HY26 | December 2025

# Half Year Results

# Presentation Outline



AFG

# AFG: The backbone of Australian lending distribution

Australia's leading broker network and a growing lending platform

**4,300**
Active Brokers

**1 in 9**

**Residential mortgages in Australia written by an AFG broker**

Aggregator of choice connecting **600k+ customers**

**Brokers** now have **77%** market share

# Manufacturing & Tech: ecosystem expansion

- **AFG Securities** - Securitised lending
- **BrokerEngine** – Integrated broker platform
- **Fintelligence** - Asset Finance platform

**$6.3b**
**AFGS** loan book

| **$24 Million** +43% | **$183 Million** | **21%** |
|---|---|---|
| Underlying NPATA | Liquid Assets & Investments | Return on Equity |

# H1 FY26 Profit[1] up 43% to $24m, record outcomes across the business

| | | |
|---|---|---|
| Residential Settlements<br>**+19%**<br>to $38b | AFGS Closing Book<br>**+24%**<br>to $6.3b | Gross Profit per Broker<br>**+15%**<br>to $42k |
| Asset Finance Settlements<br>**+20%**<br>to $2.1b | AFGS Settlements<br>**+34%**<br>to $1.9b | Subscription Income<br>**+11%**<br>to $11m |
| Broker Investments<br>**+3**<br>EBITDA $2m (annualised) | Net Interest Margin<br>**+11bps**<br>to 124bps | Cost to Income<br>**-8%pts**<br>down to 56% |

*All growth rates are provided relative to H1 FY25.*

*1. Underlying NPATA. Reported NPAT of $22m up 46%*

# AFG Securities starts 2026 with 99% lodgement growth

Lodgement pipeline building into CY26 with double digit growth across the business

### Distribution

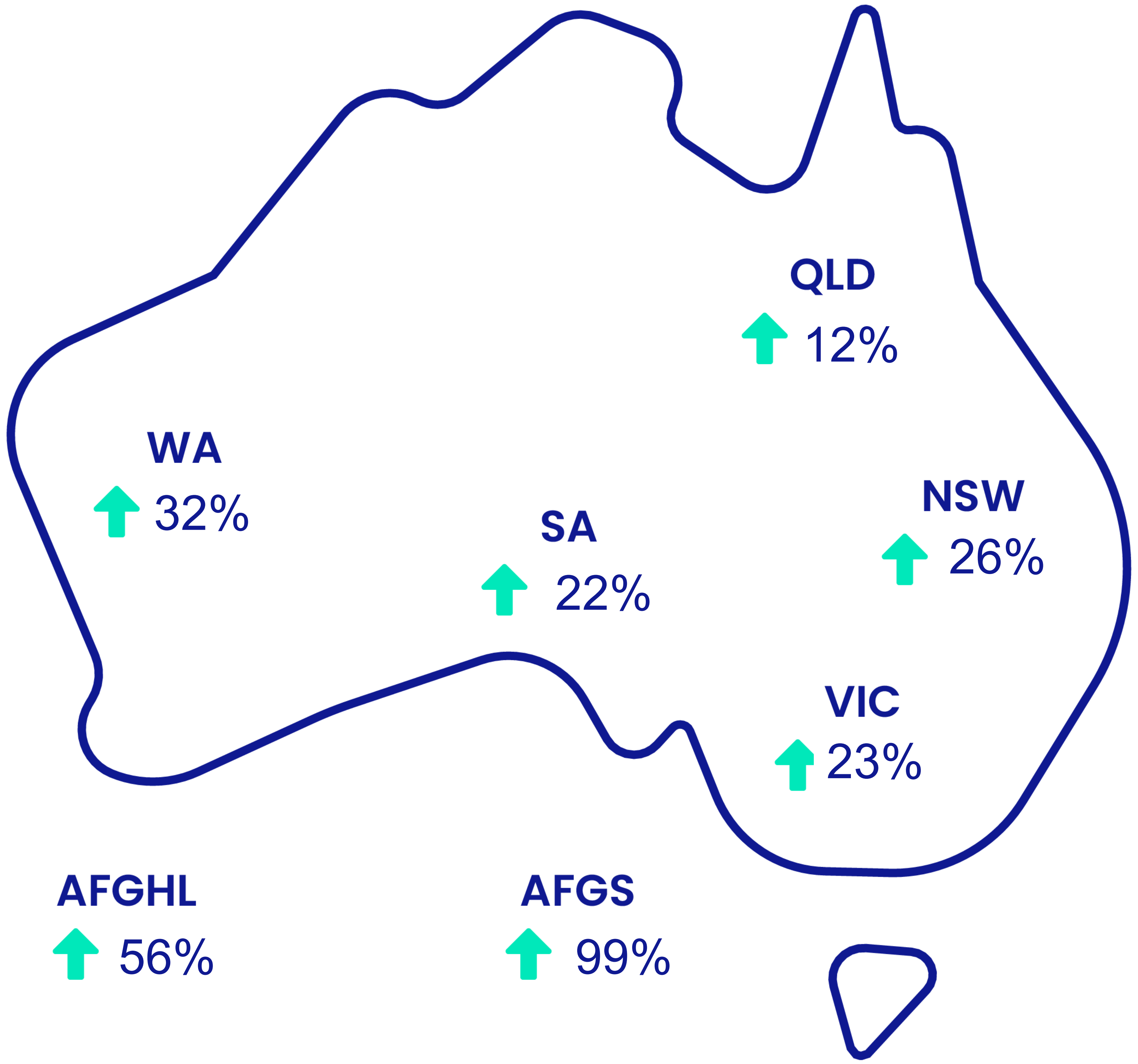
- Residential lodgements up 23% on January 2025, with settlements also increasing
  - Growth recorded across all states
  - Strong growth in largest states NSW & VIC
- AFG Home Loans (AFGHL) lodgements up 56% on January 2025 while white label volume transition towards AFG Securities (AFGS) continues

### Manufacturing

- Record $1.2b RMBS, with strong pricing outcomes, creating greater certainty over near term NIM outlook
- AFG Securities lodgements up 99% on January 2025

## Comparison of January lodgements

January 2026 change on January 2025



# A business built to deliver through cycles

Consistent execution across all 3 strategic pillars supports confidence in growing shareholder value

**STRATEGIC PILLAR 1**

## Grow our broker network

# 22

years of consecutive residential loan book growth and still the home for larger brokering groups

**STRATEGIC PILLAR 2**

## Provide a market leading technology proposition

# 2.5x

growth in larger broker groups vs the rest of the network, leveraging scale and platform capability

**STRATEGIC PILLAR 3**

## Deliver higher margin through our distribution network

# 16 % 5yr CAGR

AFG Securities loan book growth, and $6^{th}$ largest lender on AFG's panel for settlements

# Structural drivers underpin our confidence to deliver on our FY29 Aspiration

Industry consolidation | Scaled network | Resilient funding structures | Capital discipline

| | Measure | Dec '25 | Current | FY29 Aspiration |
|---|---|---|---|---|
| **STRATEGIC PILLAR 1** Grow our broker network | Residential settlement growth | 13%[1] | **19%[1]** | 8% CAGR |
| | Number of equity broker investments | 2 | **5** | 35 |
| **STRATEGIC PILLAR 2** Provide a market leading technology proposition | Broker service income mix[2] | 20% | **21%** | 30% |
| | Underlying cost to income | 64% | **56%** | <50% |
| **STRATEGIC PILLAR 3** Deliver higher margin through our distribution network | AFG Securities book size | $5.1bn | **$6.3bn** | $9bn |
| | AFG Securities NIM | 113bps | **124bps** | 120bps |

1. *Current: HY26 growth compared to HY25 (Dec '25: HY25 compared to HY24)*
2. *As a percentage of Distribution underlying gross profit*

HY26 RESULTS

# Financial update

# Earnings accelerating with operating leverage delivered

AFG's strategy delivers value to brokers and contributes to our positive earnings outlook

| | Growth v HY25 | |
|---|---|---|
| Underlying gross profit per broker[1, 2] | ▲ 15% | $42k pa |
| Gross profit[1] | ▲ 16% | $78.1m |
| EBITDA | ▲ 43% | $35.6m |
| NPAT | ▲ 46% | $22.4m |

**Annuity style earnings**
74%

**Return on equity**
21%

**Investments & liquid assets[4]**
$183m

**EBITDA by segment**

**Distribution**
▲ 8% to $36m

3% lift in gross profit per broker

+$1m broker investments

**Manufacturing**
▲ 141% to $14m

+$9m net interest margin

19%pt reduction in underlying CTI[3]

**Central services[5]**
$(15)m

Delivering operating leverage while investing for growth

1. *Gross profit and other income*
2. *Per AFG broker*
3. *Cost to income ratio (NB: %pt = percentage point improvement)*
4. *Consists of unrestricted cash, trail book, investments and subordinated notes as outlined in the appendices*
5. *Includes various centralised support functions, including Technology, Finance and HR*

# Delivering growth & strong returns across segments

## Distribution

**EBITDA HY26**

$36^M

+8% on HY25

**Underlying ROE 37%**

- Represents 72%[1] of EBITDA
- Residential commissions returns to growth
- 8 consecutive years of growth in broker services income, almost 20% of distribution earnings
- Opex[2] increase of $0.7m, primarily technology enhancements and broker engagement

Growing the network and investing in our highest return segment

## Manufacturing

$14^M

+141% on HY25

**Underlying ROE 30%[3]**

- Record book growth driving higher NIM ($9m)
- Operating leverage delivering $4m in scale benefits
- Opex[2] increase of $0.6m, employee costs supporting record growth
- Thinktank +$1m, benefitting from scale

Record book growth supported by scalable processes

## Central services

-$15^M

-2% on HY25

- Includes various centralised support functions, including Technology, Finance and HR
- Continued investment to support group growth, primarily in technology
- Cost discipline maintained through offsetting efficiencies

Enabling growth while maintaining cost discipline

1. *EBITDA excluding Central*
2. *Operating expenses excluding depreciation & amortisation*
3. *Return on equity excluding Thinktank investment*

# Financial outcomes continue to strengthen

**Compelling earnings growth**

- Reported NPAT of $22.4m, up 46%
- Underlying ROE increased to 21%

**Operating leverage being delivered**

- Gross profit[1] increased 16% to $79m
- Underlying CTI reduced to 56%
- Opex well controlled, as gross profit growth outpaces investment
- H1 opex seasonally higher than H2

**Strong cash generating businesses**

- Net cash from operating activities $20m, up 50%
- Earnings quality supporting dividends and reinvestment
- Growth in profit from associates driven by Broker Investments & Thinktank

**Dividends**

- Fully franked interim dividend of 4.7cps
- Record date is 26 February 2026 and payable on 27 March 2026
- FY26 payout ratio between 50% to 70% of adjusted NPAT[5]

| $m | HY26 | HY25 | Variance |
|---|---|---|---|
| Gross profit [1, 2] | 78.8 | 68.2 | 16% |
| Change in trail book future value | (0.7) | (1.1) | 34% |
| Operating expenses [2] | (50.1) | (47.6) | (5%) |
| Net finance income | 1.6 | 2.2 | (30%) |
| Share of profit from associates | 2.0 | 0.5 | n.m. |
| Profit before tax | 31.6 | 22.3 | 42% |
| EBITDA | 35.6 | 24.9 | 43% |
| Reported NPAT [3] | 22.4 | 15.3 | 46% |

| Financial metrics | Units | HY26 | HY25 | Variance |
|---|---|---|---|---|
| Net cash from operating activities | $m | 20.3 | 13.5 | 50% |
| Underlying EPS | cps | 8.9 | 6.2 | 42% |
| Dividends % of Adjusted NPAT[5] | % | 60 | 60 | - |
| Underlying ROE | % | 21 | 16 | 31% |
| Net Interest Margin | bps | 124 | 113 | 11 |
| Average FTE | # | 297 | 325 | (9)% |
| Underlying Cost to Income [2, 4] | % | 56 | 64 | (13)% |

1. *Gross profit and Other income excluding trail book accounting adjustment*
2. *HY25 Gross profit and Operating expenses adjusted for change in classification*
3. *Reconciliation between Reported NPAT and Underlying NPATA detailed on slide 34*
4. *Underlying Operating Expenditure less Depreciation & Amortisation costs / (Gross Profit (adjusted for Trail) + Other Income)*
5. *Adjusted NPAT = Underlying NPAT (see slide 34), excluding equity accounted earnings from associates, replacing them with cash dividends received*

## Distribution

# 8 years of consecutive growth in subscription income

Growing the network and investing in our highest return segment

Gross profit +5% to $58m | ROE 37% | 72% of Group EBITDA

**Steady growth**

- **Record residential settlement driving margin expansion,** increased $1.9m, with payout ratios broadly stable
- **Asset finance aggregation** 20% settlements growth, with early signs of margins stabilising
- **Network scale** building reinforcing our position in lending ecosystem

**Earnings mix continues to shift**

- **Subscription income** up 11%, now 20% of Distribution Gross Profit
- **8 consecutive years** of growth in broker services income
- **Diversified products** margin down primarily as white label volumes reduce, transitioning to AFG Securities product with superior margin
- Lifting gross profit per broker

**Disciplined investment**

- Opex[2, 3] increase of $0.7m, primarily technology enhancements and broker engagement. 1st half seasonally higher

| $m | HY26 | HY25 | Variance |
|---|---|---|---|
| **Gross profit [1, 2]** | **58.3** | **55.5** | **5%** |
| Change in trail book future value | (0.7) | (1.1) | 34% |
| Operating expenses [2] | (27.4) | (25.6) | 7% |
| Profit before tax | 29.7 | 28.6 | 4% |
| **EBITDA** | **35.9** | **33.2** | **8%** |

| Gross profit composition | Units | HY26 | HY25 | Variance |
|---|---|---|---|---|
| **Residential Upfront** | **$m** | **8.6** | **7.1** | **20%** |
| Settlements | $b | 38.0 | 31.8 | 19% |
| Retained | % | 3.7% | 3.7% | - |
| **Residential Trail** | **$m** | **9.4** | **9.0** | **4%** |
| Average book | $b | 217 | 203 | 7% |
| Retained | % | 5.3% | 5.5% | (4%) |
| **Diversified products** | **$m** | **17.8** | **18.6** | **(4%)** |
| **VBI Margin** | **$m** | **6.4** | **6.6** | **(3%)** |
| **Subscription income** | **$m** | **11.2** | **10.1** | **11%** |
| **Other income** | **$m** | **4.9** | **4.1** | **19%** |

1. *Gross profit and Other income excluding trail book accounting adjustment*
2. *HY25 Gross profit and Operating expenses adjusted for change in classification*
3. *Operating expenses excluding depreciation & amortisation*

## Manufacturing

# Strong earnings growth, delivering EBITDA +141%

Record book growth supported by improving operational leverage, delivering increasing returns **30% RoE**

**Growth**

- +$6m net interest from book, from growth in book closing at $6.3b
- +$3m from higher NIM, with funding cost improvements
- Thinktank +$1m, benefitting from scale

**Leverage**

- Operating leverage delivering $4m in scale benefits
- Cost to income ratio improved 19% pts to 39%
- Opex[2, 3] increase of $0.6m, employee costs supporting record growth

**Funding Strength**

- NIM less sensitive to short term rate volatility
- Significant proportion of the book now locked in at improved margins

**Further margin expansion opportunity**

- Modernisation initiatives to unlock further efficiencies and margin benefits

| $m | HY26 | HY25 | Variance |
|---|---|---|---|
| **Gross profit [1, 2]** | **21.0** | **13.0** | **62%** |
| Operating expenses [2] | (8.1) | (7.6) | (7%) |
| Profit before tax | 16.8 | 8.4 | 100% |
| **EBITDA** | **14.3** | **5.9** | **141%** |

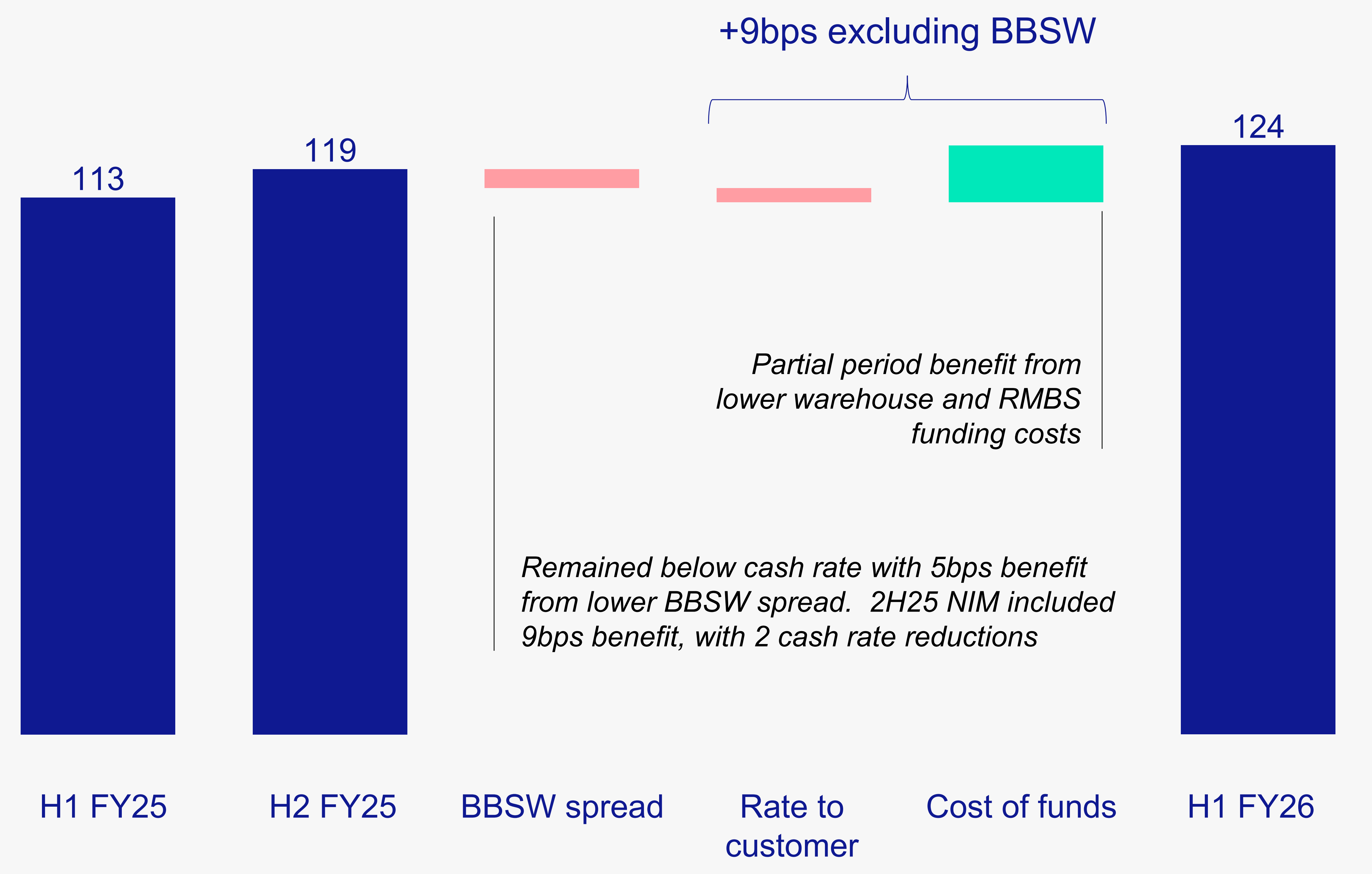
| Gross profit composition | Units | HY26 | HY25 | Variance |
|---|---|---|---|---|
| **AFG Securities NIM ($m)** | **$m** | **35.8** | **26.8** | **34%** |
| AFG Securities Average book ($b) | $b | 5.9 | 4.8 | 23% |
| NIM (bps) | % | 124 | 113 | 10% |
| **AFG Securities Commission ($m)** | **$m** | **(13.5)** | **(12.2)** | **(11%)** |
| AFG Securities settlements ($b) | $b | 1.9 | 1.4 | 34% |
| **Other fees / costs** | **$m** | **(1.3)** | **(1.7)** | **23%** |

1. *Gross profit and Other income excluding trail book accounting adjustment*
2. *HY25 Gross profit and Operating expenses adjusted for change in classification*
3. *Operating expenses excluding depreciation & amortisation*

## AFG Securities:
# Highest NIM since FY18[1], greater near term certainty

Record volume growth achieved while maintaining pricing discipline in the market and expanding NIM.
While a cash rate increase cycle may impact BBSW spreads, the current funding market outlook remains positive

**NIM expansion to 124bps in HY26**




### Strengthened funding profile

- Proactive management delivering lower funding costs
- 3 warehouses renewed / established at improved margins
- $1.0b RMBS issued, 25bps inside previous issuance

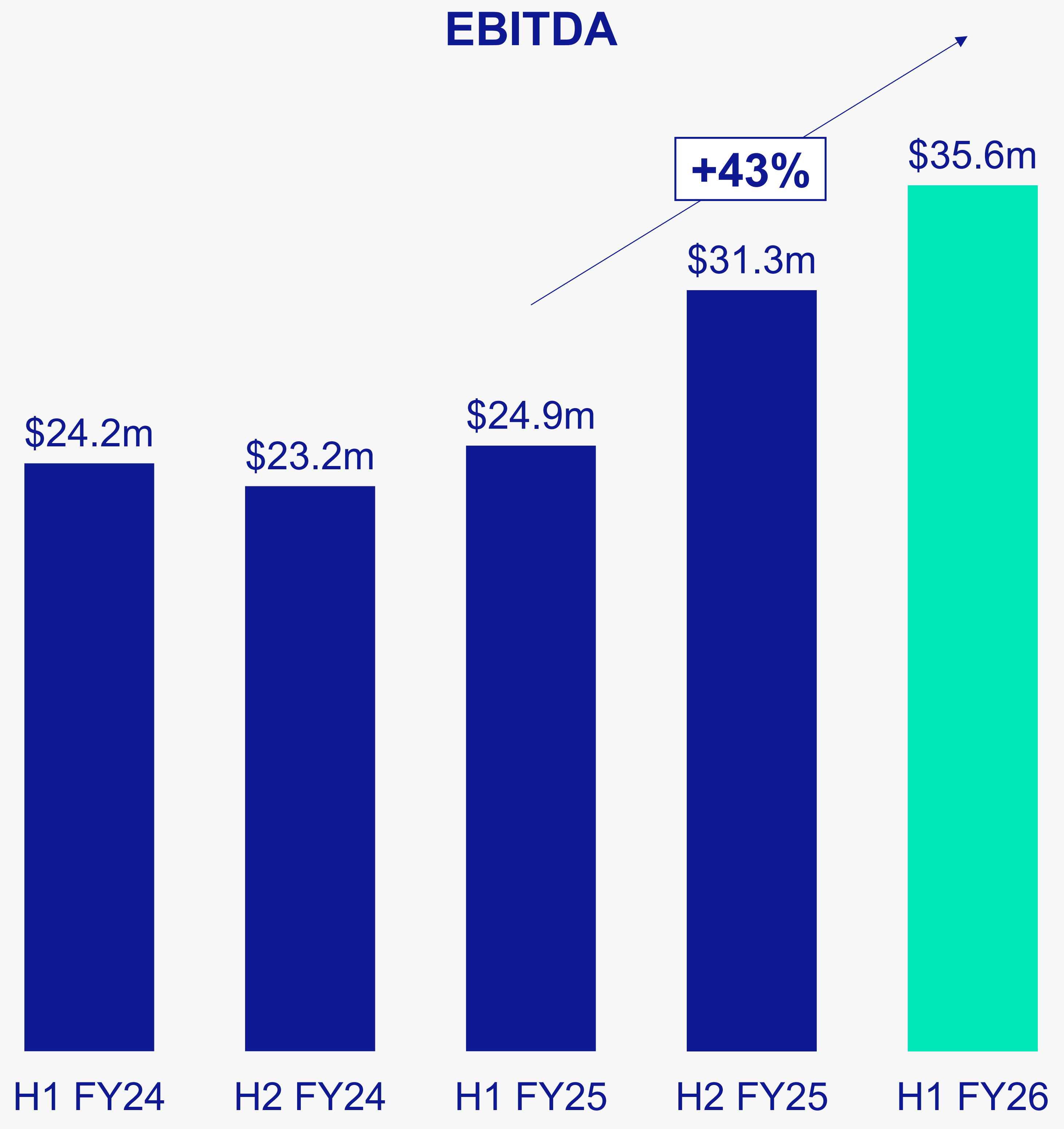
### Further funding margin reductions anticipated in H2

- Cost of funds benefits during H1 to be realised for the full period in H2
- $1.2b February RMBS, well inside warehouse cost of funds
- 53% of the book now locked in through term funding
- A 10bps increase in funding margin for renewals in H2 would affect NIM by 1bps[2]

1. *Excluding abnormal period in FY20-FY22 where TFF and government stimulus benefitted markets*
2. *Illustrative based on current mix of AFGS book as at December 2025, adjusting for February RMBS and considering warehouse renewals in H2 FY26. This exclude BBSW impact*

# Multiple earnings streams building into FY27

Recent capital allocation delivering EBITDA growth of 43%




## Key investments translating into earnings uplift

| | | HY26 annualised earnings uplift | Platform for further earnings growth |
|---|---|---|---|
| **Broker services** | BrokerEngine Plus generating higher subscription income & broker efficiency | **+$2m** | • Broker Engine migration towards 90%<br>• New features & services will increase revenue per broker |
| **Broker Investments** | 5 direct broker investments (3 in H1). 7 secondary investments in H1[1] | **+$2m** | • Annualised earnings run rate building<br>• Strong organic growth in existing investments<br>• Pipeline of additional opportunities |
| **AFG Securities** | Scalable business and funding strategy enabling book growth & margin strength | **+$15m[2]** | • Closing HY26 book of $6.3bn and represents additional $5m annualised Net Interest Income[3]<br>• Continued operating leverage |

1. *Direct investments by AFG to Broker group. Secondary investments are subsequent acquisitions by a broker investments groups acquiring another broker business or loan books. See slide 23*
2. *Manufacturing EBITDA excluding Thinktank Investment. Includes both book growth and higher net interest margin %. Average book for H1 FY26 was $5.9b*
3. *Assumes a NIM of 124bps, on a $6.3bn book compared to the H1 average ($5.9bn). Each additional $0.5bn in book size is $6.2m in additional Net Interest Income assuming the same NIM*

# Flexible financial position provides capacity for growth

## Cash generation : predictable and diversified cash flows

**$24m** pa trail book + **$22m** subscription income pa + **$72m** Net interest income (NII) pa

- Trail commissions provides highly predictable and actuarially proven earnings
- Highly integrated broker services generate repeatable cashflows
- Cyclical NII provides leverage to volume trends

## Liquidity and high performing investments

**$61m** unrestricted cash + **$86m** trail net asset + **$56m** strategic investments

- Unrestricted cash provides flexibility in a dynamic environment
- Trail book net asset is a significant source of embedded value
- Strategic investments are carried at cost, and not reflective of market value
- Strategic investments are regularly reviewed for return adequacy, with return on capital at 18%[1]

## Capacity to fund growth

**Net cash position**

**85%** cash conversion

**Headroom to target gearing**

- Our strategy enables invested capital growth where returns are compelling
- Strong balance sheet risk settings and predictable cash generating model provides funding optionality
- Prudent liquidity settings provide flexibility to respond to macroeconomic conditions

1. *Return on capital excluding Thinktank investment*

HY26 RESULTS

# Market & operations update

# Growing the network and generating greater value

Product diversification continues to provide the platform for earnings to continue to build across our segments

### Growing the network – active[1] brokers increased 4% to 4,300

- 91 new AFG broker groups recruited
- Ongoing broker consolidation favouring larger, more productive groups
- AFG over-indexed in large broker groups, with their growth outpacing the network

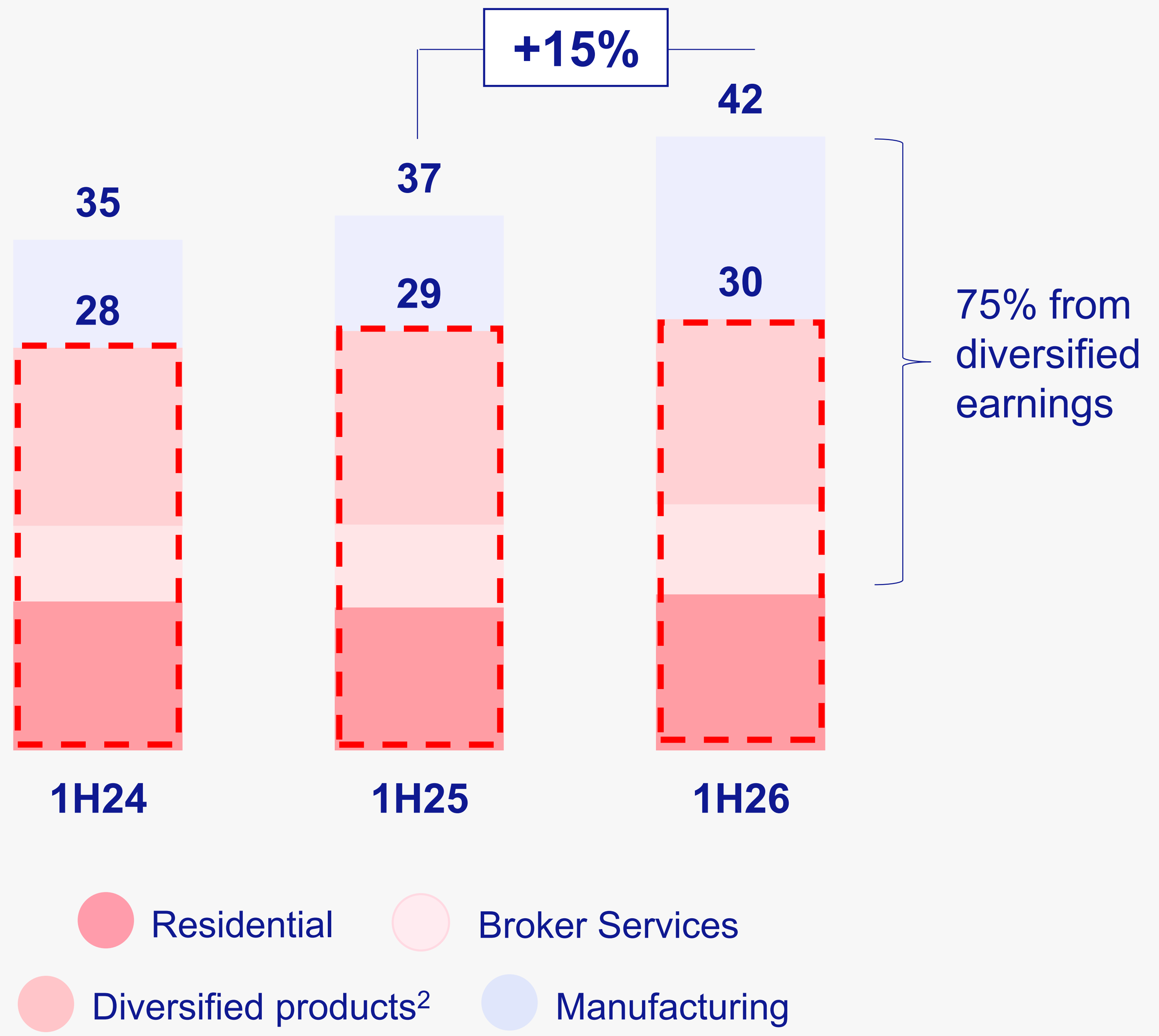
### Growth in earnings per broker in our core Distribution business

- Technology investment and ongoing innovation improving broker efficiency
- Increased adoption of value-add broker services is lifting recurring revenue
- Partner Connect leveraging the scale of the AFG network to unlock additional value

### Manufacturing contribution a standout

- AFGS book at $6.3 billion, with record settlements and market share
- NIM of 124bps (+11bps), with funding benefits secured through recent term issuances and renewed warehouse at lower cost of funds

**AFG Underlying Gross Profit ($k per broker p.a.)**



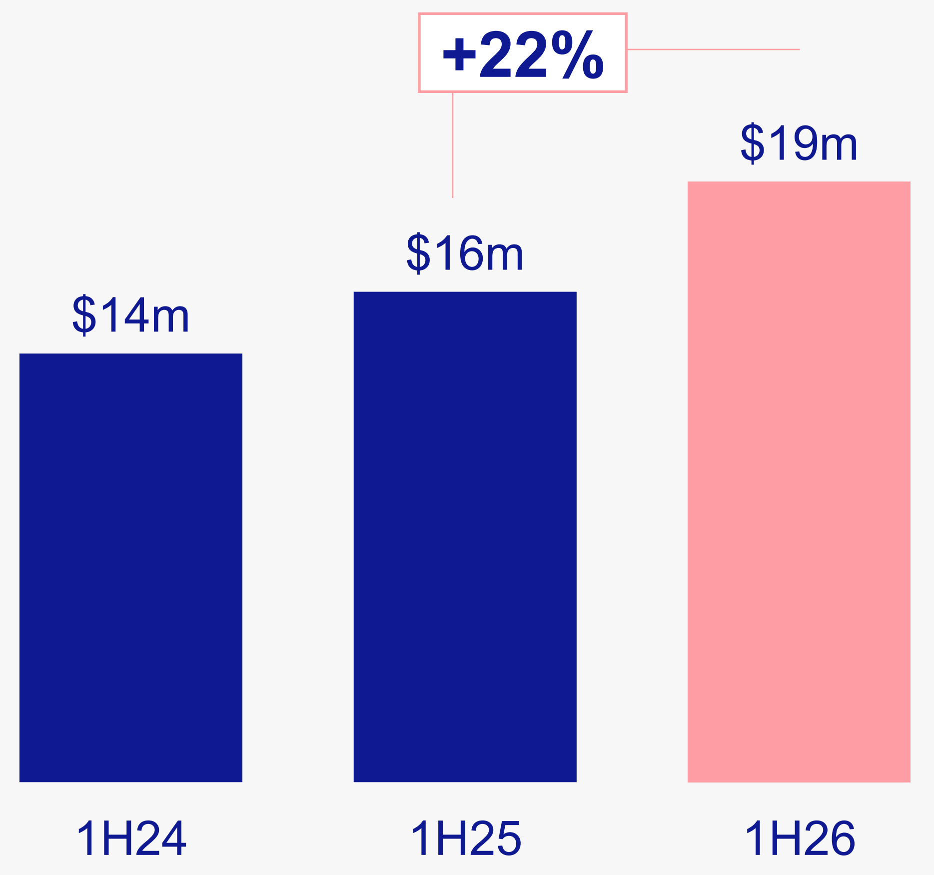

1. *Active brokers writing a deal within the last 6 months*
2. *Diversified products include all products outside of traditional Residential mortgage aggregation margin such as Commercial, White Label, Asset finance and Partner Connect*

### Distribution:
# AFG brokers now write 1 in 9 mortgages

AFG's over-indexing to large groups creates a structural advantage through consolidation and productivity

**Brokers increasing productivity**

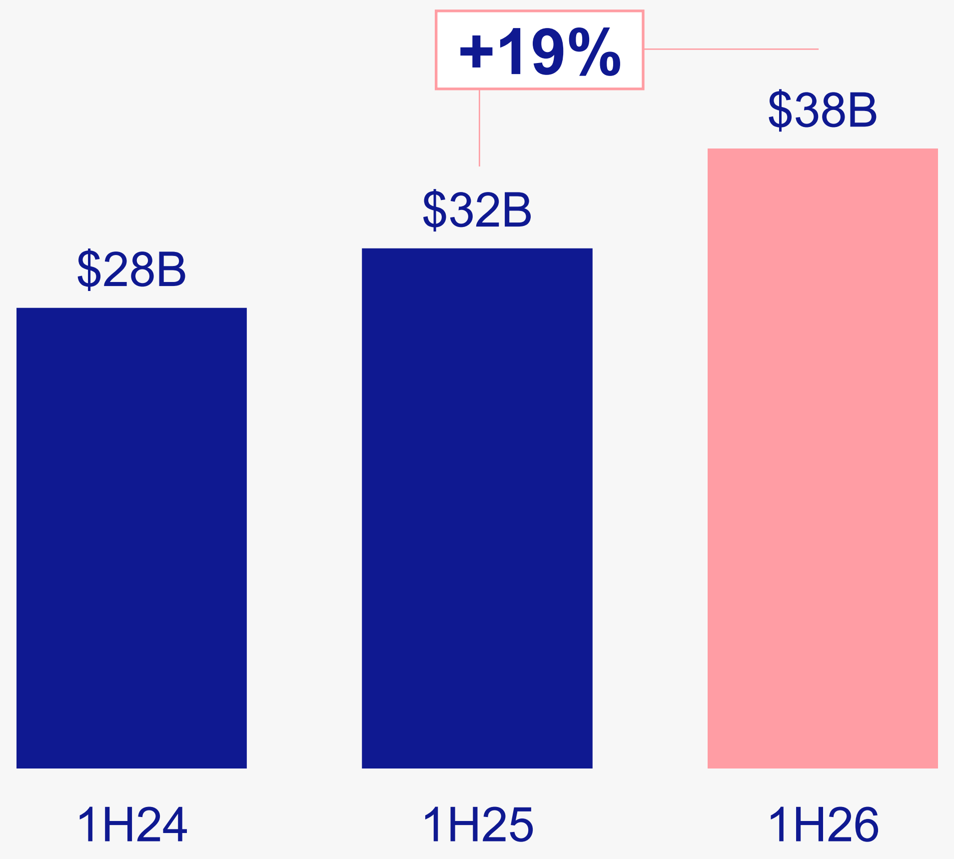
**Residential lodgements per broker**




- Generating a record lodgement pipeline. HY26 residential lodgements +26% to $62 billion

**Delivering growth above market[1]**

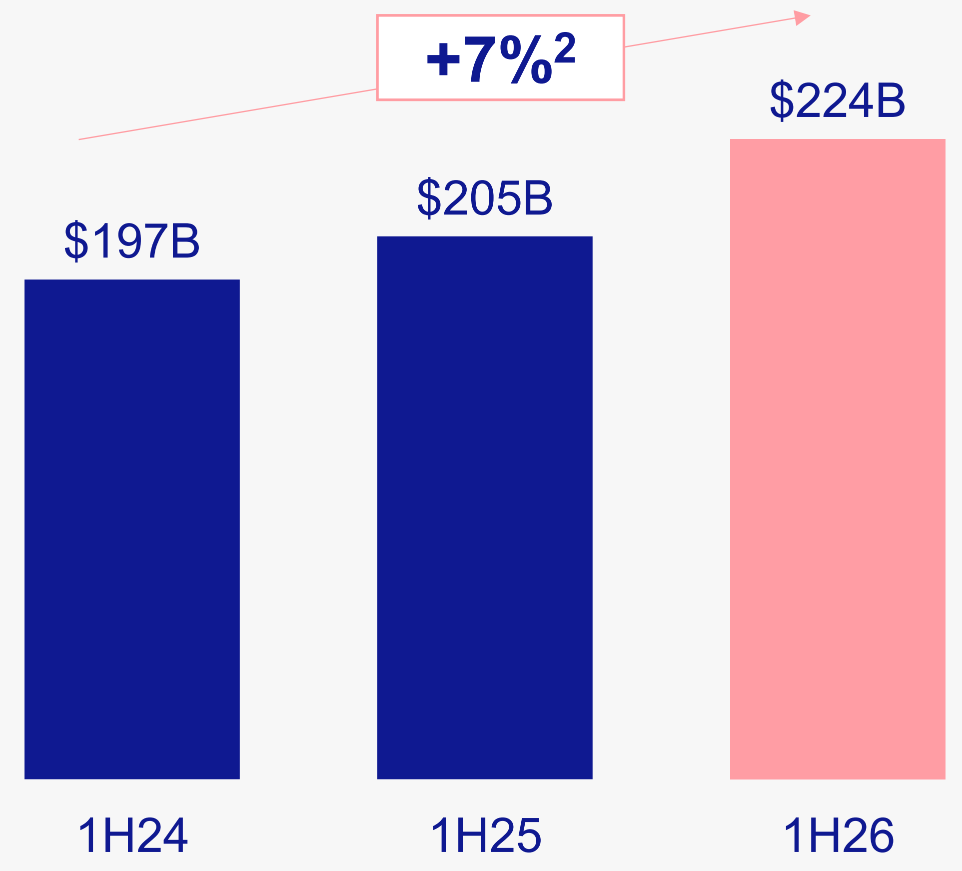
**Residential Settlements**




- Growth outpacing market 1.1x[1]

**Driving consistent book growth**

**Residential closing book**




- 9% growth in HY26, above long-term average including improved run-off of 23% down from 27% in HY25

1. *Source: Australian Bureau of Statistics: 17% growth for 12 months to September 2025*
2. *Long term CAGR since Dec 2021*

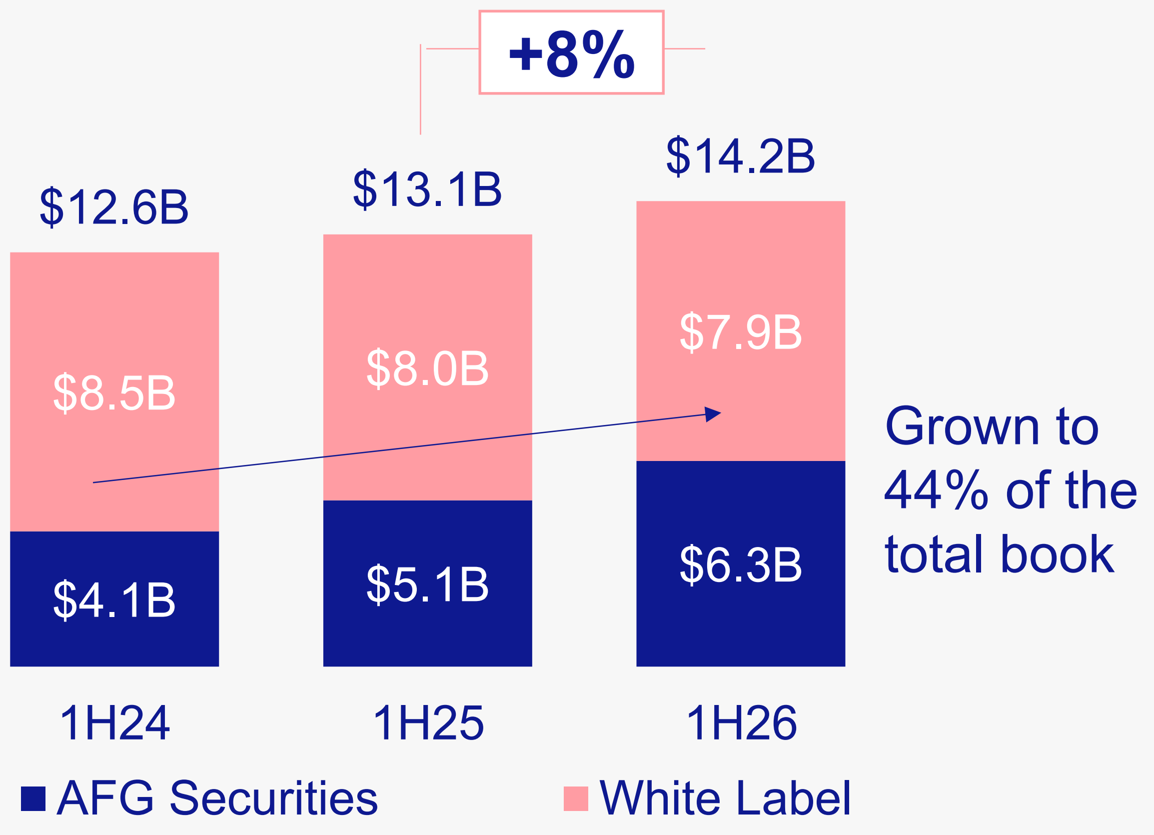
## Distribution:

# Earnings mix shifting toward higher margin products

Diversified products & broker services underpin growth in Distribution gross profit per broker, up 3%

**AFG Home Loans[1] transitioning towards higher margin AFG Securities**

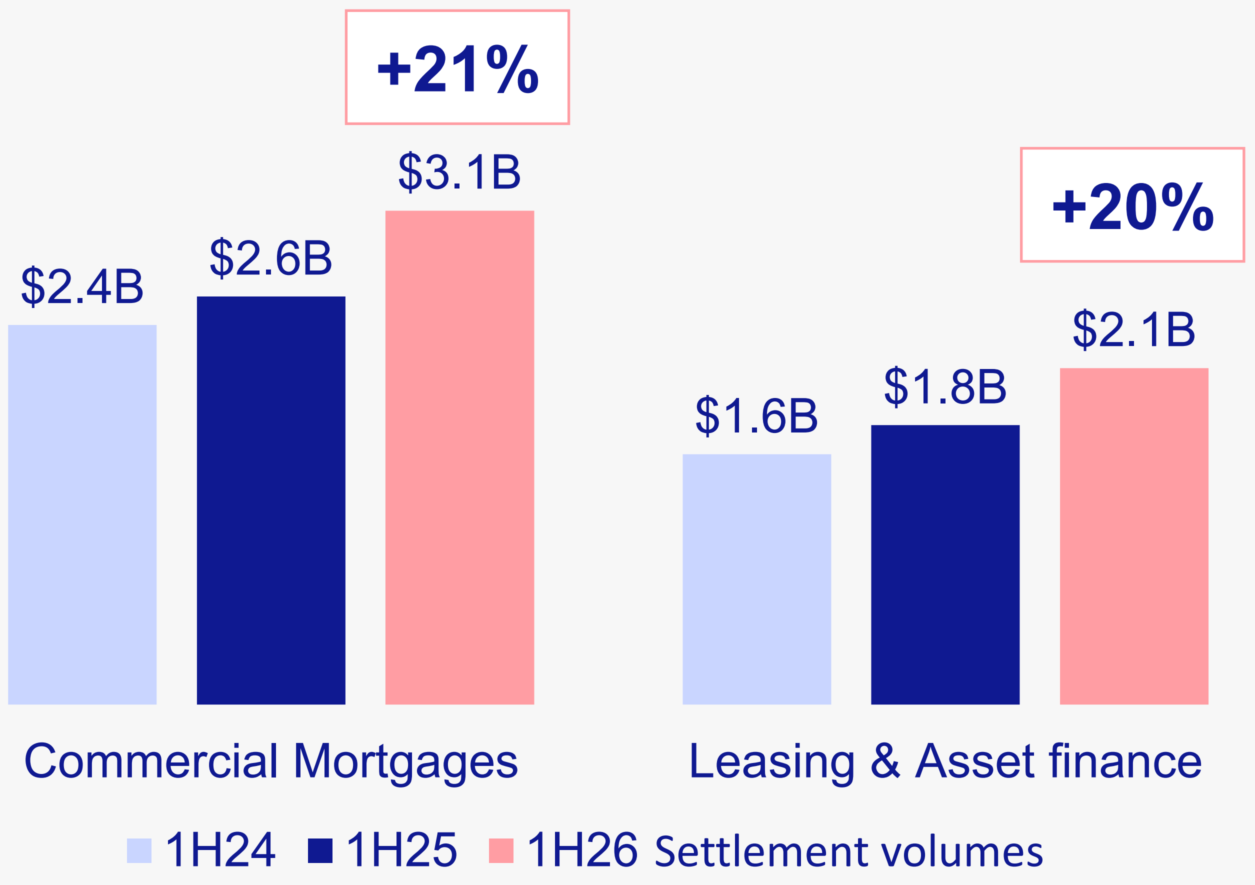
**AFG Home Loans book**




- White label book reduced following NAB's Advantedge exit, reshaping partner mix
- Portfolio now centered on 4 complementary partners to AFG Securities
- Higher margin AFGS expected to play a growing role within AFG Home Loans portfolio

**AFG technology critical for the excellent growth in diversified products[2]**

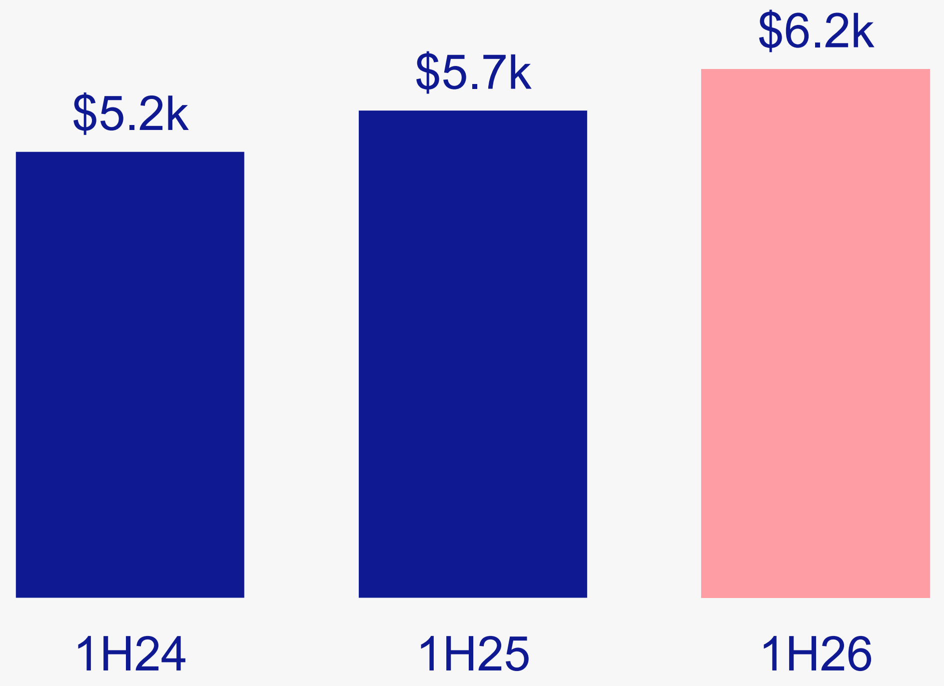
**59% brokers write multiple products (FY25: 58%)**




- Leasing & Asset Finance are key growth areas, driven by Fintelligence.
- Increased adoption of Partner Connect – connects brokers with spot & refer partners across the value finance ecosystem

**Brokers increase take-up of valued services, growing earnings +$1.1m**

**Broker services subscriptions per AFG broker**




- BrokerEngine subscribers increased 23% to 4.1k, including 0.8k external to AFG

1. *AFG Home Loans includes AFG funded AFG Securities as well as white label funded products*
2. *Includes Commercial mortgages, Commercial leasing, Consumer asset finance, Personal loans, Insurance as well as Partner Connect*

## Distribution:

# The dominant channel, growing beyond 80% share

Broker channel now clearly structurally embedded in Australia's mortgage market – providing competition & choice

**Brokers remain the preferred channel**
**Proprietary push hasn't changed customer behaviour**

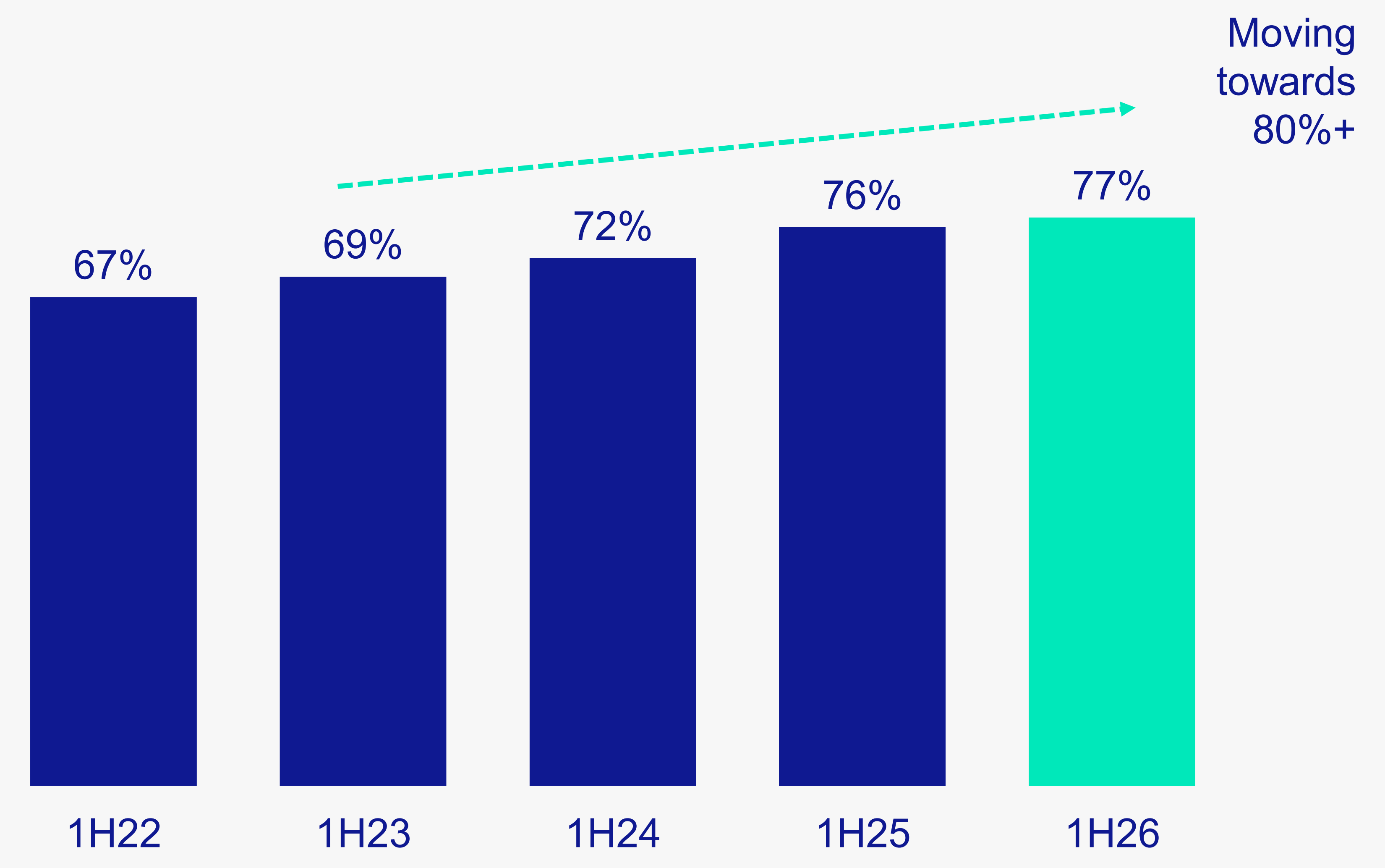
### Why customers choose brokers

- **Trusted by customers** in a complex market to deliver better financial outcomes
- **Service local communities** – including in regional areas, as banks close branches
- Brokers are **legally required to act in their customer's best interests**, unlike proprietary channels

### Why lenders partner with brokers

- **Efficient, scalable & variable** cost distribution channel for lenders
- Essential distribution for non-major lenders – providing **competition and choice**
- Lenders that **embrace broker channel are growing** share & have efficient CTI ratios

**Total broker market share[1] of Residential mortgages**



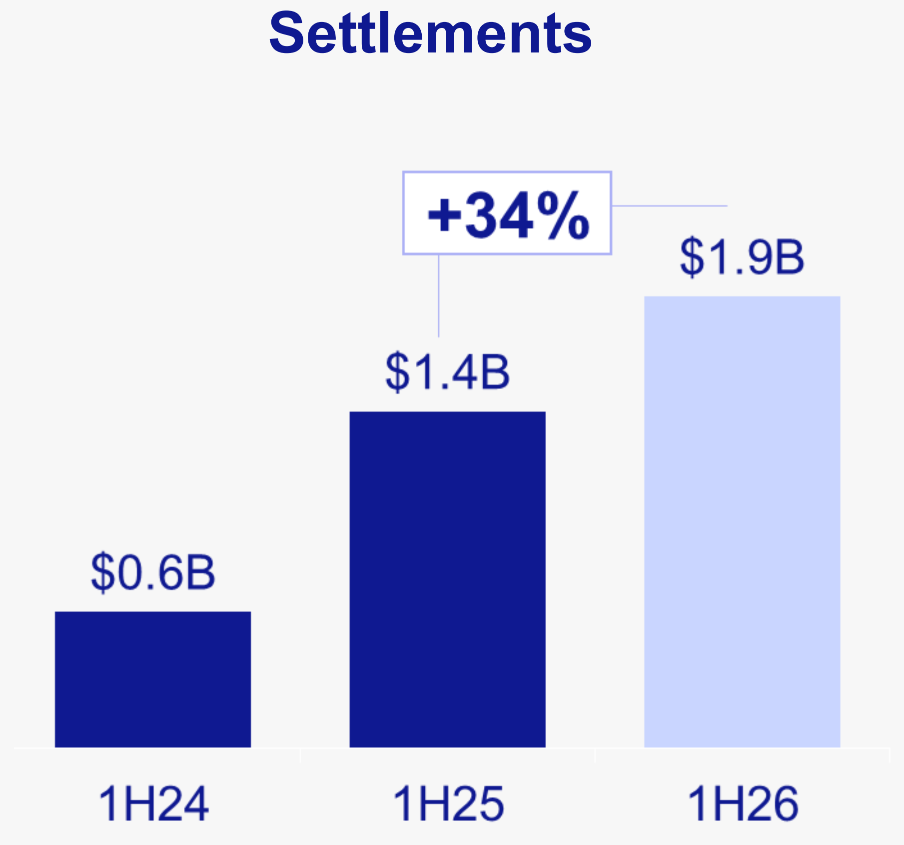

1. *Source: MFAA, Australian Market Mar 2025*

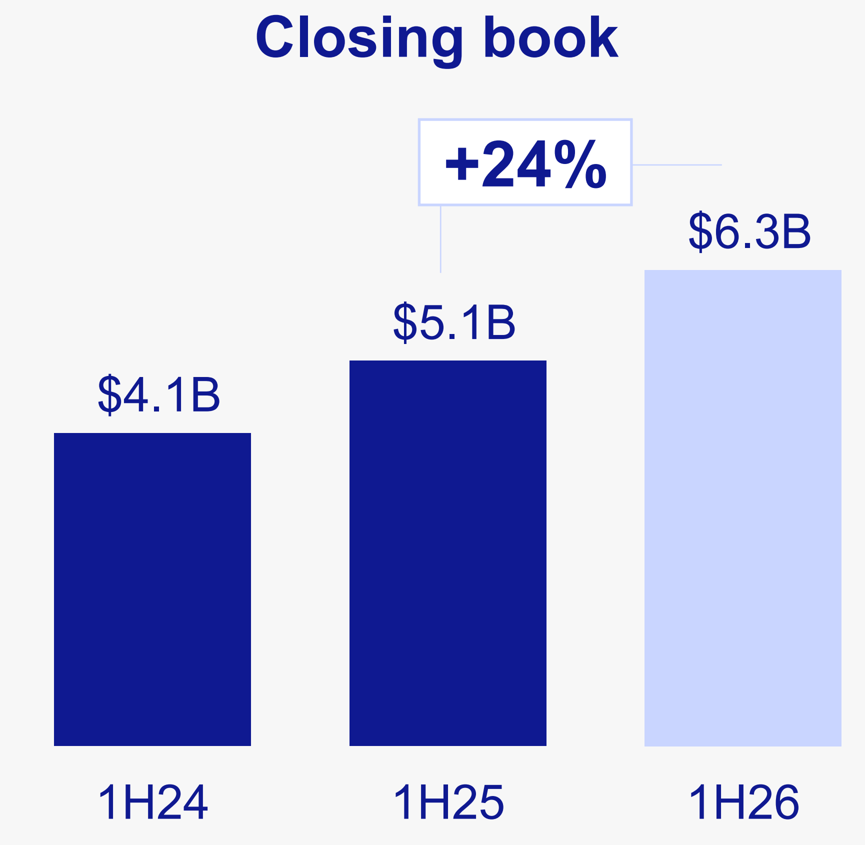
Manufacturing:

# Record market share with credit quality maintained

Disciplined processes and AFG's 31 years' experience delivering ongoing credit quality

**Accelerated book growth in H1 FY26 – reaching over $6 billion**




- Non-bank market share[1] increased to 12.4% (FY25: 11.6%)
- AFG Securities at 5% market share[1] – a record (FY25: 4.3%)

**Portfolio quality maintained, with excellent loss history**

1.7%
Arrears[2] (1.6% at June '25)

+95%
Book with no adverse credit

90%
Book with LVR below 80[3]

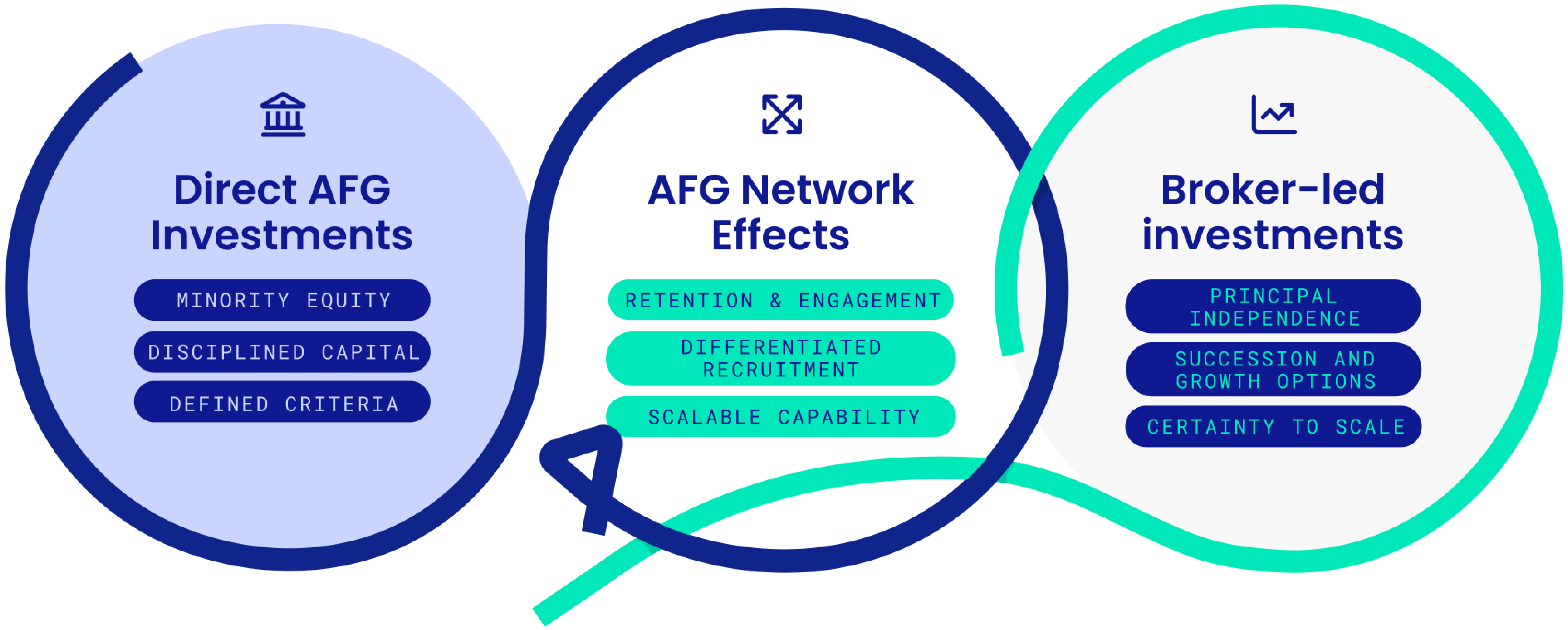
33%
Book with balances below $500k

- Proactive management with no losses. 15 year cumulative losses of just $268k
- Expected credit loss provision increased to $3.9m (June 2025 $3.7m) driven by book growth

1. *Based on market share of AFG broker residential volumes*
2. *Arrears (including those in hardship) as greater than 30 days past due*
3. *LVR = Loan-to-value ratio. All prime loans above 80 LVR are covered by individual Lender mortgage insurance (LMI)*

# Broker Investments Strategy Update

Targeted minority equity investments aligned to broker succession, scale and long-term growth




**Disciplined capital deployed at broker transition points compounds benefits as brokers grow and consolidate**

# 5 investments completed, 35 investments by FY29

Early execution validating confidence in the expansion of the Broker Investments program over time

## Measured execution, with capital discipline

### Direct AFG investments

- 5 investments in 12 months
- Across brokers of varying size

### Broker-led investments

- 7 loan books acquired
- Repeatable capital deployment

## Creating value over time

### AFG network effects

- Capital at natural transition & growth points
- Corporate & strategic guidance enhancing scalability
- Network connectivity

- **Investments are earnings accretive from day 1**
- **Strong early trading, 5 investments expected to contribute $2m[1] annualised, with growth compounding**
- **Investments from outside the AFG broker network enhance value creation**

1. *Annualised EBITDA contribution of the initial 5 investments*

# AFG structurally positioned for long term growth

## Structural demand

- Population & employment growth
- Credit growth remains positive

*Macro fundamentals remain supportive*

## Sector fundamentals

- Broker channel continues to expand
- Funding costs below long-term average

*Finance sector maintains growth, shaped by policy settings*

## Value creation

## Industry consolidation

*Scale advantages accelerating*

- Larger groups gaining share
- Technology investment raising barriers to entry

## AFG competitive advantage

- 31 years of cycle tested performance
- Scaled network with growing higher margin services
- Strong balance sheet & disciplined capital management

HY26 RESULTS

# Outlook

AFG

## Near term:

# Strong 1H results are expected to accelerate

Momentum in volumes, margin and mix supports a stronger second half earnings outcome

### Continued credit growth

AFG's broker productivity driving sustained market share expansion

### Volume momentum

Jan '26 lodgements[1]:
Residential +23%
AFG Securities +99%

### Higher margin mix building

New services & features will continue subscription income growth

### Margins strengthening

Exit NIM 126bps, with improved near term confidence

### Operating leverage continues

Second half opex seasonally lower than first half

### Broker Investments

Building pipeline as we establish this market

1. *Growth relative to January '25*

## Why invest in AFG?

# AFG is a scaled, embedded distribution network at the centre of Australia's lending ecosystem

### Capital light business

Broker market share at 77%[1] and growing, AFG earnings scale with broker activity & productivity

### Broadening earnings base

Productivity, services and manufacturing upside through the cycle

### Quality earnings

Majority of earnings are recurring annuity-style resulting in strong, regular cash flow realisation

### Enduring market dynamics

Housing generates sustained credit demand, supported by structural tailwinds

| Balance sheet flexibility | Improving business mix | Resilient, annuity lead cash flows | Strong RoE, sustainable dividends |
|---|---|---|---|

AFG

1. *Australian broker market share of Residential mortgages. Source: MFAA*

HY26 RESULTS

# Appendices

AFG

# A fairer financial future being delivered by an experienced executive team

**David Bailey, CEO**

23 years

**Lisa Bevan, COO**

27 years

**Luca Pietropiccolo, CFO**

3 years

**Sam McCready, CDO**

20 years

**Dom Di Gori, Exec GM Consumer lending**

25 years

**Them Lam, Head of Sales & Distribution**

24 years

*Years denotes the years of finance industry experience*

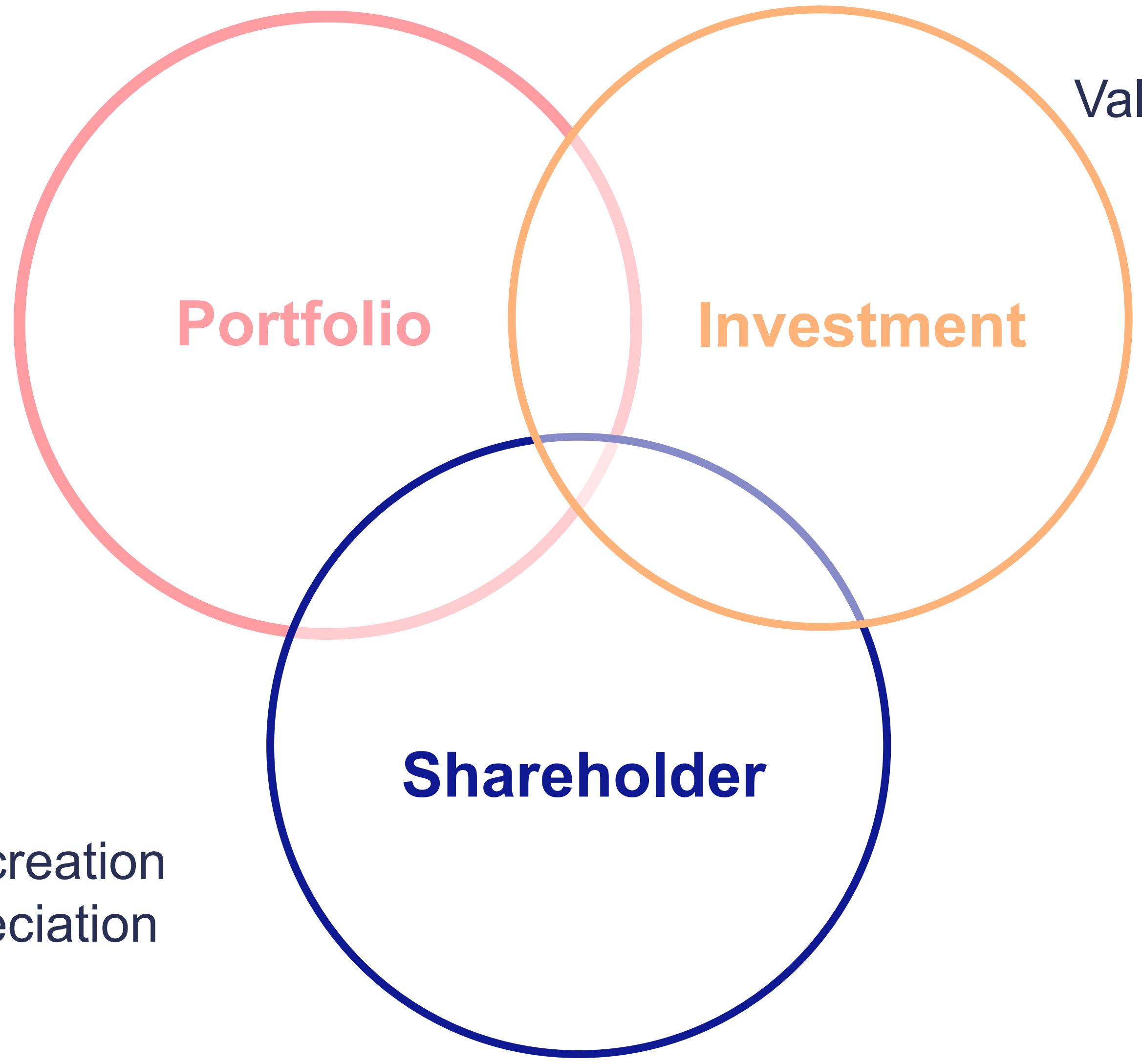
# Disciplined capital allocation
# delivering sustained shareholder value

Focused reinvestment to capture growth opportunities, with capital allocation guided by 4 principles

## Capital allocation framework
focused on maximising long term value
and shareholder returns

Return on Capital
Optionality

Strategic fit
EPS accretion
Valuation multiples, IRR




Long term value creation
Share price appreciation
Cash returns

**1** **Continuous review / recycle capital**

Allocate capital to strategically aligned assets, delivering returns above internal hurdle rates (Return on capital > WACC)

**2** **Preserve balance sheet strength**

Maintain financial capacity to execute on attractive opportunities and respond to a changing environment, while minimising the cost of capital

**3** **Deliver predictable earnings growth**

Drive earnings growth through margin expansion, efficiency gains, and new capital to AFGS book growth and Broker Investments

**4** **Deploy surplus capital to shareholders**

Prioritise reinvestment for long-term growth and return surplus capital when compelling growth opportunities are limited

# Settlements and Loan Book

| Settlements ($m) | 1H26 | 2H25 | 1H25 | 1H26 v 2H25 | 1H26 v 1H25 |
|---|---|---|---|---|---|
| Residential | 37,956 | 31,624 | 31,840 | 20% | 19% |
| AFGHL | 2,528 | 2,006 | 2,388 | 26% | 6% |
| White Label [1] | 600 | 737 | 950 | (19%) | (37%) |
| AFG Securities [1] | 1,928 | 1,270 | 1,437 | 52% | 34% |
| Commercial | 3,109 | 2,491 | 2,568 | 25% | 21% |
| Leasing and Asset finance [2] | 2,118 | 1,706 | 1,758 | 24% | 20% |
| **Loan Book ($m)** | | | | | |
| Residential | 223,697 | 210,505 | 204,848 | 6% | 9% |
| AFGHL | 14,152 | 13,795 | 13,142 | 3% | 8% |
| White Label [1] | 7,898 | 8,315 | 8,082 | (5%) | (2%) |
| AFG Securities [1] | 6,254 | 5,480 | 5,059 | 14% | 24% |
| Commercial | 16,634 | 14,756 | 14,177 | 13% | 17% |

1. *Is a subset of AFG Home Loans (AFGHL)*
2. *Includes Fintelligence settlements as well as AFG broker settlements*

# Key metrics

## Key movements

- Distribution operating income up 17% on H1 FY25, with growth in Residential volumes, as well as Broker Services subscription income
- Manufacturing operating income increased 7% to $173 million. The AFG Securities book grew to $6.3 billion, generating a net interest margin 11 bps higher than prior year
- Total Operating Costs up $1m compared to H2 FY25. However, this is $1m lower when excluding higher sponsorship expense which is offset by income and weighted to H1
- Underlying cost to income (CTI) ratio improved to 56% in H1 FY26

| $m (unless otherwise stated) | Units | 1H26 | 2H25 | 1H25 | 1H26 v 2H25 | 1H26 v 1H25 |
|---|---|---|---|---|---|---|
| **Operating income** | | | | | | |
| Distribution | | 561.1 | 454.9 | 479.6 | 23% | 17% |
| Manufacturing | | 172.8 | 169.0 | 161.3 | 2% | 7% |
| Central | | (18.9) | (14.0) | (15.3) | (35%) | (24%) |
| Total | | 715.0 | 609.9 | 625.6 | 17% | 14% |
| **Profitability** | | | | | | |
| Trail Book Net Asset | | 86.1 | 86.8 | 89.5 | (1%) | (4%) |
| Residential Upfront Payout Ratio | % | 96.3 | 96.1 | 96.3 | 0.2 | - |
| NIM | bps | 124 | 119 | 113 | 5 | 11 |
| **Operating Costs** | | | | | | |
| Employee Costs | | 28.6 | 28.1 | 27.9 | 2% | 3% |
| IT | | 5.4 | 5.1 | 4.6 | 6% | 18% |
| Total Operating Costs | | 50.1 | 49.1 | 47.6 | 2% | 5% |
| Average FTE[1] | # | 297 | 302 | 325 | (2%) | (9%) |
| Underlying Cost to Income Ratio[2] | % | 56 | 58 | 64 | (2%) | (13%) |
| **Credit Quality** | | | | | | |
| Total Losses | | 0.0 | 0.0 | 0.0 | | |
| **Other** | | | | | | |
| Brokers | # | 4,275 | 4,249 | 4,110 | 1% | 4% |
| Underlying ROE | % | 21 | 22 | 16 | (4%) | 31% |
| Net interest income adjustment[3] | | 8.9 | 8.5 | 8.3 | | |

1. *Average for reporting period*
2. *Total Operating Expenditure less Depreciation & Amortisation costs / (Gross Profit (adjusted for Trail) + Other Income)*
3. *Adjustment between Net interest income and commission cost of sales*

# Reported NPAT to Underlying NPATA reconciliation

### Key movements

- The trail commission adjustment represents the non-cash change in the carrying value of the trailing commissions contract assets and liability. Additional information in relation to trail book accounting and key assumptions are provided on slide 36
- The net change in fair value of the put / call liability for Fintelligence represents the movement following the acquisition of the remaining equity
- Amortisation of acquired intangible assets relates to the initial acquisition of Fintelligence

| $m | 1H26 | 1H25 | HY26 v HY25 |
|---|---|---|---|
| **Reported NPAT** | 22.4 | 15.3 | 7.1 |
| Amortisation of acquired intangible assets | 1.2 | 1.2 | 0.0 |
| Trail commission adjustment | 0.5 | 0.7 | (0.2) |
| Net change in fair value put/call option | - | (0.3) | 0.3 |
| **Underlying NPATA** | **24.1** | **16.9** | **7.2** |

# AFG holds $183m in liquid assets and high performing investments

### Key movements

- Net unrestricted cash position
- Trail book net asset at $86m with the reduction representing increasing average payout ratio as well as updated run-off assumption. Key assumptions are provided on slide 36
- Investments are valued at carrying value as per the balance sheet and include broker investments
- Subordinated notes value relates to the notes held by AFG in the AFG Securities loan book which is $6.3bn as at December 2025

| $m | Dec 2025 | Dec 2024 | Variance |
|---|---|---|---|
| Unrestricted cash | 60.6 | 54.8 | 5.8 |
| Debt facility | (59.9) | (44.3) | (15.6) |
| Net unrestricted cash | 0.7 | 10.6 | (9.9) |
| Trail book | 86.1 | 89.5 | (3.4) |
| Investments | 56.2 | 46.2 | 10.0 |
| Subordinated notes | 39.5 | 38.8 | 0.7 |
| Net unrestricted cash, trail book & investments | 182.5 | 185.1 | (2.6) |

| Cash reconciliation | | | |
|---|---|---|---|
| Unrestricted cash | 60.6 | 54.8 | 5.8 |
| Restricted cash (Securities) | 176.0 | 115.7 | 60.3 |
| Total cash | 236.6 | 170.5 | 66.1 |

# Trail book asset

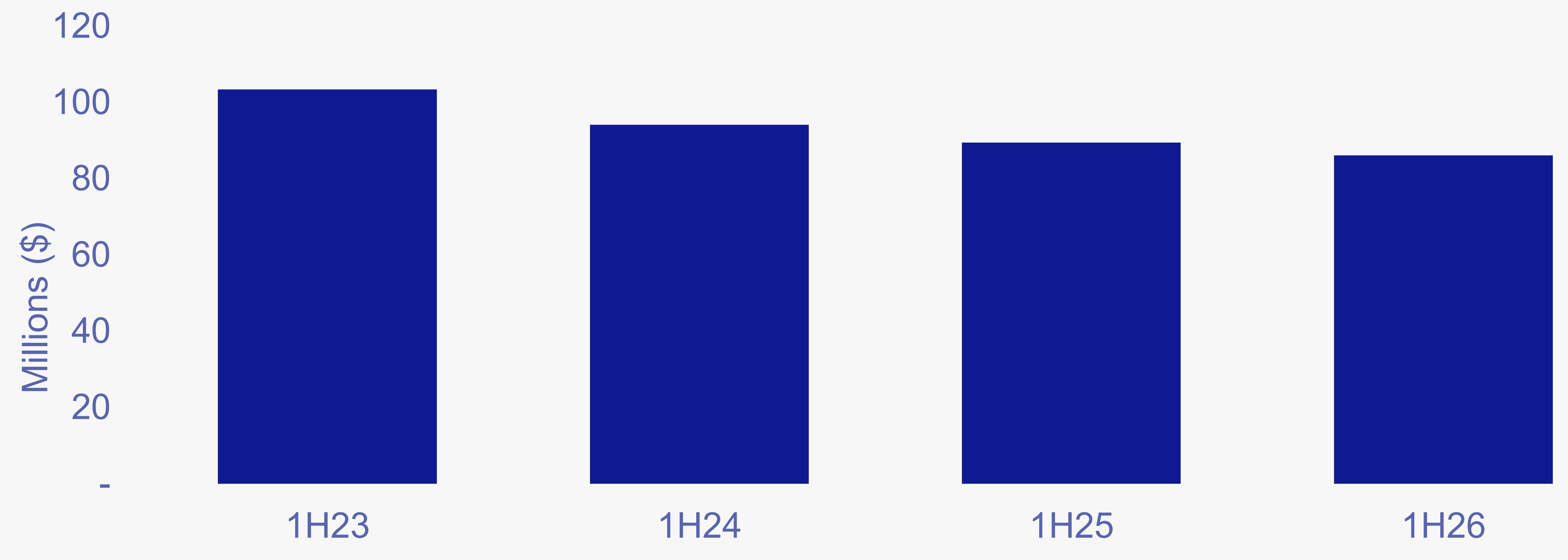
## Key movements

- Trailing commissions are received from lenders on settled loans over the life of the loan based on the outstanding loan book balance
- The net present value of our future trail commissions, represent recurring income, without having to perform further services
- Future trail commissions had a NPV of $86.1m at December 2025 ($86.8m at June 2025)
- The valuation is assessed on a six-monthly basis, with movements in valuation recorded in the P&L
- The main valuation driver are run-off rates and volumes. Run-off remains below peak 2022 level and continues to reduce from peak
- The discount rate applied to each tranche is applied across the life of the loan. Any current movements in the discount rates will only affect the latest trail commission tranche
- The discount rate is calculated as the risk-free rate + counterparty risk factor

**The table below outlines key assumptions used to value trail commissions**

| Key Assumptions | Dec 2025 | Dec 2024 |
|---|---|---|
| Average loan life | Between 3.5 and 4.2 years | Between 3.6 and 4.2 years |
| Discount rate per annum[1] | Between 4.0% and 13.5% | Between 4.0% and 13.5% |
| Percentage paid to brokers[2] | Between 85% and 96.2% | Between 85% to 96% |

**The chart below shows the change in the net trail book asset over time**




1. *Discount rates once set are not adjusted during the life of the loan. The spread in discount rate captures loans settled in previous as well as the current financial year*
2. *The percentage paid to brokers is set at the time of settlement of the loan*

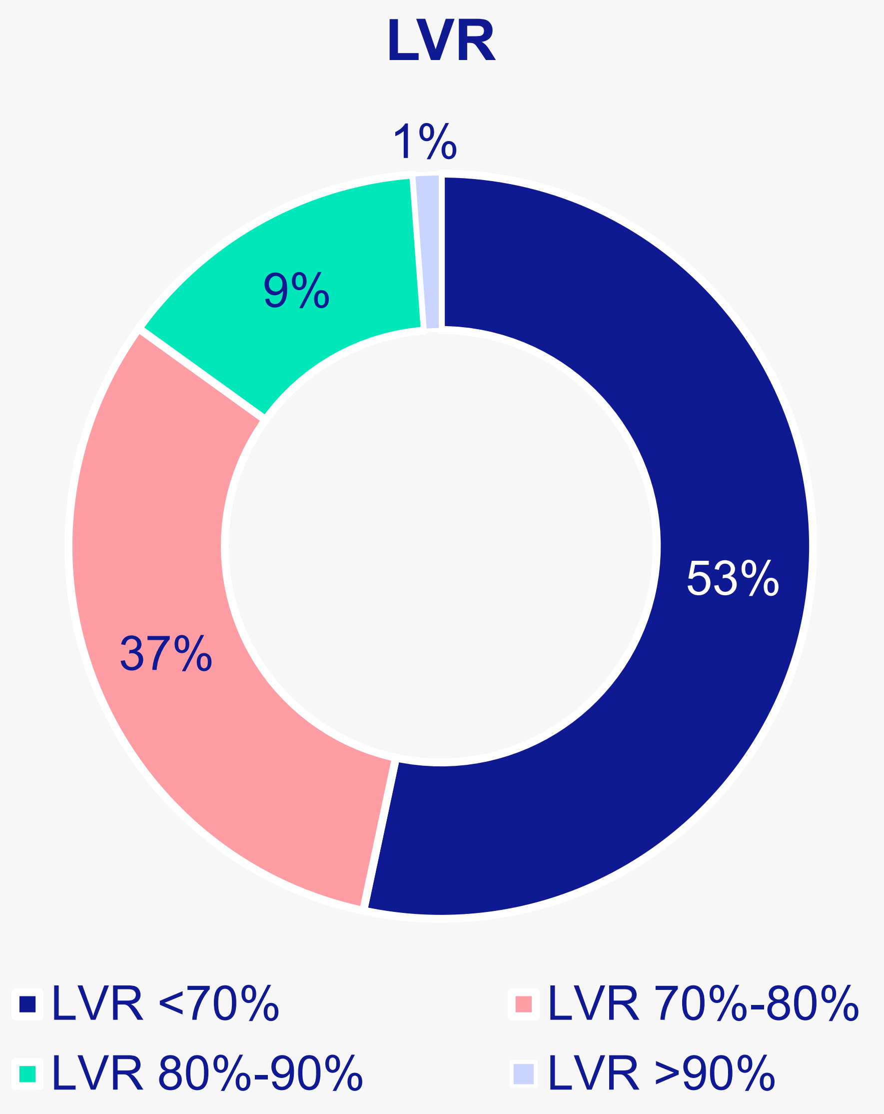
# Summary
# Balance Sheet

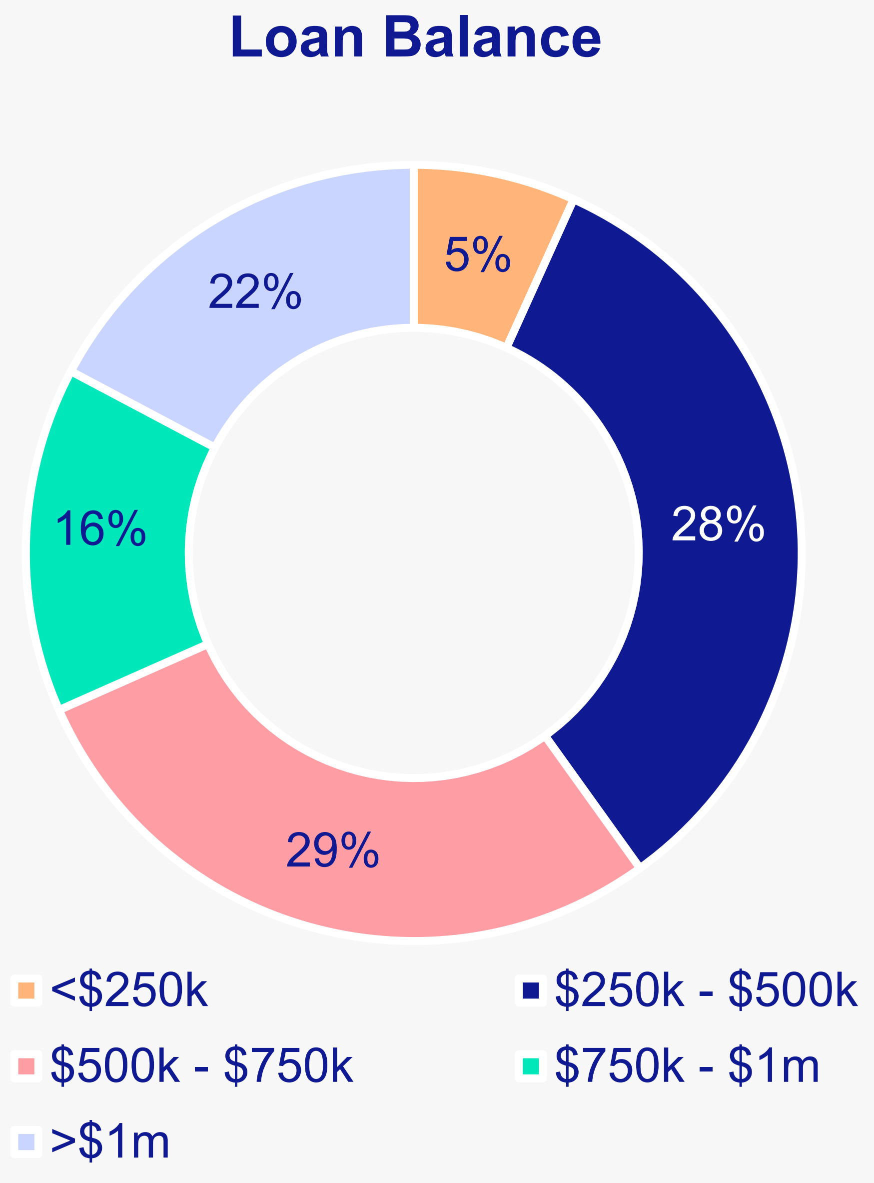
### Key movements

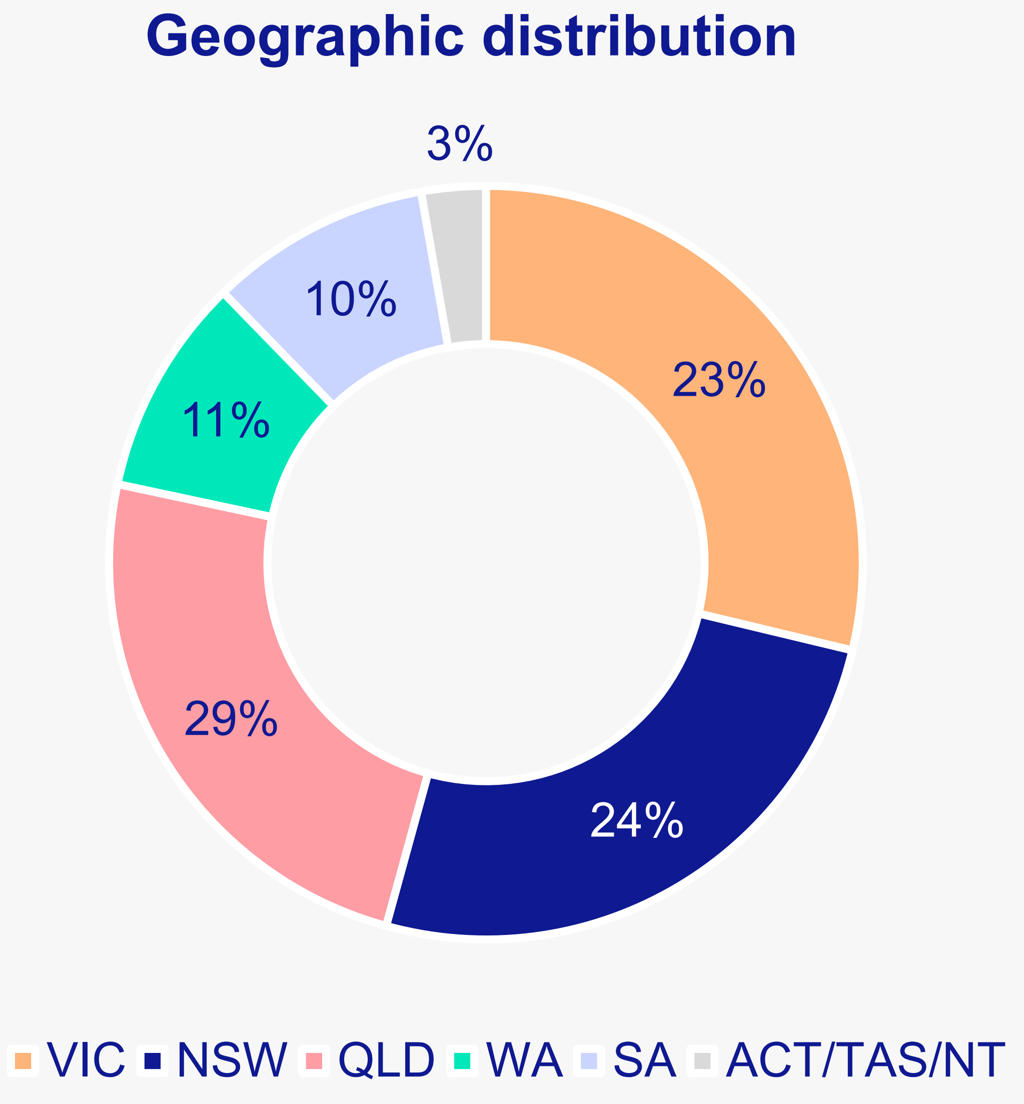
- Unrestricted cash, which consists of cash at bank and short term deposits, of $61m
- Restricted cash, which primarily represents amounts held in special purpose securitised trusts and series on behalf of the warehouse funders and the bondholders increased to $176m with a growing loan book
- Contract Assets primarily represents our trail book commission asset and is partially offset by the trail book commission liability recorded in Trade and Other payables.
- Loans and advances represents the AFG Securities program, with the debt facility represented in Interest bearing liabilities
- Growth in investment in associates as this includes new minority broker groups investments

| $m | Dec 2025 | Dec 2024 | Variance |
|---|---|---|---|
| **Assets** | | | |
| Unrestricted cash | 60.6 | 54.8 | 5.8 |
| Restricted cash | 176.0 | 115.7 | 60.3 |
| Trade and other receivables | 11.5 | 13.8 | (2.3) |
| Other assets | 6.9 | 5.5 | 1.4 |
| Contract assets | 1,236.2 | 1,170.9 | 65.3 |
| Loans and advances | 6,273.0 | 5,071.9 | 1,201.1 |
| Investment in associates | 56.2 | 46.2 | 10.0 |
| Goodwill | 61.1 | 61.1 | 0.0 |
| Intangible assets | 42.5 | 47.0 | (4.5) |
| **Total assets** | **7,924.0** | **6,586.9** | **1,337.1** |
| **Liabilities** | | | |
| Trade and other payables | 1,247.4 | 1,181.2 | 66.2 |
| Interest bearing liabilities | 6,402.4 | 5,147.6 | 1,254.8 |
| Employee benefits | 6.1 | 5.8 | 0.3 |
| Deferred tax liability | 26.2 | 25.5 | 0.9 |
| Other liabilities | 10.5 | 14.2 | (3.9) |
| **Total liabilities** | **7,692.6** | **6,374.3** | **1,318.3** |
| **Net assets** | **231.4** | **212.6** | **18.8** |
| **Equity** | | | |
| Share capital | 103.0 | 102.1 | 0.9 |
| Reserves | 9.3 | 8.7 | 0.6 |
| Retained earnings | 119.1 | 101.8 | 17.3 |
| **Total equity** | **231.4** | **212.6** | **18.8** |

# AFG Securities – Loan quality



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