



Solvar Limited

ABN: 63 117 296 143

Appendix 4D [Rule 4.2A.3]

For the half year ended 31 December 2025

Previous corresponding period: Half year ended 31 December 2024

Results for Announcement to the Market

Key financial information				Dec 2025 Half year \$'000	Dec 2024 Half year \$'000
Operating income ¹	Down	9.5%	to	98,214	108,561
Net profit attributable to members	Up	5.8%	to	17,824	16,854
Normalised net profit attributable to members	Up	5.8%	to	20,012	18,911

¹Represents "interest income (including fees and charges)" as disclosed in the Statement of Profit or Loss and Other Comprehensive Income in the Interim Financial Report.

Dividend information	Payment date	Amount per security	Franked amount per security at 30% tax
FY25 Final dividend	8 October 2025	8.00 cents	8.00 cents
FY26 Interim dividend	7 April 2026	6.00 cents	6.00 cents
FY26 Special dividend	29 January 2026	2.50 cents	2.50 cents
FY26 Special dividend	7 April 2026	2.50 cents	2.50 cents

Dividend dates	
Ex-dividend date	4 March 2026
Record date	5 March 2026
Payment date	7 April 2026

The Group did not offer a dividend reinvestment plan (DRP) for the 2026 interim and special dividend.

	Dec 2025 Half year	Dec 2024 Half year
Net tangible assets per security ²	\$1.70	\$1.70

²Right of use assets and deferred tax assets are included in net tangible assets.

Commentary on "Results for Announcement to the Market"

Please refer to the Solvar H1 FY26 Results and the Interim Financial Report for the half year ended 31 December 2025 for further explanation of the figures presented.

Results for Announcement to the Market (cont.)

Control gained or lost over entities in the half year

During the half year ended 31 December 2025, Solvar Limited established a trust entity for funding purpose. Following is the list of entities in which Solvar gained or lost control during the half year.

No.	Name of the company	Status	Effective Date
1	Money3 Warehouse Trust No.3	Gained control	30 September 2025

Investments in associates and joint ventures

No investments in associates and joint ventures are held by the Group.

Foreign entities, applicable accounting standards used

Not applicable as Solvar Limited is not a foreign entity.

Statement as to whether the financial statements have been reviewed

The financial statements have been reviewed. The review report is included in the Interim Financial Report.

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Directors' Report

Your Directors present the results for the half year ended 31 December 2025 on the consolidated entity basis consisting of Solvar Limited ("the Company") and the entities it controlled ("the consolidated entity" / "the Group") at the end of the period.

Directors and Company Secretary

The following persons were Directors of the Company during the half year, unless otherwise stated, and up to the date of this report:

- Stuart Robertson
- Craig Parker
- Scott Baldwin
- Kellie Cordner (appointed on 1 September 2025)
- Symon Brewis-Weston (retired on 14 November 2025)

Terri Bakos is the Company Secretary.

Principal Activities

The principal activities of the Group during the half year ended 31 December 2025 ("half year") were the provision of consumer and commercial finance specialising in the delivery of secured automotive loans as well as secured and unsecured personal loans.

There have been no significant changes to the Group's principal activities during the half year, other than those disclosed in "Review of Operations" and "Significant Changes in the State of Affairs" section in this report.

Review of Operations

Sale of written off loan book in New Zealand

In November 2025, the Group sold the majority of the written off loan book in New Zealand for NZ \$9.399 million, comprising NZ \$8.000 million upfront with a further NZ \$1.399 million held in retention. The transaction monetised an asset previously carried at a nil book value, brought forward future cash flows associated with the portfolio and allowed for a reduction in the New Zealand workforce (effective March 2026) associated with post write off collections. The sale transaction was recorded as a recovery of written-off loans under Bad debt expense (net of recoveries) in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

Following the sale, the Group declared and paid a fully franked special dividend of 2.50 cents per share on 29 January 2026.

Funding

In November 2025, Money3's debt facilities increased by ~\$250.000 million (net) contributed by the introduction of new warehouse facility with a limit of \$488.000 million and resizing the existing warehouse facility limit from \$510.000 million to \$270.000 million. The net increase provides significant headroom to support ongoing loan book growth. Both the facilities have two-year funding availability period with ability to extend and flexibility to expand. The pricing on the existing facility was revised downwards to align with the competitive pricing of the new facility.

Financial performance

	Dec 2025 Half year \$'000	Dec 2024 Half year \$'000	% Change Increase/ (Decrease)
Interest income (incl. fees and charges)	98,214	108,561	(9.5%)
Earnings Before Interest Tax Depreciation and Amortisation ("EBITDA")	49,267	51,988	(5.2%)
Net Profit After Tax ("NPAT")	17,824	16,854	5.8%
Gross loan book	896,922	930,413	(3.6%)
Loans receivable	840,501	866,921	(3.0%)

Directors' Report (cont.)

During the half year, the Group delivered \$98.214 million of interest income with gross loan book of \$896.922 million. The Group's gross loan book reduced by 3.6% as a result of the run down of the New Zealand operations.

Highlights of operations:

- \$17.824 million of Statutory NPAT, up 5.8% on prior comparative period (pcp)
- 9.31 cents of Earnings Per Share (EPS), up 13.5% on pcp
- \$20.012 million of Normalised Net Profit After Tax (Normalised NPAT)¹, up 5.8% on pcp
- \$90.158 million of interest income from our Australian operations, down 2.7% on pcp
- \$846.609 million of Australian Gross loan book, up 2.7% on pcp.

¹Table 1 provides reconciliation of Statutory NPAT to Normalised NPAT

Table 1 - Reconciliation of Statutory NPAT to Normalised NPAT (Consolidated)	Dec 2025 Half year \$'000	Dec 2024 Half year \$'000
Statutory NPAT	17,824	16,854
<i>Normalisations:</i>		
Legal fees	572	2,355
Foreign exchange losses	1,995	584
Losses incurred by Bennji	559	-
Tax effect on the above	(938)	(882)
Normalised NPAT²	20,012	18,911

Table 2 - Reconciliation of Statutory NPAT to Normalised EBITDA (Consolidated)	Dec 2025 Half year \$'000	Dec 2024 Half year \$'000
Statutory NPAT	17,824	16,854
<i>Add backs:</i>		
Interest expense	23,950	26,753
Depreciation and amortisation	754	729
Income tax expense	6,739	7,652
EBITDA	49,267	51,988
<i>Normalisations:</i>		
Legal fees	572	2,355
Foreign exchange losses	1,995	584
Losses incurred by Bennji	559	-
Normalised EBITDA²	52,393	54,927

²To better reflect the underlying performance of the business.

Normalised NPAT, EBITDA and Normalised EBITDA are non-International Financial Reporting Standard ("non-IFRS") financial information.

Directors' Report (cont.)

Segment performance

(a) Australia

	Dec 2025 Half year \$'000	Dec 2024 Half year \$'000	% Change
Interest income (incl. fees and charges)	90,158	92,706	(2.7%)
EBITDA	48,399	53,478	(9.5%)
Gross loan book	846,609	824,698	2.7%
Loans receivable	792,382	766,621	3.4%

The Gross loan book within the Australian operations increased by 2.7% to \$846.609 million led by growth in commercial loans which increased to \$66.784 million, up 16.2% on pcp.

(b) New Zealand

	Dec 2025 Half year \$'000	Dec 2024 Half year \$'000	% Change
Interest income (incl. fees and charges)	7,527	15,427	(51.2%)
EBITDA	11,870	9,815	20.9%
Gross loan book	50,313	105,715	(52.4%)
Loans receivable	48,119	100,300	(52.0%)

Dividends – Solvar Limited

The Directors have declared an interim dividend of 6.00 cents per share. The Directors also declared a special dividend of 2.50 cents per share. The dividend will be paid on 7 April 2026 to those shareholders on the register at the close of business on the 5 March 2026.

Significant Changes in the State of Affairs

Regulatory action - Australia

The preparation and attendance at the trial of Australian Securities & Investment Commission (ASIC) versus Money3 Loans Pty Ltd consumed considerable resources. On 5 September 2025, judgment has been delivered with majority of the claims against Money being dismissed. A hearing as to what penalty is payable by Money3 will be heard prior to the end of the current financial year.

Regulatory action - New Zealand

In March 2024, the Commerce Commission commenced civil proceedings in the High Court of New Zealand alleging Go Car Finance Limited had breached its responsible lending obligations with respect to certain loans. Both Go Car Finance Limited and Solvar Limited are defending the legal proceedings and are of the view Go Car Finance Limited has appropriate processes in place that comply with its legal obligations. It is not practical to estimate the potential effect of the claim, but Go Car Finance Limited is of the view that it is not probable that a material liability will arise.

Apart from the above, there were no other significant changes in the state of affairs of the Group other than those referred to in the review of operations and financial statements or notes thereto.

Significant Matters Subsequent to the Reporting Date

Refer to note 8 in the Interim Financial Report for dividends proposed to be declared since the end of the reporting period.

No other matters or circumstances have arisen since the end of the half year that have significantly affected or may significantly affect the operations of the Group, the results or the state of affairs of the Group.

Directors' Report (cont.)

Likely Developments and Expected Results of Operations

The likely developments in the Group's operations, to the extent that such matters can be commented upon, are covered in the 'Review of Operations' section in this Report.

Environmental Regulation

The operations of the Group are not subject to any significant environmental regulations under Australian Commonwealth, State or Territory law. The Directors are not aware of any breaches of any environmental regulations.

Indemnification and Insurance of Directors and Officers

The Group has indemnified the Directors and Officers for costs incurred, in their capacity as a Director or Executive, for which they may be held personally liable, except where there is a lack of good faith.

During the half year, the Group paid a premium in respect of a contract to insure the Directors and Executives against a liability to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of liability and the amount of the premium.

Indemnification of Auditors

No indemnities have been given or insurance premiums paid, during or since the end of the half year, for any person who is or has been an officer or auditor of the company.

Non-Audit Services

There were no non-audit services provided by the group auditor BDO Audit Pty Ltd during the half year ended 31 December 2025 (Dec 2024: Tax advisory services \$19,074).

Proceedings on behalf of the Group

Other than the items outlined under the Regulatory action (above), no person has applied to the Court for leave to bring proceedings to which the Group is a party, for taking responsibility on behalf of the Group for all or part of these proceedings. No proceedings have been brought or intervened in on behalf of the Group with leave of the Court under section 237 of the *Corporations Act 2001*.

Rounding of Amounts

The Group is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the "rounding off" of amounts in the Directors' report. Amounts in the Directors' report have been rounded off in accordance with the instrument to the nearest thousand dollars, unless otherwise indicated.

Directors' Report (cont.)

Auditor's Independence Declaration

The auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 9 of the financial report.

Signed in accordance with a resolution of the Directors.

On behalf of the Directors



Scott Baldwin
Director
Melbourne
17 February 2026

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DECLARATION OF INDEPENDENCE BY BENJAMIN LEE TO THE DIRECTORS OF SOLVAR LIMITED

As lead auditor for the review of Solvar Limited for the half-year ended 31 December 2025, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Solvar Limited and the entities it controlled during the period.

BDO Audit Pty Ltd



Benjamin Lee
Director

Melbourne, 17 February 2026

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Directors' Declaration

In the Directors' opinion:

1. the financial statements and the notes set out on pages 11 to 26 is in accordance with the *Corporations Act 2001*, including:
 - (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2025 and of its performance, for the half year ended on that date; and
 - (b) complying with Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements.
2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.



Scott Baldwin
Director
Melbourne
17 February 2026

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

for the half year ended 31 December 2025

	Note	Consolidated Dec 2025 Half year \$'000	Consolidated Dec 2024 Half year \$'000
Interest income (including fees and charges)	3	98,214	108,561
Interest expense		23,950	26,753
Net Interest Income		74,264	81,808
Expenses			
Bad debts expense (net of recoveries)		13,028	19,271
Movement in allowance for impairment losses	5	1,215	243
Loan origination and servicing costs	4(a)	7,106	9,270
General administration expenses	4(b)	27,592	27,789
Loss on disposal of assets and lease modification		6	-
Depreciation and amortisation		754	729
Total expenses		49,701	57,302
Profit before tax		24,563	24,506
Income tax expense		6,739	7,652
Profit after tax for the half year		17,824	16,854
Profit is attributable to:			
Owners of Solvar Limited		17,824	16,854
Other comprehensive income/(loss)			
<i>Items that may be reclassified to profit or loss</i>			
Exchange differences on translation of foreign operations		(2,445)	(338)
<i>Items that will not be reclassified to profit or loss</i>			
Changes in the fair value of investment in equity securities at FVOCI		(189)	-
Other comprehensive income/(loss) for the half year, net of tax		(2,634)	(338)
Total comprehensive income for the half year		15,190	16,516
Total comprehensive income for the half year is attributable to:			
Owners of Solvar Limited		15,190	16,516
Earnings per share for profit attributable to the ordinary equity holders of the Company			
Basic earnings per share (cents)	9	9.31	8.20
Diluted earnings per share (cents)	9	9.17	8.10

The condensed consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the accompanying notes to the financial statements.

Condensed Consolidated Statement of Financial Position

as at 31 December 2025

	Note	Consolidated Dec 2025 \$'000	Consolidated Jun 2025 \$'000
ASSETS			
Cash and cash equivalents ¹		111,905	98,936
Investments in equities		11,492	11,763
Prepayments		1,567	859
Current tax receivable		176	811
Loans receivable, net	5	788,356	795,825
Customer acquisition costs		9,128	9,412
Deferred tax assets, net		18,728	19,631
Right-of-use assets		3,490	3,020
Plant and equipment		780	925
Intangible assets		19,948	20,025
Other assets		257	380
Total assets		965,827	961,587
LIABILITIES			
Trade and other payables		11,768	14,545
Dividends payable		4,721	-
Current tax payable		1,804	1,057
Borrowings	6	598,380	585,286
Employee benefit obligations		4,080	3,576
Lease liabilities		3,758	3,217
Provisions		193	195
Total liabilities		624,704	607,876
Net assets		341,123	353,711
EQUITY			
Share capital	7	201,451	209,628
Reserves		253	2,239
Retained earnings		139,419	141,844
Total equity		341,123	353,711

The condensed consolidated statement of financial position is to be read in conjunction with the accompanying notes to the financial statements.

¹The cash and cash equivalents disclosed above and in the statement of cash flows includes \$56.748 million (Jun 2025: \$57.828 million) which are held by the trust manager of the debt facilities. These balances are subject to funding related restrictions and are therefore not available for general use by the Group.

Condensed Consolidated Statement of Changes in Equity

for the half year ended 31 December 2025

	Note	Share Capital \$'000	Retained Earnings \$'000	Reserves \$'000	Total \$'000
Total equity at 1 July 2024		230,412	132,945	2,385	365,742
Profit after income tax expense for the half year		-	16,854	-	16,854
Other comprehensive income		-	-	(338)	(338)
Total comprehensive income for the half year		-	16,854	(338)	16,516
Transactions with owners in their capacity as owners:					
Share buybacks, net of share issues		(7,273)	-	-	(7,273)
Share based payment expenses		-	-	578	578
Transfer from reserves to share capital on exercise		100	-	(100)	-
Forfeiture of employee performance rights		-	-	(137)	(137)
Dividends	8	-	(10,367)	-	(10,367)
Closing balance as at 31 December 2024		223,239	139,432	2,388	365,059
Total equity at 1 July 2025		209,628	141,844	2,239	353,711
Profit after income tax expense for the half year		-	17,824	-	17,824
Other comprehensive income		-	-	(2,634)	(2,634)
Total comprehensive income for the half year		-	17,824	(2,634)	15,190
Transactions with owners in their capacity as owners:					
Share buybacks, net of share issues		(8,284)	-	-	(8,284)
Share based payment expenses		-	-	755	755
Transfer from reserves to share capital on exercise		107	-	(107)	-
Forfeiture of employee performance rights		-	-	-	-
Dividends	8	-	(20,249)	-	(20,249)
Closing balance as at 31 December 2025		201,451	139,419	253	341,123

The condensed consolidated statement of changes in equity is to be read in conjunction with the accompanying notes to the financial statements.

Condensed Consolidated Statement of Cash Flows

for the Half year ended 31 December 2025

	Consolidated Dec 2025 Half year \$'000	Consolidated Dec 2024 Half year \$'000
Cash flows from operating activities		
Interest, fees and charges from customers	99,381	107,437
Bank interest income	1,490	2,316
Recoveries	14,454	8,467
Payments to suppliers and employees (GST Inclusive)	(38,832)	(35,753)
Finance costs	(24,923)	(26,830)
Income tax paid	(4,404)	(10,728)
Net cash provided by operating activities before changes in operating assets	47,166	44,909
Loan principal received from customers	174,520	168,177
Loan principal advanced to customers	(198,420)	(197,263)
Net cash inflows / (outflows) from operating activities	23,266	15,823
Cash flows from investing activities		
Payment for plant and equipment	(50)	(57)
Proceeds from sale of plant and equipment	3	-
Income received from investment in equities	352	-
Net cash inflows / (outflows) from investing activities	305	(57)
Cash flows from financing activities		
Share buyback payments	(8,406)	(7,277)
Proceeds from borrowings	291,883	59,710
Repayment of borrowings	(277,988)	(78,009)
Repayment of lease liabilities	(420)	(505)
Dividends paid	(15,528)	(10,367)
Net cash inflows / (outflows) from financing activities	(10,459)	(36,448)
Net increase / (decrease) in cash held	13,112	(20,682)
Cash and cash equivalents at the beginning of the half year	98,936	152,896
Effects of exchange rate changes on cash and cash equivalents	(143)	(97)
Cash and cash equivalents at end of the half year	111,905	132,117

The condensed consolidated statement of cash flows is to be read in conjunction with the accompanying notes to the financial statements.

Notes to the Condensed Consolidated Financial Statements

Introduction

The interim financial report covers Solvar Limited (“Solvar” or “the Company”) and its controlled entities (“the Group”). Solvar is a company limited by shares whose shares are publicly traded on the Australian Securities Exchange (ASX). Solvar is incorporated and domiciled in Australia. Items included in the financial statements of each of the Group’s entities are measured using the currency of the primary economic environment in which the entity operates. The condensed consolidated financial statements are presented in Australian dollars which is the functional and presentation currency of Solvar Limited and amounts are rounded to the nearest thousand dollars, unless otherwise indicated.

The interim financial report was authorised for issue by the Board of the Company at a Directors meeting on the date shown on the Declaration by the Board attached to the Financial Statements.

1. Summary of Material Accounting Policies

(a) Basis of accounting

The interim financial report is a general-purpose financial report which has been prepared in accordance with the *Corporations Act 2001*, Australian Accounting Standards and Interpretations and complies with other requirements of the law, as appropriate for-profit oriented entities. The interim financial report comprises the condensed consolidated financial statements of the Group. The interim financial statements comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

This Interim Financial Report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for year ended 30 June 2025 and any public announcements made by Solvar Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The interim financial statements have been prepared on an accruals basis and are based on historical costs modified by the revaluation of selected assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied. Where necessary, comparative figures have been adjusted to conform to changes in presentation for the half year ended 31 December 2025.

The interim financial statements have been prepared in accordance with Australian Accounting Standards, which are based on the Group continuing as a going concern which assumes the realisation of assets and the extinguishment of liabilities in the normal course of business and at the amounts stated in the financial report.

(b) Principles of consolidation

The condensed consolidated financial statements incorporate the assets and liabilities of all subsidiaries of the Group as at 31 December 2025 and the results of all subsidiaries for the half year then ended.

Subsidiaries are all those entities over which the Company has control. The Company controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Inter-company transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless a transaction provides evidence of impairment to the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Notes to the Condensed Consolidated Financial Statements (cont.)

(c) Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the adoption of new and amended accounting standards as set out below.

(d) New standards adopted by the Group

There were no new standards adopted by the Group for the half year ended 31 December 2025. Certain new accounting standards and amendments to accounting standards have been published that are not mandatory for 31 December 2025 reporting periods and have not been early adopted by the Group.

(e) Critical accounting estimates, assumptions and judgements

In the application of Australian Accounting Standards, management is required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revisions affect both current and future periods.

The critical accounting estimates, assumptions and judgements applied in interim financial report, are in the same areas as those applied in the Group's last annual report for the year ended 30 June 2025.

(f) Notes to the financial statements

The notes to the financial statements have been structured to make the financial report relevant and readable, with a focus on information that is material to the operations, financial position and performance of the Group. Additional information has also been included where it is important for understanding the Group's performance.

Notes relating to individual line items in the financial statements include accounting policy information where it is considered relevant to an understanding of these items, as well as information about critical accounting estimates and judgements.

(g) Rounding of amounts

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

Notes to the Condensed Consolidated Financial Statements (cont.)

2. Segment Information

The Group has identified its operating segments based on internal reports and components of Solvar that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segments and to assess their performance.

(a) Australia

This segment provides lending facilities in Australia generally based on the provision of an underlying asset as security, generally distributed through a broker, dealer or directly through digital channels.

(b) New Zealand

This segment ceased lending in August 2024 and is currently collecting the loans receivables.

Segment income statement

Consolidated Dec 2025 Half year	Note	Australia \$'000	New Zealand \$'000	Unallocated ¹ \$'000	Total \$'000
Segment interest income ²	3	90,158	7,527	529	98,214
Interest expense		(23,911)	(11)	(28)	(23,950)
Net Interest Income		66,247	7,516	501	74,264
Segment costs		(42,156)	4,144 ³	(11,689)	(49,701)
Profit before tax		24,091	11,660	(11,188)	24,563
Income tax expense					(6,739)
Profit after tax					17,824

Consolidated Dec 2024 Half year	Note	Australia \$'000	New Zealand \$'000	Unallocated ¹ \$'000	Total \$'000
Segment interest income ²	3	92,706	15,427	428	108,561
Interest expense		(24,896)	(1,850)	(7)	(26,753)
Net Interest Income		67,810	13,577	421	81,808
Segment costs		(39,617)	(5,811)	(11,874)	(57,302)
Profit before tax		28,193	7,766	(11,453)	24,506
Income tax expense					(7,652)
Profit after tax					16,854

¹Represents transactions or balances that are not directly related to a segment.

²Represents "Interest income (including fees and charges)" as disclosed in Statement of Profit or Loss and Other Comprehensive Income.

³Includes bad debts recovered pursuant to sale of written off loan book in New Zealand.

Notes to the Condensed Consolidated Financial Statements (cont.)

Segment Information (Cont.)

Segment balance sheet

Consolidated As at Dec 2025 Half year	Australia \$'000	New Zealand \$'000	Unallocated ¹ \$'000	Total \$'000
Segment assets				
Cash and cash equivalents	89,795	2,260	19,850	111,905
Loans receivable, net	745,463	42,893	-	788,356
Other assets	29,726	2,813	33,027	65,566
Total assets	864,984	47,966	52,877	965,827
Segment liabilities				
Trade and other payables	8,031	2,427	1,310	11,768
Borrowings	598,380	-	-	598,380
Other liabilities	6,232	617	7,707	14,556
Total liabilities	612,643	3,044	9,017	624,704

Consolidated As at Jun 2025	Australia \$'000	New Zealand \$'000	Unallocated ¹ \$'000	Total \$'000
Segment assets				
Cash and cash equivalents	93,733	2,032	3,171	98,936
Loans receivable, net	729,139	66,686	-	795,825
Other assets	29,515	6,553	30,758	66,826
Total assets	852,387	75,271	33,929	961,587
Segment liabilities				
Trade and other payables	9,460	2,866	2,219	14,545
Borrowings	585,286	-	-	585,286
Other liabilities	5,327	491	2,227	8,045
Total liabilities	600,073	3,357	4,446	607,876

¹Represents transactions or balances that are not directly related to a segment.

Notes to the Condensed Consolidated Financial Statements (cont.)

3. Interest Income (including fees and charges)

	Consolidated Dec 2025 Half year \$'000	Consolidated Dec 2024 Half year \$'000
Interest, fees and charges – loan products	95,764	104,973
Fees and charges – other products	607	1,272
Bank interest income	1,491	2,316
Other income	352	-
Total interest income (including fees and charges)	98,214	108,561

Key estimate

The deferral of loan fees and charges assumes that the loan will be repaid in line with the agreed repayments schedule. This key estimate is reviewed on a monthly basis.

Recognition and measurement

Income is measured at the fair value of the consideration received or receivable and recognised to the extent that it is probable that the economic benefits will flow to the economic entity and the interest income can be reliably measured.

Interest, fees and charges include interest on loan products, application and credit fees, and other period fees including arrears, default and variation fees. Income associated with loans is deferred and recognised over the life of the loans using the effective interest rate method over the loan term. The Group recognises this income, taking into consideration the type of customer, the type of transaction and specifics of each arrangement and contract.

4. (a) Loan Origination and Servicing Costs

	Consolidated Dec 2025 Half year \$'000	Consolidated Dec 2024 Half year \$'000
Loan origination costs	5,745	6,574
Loan servicing costs	723	2,154
Advertising expenses	638	542
Total loan origination and servicing costs	7,106	9,270

4. (b) General Administration Expenses

	Consolidated Dec 2025 Half year \$'000	Consolidated Dec 2024 Half year \$'000
Employee related expenses	19,418	18,537
Technology expenses	3,497	4,174
Professional fees	1,750	3,553
FX (Gains)/Losses	1,995	584
Other expenses	932	941
Total general administration expenses	27,592	27,789

Notes to the Condensed Consolidated Financial Statements (cont.)

5. Loans Receivable

	Consolidated Dec 2025 \$'000	Consolidated Jun 2025 \$'000
Gross loan book	896,922	910,093
Deferred revenue	(56,421)	(61,664)
Loans receivable	840,501	848,429

Gross loan book represent cash to be received at reporting date. Deferred revenue represents interest, fees and charges accumulated on individual loans which will be recognised as income in future periods using the effective interest rate method. Gross loan book less deferred revenue represents the loans receivable calculated in accordance with the accounting policy.

	Consolidated Dec 2025 \$'000	Consolidated Jun 2025 \$'000
Loans receivable	840,501	848,429
Allowance for impairment losses	(52,145)	(52,604)
Loans receivable, net	788,356	795,825
Loans receivable expected to be recovered within 12 months	245,636	250,622
greater than 12 months	542,720	545,203
Loans receivable, net	788,356	795,825

Classification of amounts expected to be recovered within 12 months and greater than 12 months is in line with the expected repayment profile of loans.

Recognition and measurement

Loans and other receivables are non-derivative financial assets, with fixed and determinable payments that are not quoted in an active market. Loans and other receivables are initially recognised at fair value, including direct transaction costs and are subsequently measured at amortised cost using the effective interest method.

Loans and other receivables are due for settlement at various times in line with the terms of their contracts.

Key estimate

The Group applies a three-stage approach to measuring expected credit losses (ECLs) for loans receivable measured at amortised cost. Loans receivable move through the following three stages based on the change in credit risk since initial recognition:

Stage 1: 12-months ECL

The Group collectively assesses ECLs on loans receivable where there has not been a significant increase in credit risk since initial recognition and that were not credit impaired upon origination. For these loans receivable, the Group recognises as a collective provision the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months. The Group does not conduct an individual assessment of exposures in Stage 1 as there is no evidence of one or more events occurring that would have a detrimental impact on estimated future cash flows.

Notes to the Condensed Consolidated Financial Statements (cont.)

Loans Receivable (Cont.)

Stage 2: Lifetime ECL – not credit impaired

The Group collectively assesses ECLs on loans receivable where there has been a significant increase in credit risk since initial recognition but are not credit impaired. For these loans receivable, the Group recognises as a collective provision a lifetime ECL (i.e. reflecting the remaining term of the loans receivable). Like Stage 1, the Group does not conduct an individual assessment on Stage 2 loans receivable as the increase in credit risk is not, of itself, an event that could have a detrimental impact on future cash flows.

Stage 3: Lifetime ECL – credit impaired

The Group identifies, both collectively and individually, ECLs on those exposures that are assessed as credit impaired based on whether one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. For exposures that have become credit impaired, a lifetime ECL is recognised as a collective or specific provision.

A loan receivable balance is written off when the customer is unlikely to pay their obligation and the Group determines there is no reasonable expectation of recovery. In assessing whether reasonable expectation of recovery exists, multiple factors are considered including days past due without repayment, recourse available to the Group such as realisability of security, insurance payout and other related factors.

Determining the stage for impairment

At each reporting date, the Group assesses whether there has been a significant increase in credit risk for loans receivable since initial recognition by comparing the risk of default occurring over the remaining expected life from the reporting date. This includes quantitative and qualitative information. Loans receivable will move through the ECL stages as asset quality deteriorates. If, in a subsequent period, asset quality improves and reverses any previously assessed significant increase in credit risk since origination, then the allowance for impairment losses reverts from lifetime ECL to 12-months ECL. Loans receivable that has not deteriorated significantly since origination are considered to have a low credit risk. The allowance for impairment losses for these loans receivable is based on a 12-months ECL. When an asset is uncollectible, it is written off against the related provision. Such assets are written off after all the necessary procedures have been completed and the amount of the loss has been determined. Subsequent recoveries of amounts previously written off reduce the amount of the expense in the income statement.

Measurement of Expected Credit Losses (ECLs)

ECLs are derived from unbiased and probability-weighted estimates of expected loss and incorporate all available information which is relevant to the assessment including information about past events, current conditions and reasonable and supportable forecasts of future events and economic conditions at reporting date.

The Group calculates ECL using three main components, a probability of default (PD), a loss given default (LGD) and the exposure at default (EAD).

The 12-month ECL is calculated by multiplying the 12-month PD, LGD and EAD. Lifetime ECL is calculated using the lifetime PD instead. The 12-month and lifetime PDs represent the probability of default occurring over the next 12 months and the remaining maturity of the instrument respectively. The EAD represents the total value the Group is exposed to when the loan receivable defaults. The LGD represents the unrecovered portion of the EAD considering mitigating effect of realisable value of security.

The movement in allowance for impairment loss for the half year ended 31 December 2025 of \$1.215 million consists of \$0.459 million decrease relating to loans receivable, and \$1.219 million increase relating to impairment loss on retention receivable on sale of written off loan book in New Zealand and \$0.455 million loss arising from foreign currency translation.

Notes to the Condensed Consolidated Financial Statements (cont.)

6. Borrowings

	Consolidated Dec 2025 \$'000	Consolidated Jun 2025 \$'000
Finance facility (drawn)	601,220	587,326
Unamortised borrowing costs	(2,840)	(2,040)
Total borrowings¹	598,380	585,286
Borrowings expected to be settled within 12 months	79,580	378,303
greater than 12 months	518,800	206,983
Total borrowings¹	598,380	585,286

¹The average interest rate on borrowings for the half year ended 31 December 2025 is 7.19% (Jun 2025: 7.94%)

Recognition and measurement

Borrowings are classified as expected to be settled within 12 months unless the Group has the right to defer settlement of the liability for at least 12 months after the reporting date.

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost using the effective interest method including the borrowing costs.

Finance facility

The Group has four variable rate debt facilities with a combined limit of \$1,123.533 million as at 31 December 2025. During the half year, the limits of the revolving facilities were increased by \$248.000 million (net). This included an increase of \$488.000 million in Money3 business unit through an introduction of a new facility and a decrease of \$240.000 million in the existing facility of Money3 business unit due to resizing. The margins on this facility were revised downwards to align with the competitive pricing of the new facility. Both these facilities have a two-year funding availability period ending in November 2027, with extension options available. During the half year, \$39.541 million of the Money3 private debt placement facility amortised, resulting in an outstanding facility balance of \$79.533 million as at 31 December 2025.

Within the AFS business unit, the existing variable rate revolving debt facility has a limit of \$285.000 million, is subject to a one-year funding availability period ending in June 2026, with an option to extend.

Financing facilities available

	Consolidated Dec 2025 \$'000	Consolidated Jun 2025 \$'000
Finance facility (limit) at reporting date	1,122,533	914,074
Used at reporting date	(601,220)	(587,326)
Unused at reporting date	521,313	326,748

Compliance with loan covenants

Solvar Limited has complied with the financial covenants of its borrowing facilities during the half year ended 31 December 2025 and in the prior comparative period.

Notes to the Condensed Consolidated Financial Statements (cont.)

7. Share Capital

(a) Share Capital

	Consolidated Dec 2025 \$'000	Consolidated Jun 2025 \$'000
Total share capital	201,451	209,628

(b) Movement in shares on issue

Movement in the shares on issue of the Company during the half year are summarised below:

	Consolidated Dec 2025	Consolidated Jun 2025	Consolidated Dec 2025	Consolidated Jun 2025
	Number of ordinary shares '000	Number of ordinary shares '000	Value \$'000	Value \$'000
Balance at the beginning of the financial year	197,029	211,217	214,507	233,422
Issued during the half year:				
Issue of shares – employee share scheme	57	35	10	4
Share buy-back	(5,250)	(14,320)	(8,294)	(20,888)
Transfer from reserves	-	-	107	100
Shares not yet cancelled, net	(2,970)	97	(4,879)	1,869
Balance at end of the half year	188,866	197,029	201,451	214,507

(c) Movement in shares not yet cancelled

Movement in the shares not yet cancelled by the Company during the half year are summarised below:

	Consolidated Dec 2025	Consolidated Jun 2025	Consolidated Dec 2025	Consolidated Jun 2025
	Number of ordinary shares '000	Number of ordinary shares '000	Value \$'000	Value \$'000
Balance at the beginning of the financial year	(2,970)	(2,873)	(4,879)	(3,010)
Shares bought back in previous financial year cancelled during current half year	2,970	2,873	4,879	3,010
Shares bought back in current half year not yet cancelled	-	(2,970)	-	(4,879)
Balance at end of the half year	-	(2,970)	-	(4,879)

Recognition and measurement

Ordinary shares

Ordinary shares have the right to receive dividends as declared and in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company. The Company does not have limited authorised capital and issued shares have no par value.

Notes to the Condensed Consolidated Financial Statements (cont.)

8. Dividends

	Dec 2025 Half year Cents per share	Dec 2025 Half year \$'000	Dec 2024 Half Year Cents per share	Dec 2024 Half Year \$'000
Recognised amounts				
Final dividend paid during the half year - fully franked at 30% tax rate	8.00	15,528	5.00	10,367
Special dividend payable subsequent to reporting period – fully franked at 30% tax rate	2.50	4,721	-	-
Total – recognised amounts		20,249		10,367
Unrecognised amounts				
Interim dividend - fully franked at 30% tax rate	6.00	11,332	6.00	12,159
Special dividend - fully franked at 30% tax rate	2.50	4,722	-	-
Total – unrecognised amounts		16,054		12,159

On 17 February 2026, the Directors declared a fully franked interim dividend of 6.00 cents per share to the holders of fully paid ordinary shares in respect of the half year ended 31 December 2025, to be paid to shareholders on 7 April 2026. On 17 February 2026, the Directors also declared a fully franked special dividend of 2.50 cents per share to the holders of fully paid ordinary shares, to be paid to the shareholders on 7 April 2026. The dividend will be paid to shareholders based on the Register of Members on 5 March 2026. Both interim and special dividend declared on 17 February 2026 have not been included as a liability in these financial statements. The total estimated dividend to be paid is \$16.054 million. The Group has \$73.575 million of franking credits at 31 December 2025 (Dec 2024: \$73.493 million).

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Notes to the Condensed Consolidated Financial Statements (cont.)

9. Earnings Per Share

	Consolidated Dec 2025 Half year Cents	Consolidated Dec 2024 Half year Cents
a) Basic earnings per share attributable to the ordinary equity holders of the Company	9.31	8.20
b) Diluted earnings per share attributable to the ordinary equity holders of the Company	9.17	8.10
	Consolidated Dec 2025 Half year \$'000	Consolidated Dec 2024 Half year \$'000
c) Profit attributable to the ordinary equity holders of the Company	17,824	16,854
	17,824	16,854
	Consolidated Dec 2025 Half year (Quantity)	Consolidated Dec 2024 Half year (Quantity)
d) Weighted average number of shares used as the denominator		
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	191,529,752	205,621,484
Dilutive potential ordinary shares	2,849,277	2,397,493
Weighted average number of ordinary shares and potential ordinary shares used in calculation of diluted earnings per share	194,379,029	208,018,977

Recognition and measurement

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the half year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to consider the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares. Performance rights granted to employees and directors are converted to ordinary shares up on vesting and have been included in the determination of diluted earnings per share to the extent to which they are dilutive.

Notes to the Condensed Consolidated Financial Statements (cont.)

10. Related Party Transactions

a) Loans to KMP

In FY22, Solvar entered into a 5-year Deferred Payment Arrangement (“DPA”) with related entities to Scott Baldwin, Managing Director and CEO of the Group, to loan \$3,270,000 for the exercise of 2,180,000 unlisted options. The allocated shares are held in escrow as security against the loan and are subject to a holding lock. The shares will be released from escrow when the loan is paid in full and has been discharged.

The Directors determined the terms of the DPA are on a reasonable arm’s length basis including the interest rate on the transaction. The interest rate used is the Australian Taxation Office Division 7A benchmark interest rate. The initial recognition of the loan and the related exercise of the options was treated as non-cash activity for the purposes of the Statement of Cash Flows. Periodic repayments were made in cash with the amount payable at 31 December 2025 of \$207,121. (30 June 2025: \$970,000). This loan is included as part of the Loans receivable balance disclosed in Note 5. Income recognised in respect of the loan during half year was \$37,121 (Dec 2024: \$83,641). Subsequent to the reporting period, the loan has been repaid in full and the shares are expected to be released from escrow.

b) Other transactions related to KMP

There were no other transactions with KMP during the current half year or as at 31 December 2025 (Dec 2024: Nil). All transactions with related parties are at arm’s length on normal commercial terms and conditions at market prices.

11. Contingent Liabilities

In May 2023, the Australian Securities and Investments Commission (ASIC) initiated legal proceeding in the Federal Court in Australia against Money3 Loans Pty Ltd (herein after referred to as “Money3” which is a wholly owned subsidiary of Solvar Limited) alleging that Money3 breached its responsible lending obligations. Judgment has been delivered with the majority of the claims against Money being dismissed. A hearing as to what penalty is payable by Money3 will be heard prior to the end of the current financial year. It is not practical to estimate the potential effect of any possible penalty but Money3 is of the view that it is not probable that a material liability will arise.

In March 2024, the Commerce Commission commenced civil proceedings in the High Court of New Zealand alleging that one of Finance Investment Group Limited’s subsidiaries, Go Car Finance Ltd (GCF) had breached its responsible lending obligations with respect to certain loans. Solvar Limited has also been sued on the basis that Go Car Finance Ltd acted as its agent. Both GCF and Solvar Limited are defending the legal proceedings and is of the view it has appropriate processes in place in relation to responsible lending, training programs, and systems that comply with its legal obligations. It is not practical to estimate the potential effect of the claim, but GCF is of the view that it is not probable that a material liability will arise.

12. Significant Matters Subsequent to the Reporting Date

Refer to note 8 in the Interim Financial Report for dividends proposed to be declared since the end of the reporting period.

No other matters or circumstances have arisen since the end of the half year that have significantly affected or may significantly affect the operations of the Group, the results or the state of affairs of the Group.

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Solvar Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Solvar Limited (the Company) and its subsidiaries (the Group), which comprises the condensed consolidated statement of financial position as at 31 December 2025, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, material accounting policy information and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- i. Giving a true and fair view of the Group's financial position as at 31 December 2025 and of its financial performance for the half-year ended on that date; and
- ii. Complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*.

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 the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be the same terms if given to the directors as at the time of this auditor's review report.

Responsibility of the directors for the financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year 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 half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2025 and its financial performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year 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.

BDO Audit Pty Ltd



Benjamin Lee
Director

Melbourne, 17 February 2026

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