6	2.0	100%	1860%
Statutory profit after non-controlling interest	39.2	19.6	2.0	100%	1860%

⁽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.

⁽³⁾ 'HoH' refers to the half-on-half movements which is sequential, whereas 'YoY' refers to the year-on-year movement which is the prior corresponding period.

2025 Consolidated Interim Financial Report

Latitude Group Holdings Limited

For the half-year ended 30 June 2025

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 not audited. 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),
- Corporate development – reflects the costs associated with acquisitions and integrations,
- Restructuring costs – reflects the transition costs to a simplified operating structure,
- 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
- 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	30-Jun-25 1H25	31-Dec-24 2H24	30-Jun-24 1H24	Change % HoH	Change % YoY
Cash NPAT from continuing operations	46.2	38.5	27.4	20%	69%
Amortisation of acquisition intangibles	-	(11.3)	(14.2)	100%	100%
Corporate development	-	4.6	(5.2)	(100%)	100%
Restructuring costs	(1.7)	(0.5)	(2.0)	(240%)	15%
Remediation costs	(3.1)	(7.6)	4.6	59%	(167%)
Asset impairment	(1.4)	(1.1)	(0.6)	(27%)	(133%)
Decommissioned facilities	(0.3)	(1.0)	(1.0)	70%	70%
Statutory profit after tax from continuing operations	39.7	21.6	9.0	84%	341%

Reconciliation of notable items

\$'m	Cash NPAT	Restructuring costs	Remediation costs	Asset impairment	Decomm- issioned facilities	Statutory profit/ (loss) after tax
Net interest income	396.1	-	-	-	-	396.1
Other income	11.6	-	-	-	-	11.6
Total Operating Income	407.7	-	-	-	-	407.7
Net charge offs	(130.1)	-	-	-	-	(130.1)
Risk Adjusted Income	277.6	-	-	-	-	277.6
Cash operating expenses	(184.1)	(2.5)	(4.4)	(2.0)	(0.2)	(193.2)
Cash PBT	93.5	(2.5)	(4.4)	(2.0)	(0.2)	84.4
Movement in provision for impairment	(12.1)	-	-	-	-	(12.1)
Depreciation & Amortisation (excl leases)	(17.7)	-	-	-	(0.2)	(17.9)
Profit before Tax	63.7	(2.5)	(4.4)	(2.0)	(0.4)	54.4
Income tax (expense)/benefit	(17.5)	0.8	1.3	0.6	0.1	(14.7)
Profit after tax from continuing operations	46.2	(1.7)	(3.1)	(1.4)	(0.3)	39.7

2025 Consolidated Interim Financial Report

Latitude Group Holdings Limited

For the half-year ended 30 June 2025

Directors' Report

Review of Operations

The first half of 2025 delivered another period of strong financial and operational progress for Latitude, underpinned by disciplined execution and ongoing momentum across the Group's Pay and Money divisions. Total volume of \$4.247 billion was up 12% YoY, supported by strong demand for lending products and solid retail purchase activity. Receivables for the Group grew 9% YoY and 3% HoH to \$7.0 billion, with interest-bearing receivables up 11% YoY.

Margin expansion continued in 1H25 with operating income increasing 19% YoY to \$407.7 million. This was driven by a 23% uplift in net interest income, supported by 142bps YoY improvement in net interest margin to 11.68% as a result of lower funding rates and considered pricing actions. As anticipated, rising cost-of-living pressures have resulted in higher delinquencies and net charge-offs, with NCOs increasing to 3.83% of average receivables, up 31bps YoY. However, these increases remain within expected ranges.

Cash operating expenses decreased 5% HoH and increased 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. The cash cost-to-income ratio improved to 45.2%, down 511bps HoH and ~700bps YoY excluding the 1H24 one-off benefit.

The results of 1H25 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 \$46.2 million increased by 20% compared to 2H24 and 69% compared to 1H24 with the key drivers as follows:

- **Total Operating Income** rose \$65.9 million or 19% YoY to \$407.7 million. This growth was primarily driven by a \$75.3 million or 23% increase in net interest income to \$396.1 million, reflecting a 142bps YoY improvement in net interest margin to 11.68%. Interest income yield increased 108bps to 17.34%, supported by funding yield improvements (interest expense/AGR down 34bps to 5.67%). Other income declined by \$9.4 million YoY due to loyalty program costs (launched in 2H24) and FX market volatility, with other income yield falling 33bps to 0.34%. Despite this, operating income margin improved 109bps YoY to 12.02%.
- **Net Charge Offs** increased \$20.1 million or 18% YoY to \$130.1 million. This reflected a rise in the net charge off yield to 3.83%, up 31bps YoY. The increase is attributed to the increasing delinquencies (within expected ranges) following the post-Covid lows, as rising cost of living pressures weigh on some households.
- **Cash operating expenses** were \$184.1 million, up \$18.9 million or 11% YoY, largely due to the normalisation of one-off benefits booked in 1H24. Excluding the 1H24 short term incentive provision release, underlying growth was 3% YoY. Notably, cash opex fell 5% HoH, reflecting seasonal marketing efficiency and disciplined investment spend. The cash cost-to-income ratio continues to improve, down ~700bps YoY (excluding 1H24 one-off benefits) to 45.2%.
- **Provision movement** increased to \$12.1 million, \$7.8 million due to receivable growth (net of FX), \$4.3 million due to the impact of higher coverage rate. Group coverage rose to 4.35%, up 12bps YoY response to the higher delinquency rates and reflects prudent provisioning amidst a shifting credit environment.

These financial results underscore the continued effectiveness of Latitude's strategy to optimise margins, grow receivables, manage credit prudently, and maintain operational discipline while reinvesting in future capability.

Balance sheet management and dividends

The results achieved in 1H25, the continued growth of the Group's business performance and the strength of the balance sheet, saw the Group's Tangible Equity Ratio (TER) close the half at 7.0%, at the top of the 6-7% target range. These results enabled Latitude's Board to declare an unfranked dividend of 4.00 cents per share.

Latitude systematically manages its maturity profile within the 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.

2025 Consolidated Interim Financial Report

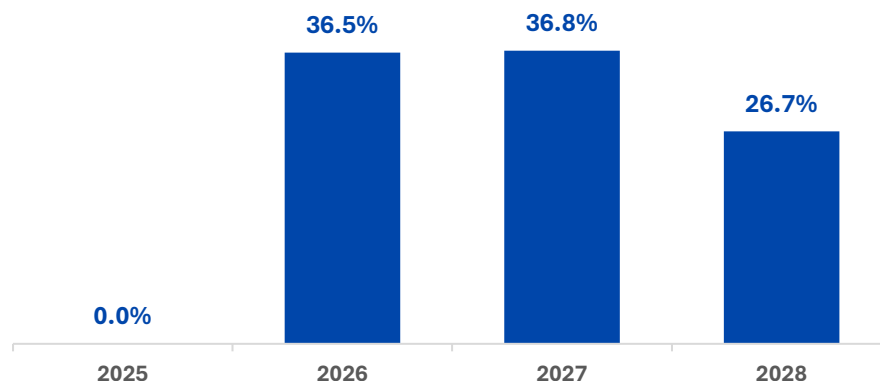
Latitude Group Holdings Limited

For the half-year ended 30 June 2025

Directors' Report

The following graph sets out the Group's debt maturity profile as at 30 June 2025.

Securitised Debt Maturity Profile



Amortising ABS term deals included at their 10% call option date. Profile includes effects of AUCC MT Series 2025-1 ABS issuance settled on 3 July 2025.

Across both our Warehouse and ABS facilities Latitude has drawn borrowings of \$6.85 billion with available headroom of \$1.25 billion to support future growth.

Over the 6-month period Latitude raised \$1.0 billion of new term funding and refinanced \$0.5 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 period with \$1.25 billion of committed headroom available as at 30 June to support continued receivables growth in 2H25 and beyond.

Strategy and Outlook

Over the first half of the year, Latitude has continued to advance the delivery of its Path to Full potential corporate strategy which continues to provide material improvements in key business drivers and financial performance. Latitude continues to remain focused on advancing the profitable growth of volume and receivables optimising its balance sheet through the active management of both funding costs and risk, while increasing the overall efficiency of its scalable operations.

Dividends and Distributions

Information relating to dividends and distributions for the current and comparative reporting period, including dividends determined by the Board since the end of the half-year ended 30 June 2025, is disclosed in notes 2.4(a) & 2.4(b) of the consolidated interim financial statements.

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 half-year ended 30 June 2025.

Events Subsequent to Balance Date

There has not arisen in the interval between the end of the half-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.

2025 Consolidated Interim Financial Report
Latitude Group Holdings Limited
For the half-year ended 30 June 2025

Directors' Report

Environmental Regulation

AASB S2 Climate-related disclosures, issued under the Australian Sustainability Reporting Standards (ASRS), will become mandatory for the Group from the annual reporting period ending 31 December 2025. The Group expects to present the required climate related disclosures in a separate Sustainability Report, which will accompany the Group's Annual Report for the year ending 31 December 2025, in accordance with AASB S2 and the Corporations Act 2001.

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.

Insurance of Officers and Indemnities

Insurance of officers

During the half-year and subsequent to the half-year ended 30 June 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 half-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.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 8 and forms part of this report.

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.

This report is made in accordance with a resolution of Directors.



Michael Tilley
Director

Sydney
22 August 2025

2025 Consolidated Interim Financial Report
Latitude Group Holdings Limited
For the half-year ended 30 June 2025

Directors' Declaration

Directors' Declaration

The Directors of Latitude Group Holdings Limited declare that:

- (a) the consolidated financial statements and notes set out on pages 9 to 35 are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Group's financial position as at 30 June 2025 and of its performance for the half-year ended on that date; and
 - (ii) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors.



Michael Tilley
Director

Sydney
22 August 2025



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 Latitude Group Holdings Limited for the half-year ended 30 June 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.

A handwritten signature of the KPMG firm, written in dark ink.

KPMG

A handwritten signature of Beenish Durrani, written in dark ink.

Beenish Durrani

Partner

Melbourne

22 August 2025

2025 Consolidated Interim Financial Report
Latitude Group Holdings Limited
For the half-year ended 30 June 2025

Consolidated Income Statement

	Notes	30 June 2025 \$'m	30 June 2024 \$'m
Continuing operations			
Interest income		588.4	508.6
Interest expense		(192.3)	(187.8)
Net interest income	2.2(a)	396.1	320.8
Other operating income	2.2(b)	11.6	21.0
Total operating income		407.7	341.8
Loan impairment expense	3.2(f)	(142.2)	(118.4)
Operating expenses			
Employee benefit expense		(66.5)	(53.6)
Depreciation and amortisation expense		(19.7)	(41.7)
IT and data processing expenses		(40.9)	(38.1)
Marketing expenses		(19.5)	(18.1)
Administrative and professional expenses		(31.7)	(39.8)
Occupancy and operating expenses		(11.5)	(9.6)
Other expenses		(21.3)	(9.3)
Total operating expenses		(211.1)	(210.2)
Profit before income tax		54.4	13.2
Income tax expense	2.3(a)	(14.7)	(4.2)
Profit from continuing operations		39.7	9.0
Discontinued operations			
Net loss after tax from discontinued operations	6.5(b)	(0.5)	(7.0)
Profit for the period		39.2	2.0

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

2025 Consolidated Interim Financial Report
Latitude Group Holdings Limited
For the half-year ended 30 June 2025

Consolidated Statement of Comprehensive Income

	Notes	30 June 2025 \$'m	30 June 2024 \$'m
Profit for the period		39.2	2.0
Other comprehensive income			
Items that may be reclassified to income statement			
Cash flow hedges - fair value loss		(9.4)	(0.5)
Currency translation differences arising during the period		4.9	(3.1)
Other comprehensive loss for the period net of income tax		(4.5)	(3.6)
Total comprehensive income/(loss) for the period is attributable to:			
Owners of Latitude Group Holdings Limited		34.7	(1.6)
Total comprehensive income/(loss) for the period		34.7	(1.6)
Earnings/(loss) per share for income/(loss) attributable to the ordinary equity holders of the Company		Cents	Cents
Earnings per share	2.5	3.8	0.2
Diluted earnings per share	2.5	3.3	0.2
Earnings/(loss) per share for income/(loss) from continuing operations attributable to the ordinary equity holders of the Company		Cents	Cents
Earnings per share	2.5	3.8	0.9
Diluted earnings per share	2.5	3.4	0.8

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

2025 Consolidated Interim Financial Report
Latitude Group Holdings Limited
For the half-year ended 30 June 2025

Consolidated Balance Sheet

	Notes	30 June 2025 \$'m	31 December 2024 \$'m
Assets			
Cash and cash equivalents	3.1(b)	287.8	410.2
Derivative financial instruments		0.9	10.8
Loans and other receivables	3.1(c)	6,616.6	6,417.7
Other assets		14.7	11.0
Current tax assets		26.3	28.7
Deferred tax assets		205.5	202.1
Other financial assets		14.2	14.2
Property, plant and equipment	5.1(a)	11.3	18.8
Assets classified as held for sale		0.1	0.1
Intangible assets	5.1(b)	757.2	769.2
Total assets		7,934.6	7,882.8
Liabilities			
Trade and other liabilities	3.1(d)	196.5	214.4
Derivative financial instruments		16.8	6.4
Provisions	5.1(c)	91.8	93.7
Deferred tax liabilities		24.5	27.7
Borrowings	3.1(e)	6,387.3	6,316.2
Total liabilities		6,716.9	6,658.4
Net assets		1,217.7	1,224.4
Equity			
Contributed equity	4.1(a)	2,219.2	2,222.5
Reserves		(679.2)	(675.1)
Retained losses		(322.3)	(323.0)
Total equity		1,217.7	1,224.4

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

2025 Consolidated Interim Financial Report
Latitude Group Holdings Limited
For the half-year ended 30 June 2025

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 period	-	-	39.2	39.2
Other comprehensive loss for the period	-	(4.5)	-	(4.5)
Total comprehensive profit for the period	-	(4.5)	39.2	34.7
Transactions with owners in their capacity as owners:				
Capital note buy-back	(3.3)	-	-	(3.3)
Dividends paid	-	-	(31.2)	(31.2)
Capital note distributions	-	-	(7.3)	(7.3)
Share-based compensation	-	0.4	-	0.4
Total transactions with owners	(3.3)	0.4	(38.5)	(41.4)
At 30 June 2025	2,219.2	(679.2)	(322.3)	1,217.7
At 1 January 2024	2,222.5	(652.9)	(335.0)	1,234.6
Profit for the period	-	-	2.0	2.0
Other comprehensive loss for the period	-	(3.6)	-	(3.6)
Total comprehensive loss for the period	-	(3.6)	2.0	(1.6)
Transactions with owners in their capacity as owners:				
Capital note distributions	-	-	(4.8)	(4.8)
Share-based compensation	-	1.2	-	1.2
Total transactions with owners	-	1.2	(4.8)	(3.6)
At 30 June 2024	2,222.5	(655.3)	(337.8)	1,229.4

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

2025 Consolidated Interim Financial Report
Latitude Group Holdings Limited
For the half-year ended 30 June 2025

Consolidated Statement of Cash Flows

	Notes	30 June 2025 \$'m	30 June 2024 \$'m
Cash flows from operating activities			
Interest received		579.7	505.8
Interest paid		(189.4)	(189.8)
Other operating income received		18.4	19.8
Operating expenses paid		(154.7)	(136.1)
Net income taxes paid		(12.8)	(29.2)
Cash flow from operating activities before changes in operating assets and liabilities		241.2	170.5
Net increase in loans and other receivables		(335.6)	(299.4)
Net decrease in trade and other liabilities		(22.2)	(38.6)
Changes in operating assets and liabilities arising from cash flow movements		(357.8)	(338.0)
Net cash used in operating activities		(116.6)	(167.5)
Cash flows from investing activities			
Net purchases of intangible assets, property, plant & equipment		(7.8)	(3.3)
Net cash used in investing activities		(7.8)	(3.3)
Cash flows from financing activities			
Proceeds from borrowing issuances and drawdowns		849.4	1,359.0
Repayment of borrowings		(789.5)	(1,204.4)
Payments of transaction costs from financing activities		(1.6)	(3.0)
Repayment of facility agreements		(16.1)	(3.0)
Dividends paid		(31.2)	-
Capital note distributions paid		(6.7)	(4.8)
Capital note buy-back		(3.3)	-
Outflow from share-based payment plan		(0.3)	-
Payment of lease liabilities		(2.3)	(3.3)
Proceeds from related parties		-	1.6
Net cash provided by/(used in) financing activities		(1.6)	142.1
Net decrease in cash and cash equivalents		(126.0)	(28.7)
Cash and cash equivalents at beginning of financial half-year		410.2	250.7
Effects of exchange rate changes on cash and cash equivalents		3.6	(2.4)
Cash and cash equivalents at end of financial half-year	3.1(b)	287.8	219.6

The Consolidated Statement of Cash Flows includes discontinued operations. Refer to note 6.5 for cash flows associated with discontinued operations.

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

Notes to the Consolidated Financial Statements

Section 1 | Basis of Preparation

1.1 Basis of preparation

(a) Reporting entity

The consolidated interim 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 interim financial statements were authorised for issue by the Directors on 22 August 2025.

(b) Statement of compliance

The consolidated interim financial statements have been prepared on a consolidated basis, in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. The consolidated interim financial statements comply with International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board (IASB).

The consolidated interim financial statements do not include all the information required for a complete set of annual financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements as at and for the last year ended 31 December 2024.

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

(c) Basis of measurement

These consolidated interim 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 interim 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 interim financial report. Amounts in the consolidated interim 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 interim 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 interim financial statements were the same as those applied to the consolidated financial statements for the year ended 31 December 2024.

1.2 Material accounting policies

The accounting policies adopted in the preparation of these consolidated interim financial statements are consistent with those adopted in the Group's annual consolidated financial statements for the year ended 31 December 2024.

1.3 New and amended standards

(a) New and amended standards adopted

All new and amended accounting standards and interpretations effective from 1 January 2025 were adopted by the Group with no material impact.

(b) New standards and interpretations not yet adopted

Other standards and interpretations that have been published that are effective for annual reporting periods beginning after 1 January 2025 and early adoption is permitted, have not been early adopted by the Group. The Group expects to adopt these on their effective dates.

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, and 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, amortisation of legacy transaction costs 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⁾	
	30 June 2025	30 June 2024	30 June 2025	31 December 2024
	\$'m	\$'m	\$'m	\$'m
Geographical information				
Australia	481.6	417.9	3,347.4	3,298.7
New Zealand	118.4	111.7	719.8	672.4
Total	600.0	529.6	4,067.2	3,971.1

⁽¹⁾ Non-current assets exclude financial instruments and deferred tax assets.

Notes to the Consolidated Financial Statements

2.1 Segment information (continued)

(b) Operating segment overview

Half-year ended 30 June 2025	A&NZ Pay \$'m	A&NZ Money \$'m	Other \$'m	Total \$'m
External revenue				
Net interest income	229.6	168.4	(1.9)	396.1
Other income	9.8	2.5	(0.7)	11.6
Total operating income	239.4	170.9	(2.6)	407.7
Net charge offs	(67.6)	(62.5)	-	(130.1)
Risk adjusted income	171.8	108.4	(2.6)	277.6
Cash operating expenses	(113.3)	(70.8)	-	(184.1)
Cash PBT	58.5	37.6	(2.6)	93.5
Movement in provision	(0.2)	(11.9)	-	(12.1)
Depreciation & amortisation (excluding leases)	(15.9)	(1.8)	-	(17.7)
Profit/(loss) before tax & notable items	42.4	23.9	(2.6)	63.7
Income tax expense	-	-	(17.5)	(17.5)
Cash NPAT	42.4	23.9	(20.1)	46.2
Notable items				
Remediation costs	-	-	(4.4)	(4.4)
Restructuring costs	-	-	(2.5)	(2.5)
Asset impairment	-	-	(2.0)	(2.0)
Decommissioned facilities	-	-	(0.4)	(0.4)
Tax effect of adjustments	-	-	2.8	2.8
Statutory profit/(loss) after tax from continuing operations	42.4	23.9	(26.6)	39.7
Discontinued operations				(0.5)
Statutory profit after tax				39.2
30 June 2025				
Segment balance sheet information				
Total assets reported by the Consolidated Group	3,773.4	3,385.7	775.5	7,934.6
Total liabilities reported by the Consolidated Group	(3,023.9)	(2,554.6)	(1,138.4)	(6,716.9)

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Notes to the Consolidated Financial Statements

2.1 Segment information (continued)

Half-year ended 30 June 2024	A&NZ Pay \$'m	A&NZ Money \$'m	Other \$'m	Total \$'m
External revenue				
Net interest income	190.2	135.3	(4.7)	320.8
Other income	16.3	1.9	2.8	21.0
Total operating income	206.5	137.2	(1.9)	341.8
Net charge offs	(55.8)	(54.2)	-	(110.0)
Risk adjusted income	150.7	83.0	(1.9)	231.8
Cash operating expenses	(103.0)	(62.2)	-	(165.2)
Cash PBT	47.7	20.8	(1.9)	66.6
Movement in provision	(11.6)	3.2	-	(8.4)
Depreciation & amortisation (excluding leases)	(16.5)	(2.2)	-	(18.7)
Profit before tax & notable items	19.6	21.8	(1.9)	39.5
Income tax expense	-	-	(12.1)	(12.1)
Cash NPAT	19.6	21.8	(14.0)	27.4
Notable items				
Amortisation of acquisition intangibles	-	-	(20.3)	(20.3)
Remediation costs (including cyber)	-	-	6.6	6.6
Corporate development	-	-	(7.4)	(7.4)
Restructuring costs	-	-	(2.9)	(2.9)
Asset impairment	-	-	(0.9)	(0.9)
Decommissioned facilities	-	-	(1.4)	(1.4)
Tax effect of adjustments	-	-	7.9	7.9
Statutory profit/(loss) after tax from continuing operations	19.6	21.8	(32.4)	9.0
Discontinued operations				(7.0)
Statutory profit after tax				2.0
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)

Notes to the Consolidated Financial Statements

2.2 Revenue and expenses

(a) Net interest income

	30 June 2025	30 June 2024
	\$'m	\$'m
Interest income	582.0	503.8
Bank interest income	6.4	4.8
Total interest income calculated using the effective interest method	588.4	508.6
Finance costs on borrowings	(191.9)	(187.3)
Lease interest expense	(0.4)	(0.5)
Total interest expense	(192.3)	(187.8)
Net interest income	396.1	320.8

(b) Other operating income

	30 June 2025	30 June 2024
	\$'m	\$'m
Interchange and operating fees	12.7	18.2
Other	(1.1)	2.8
Total other operating income	11.6	21.0

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

	30 June 2025	30 June 2024
	\$'m	\$'m
Net profit after income tax	39.2	2.0
(Increase) in interest receivable	(8.8)	(4.5)
Increase/(decrease) in interest payable	2.9	(1.2)
Depreciation and amortisation	19.7	42.2
Non-cash charge offs	179.4	151.8
Other expenses including income tax	8.8	(19.8)
(Increase) in loans and other receivables	(335.6)	(299.4)
Net (decrease) in trade and other liabilities	(22.2)	(38.6)
Net cash (used in) operating activities	(116.6)	(167.5)

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

Notes to the Consolidated Financial Statements

2.3 Income tax expense and deferred tax

(a) Income tax expense

	30 June 2025 \$'m	30 June 2024 \$'m
Current tax expense/(benefit)		
Current tax on profits/(losses) for the half-year	13.2	5.6
Adjustments recognised in the half-year for current tax of prior years	(1.3)	(0.1)
	11.9	5.5
Deferred tax expense/(benefit)		
Origination and reversal of temporary differences	2.8	(1.3)
	2.8	(1.3)
Income tax expense	14.7	4.2
Income tax expense is attributable to:		
Profit/(loss) from continuing operations	14.7	4.2
Profit/(loss) from discontinued operations	-	-
Income tax expense	14.7	4.2

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

	30 June 2025 \$'m	30 June 2024 \$'m
Profit/(loss) from continuing operations before income tax expense	54.4	13.2
Loss from discontinued operations before income tax expense	(0.5)	(7.0)
	53.9	6.2
Tax at the Australian tax rate of 30% (2024: 30%)	16.2	1.9
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Permanent differences	(0.2)	1.6
Effect of differences in tax rates in foreign jurisdictions	-	0.8
Adjustments of prior years	(1.3)	(0.1)
Income tax expense/(benefit)	14.7	4.2

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Notes to the Consolidated Financial Statements

2.4 Dividends and distributions

(a) Dividends

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

Half-year ended 30 June 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

Half-year ended 30 June 2024	Cents per share	Total \$'m	Date of payment	Franked amount per share
Final 2023 dividend	-	-	-	-

Dividend reinvestment plan

In the event Latitude Group Holdings Limited declares a dividend shareholders can elect to reinvest their entitlement in Latitude ordinary shares under the Company's Dividend Reinvestment Plan (DRP).

Shares issued under the DRP are provided through the issue of new shares and rank equally in all respects with existing fully paid Latitude ordinary shares.

(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 half-year.

	30 June 2025 \$'m	30 June 2024 \$'m
Distributions paid on capital notes ⁽¹⁾⁽²⁾	6.7	4.8

⁽¹⁾ Distributions payable is within trade and other payables Note 3.1(d)

⁽²⁾ Distributions paid for the half-year ended 30 June 2025 were unfranked. Distributions paid for the half-year ended 30 June 2024 were fully franked.

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:

	30 June 2025	Basic 30 June 2024	30 June 2025	Diluted 30 June 2024
Earnings (\$'m)				
Profit/(loss) for the period attributable to owners of the Company	39.2	2.0	39.2	2.0
Net loss from discontinued operations attributable to owners of the Company	(0.5)	(7.0)	(0.5)	(7.0)
Adjusted earnings from continuing operations attributable to owners of the Company	39.7	9.0	39.7	9.0
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	-	-	134.5	133.2
Total weighted average number of ordinary shares	1,039.7	1,039.7	1,174.2	1,173.0
Earnings per share (cents) attributable to owners of the Company				
Earnings/(loss) per share (cents)	3.8	0.2	3.3	0.2
Earnings/(loss) per share (cents) from continuing operations	3.8	0.9	3.4	0.8

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Notes to the Consolidated Financial Statements

Section 3 | Financial Instruments and Risk Management

3.1 Financial assets and liabilities

(a) Financial assets and financial liabilities

Financial assets		Assets designated FVOCI	Assets designated FVPL	Assets at amortised cost	Total
	Notes	\$'m	\$'m	\$'m	\$'m
30 June 2025					
Cash and cash equivalents	3.1(b)	-	-	287.8	287.8
Derivative financial instruments		-	0.9	-	0.9
Loans and other receivables	3.1(c)	-	-	6,616.6	6,616.6
Other financial assets		1.6	-	12.6	14.2
Total financial assets		1.6	0.9	6,917.0	6,919.5

31 December 2024					
Cash and cash equivalents	3.1(b)	-	-	410.2	410.2
Derivative financial instruments		-	10.8	-	10.8
Loans and other receivables	3.1(c)	-	-	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		Liabilities designated FVPL	Liabilities at amortised cost	Total
	Notes	\$'m	\$'m	\$'m
30 June 2025				
Trade and other liabilities	3.1(d)	-	196.5	196.5
Derivative financial instruments		16.8	-	16.8
Borrowings	3.1(e)	-	6,387.3	6,387.3
Total financial liabilities		16.8	6,583.8	6,600.6

31 December 2024				
Trade and other liabilities	3.1(d)	-	214.4	214.4
Derivative financial instruments		6.4	-	6.4
Borrowings	3.1(e)	-	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

	30 June 2025 \$'m	31 December 2024 \$'m
Current assets		
Cash and cash equivalents	285.6	406.9
Restricted cash ⁽¹⁾	2.2	3.3
Total cash and cash equivalents	287.8	410.2

⁽¹⁾ Being cash deposited as a security

(c) Loans and other receivables

	30 June 2025 \$'m	31 December 2024 \$'m
Loans and advances		
Loans and advances	6,961.8	6,747.7
Unearned income	(47.3)	(56.1)
Provision for impairment losses	(302.9)	(289.4)
Total loans and advances	6,611.6	6,402.2
Other receivables		
Trade receivables	2.1	13.0
Other receivables	2.9	2.5
Total other receivables	5.0	15.5
Total loans and other receivables	6,616.6	6,417.7
Current	3,317.9	3,234.6
Non-current	3,298.7	3,183.1
Total loans and other receivables	6,616.6	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.

Notes to the Consolidated Financial Statements

3.1 Financial assets and liabilities (continued)

(d) Trade and other liabilities

		30 June 2025	31 December 2024
	Notes	\$'m	\$'m
Current			
Trade and other payables		51.7	59.6
Accrued expenses		61.9	62.1
Payables to related parties	6.2(c)	16.6	16.6
Customer credit balances		53.5	54.8
Lease liability		2.8	4.4
Capital note distributions		2.2	1.7
Current trade and other liabilities		188.7	199.2
Non-Current			
Lease liability		7.8	15.2
Non-current trade and other liabilities		7.8	15.2
Total trade and other liabilities		196.5	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 4.69% as at 30 June 2025 (31 December 2024: 4.19%).

(e) Borrowings

		30 June 2025	31 December 2024
		\$'m	\$'m
Current			
Secured securitisation liabilities		737.8	734.5
Unsecured facility agreements		31.2	49.5
Current borrowings		769.0	784.0
Non-current			
Secured securitisation liabilities		5,618.3	5,532.2
Non-current borrowings		5,618.3	5,532.2
Total borrowings		6,387.3	6,316.2

Significant changes in funding during the half-year ended 30 June 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 July 2028.
- In May 2025, the New Zealand Personal Loans Trust was refinanced for \$593.3 million with an expected amortisation date in February 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 with SBI Shinsei Bank was extended to mature in March 2026.

As at 30 June 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.

Notes to the Consolidated Financial Statements

3.1 Financial assets and liabilities (continued)

Transaction costs incurred to establish funding

Borrowings are shown net of capitalised transaction costs incurred to establish the funding programme. Unamortised transaction costs of \$5.3 million are set off against borrowings at 30 June 2025 (31 December 2024: \$5.1 million). During the half-year \$1.6 million (half-year to 30 June 2024: \$3.0 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 half-year ended 30 June 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.

(f) 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 half-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.

Notes to the Consolidated Financial Statements

3.1 Financial assets and liabilities (continued)

(g) Recurring fair values

	Level 1 \$'m	Level 2 \$'m	Level 3 \$'m	Total \$'m
At 30 June 2025				
Financial assets				
Derivative financial assets				
Derivatives used for hedging - interest rate swaps	-	0.9	-	0.9
Other financial assets	-		1.6	1.6
Total financial assets	-	0.9	1.6	2.5
Financial liabilities				
Derivative financial liabilities				
Derivatives used for hedging - interest rate swaps	-	15.2	-	15.2
Derivatives used for hedging - foreign exchange contracts	-	1.6	-	1.6
Total financial liabilities	-	16.8	-	16.8
At 31 December 2024				
Financial assets				
Derivative financial assets				
Derivatives used for hedging - interest rate swaps	-	6.3	-	6.3
Derivatives used for hedging - 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 half-year.

(h) Level 3 fair values

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

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

Notes to the Consolidated Financial Statements

3.2 Financial risk management

Credit Risk

Exposure

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

	Stage 1	Stage 2	Stage 3	Total
	\$'m	\$'m	\$'m	\$'m
Very low risk	5,137.4	2.1	-	5,139.5
Low risk	497.0	0.6	-	497.6
Medium risk	216.6	0.1	-	216.7
Moderate risk	32.1	15.7	-	47.8
High risk	8.5	8.0	-	16.5
At 30 June 2025	5,891.6	26.5	-	5,918.1

	Stage 1	Stage 2	Stage 3	Total
	\$'m	\$'m	\$'m	\$'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
At 31 December 2024	6,535.6	19.3	-	6,554.9

⁽¹⁾ Purchased or Originated Credit Impaired (POCI) has been reclassified and removed due to immateriality of the balance

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	2,590.5	40.4	-	2,630.9
Low risk	1,495.5	37.0	-	1,532.5
Medium risk	1,486.8	66.5	-	1,553.3
Moderate risk	445.8	99.5	-	545.3
High risk	185.1	346.5	168.2	699.8
At 30 June 2025	6,203.7	589.9	168.2	6,961.8

	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
At 31 December 2024	6,050.2	552.6	144.9	6,747.7

⁽¹⁾ Purchased or Originated Credit Impaired (POCI) has been reclassified and removed due to immateriality of the balance

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 by credit quality

	30 June 2025 ⁽¹⁾ \$'m	31 December 2024 ⁽¹⁾ \$'m
Gross loans and advances		
Neither past due nor impaired ⁽¹⁾	6,091.2	5,806.0
Past due but not impaired ⁽¹⁾	702.4	796.8
Impaired ⁽¹⁾	168.2	144.9
Total	6,961.8	6,747.7

⁽¹⁾ Purchased or Originated Credit Impaired (POCI) has been reclassified and removed due to immateriality of the balance

(d) Loans and advances aging

	30 June 2025 \$'m	31 December 2024 \$'m
Gross loans and advances		
Current	6,113.2	5,826.7
Past due 1-29 days	557.1	663.3
Past due 30-89 days	179.2	166.5
Past due > 90 days	112.3	91.2
Total	6,961.8	6,747.7

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	Collective provision Total
	\$'m	\$'m	\$'m	\$'m
At 1 January 2025	89.6	135.6	64.2	289.4
Effects of exchange rate on translation	0.4	0.7	0.3	1.4
<i>Changes in the loss allowance contributed to by changes in the gross carrying amount of financial instruments, due to:</i>				
i) financial instruments originated during the year	17.0	8.8	6.8	32.6
ii) derecognition of financial instruments during the year	(11.8)	(21.6)	(30.3)	(63.7)
iii) change in balance during the year	(8.0)	(2.9)	(0.1)	(11.0)
iv) transfers between stages	31.2	(34.7)	3.5	-
Net remeasurement of loss allowance	(37.5)	53.3	40.6	56.4
Net change in overlays and other	(0.8)	(2.1)	0.7	(2.2)
At 30 June 2025	80.1	137.1	85.7	302.9
At 1 January 2024	185.4	15.4	63.3	264.1
Impact of implementation of second-generation models	(90.8)	89.4	(17.5)	(18.9)
Effects of exchange rate on translation	(0.6)	-	(0.2)	(0.8)
<i>Changes in the loss allowance contributed to by changes in the gross carrying amount of financial instruments, due to:</i>				
i) financial instruments originated during the year	17.0	5.3	1.5	23.8
ii) derecognition of financial instruments during the year	(9.5)	(14.7)	(20.1)	(44.3)
iii) change in balance during the year	(8.2)	(1.3)	(0.7)	(10.2)
iv) transfers between stages	29.9	(31.5)	1.6	-
Net remeasurement of loss allowance	(18.4)	50.6	23.1	55.3
Net change in overlays and other	0.3	0.8	0.4	1.5
At 30 June 2024	105.1	114.0	51.4	270.5

⁽¹⁾ Purchased or Originated Credit Impaired (POCI) has been reclassified and removed due to immateriality of the balance

Notes to the Consolidated Financial Statements

3.2 Financial risk management (continued)

The Group's total provision for impairment losses increased \$13.5 million between 31 December 2024 and 30 June 2025 (\$289.4 million to \$302.9 million) and the coverage ratio increased by 6bps (4.29% at December 2024 to 4.35% at June 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 June 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 \$27.2 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 \$(3.2) 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 \$7.9 million (31 December 2024: \$6.8 million).

The Group applied the below scenario weightings during the half-year ended 30 June 2025:

Scenario	Weighting 30 June 2025	Weighting 31 December 2024
Scenario One – Upside A 100% weighting to this scenario would result in a decrease to the total ECL provision at the reporting date of \$31.5 million	10%	10%
Scenario Two – Baseline A 100% weighting to this scenario would result in a decrease to the total ECL provision at the reporting date of \$7.9 million	65%	65%
Scenario Three – Downside A 100% weighting to this scenario would result in an increase to the total ECL provision at the reporting date of \$34.0 million	25%	25%

Latitude's Economic Panel recommended maintaining the economic scenario weightings at 10% Upside Scenario, 65% Baseline Scenario and 25% Downside Scenario, given global monetary policy easing cycle underway balanced against rising geopolitical tensions in the Middle East and speculation regarding further U.S. tariffs.

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 half-year, the following losses were recognised:

	30 June 2025 \$'m	30 June 2024 \$'m
Recognised in profit or loss		
Movement in provision on loans and advances	(12.1)	(8.4)
Net impairment loss on loans and advances	(130.1)	(110.0)
Losses recognised in relation to loans and advances	(142.2)	(118.4)

Notes to the Consolidated Financial Statements

Section 4 | Capital Management

4.1 Capital Management

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

	30 June 2025 \$'m	31 December 2024 \$'m
Ordinary share capital	2,075.5	2,075.5
Capital notes	143.7	147.0
Total contributed equity	2,219.2	2,222.5

Ordinary share capital

For the half-year ended 30 June 2025	Number of shares	\$'m
Ordinary share capital		
Balance as at 1 January 2025	1,039,676,643	2,075.5
Issue of shares - dividend reinvestment plan	21,519	-
Balance as at 30 June 2025	1,039,698,162	2,075.5

Capital notes

For the half-year ended 30 June 2025	Number of securities	\$'m
Capital notes		
Balance as at 1 January 2025	1,500,000	147.0
Capital note buy-back	(33,148)	(3.3)
Balance as at 30 June 2025	1,466,852	143.7

2025 Consolidated Interim Financial Report
Latitude Group Holdings Limited
For the half-year ended 30 June 2025

Notes to the Consolidated Financial Statements

Section 5 | Other Assets and Liabilities

5.1 Other assets and liabilities

(a) Property, plant and equipment

During the half-year ended 30 June 2025, the Group entered into an agreement for the early termination of the lease for Level 4 of its Auckland office premises. As a result, the carrying amount was adjusted by AUD \$5.6 million, resulting in a net loss of AUD \$0.5 million.

(b) Intangible assets

	30 June 2025 \$'m	31 December 2024 \$'m
Cost	849.5	865.0
Accumulated amortisation	(92.3)	(95.8)
Net book amount	757.2	769.2

	Goodwill \$'m	Customer contracts \$'m	Software \$'m	Capital works in progress \$'m	Trademark \$'m	Total \$'m
Balance at 1 January 2025	703.3	15.6	48.0	2.3	-	769.2
Additions	-	6.0	-	-	-	6.0
Amortisation charge	-	(2.4)	(16.7)	-	-	(19.1)
Impairment loss	-	-	(1.8)	-	-	(1.8)
Transfers	-	-	0.8	(0.8)	-	-
Foreign exchange movements	2.8	-	0.1	-	-	2.9
Balance at 30 June 2025	706.1	19.2	30.4	1.5	-	757.2
Cost	706.1	28.6	113.0	1.5	0.3	849.5
Accumulated amortisation	-	(9.4)	(82.6)	-	(0.3)	(92.3)
Net book amount at 30 June 2025	706.1	19.2	30.4	1.5	-	757.2

(c) Provisions

	30 June 2025 \$'m	31 December 2024 \$'m
Current		
Leave obligations	15.2	14.9
Other employee benefit obligations	10.3	13.2
Current employee benefit obligations	25.5	28.1
Remediation and other provisions	62.5	62.6
Total current provisions	88.0	90.7
Non-current		
Leave obligations	1.0	1.0
Other employee benefit obligations	1.1	-
Non-current employee benefit obligations	2.1	1.0
Remediation and other provisions	1.7	2.0
Total non-current provisions	3.8	3.0
Total Provisions	91.8	93.7

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.

Notes to the Consolidated Financial Statements

5.1 Other assets and liabilities (continued)

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 6.3 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.

Section 6 | Other Disclosures

6.1 Share based payments

(a) Description of share-based payment arrangements

During the half-year ended 30 June 2025, no grants have been made under the Latitude Equity Plan (LEP).

During 2025, the Group reviewed its long-term incentive plan, which now accounted for under employee benefit obligations and established to be cash-settled at the end of the three-year performance period, formerly the LTI plan was equity-settled. LEP Performance Rights delivered in years 2023 and 2024 continue to be equity-settled and offered under the original terms and conditions.

6.2 Related party transactions

(a) Ultimate parent entity

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

(b) Key Management Personnel

The terms of arrangement for related parties are consistent with those disclosed in the 31 December 2024 financial report.

(c) Other transactions and outstanding balances

Loan payable to shareholder relates to an unsecured single draw bullet term credit facility agreement with SBI Shinsei Bank, for USD \$20.0 million (AUD \$30.6 million) which was extended in March 2025 to mature in March 2026.

The Company and KVD Singapore Pte. Ltd (KVDS) entered into an agreement on 30 March 2021, 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 payable of \$16.6 million is due at 30 September 2025, payable to KKR Clarendon Holdings L.P and Vatpo Investments Pte. Ltd.

	30 June 2025 \$'thousands	30 June 2024 \$'thousands
Other transactions paid		
Ordinary share dividends paid	31,166	-
Capital note distribution paid	6,722	4,835
Interest paid to shareholder	1,832	3,108

	30 June 2025 \$'thousands	31 December 2024 \$'thousands
Outstanding balances		
Loan payable to shareholder	30,624	48,282
Payable to selling shareholders	16,592	16,592
Interest payable to shareholder	569	1,246
Capital note distribution payable	2,224	1,710

Notes to the Consolidated Financial Statements

6.3 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. With the exception of the Office of the Australian Information Commissioner (OAIC) and the New Zealand Office of the Privacy Commissioner (OPC) investigations referenced below, the Group has not recognised a provision as it considers the outcome of any specific inquiry underway as at 30 June 2025 resulting in an outflow is less than probable.

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 to Taxation reviews and the Cyber incident that may impact the Group are set out below.

Taxation

The tax affairs of the Group are subject to review by both the Australian Taxation Office ('ATO') and the New Zealand Inland Revenue Department ('IRD'), as well as the revenue offices of the various Australian states and territories from time to time.

The Group has received and responded to requests from the ATO for information arising from an Audit that commenced in 2024 and is still subject to finalisation. The audit focused on 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.

The Group is aware of a number of customer complaints made to the Australian Financial Complaints Authority (AFCA) as a result of the Cyber incident that are still being assessed and are subject to determination.

The Group notes that it provided a range of support services to customers in response to the Cyber incident, including reimbursing customers who replaced their identification documents. Other than identification document replacement costs, the Group does not believe that there is any evidence of customers having suffered financial loss arising from the Cyber incident.

The respective 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.

At 30 June 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:** In May 2024, the OAIC advised Latitude that a representative complaint made by Gordon Legal on behalf of a complainant had been accepted as having been validly made. Latitude is aware that another representative complaint has been filed with the OAIC. In addition, 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.

Notes to the Consolidated Financial Statements

6.4 Events occurring after the reporting date

There has not arisen in the interval between the end of the half-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.

6.5 Discontinued operations

(a) Description

The Group presents the Asia operations and Symple Canada Financial Group Ltd as discontinued operations in accordance with the applicable accounting standards.

(b) Financial performance

	30 June 2025	30 June 2024
	\$'m	\$'m
Revenue	-	1.7
Expenses	(0.5)	(8.7)
Loss after income tax of discontinued operations	(0.5)	(7.0)
Loss after income tax of discontinued operation	(0.5)	(7.0)
Basic loss per share	-	(0.7)
Diluted loss per share	-	(0.7)

(c) Cashflow statement

	30 June 2025	30 June 2024
	\$'m	\$'m
Net cash used in operating activities	(0.1)	(14.1)
Net cash (used in)/provided by financing activities	-	(3.4)
Effects of exchange rate changes on cash and cash equivalents	-	0.2
Net cash flow for the period	(0.1)	(17.3)



Independent Auditor's Review Report

To the shareholders of Latitude Group Holdings Limited

Report on the Interim Financial Report

Conclusion

We have reviewed the accompanying **Interim Financial Report** of Latitude Group Holdings Limited.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Interim Financial Report of Latitude Group Holdings Limited does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the **Group's** financial position as at 30 June 2025 and of its performance for the **Interim Period** ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The **Interim Financial Report** comprises:

- Consolidated statement of financial position as at 30 June 2025
- Consolidated Income Statement, Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the Interim Period ended on that date
- Notes 1 to 6 comprising material accounting policies and other explanatory information
- The Directors' Declaration.

The **Group** comprises Latitude Group Holdings Limited (the Company) and the entities it controlled at the Interim Period's end or from time to time during the Interim Period.

The **Interim Period** is the 6 months ended on 30 June 2025.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review 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 *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements.



Responsibilities of the Directors for the Interim Financial Report

The Directors of the Group are responsible for:

- the preparation of the Interim Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*
- such internal control as the Directors determine is necessary to enable the preparation of the Interim Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Interim Financial Report

Our responsibility is to express a conclusion on the Interim Financial Report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the Interim Financial Report does not comply with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 30 June 25 and its performance for the Interim Period ended on that date, and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of an Interim Period Financial Report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with *Australian Auditing Standards* and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

KPMG

Beenish Durrani

Partner

Melbourne

22 August 2025