Money in Motion

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Brisbane QLD 4000

EML Payments Limited

26 February 2025

ASX Market Announcements
20 Bridge Street
SYDNEY NSW 2000

EML Announces 1HFY25 results[1]

- Revenue of $115.1m (+15% on 1H24)
- Group underlying EBITDA[2] of $33.4m (+50% on 1H24)
- Statutory NPAT of $9.5m significantly improved on PCP[3] loss of $4.7m
- Cash balance improved to $50.6m
- Commercial team closing deals and building pipeline
- EML 2.0 progressing to plan
- FY25 underlying EBITDA guidance of $54-$60m reaffirmed

EML PAYMENTS LIMITED (ASX:EML) ("EML") has today released its 1HFY25 Appendix 4D and Financial Results.

EML's Executive Chairman Anthony Hynes said:

"Our financial metrics are improved against H1FY24 with growth in both customer and interest revenue with total revenue up 15% to $115.1m, improved EBITDA up 50% to $33.4m and a material improvement in our statutory NPAT performance from a PCP loss of $4.7m to a profit this half of $9.5m."

"Much of our focus is laying the building blocks for EML 2.0 starting with cementing our leadership group and organisational structure simplification across the business to realise synergies; good progress has been made in this key area over the last two months. The business is in a much better cadence and is focused on operational efficiency, customer relationships, growth and empowering our people to be their best under a one EML ethos. We are working rapidly to remove the inefficiencies caused by minimal integration of our global businesses over the last five years."

"Our Commercial team is building momentum, and we have welcomed marquee brands to EML in recent times. The team is expanding with new hires, and our pipeline is building with a renewed focus on winning together with vertical expansion into new markets driven by dedicated product resources."

"There is much to do but the team is energised and passionately driving the EML2.0 agenda. We look forward to sharing progress at our full year results presentation."

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[1] Continuing operations, as per the Interim Report, excludes the impact of PCSIL and Sentenial

[2] Underlying EBITDA is explained in the 2025 Interim Report on page 6. This is a non-IFRS measure and has not been audited or reviewed.

[3] Prior comparative period.

Money in Motion

About EML Payments Limited

EML Payments is a global payments company that operates in Australia, New Zealand, the UK, Europe, and the US. Our customers are diverse and include major banks in Europe, government, retail brands and financial services companies. For more information: EMLPayments.com.

This announcement has been authorised for release by the Board of Directors.

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EML Payments Limited

Rule 4.2A.3

Appendix 4D

Half year report
Half-year ended 31 December 2024

Introduced 1/1/2003

Name of entity

EML Payments Limited

ABN or equivalent company reference

93 104 757 904

1.	Half year ended (current period)	Half year ended ('previous corresponding period')
	31 December 2024	31 December 2023

2. Results for announcement to the market

		Movement	31 December 2024	31 December 2023*
			A$'000	A$'000
2.1	Revenues & other income	12% increase	119,163	106,092
2.2	Profit/(Loss) from ordinary activities after tax attributable to members	175% increase	9,244	(12,364)
2.3	Profit/(Loss) for the period attributable to members	175% increase	9,244	(12,364)

**The comparative period information has been restated on account of discontinued operations (sale of Sentenial Limited (Group)).*

Dividends (distributions)		Amount per security	Franked amount per security
2.4	Final dividend *(Preliminary final report only)*	N/A	N/A
2.4	Interim dividend *(Half yearly report only)*	N/A	N/A
2.5	Record date for determining entitlements to the dividend	N/A	

2.6 Brief explanation of any of the figures in 2.1 to 2.4 necessary to enable the figures to be understood.

Refer to the Performance Overview in the half-year financial report.

3. NTA backing		As at 31 December 2024 $	As at 30 June 2024 $
	Net tangible assets per security [1]	0.17	(0.01)

[1] Under the listing rules NTA Backing must be determined by deducting from total tangible assets all claims on those assets ranking ahead of the ordinary securities (ie: all liabilities, preference shares, outside equity interest etc).

4. Control gained over entities having material effect

4.1	Name of entity (or group of entities)	N/A
4.2	Date of gain of control	N/A
4.3	Consolidated profit/(loss) from ordinary activities after tax of the controlled entity (or group of entities) since the date in the current period on which control was acquired	N/A
4.3	Loss from ordinary activities after tax of the controlled entity (or group of entities) for the whole of the previous corresponding period	N/A

Loss of control of entities having material effect

4.1	Name of entity (or group of entities)	Sentenial Limited Sentenial Limited Nuapay SAS Sentenial BVVA Sentenial SARL Sentenial GmbH
4.2	Date of loss of control	2 September 2024
4.3	Consolidated profit (loss) from ordinary activities after tax of the controlled entity (or group of entities) since the date in the current period on which control was acquired	($1,927,000)
4.3	Profit (loss) from ordinary activities after tax of the controlled entity (or group of entities) for the whole of the previous corresponding period	($5,683,000)

5. Dividends / Distributions

Date the dividend (distribution) is payable	N/A
Amount per security of foreign source dividend	N/A

6. Total Dividends /Distributions

Ordinary securities	N/A
Preference securities	N/A

Dividend or distribution investment plans in operation: N/A	
The last date(s) for receipt of election notices for the dividend or distribution reinvestment plans	N/A

7. Details of aggregate share of profits (losses) of associates and joint venture entities

Name of associate/joint venture:	N/A	
Holding in entity		N/A

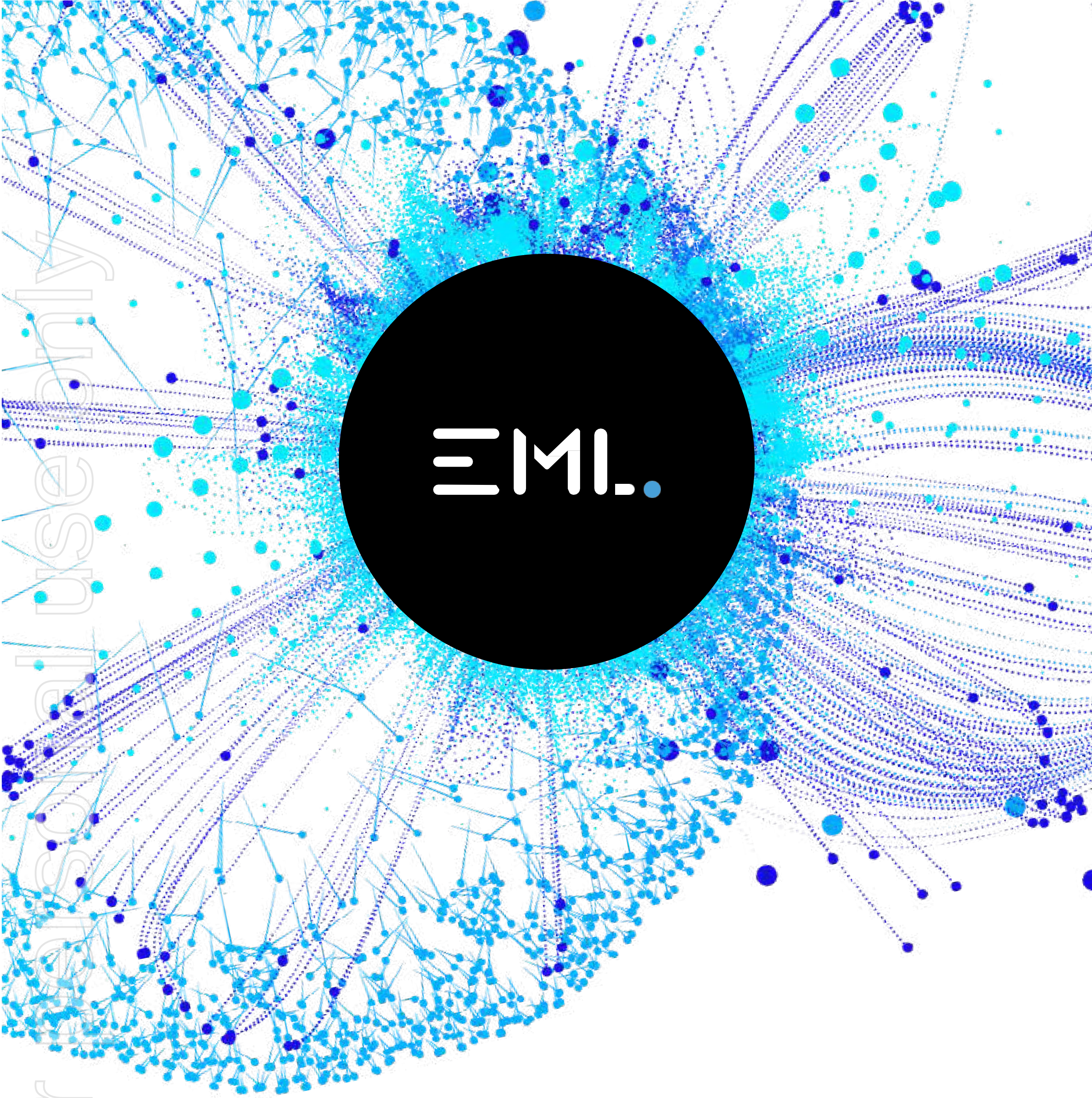
Group's share of associates' and joint venture entities':	Current period $A'000	Previous corresponding period - $A'000
Profit (loss) from ordinary activities before tax	N/A	N/A
Income tax on ordinary activities	N/A	N/A
Profit (loss) from ordinary activities after tax	N/A	N/A
Extraordinary items net of tax	N/A	N/A
Net profit (loss)	N/A	N/A
Adjustments	N/A	N/A
Share of net profit (loss) of associates and joint venture entities		

8. Foreign Entities

Which set of accounting standards is used in compiling the report (e.g. International Accounting Standards)	International Accounting Standards

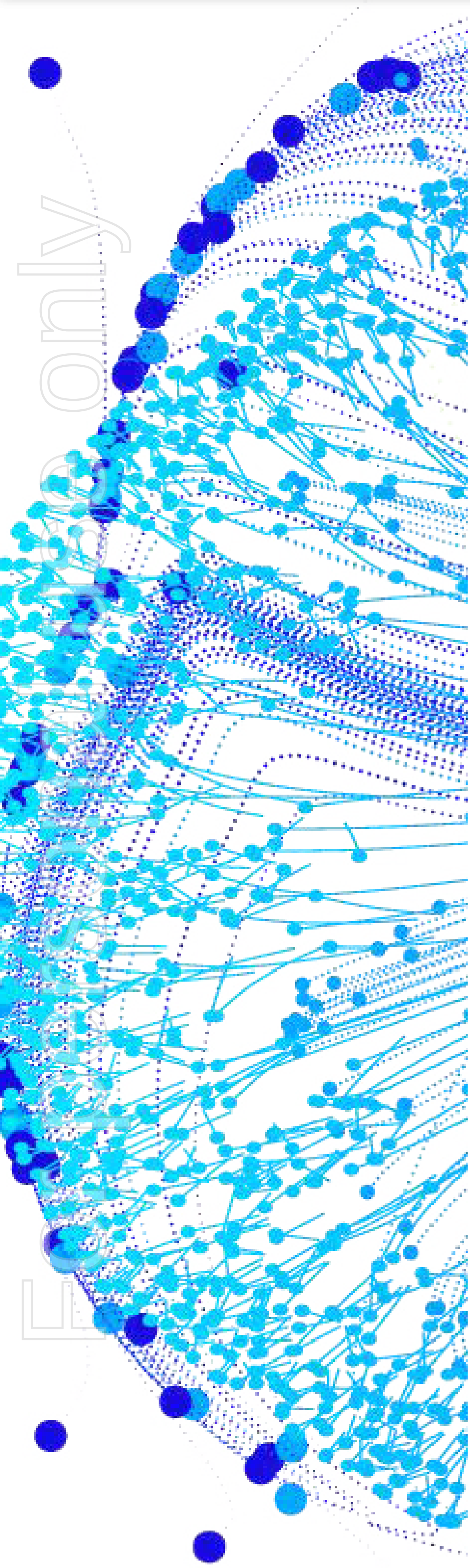
9. All Entities

A description of Accounts subject to audit dispute or qualification: N/A



EML Payments Limited

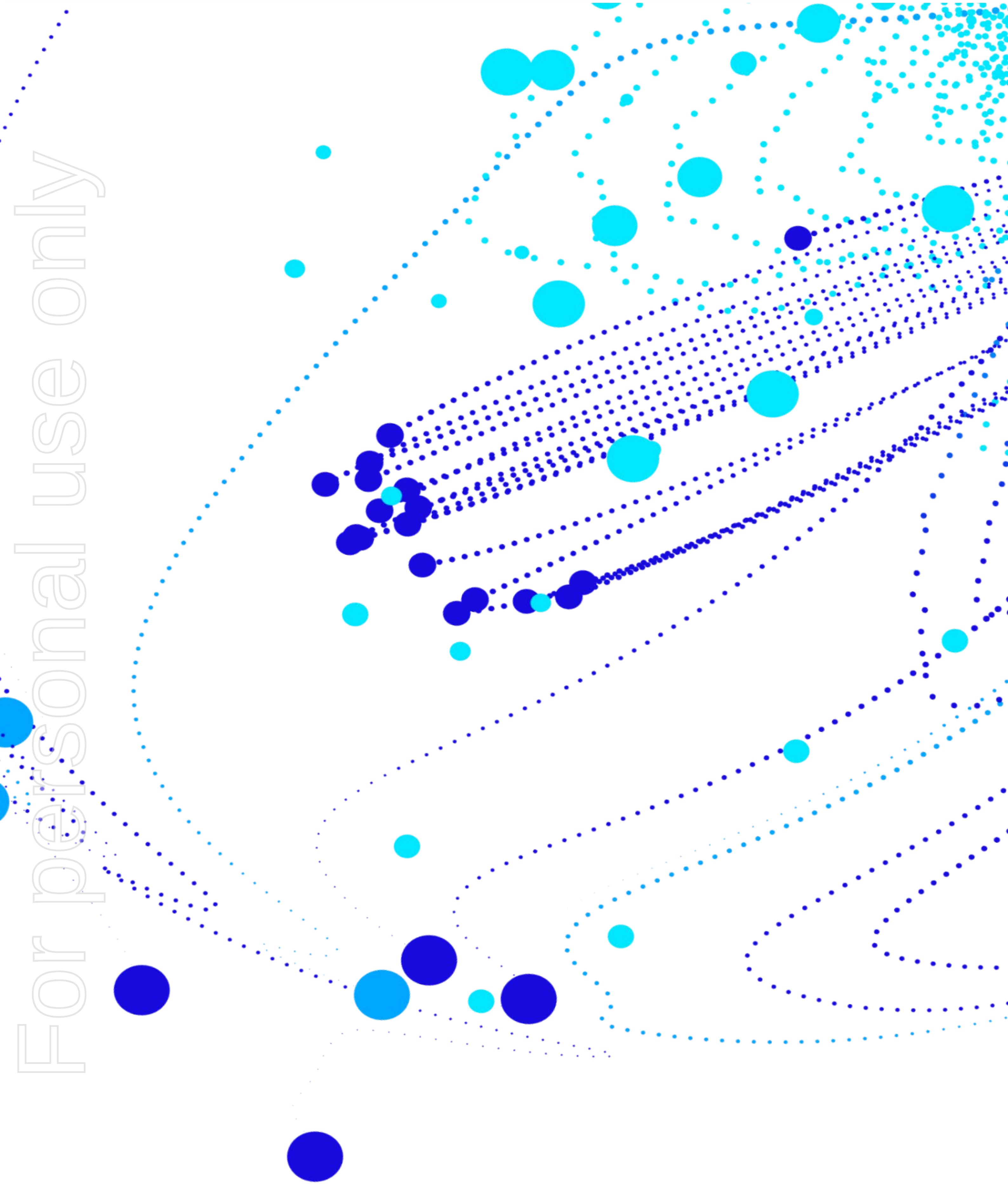
2025 Interim Report.



Contents.

— 01

Performance overview.



Performance overview.

Financial performance highlights.

The Group reported strong revenue and Underlying EBITDA[1] growth. The current period's financial performance reflects a business that is being repositioned for growth with new investments in talent and leadership.

The performance metrics exclude the impact of discontinued operations, Sentenial and PFS Card Services Ireland (PCSIL) which were exited over the last 18 months.

Revenue of $115.1 million grew by 15% on PCP of $99.8 million, driven by an uplift in interest revenue of 49% on PCP to $32.8 million. Customer revenue had solid growth, increasing by 6% to $82.3 million on PCP.

Underlying Gross profit[1] improved 17% to be $86.7 million (PCP: $74.0 million) as a result of the uplift in interest revenue, higher transaction revenue, breakage and establishment revenue.

Underlying EBITDA[1] of $33.4 million increased by 50% (PCP: $22.4 million), driven by the uplift in gross profit as net overheads[2] were broadly stable (increase of 3% on PCP). The net overheads increase was primarily attributable to employee costs, investments to position the group to execute the strategy of EML 2.0. Other costs were in line or lower than PCP.

Net profit for the period $9.5 million (PCP: loss of $4.7 million) was due to growth in revenues, as costs were well controlled and only rose modestly on PCP.

The Group's closing cash balance of $50.6 million grew by $7.5 million in the half but was 22% lower than the PCP reflecting the net repayment of debt following the receipt of proceeds from the Sentenial sale.

The new leadership team is executing on the EML 2.0 strategy outlined at the Annual General Meeting, to deliver a stronger business for shareholders, customers and employees.

For further details please refer to the Investor Presentation released with this financial report.

[1] Underlying Gross profit and Underlying EBITDA reconciliation is set out on page 6 within the Performance overview. These measures are non-IFRS measures and have not been audited or reviewed.

[2] Net overheads exclude one off items and is net of Other income included in Operating EBITDA. See page 8 within the Performance overview for details.

Performance overview.

Summary Financial Performance.

($'000)	Six months ended 31 December 2024	Change	Six months ended 31 December 2023[1]
Revenue	115,145	15%	99,764
Gross profit[4]	**86,718**	**17%**	**73,851**
Gross profit %	75%	1%	74%
Other income[2]	3,938	na	19
Employee and employee-related expense	(36,593)	21%	(30,282)
Professional fees	(9,674)	24%	(7,818)
Information technology related costs	(9,917)	(5%)	(10,462)
Other expenses – operating[3]	(7,286)	57%	(4,646)
Operating EBITDA[4]	**27,186**	**32%**	**20,663**
Less:			
Share-based payments	(1,312)	(71%)	(4,457)
Depreciation and amortisation expense	(7,574)	(21%)	(9,631)
Acquisition costs	(83)	13%	(96)
Finance costs	(3,164)	(25%)	(2,539)
Loss on disposal of plant, equipment and right of use assets	-	-	0
Impairment expense	-	(100%)	(5,330)
Add:			
Fair value gain on financial assets and liabilities	507	(71%)	1,754
Other income - non-operating	(1,783)	na	3,605
Profit before tax	**13,778**	**247%**	**3,968**
Tax expense	(4,302)	51%	(8,701)
Net profit/(loss) after tax NPAT/(NLAT) for the period	**9,476**	**300%**	**(4,733)**

	Six months ended 31 December 2024		Six months ended 31 December 2023	
($'000)	Gross profit	EBITDA	Gross profit	EBITDA
As reported above	86,718	27,186	73,851	20,663
Add : Restructuring costs and strategy establishment	-	3,424	-	1,158
Add: Risk management improvements and class action costs	-	2,396	-	529
Add: Single Global Platform investment	-	315	-	-
Add: PCSIL Separation and technology related costs	-	101	-	-
Add: AASB 3 fair value adjustment	-	-	164	-
Underlying gross profit and EBITDA[4]	**86,748**	**33,422**	**74,015**	**22,350**

[1] The comparative information has been restated on account of discontinued operations.

[2] Other income included in Operating EBITDA reflects intercompany management fee income from Sentenial and PFS Card Services (Ireland) Limited when they were part of the Group, plus management fee and licence fee charges to PFS Card Services (Ireland) Limited/Interpath. Other income per Note A2 of the financial statements is $4.0 million compared to $3.9m in Operating EBITDA, as the balance is reported by Other income – non-operating).

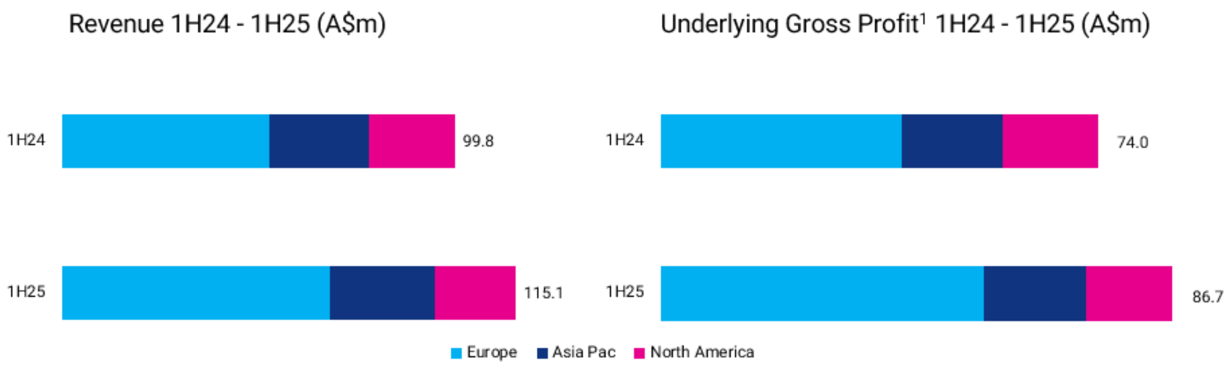
[3] Includes Other expense – operating and Impairment loss on trade receivables.

[4] Underlying Gross profit and Underlying EBITDA are non-statutory measures and have not been audited or reviewed.

Performance overview.

Segment performance

The below provides the key segment metrics of revenue and underlying gross profit for the half-year period:



Underlying gross profit

Underlying gross profit[1] improved 17% to be $86.7 million (PCP: $74.0 million) as a result of an increase in transaction revenue, breakage, and establishment revenue, plus uplift in interest revenue to $32.8 million (up 49% on PCP).

Underlying operating overhead costs

Net overhead costs[2] (i.e. operating overhead costs adopted in calculating EBITDA adjusted for non-recurring items) have increased 3% compared to PCP.

Costs relating to employees increased by $3.1 million as the new executive team and other new hires transitioned into the business. Non-employee costs included in net overheads were largely flat or decreased on PCP, as efficiency gains were offset with investments to position the Group for growth.

Non-operating overheads

Share-based payment expense is $1.3 million (PCP: $4.5 million) and primarily relates to incentive and sign-on bonuses for new senior leadership.

Depreciation and amortisation costs of $7.6 million are 21% lower than PCP following the exit of Sentenial and lower amortisation on customer contracts and software following the impairment recognised in PCP.

Impairment expenses were nil in the current period (31 December 2024: $5.3 million).

[1] Underlying gross profit and Underlying EBITDA reconciliation is set out on page 6 within the Performance overview. These measures are non-IFRS measures and have not been audited or reviewed.

[2] Net overheads exclude one off items and is net of Other income included in Operating EBITDA. This is a non-IFRS measure and has not been audited or reviewed.

Performance overview.

Summary Financial Position.

($'000)	As at 31 December 2024	Growth	As at 30 June 2024
Total Current assets	2,168,659	18%	1,832,537
Total Non-current assets	660,773	2%	646,825
Total assets	**2,829,432**	**14%**	**2,479,362**
Total Current liabilities	2,606,414	12%	2,297,109
Total Non-current liabilities	44,420	91%	23,231
Total liabilities	**2,650,834**	**14%**	**2,320,340**
Net assets	**178,598**	**12%**	**159,022**
Equity	**178,598**	**12%**	**159,022**

Assets

Cash and cash equivalents

- The Group has cash reserves at the reporting date of $50.6 million (+17% from FY24) reflecting positive cash flows in the half year driven by proceeds from the sale of Sentenial and additional debt proceeds drawn, partially offset by repayment of borrowings and disposal costs associated with the Sentenial sale.

Segregated funds

- The segregated funds and bond investments total $2,533.2 million (30 June 2024: $2,148.0 million) offset by liabilities to stored value account holders of $2,507.2 million (30 June 2024: $2,130.0 million). The residual in the float, not offset by liabilities to stored value account holders, reflects the premium paid to purchase bond investments using corporate funds and will convert into cash in a future period.
- The Group has a net current asset deficiency at 31 December 2024 of $437.8 million (30 June 2024: $464.6 million). This is predominantly driven by a portion of the Group's segregated funds and bond investments assets that are classified as non-current, based on the maturity dates of those investments while the Liabilities to stored value account holders are all current liabilities.

Intangible assets

- EML has intangible assets of $114.2 million (30 June 2024: $163.5 million) which is comprised of acquired and internally generated software, customer relationships, customer contracts and goodwill. Intangible assets have reduced during the half due to derecognition of $50.2 million of intangibles from the Sentenial sale, $6.1 million amortisation offset by $3.7 million of investments in internally generated software assets and work in progress

Liabilities

Provisions

- EML has a separation provision of $5.3 million (30 June 2024: $6.7 million) in relation to the committed costs arising to the Group following the liquidation of PCSIL.
- Shine Lawyers filed proceedings in the Supreme Court of Victoria. The proceedings allege that EML did not comply with its disclosure obligations and engaged in misleading and deceptive conduct regarding disclosure. EML has recognised a provision at the end of the half year of $6.7 million (30 June 2024: $8.3 million) to reflect legal costs associated with defending this action.

Borrowings

- Total borrowings of $50.9 million reflect the new committed debt facilities drawn down during the half and the existing loan payable to PFS Card Services Ireland Limited, offset by the repayment of the loan notes relating to the Prepaid Financial Services Group in 2021, repayment and reduction in debt facility post the Sentenial sale and lease liabilities.

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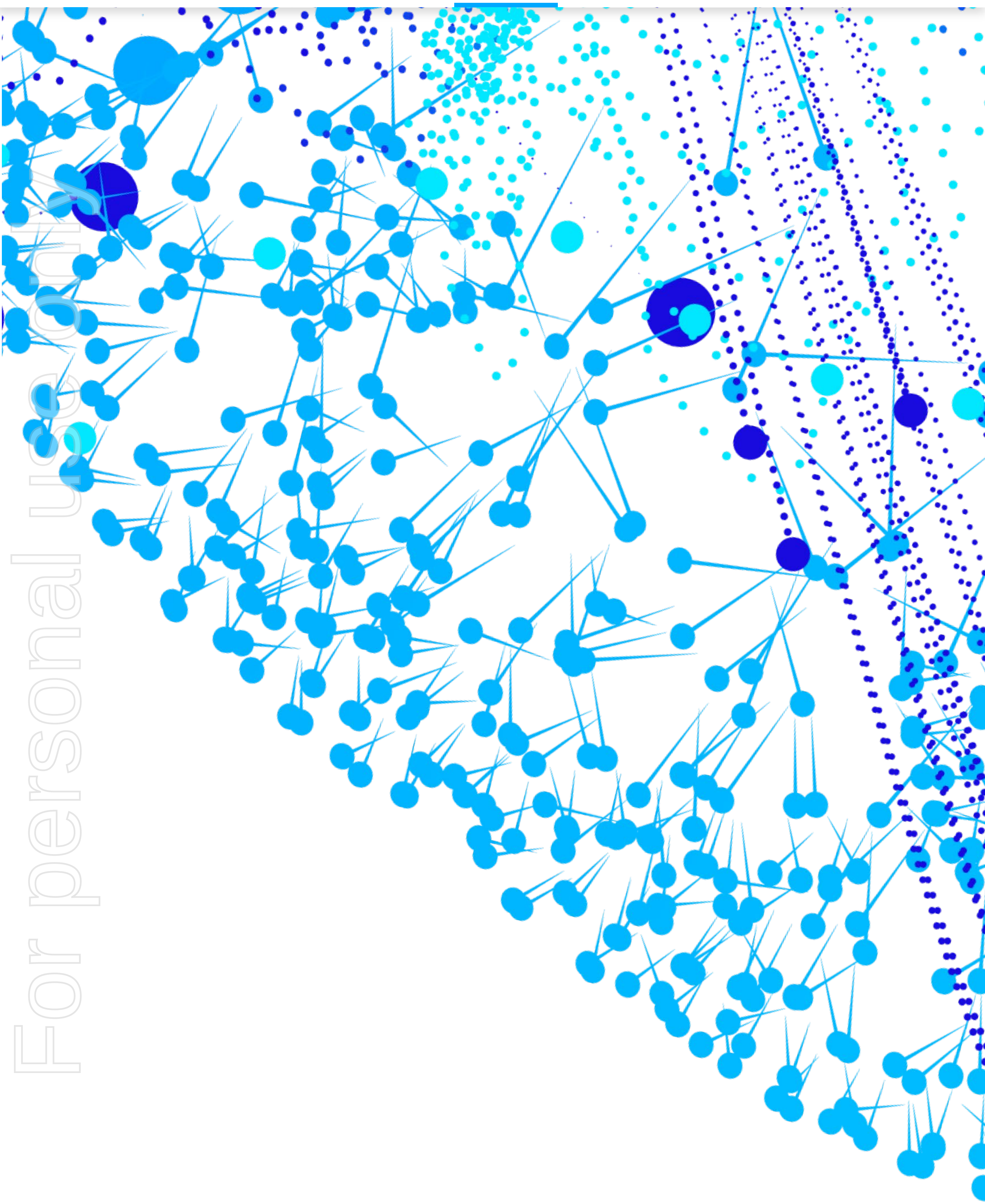
Directors' report.



Directors' report.

The Directors submit the financial report of EML Payments Limited and its controlled entities (the Group) for the half year ended 31 December 2024 and the Auditor's review report thereon.

Directors

The following persons were Directors of EML Payments Limited during the half year ended 31 December 2024 and up to the date of this report:

Non-executive

Ken Poutakidis (Deputy Chair)	Appointed Independent Non-executive Director on 25 September 2024 and appointed Deputy Chair on 23 December 2024
Petrina Coventry	Appointed Non-executive Director on 19 August 2024
Manoj Kheerbat	Appointed Non-executive Director on 5 December 2022
Luke Bortoli	Ceased as Non-executive Chair on 28 August 2024
Jim Pollock	Ceased as Non-executive Director on 28 August 2024
Kevin Murphy	Ceased as Non-executive Director on 19 November 2024

Executive

Anthony Hynes (Executive Chair)	Appointed Executive Chair and ceased as Independent Non-executive Chair on 23 December 2024
Peter Lang	Ceased as Executive Director on 25 September 2024
Ron Hynes	Ceased as Managing Director and Group CEO on 21 December 2024

Review of operations

The full review of operations is included in the Performance Overview from page 5.

Strategy

In FY25 the Group's focus will be on building for growth with both existing and new customers, optimising the operating model, and investing in future-fit products and technology. The three strategic enablers to deliver the plan are as follows:

Global operating model

Focus on delivering synergy and improving execution and responsiveness as well as strengthened leadership which powers growth, heightens urgency and focuses on outcomes.

Revived revenue engine

Focused revenue engine to nurture the core and win an outsized share of the global market.

Single platform

Deploying a single global technology platform with a broad product set and digitised operations.

The detail of the Group's strategy was communicated to the market at the AGM on 26 November 2024 and can be found on the website: https://emlpayments-stagingcms.bla.bio/wp-content/uploads/2024/11/AGM-presentation-slides.pdf.

Corporate governance

The Board has received the relevant assurances required under Recommendation 4.2 of the ASX Corporate Governance Principles and Recommendations jointly from the Group CEO and Group Chief Financial Officer in respect to the half year financial report for the period ended 31 December 2024.

The Group's corporate governance statement can be found on the website: https://www.emlpayments.com/company/investor-centre/corp-governance/.

Directors' report.

Subsequent events

There are no transactions or events of a material and unusual nature likely, in the opinion of the Directors of the Company, to significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company subsequent to 31 December 2024.

Auditor's Independence Declaration

The Auditor's Independence Declaration is included on page 14 and forms part of the Directors' report of the condensed consolidated interim financial report.

Rounding

The Company is a company of the kind referred to in ASIC Corporations *(Rounding in Financials/Directors' Reports) Instrument 2016/191*, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in this Directors' report and the financial statements are rounded off to the nearest thousand dollars, unless otherwise indicated.

Signed in accordance with a resolution of Directors made pursuant to section 306(3) of the *Corporations Act 2001*.

Anthony Hynes
Executive Chair

26 February 2025

Directors' declaration.

The Directors of EML Payments Limited (the Company) declare that:

(a) in the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

(b) in the Directors' opinion, the attached consolidated interim financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity.

This declaration is signed in accordance with a resolution of the Board of Directors made pursuant to section 303(5) of the *Corporations Act 2001*.

Anthony Hynes
Executive Chair

26 February 2025

KPMG

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

To the Directors of EML Payments Limited

I declare that, to the best of my knowledge and belief, in relation to the review of EML Payments Limited for the half-year ended 31 December 2024 there have been:

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

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

KPMG

KPMG

Scott Guse

Scott Guse
Partner

Brisbane
26 February 2025

KPMG

Independent Auditor's Review Report

To the shareholders of EML Payments Limited

Conclusion

We have reviewed the accompanying ***Condensed Interim Financial Report*** of EML Payments Limited.

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

- giving a true and fair view of the ***Group's*** financial position as at 31 December 2024 and of its performance for the ***Interim Period*** ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The ***Condensed Interim Financial Report*** comprises:

- Condensed Consolidated statement of financial position as at 31 December 2024
- Condensed Consolidated statement of profit or loss and other comprehensive income, Condensed Consolidated statement of changes in equity and Condensed Consolidated statement of cash flows for the Interim Period ended on that date
- Notes A1 to F2 including selected explanatory notes
- The Directors' Declaration.

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

The ***Interim Period*** is the six (6) months ended on 31 December 2024.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

Responsibilities of the Directors for the Condensed Interim Financial Report

The Directors of the Company are responsible for:

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

KPMG

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

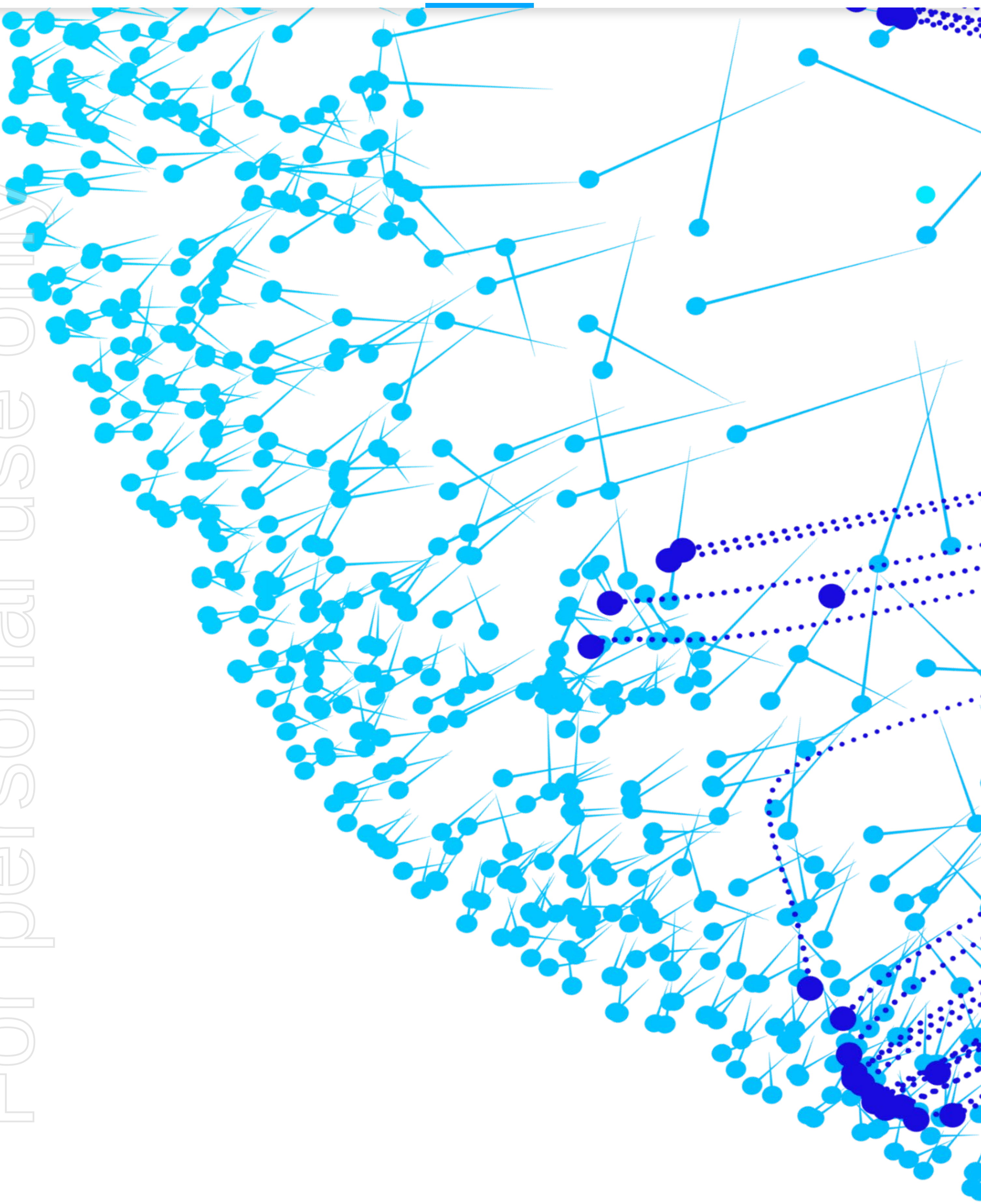
Our responsibility is to express a conclusion on the Condensed Interim Financial Report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the Condensed Interim Financial Report does not comply with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the Interim Period ended on that date, and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

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

KPMG

KPMG

Scott Guse	Ben Flaherty
Partner	Partner
Brisbane	Brisbane
26 February 2025	26 February 2025



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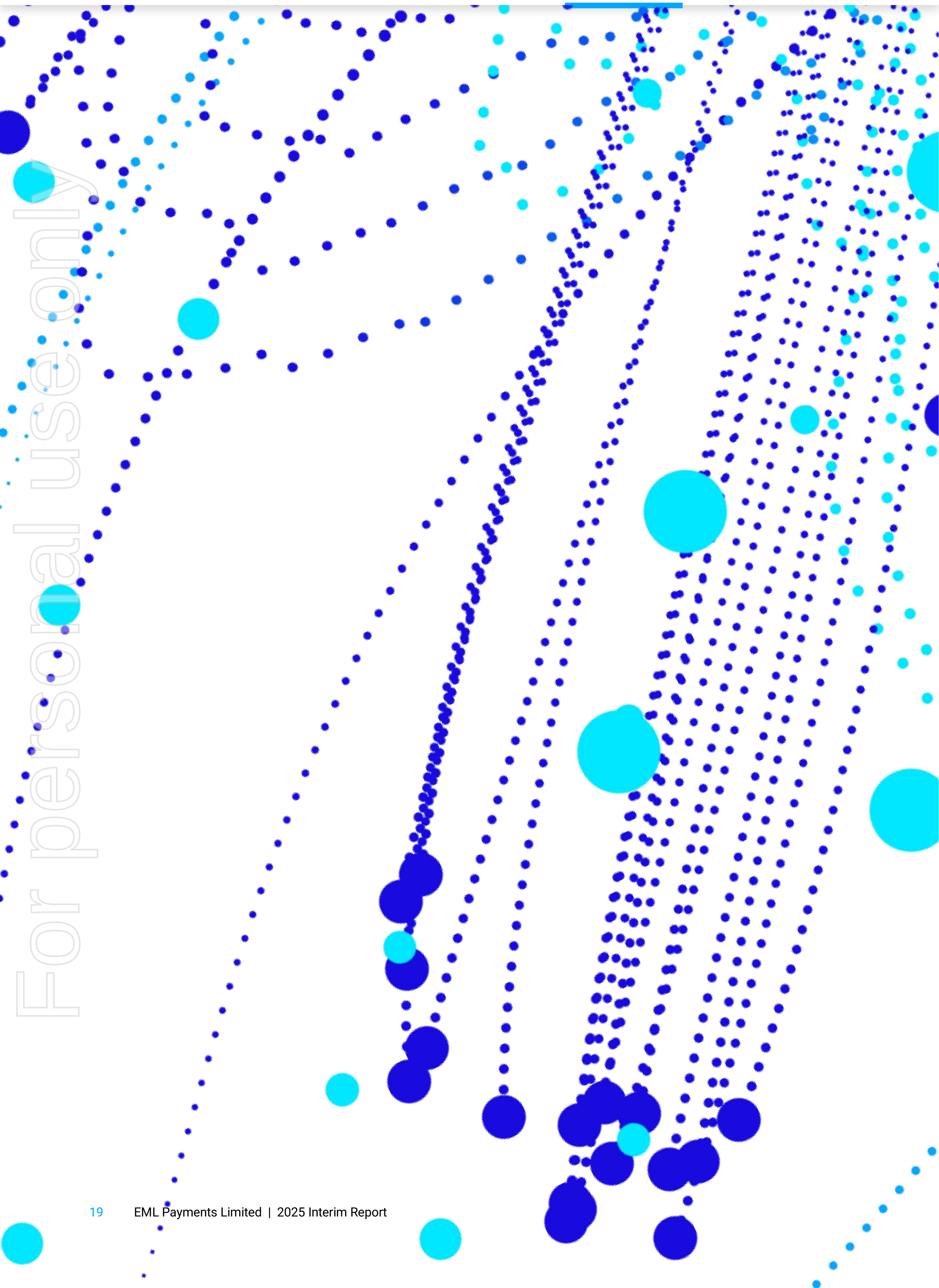
Condensed Consolidated Financial statements.



Statement of Profit or Loss and Other Comprehensive Income.

For the half year ended 31 December 2024.

($'000)	Notes	Consolidated 31 December 2024	Restated[1] 31 December 2023
Continuing operations			
Revenue from contracts with customers	A2	82,342	77,696
Interest income	A2	32,803	22,068
Total revenue		**115,145**	**99,764**
Other income	A2	4,018	6,328
Expenses			
Selling costs	A3	(28,428)	(25,914)
Employee and employee-related expenses		(36,593)	(30,282)
Professional fees		(9,674)	(7,818)
Information technology related costs		(9,917)	(10,462)
Impairment loss on trade receivables		(34)	(1,079)
Other operating expenses	A4	(7,253)	(6,750)
Share-based payments	E3	(1,312)	(4,457)
Depreciation and amortisation expense		(7,574)	(9,631)
Acquisition and disposal related costs		(83)	(96)
Finance costs	A5	(3,164)	(2,539)
Impairment expense		-	(5,330)
Fair value gain on financial assets and liabilities	A6	507	1,754
Other non-operating (expenses)/benefits	A4	(1,860)	480
Total expenses		**(105,385)**	**(102,124)**
Profit before income tax		**13,778**	**3,968**
Income tax expense	A7	(4,302)	(8,701)
Net profit/(loss) for the half year from continuing operations		**9,476**	**(4,733)**
Discontinued operations			
Loss from discontinued operations, net of tax	D2	(232)	(7,631)
Profit/(loss) for the half year		**9,244**	**(12,364)**
Other comprehensive income/(loss), net of income tax			
Items that will be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations, net of tax		9,687	(2,318)
Other comprehensive income/(loss) for the half year, net of income tax		**9,687**	**(2,318)**
Total comprehensive income/(loss) for the half year		**18,931**	**(14,682)**
Total comprehensive income/(loss) for the half year attributable to:			
Equity holders of the parent		18,931	(14,682)
Earnings per share[2]			
Basic (cents per share)		2.45	(1.45)
Diluted (cents per share)		2.39	(1.45)

1. The comparative information has been restated on account of discontinued operations in Note D2.
2. Refer to Note D2 for details relating to earnings per share from discontinued operations.

The accompanying notes form part of these financial statements.

Statement of Financial Position.

As at 31 December 2024.

($'000)	Notes	Consolidated 31 December 2024	30 June 2024
Current assets			
Cash and cash equivalents		50,579	43,060
Contract assets	B1	14,382	19,764
Trade and other receivables		41,003	34,236
Other assets		10,454	9,195
Current tax receivable		4,356	2,182
Segregated funds and bond investments		2,047,885	1,724,100
Total current assets		**2,168,659**	**1,832,537**
Non-current assets			
Contract assets	B1	37,708	31,208
Trade and other receivables		3,950	7,822
Other assets		-	41
Segregated funds and bond investments		485,292	423,832
Equity investments	C1	4,117	3,029
Plant, equipment and right-of-use assets		7,498	8,176
Intangibles	C2	114,175	163,460
Deferred tax asset	A7	8,033	9,257
Total non-current assets		**660,773**	**646,825**
Total assets		**2,829,432**	**2,479,362**
Current liabilities			
Trade and other payables		62,478	57,143
Current tax payable		372	266
Other liabilities		2,982	5,641
Provisions	B2	13,874	16,314
Borrowings	D1	19,464	87,613
Contingent consideration		-	164
Liabilities to stored value account holders		2,507,244	2,129,968
Total current liabilities		**2,606,414**	**2,297,109**
Non-current liabilities			
Other liabilities		9,463	12,631
Provisions	B2	139	1,660
Borrowings	D1	31,451	3,023
Deferred tax liability	A7	3,367	5,917
Total non-current liabilities		**44,420**	**23,231**
Total liabilities		**2,650,834**	**2,320,340**
Net assets		**178,598**	**159,022**
Equity			
Issued capital	E1	496,431	494,208
Accumulated losses		(356,847)	(366,091)
Foreign currency translation reserve		(12,897)	(22,584)
Share and options reserve		55,293	56,871
Other reserves		(3,382)	(3,382)
Total equity		**178,598**	**159,022**

The accompanying notes form part of these financial statements.

Statement of Cash Flows.

For the half year ended 31 December 2024.

($'000)	Notes	Consolidated 31 December 2024	Consolidated 31 December 2023
Cash flows from operating activities			
Receipts from customers		85,154	113,282
Payments to suppliers and employees		(95,546)	(120,328)
Net tax paid		(5,659)	(5,805)
Interest paid		(4,038)	(1,364)
Interest received		24,682	28,826
Net cash generated by operating activities		**4,593**	**14,611**
Cash flows from investing activities			
Payments for plant and equipment		(203)	(787)
Payments for intangibles		(3,724)	(4,784)
Payments for contingent consideration		(99)	-
Payments for disposal related expenses		(6,729)	(780)
Cash disposed as part of discontinued operation		(1,866)	-
Receipts from sale of discontinued operation		53,989	-
Net cash generated by/(used in) investing activities		**41,368**	**(6,351)**
Cash flows from financing activities			
Payments for principal relating to lease liability		(933)	(957)
Payments for transaction costs on borrowings		(1,666)	-
Repayments of borrowings		(72,563)	-
Proceeds from interest-bearing borrowings		35,000	-
Net cash used in financing activities		**(40,162)**	**(957)**
Net increase in cash held		**5,799**	**7,303**
Cash and cash equivalents at 1 July		43,060	71,362
Impacts of foreign exchange		1,720	(1,334)
Cash and cash equivalents at 31 December		**50,579**	**77,331**

The accompanying notes form part of these financial statements.

Statement of Changes in Equity.

For the half year ended 31 December 2024.

($'000)	Notes	Issued capital	Accumulated losses	Foreign currency translation reserve	Share and options reserve	Other reserves	Total
Balance at 1 July 2024		**494,208**	**(366,091)**	**(22,584)**	**56,871**	**(3,382)**	**159,022**
Total comprehensive loss							
Profit for the half year		-	9,244	-	-	-	9,244
Other comprehensive income							
Unrealised foreign currency loss, net of tax		-	-	9,687	-	-	9,687
Total comprehensive (loss)/profit for the half year		**-**	**9,244**	**9,687**	**-**	**-**	**18,931**
Transactions recorded directly in equity:							
Share-based payments, tax effected		2,223	-	-	(1,578)	-	645
Balance at 31 December 2024		**496,431**	**(356,847)**	**(12,897)**	**55,293**	**(3,382)**	**178,598**
Balance at 1 July 2023		**494,208**	**(339,606)**	**(22,507)**	**45,840**	**(3,382)**	**174,553**
Total comprehensive loss							
Loss for the half year		-	(12,364)	-	-	-	(12,364)
Other comprehensive loss							
Unrealised foreign currency gain, net of tax		-	-	(2,318)	-	-	(2,318)
Total comprehensive (loss)/profit for the half year		**-**	**(12,364)**	**(2,318)**	**-**	**-**	**(14,682)**
Transactions recorded directly in equity:							
Issue costs, net of tax		(85)	-	-	-	-	(85)
Share-based payments, tax effected		-	-	-	5,841	-	5,841
Balance at 31 December 2023		**494,123**	**(351,970)**	**(24,825)**	**51,681**	**(3,382)**	**165,627**

The accompanying notes form part of these financial statements.

Notes to the Financial statements.

For the half year ended 31 December 2024.

A1 Segment information

The operating segments have been identified based on internal reports about components of the Group. These are regularly reviewed by the Board of Directors of EML Payments Limited who are the Chief Operating Decision Maker (CODM). The CODM are responsible for resource allocation and performance assessment of the operating segments.

During the half year, the Group has made a change to the way it identifies and reports its segments from three product segments (Gifting, General Purpose Reloadable and Digital Payments) in 2024 to four operating segments (North America, Europe, Asia Pac and Corporate) in 2025.

Comparative information of the Group's revenue and results by reportable operating segment has been restated to reflect the change in segments for 31 December 2023 and 30 June 2024.

The operating segments provide a clear view of the Group's results. The Group has determined its four operating segments as follows:

- North America — Provision of prepaid payment services predominantly with single load card solutions to its customers in North America.
- Europe — Provision of reloadable and non-reloadable prepaid payment solutions to customers in Europe and UK.
- Asia Pac — Provision of prepaid payment solutions services to customers in Australia and New Zealand.
- Corporate — Investment of the Group's capital and business strategy activities (including business combinations and divestments).

Information about segment performance is reviewed on a monthly basis.

The accounting policies of the reportable segments are the same as the Group's accounting policies.

The following is an analysis of the Group's revenue and results by reportable operating segment for the half year under review:

	Six months ended 31 December 2024					**Six months ended 31 December 2023**[1]				
	Reportable segments					Reportable segments				
($'000)	North America	Europe	Asia Pac	Corporate	Group	North America	Europe	Asia Pac	Corporate	Group
Total revenue from contracts with customers	19,293	41,827	21,222	-	82,342	20,589	37,143	19,964	-	77,696
Total interest income	1,036	26,155	5,569	43	32,803	1,159	15,251	5,630	28	22,068
Total revenue	**20,329**	**67,982**	**26,791**	**43**	**115,145**	**21,748**	**52,394**	**25,594**	**28**	**99,764**
Segment EBITDA – underlying	4,036	26,210	7,137	(3,943)	33,440	3,889	12,758	7,719	(1,999)	22,367
One off adjustments					(6,242)					(1,709)
Other items not included in the total segment profit/(loss) after income tax					(13,420)					(16,690)
Income tax expense					(4,302)					(8,701)
Loss from discontinuing operations					(232)					(7,631)
Profit/(loss) for the half year					**9,244**					**(12,364)**

1. The comparative information has been restated on account of discontinued operations in Note D2 and change of segments.

Notes to the Financial statements.

For the half year ended 31 December 2024.

A2 Revenue, interest income and other income

($'000)	Consolidated 31 December 2024	Restated[1] 31 December 2023
(a) Revenue from contracts with customers		
Transaction-based revenue	**54,771**	**54,481**
Service-based revenue		
– Account management fees	5,991	6,755
– Breakage revenue	9,901	7,629
– Dormant state accounts revenue	2,548	2,301
– Other service-based revenue	948	1,200
– Establishment revenue	8,183	5,330
	27,571	**23,215**
	82,342	**77,696**
(b) Interest income		
Interest income – Stored value	18,720	13,434
Interest income – Group funds	396	29
Interest income – Bond investments	13,687	8,605
	32,803	**22,068**
(c) Other income		
Management fee charges	540	3,183
Services and ancillary charges	3,398	2,546
Other	80	599
	4,018	**6,328**

1. The comparative information has been restated on account of discontinued operations in Note D2.

Revenue is recognised when performance obligations are satisfied with an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

Notes to the Financial statements.

For the half year ended 31 December 2024.

A2 Revenue, interest income and other income (continued)

Key judgements and estimations – Account management fee (AMF) revenue

Estimating variable consideration

The Group estimates future cardholder behaviour to determine expected AMF revenue. These estimations utilise and analyse historical data, market-specific trends and existing economic conditions for each program. The calculated AMF revenue rates are reviewed regularly in line with new commercial agreements and changes in cardholder behaviour.

Estimating when a highly probable reversal will not occur

The timing of the Group estimating when a highly probable reversal will not occur is at different stages for Gift and Incentive (G&I) and General Purpose Reloadable (GPR) due to the nature of the products.

G&I products

AMF revenue is estimated and recognition commences from the month when funds are loaded onto the card on G&I products. It is at this point the Group have estimated that it is highly probable that a significant reversal will not occur as there is more certainty in the spend profile on a single load product. The estimated AMF revenue is then recognised over time as transactions are settled in proportion to the pattern of rights exercised by the cardholder.

GPR products

AMF revenue is estimated and recognition commences from account inactivity (being 12 months from the date of last transaction) for GPR products. It is at this point the Group has estimated that it is highly probable that a significant reversal will not occur. This point has been identified taking into account a GPR product may have multiple load and spend events. The estimated AMF revenue relating to past services is then recognised at this time.

Key judgements and estimations – Breakage revenue

The Group refers to earnings from the portion of the dollar value of unused, prepaid stored value accounts that cardholders do not redeem as breakage revenue. The Group includes in breakage revenue all revenue generated from expected residual value. Management have exercised judgement in assessing the features of the Group's breakage products and have concluded that the residual non-refundable, unredeemed or unspent funds on gift cards fall within the scope of AASB 15. This is because the Group's performance obligation is with the cardholder and either relates to redemption of value through goods and services, not cash, or providing the infrastructure to settle in goods and services, up to the card balance.

Where the Group expects to be entitled to a breakage amount and, to the extent that it is highly probable that a significant reversal will not occur, the Group uses historical data, market-specific trends, existing economic conditions for each program to measure the residual percentage. The Group will then recognise breakage revenue as variable consideration in proportion to the pattern of rights exercised by the cardholder.

The calculated residual percentage and pattern of rights of exercise are reviewed regularly in line with new commercial agreements and changes in cardholder behaviour.

Notes to the Financial statements.

For the half year ended 31 December 2024.

A3 Selling costs

($'000)	Consolidated 31 December 2024	Restated[1] 31 December 2023
Transaction costs	18,688	18,204
Fraud losses	1,274	1,059
Establishment costs	4,586	4,215
Other costs	3,880	2,436
	28,428	**25,914**

A4 Other expenses

($'000)	Consolidated 31 December 2024	Restated[1] 31 December 2023
(a) Other operating expenses		
Bank fees and other tax costs	958	807
Risk and compliance expenses	3,652	3,241
Travel related expenses	1,219	1,584
Other	1,424	1,118
	7,253	**6,750**
(b) Other non-operating expenses/(benefits)		
Foreign exchange net loss/(gain)	**1,860**	**(480)**

A5 Finance costs

($'000)	Consolidated 31 December 2024	Restated[1] 31 December 2023
Commitment fees on borrowings	210	246
Debt establishment transaction costs	1,108	-
Interest expense – Interest-bearing borrowings	1,636	2,130
Interest expense – Other	210	163
	3,164	**2,539**

1. The comparative information has been restated on account of discontinued operations in Note D2.

Notes to the Financial statements.

For the half year ended 31 December 2024.

A6 Fair value (gain)/loss on financial assets and liabilities

($'000)	Note	Consolidated 31 December 2024	Consolidated Restated[1] 31 December 2023
Fair value gain on financial assets held at fair value through profit or loss (FVTPL)			
Fair value gain on equity investment		(884)	(125)
Fair value (gain)/loss on financial liabilities held at FVTPL			
Fair value gain on contingent consideration		(65)	(1,691)
Fair value loss on other financial liabilities		442	62
		(507)	**(1,754)**

A7 Taxation

($'000)	Consolidated 31 December 2024	Consolidated Restated[1] 31 December 2023
(a) Recognised in the statement of profit or loss and other comprehensive income		
Current income tax expense	(3,334)	(5,033)
Deferred tax expense relating to the origination and reversal of temporary differences	(610)	(756)
Current income tax from prior years	(358)	(2,912)
Income tax expense	**(4,302)**	**(8,701)**
(b) Reconciliation between income tax expense and loss before income tax		
Profit before income tax from continuing operations	13,778	3,968
Loss before tax from discontinued operations	(317)	(7,801)
	13,461	3,833
Income tax (expense)/benefit using the domestic corporation tax rate of 30% (31 December 2023: 30%)	(4,038)	1,150
Tax effect of:		
Non-deductible expenses	(52)	(1,526)
Tax deduction in respect of contributions to employee share trust	634	791
Effect of differences in tax rates	1,096	(2,264)
Tax losses utilised previously not recognised	(841)	(896)
Under provision of income tax in prior year	(1,477)	(5,556)
Tax from discontinued operations	(85)	(170)
Other	461	(230)
Income tax expense	**(4,302)**	**(8,701)**

1. The comparative information has been restated on account of discontinued operations in Note D2.

Notes to the Financial statements.

For the half year ended 31 December 2024.

A7 Taxation (continued)

($'000)	Consolidated 31 December 2024	Consolidated 30 June 2024
(c) Deferred tax asset		
Provisions	3,234	4,199
Intangible assets	758	824
Recognition of tax losses and credits	574	1,489
Share capital costs	1,152	117
Other	8,456	7,155
Deferred tax asset	**14,174**	**13,784**
Set-off of tax	(6,141)	(4,527)
Net deferred tax asset	**8,033**	**9,257**
(d) Deferred tax liability		
Contract assets	(2,715)	(1,781)
Intangible assets	(2,930)	(6,349)
Plant, equipment and right-of-use assets	(954)	(631)
Financial assets	-	(737)
Other	(2,909)	(946)
Deferred tax liability	**(9,508)**	**(10,444)**
Set-off of tax	6,141	4,527
Net deferred tax liability	**(3,367)**	**(5,917)**

Movement in deferred tax balances during the financial period:

	Consolidated			
	Deferred tax asset		Deferred tax liability	
($'000)	31 December 2024	30 June 2024	31 December 2024	30 June 2024
Balance at the beginning of the period	13,784	16,634	(10,444)	(12,944)
Movement recognised in profit or loss	932	(3,214)	(1,542)	2,276
Movement recognised in equity	(740)	486	-	-
Loss on discontinued operations[1]	(73)	4	3,101	-
Foreign currency exchange movement and other	271	(126)	(623)	224
Balance at the end of the period	**14,174**	**13,784**	**(9,508)**	**(10,444)**
Set-off of tax	(6,141)	(4,527)	6,141	4,527
Net balance at the end of the period	**8,033**	**9,257**	**(3,367)**	**(5,917)**

1. The comparative information has been restated on account of discontinued operations in Note D2.

Notes to the Financial statements.

For the half year ended 31 December 2024.

A7 Taxation (continued)

Key judgements and estimations - recovery of Deferred tax assets (DTA)

The Group recognises DTAs arising from unused carried forward losses and credits in Europe, North America and Australia. DTAs are recognised for unused tax losses to the extent that probable future taxable profits will be available against which the losses can be utilised. The application of tax law to the specific circumstances and transactions of the Group requires the exercise of judgement by management. The tax treatments adopted by management in preparing the financial statements may be impacted by changes in legislation and interpretations.

Judgement is also applied by management in setting assumptions used to forecast future probability in order to determine the extent to which the recovery of carried forward tax losses and deductible temporary differences are probable for the purpose of meeting the criteria for recognition as DTAs. Future profitability may differ from forecasts which could impact management's expectations in future periods with respect to the recoverability of DTAs and result in DTA impairments or reversals of prior DTA impairments.

B1 Contract assets

The below table reconciles movements in contract assets during the financial period:

	Consolidated	
($'000)	31 December 2024	30 June 2024
Balance at the beginning of the period	50,972	63,188
Revenue recognised[1]	18,442	34,733
Contract assets disposed as part of discontinued operations	-	(8,829)
Cash receipts	(19,941)	(37,310)
Effect of unrealised foreign exchange	2,617	(810)
Balance at the end of the period	**52,090**	**50,972**
Current	14,382	19,764
Non-current	37,708	31,208
Balance at the end of the period	**52,090**	**50,972**

1. The comparative information has been restated on account of discontinued operations in Note D2.

Notes to the Financial statements.

For the half year ended 31 December 2024.

B2 Provisions

($'000)	Consolidated 31 December 2024	30 June 2024
Current		
Employee benefits	1,803	1,671
Litigation	6,731	7,961
Separation provision	5,340	6,682
	13,874	**16,314**
Non-current		
Employee benefits	139	88
Litigation	-	1,572
	139	**1,660**

The below table reconciles movements in provisions during the half year period:

($'000)	Employee benefits	Litigation	Separation	Total
Balance at the beginning of the period	1,759	9,533	6,682	**17,974**
(Credited)/charged to profit or loss				
– Additional provisions recognised	1,881	497	1,975	**4,353**
– Amounts used during the period	(1,734)	(3,299)	(2,056)	**(7,089)**
– Amounts released during the period	-	-	(1,543)	**(1,543)**
– Effect of unrealised foreign exchange	36	-	282	**318**
Balance at the end of the period	**1,942**	**6,731**	**5,340**	**14,013**

C1 Fair value

(a) Bond investments

The Group measures bond investments at amortised cost. The fair value, as determined by the quoted market price (i.e. Level 1), can fluctuate significantly based on conditions outside of the Group's control - i.e. economic conditions. The fair value of the portfolio at 31 December 2024 was $745,819,000 (30 June 2024: $620,830,000).

Notes to the Financial statements.

For the half year ended 31 December 2024.

C1 Fair value (continued)

(b) Equity investments

The following table gives information about the valuation technique and inputs used.

($'000)	31 December 2024	30 June 2024	Fair value hierarchy	Valuation techniques and key inputs	Significant unobservable inputs	Relationship of unobservable inputs to fair value
	Consolidated					
Visa Inc.	3,854	2,552	Level 1	Quoted market price of Visa Inc.	N/A	N/A
	176	395	Level 3	Class A common stock to which a discount has been applied for the illiquidity and the conversion rate variability of the preferred stock of Visa Inc. This was converted at the balance date exchange rate.	The final conversion rate of Visa Inc. Series B preferred stock into Visa Inc. Class A common stock.	A decrease in conversion rate would result in a decrease in the fair value.
Pareto	87	82	Level 3	The valuation considers events during the financial year, metrics of financial performance and other contributory data.	Metrics of financial performance.	A decrease in metrics of financial performance would result in a decrease in the fair value.
	4,117	**3,029**				

C2 Intangibles

($'000)	Note	Consolidated 31 December 2024
Balance at 1 July 2024		
At 1 July 2024, net carrying amount		163,460
Additions		3,743
Reduction from discontinued operations	D2	(52,792)
Transfers		(387)
Amortisation charge for the half year period		(6,126)
Effect of unrealised foreign exchange		6,277
At 31 December 2024, net of accumulated amortisation		**114,175**
At 31 December 2024		
Cost		417,977
Accumulated amortisation and impairment		(303,802)
Net carrying amount		**114,175**

Notes to the Financial statements.

For the half year ended 31 December 2024.

C2 Intangibles (continued)

The following table gives information about the net carrying amount of each class of intangibles for the half year period:

($'000)	Consolidated 31 December 2024
Software	11,901
Customer relationships	103
Customer contracts	12,619
Goodwill	81,250
Other	4,793
WIP	3,509
Net carrying amount	**114,175**

D1 Borrowings

($'000)	Consolidated 31 December 2024	30 June 2024
Current		
Interest-bearing		
Financial institution loan	-	58,933
Lease liabilities	1,550	1,795
	1,550	**60,728**
Non-interest bearing		
Loan – PFS Card Services Ireland Limited[1]	17,914	17,158
Loan notes	-	9,457
Other	-	270
	17,914	**26,885**
	19,464	**87,613**
Non-current		
Interest-bearing		
Financial institution loan	28,538	-
Lease liabilities	2,913	3,023
	31,451	**3,023**

1. Loan – PFS Card Services Ireland Limited relates to the loan payable to the liquidator on account of discontinued operations.

The interest-bearing borrowings are held at amortised cost.

Notes to the Financial statements.

For the half year ended 31 December 2024.

D1 Borrowings (continued)

Loan notes

The loan notes relate to the unlisted, unsecured loan notes issued by the Group to the PFS Group vendors.

The final settlement was paid in July 2024.

Financial institution loan

On 27 August 2024, the Group executed new committed debt facilities totalling $100,000,000 including a new $70,000,000 two-year syndicated facility and $30,000,000 five-year term bilateral facility. These facilities replace the previous $80,000,000 committed syndicated facilities.

Post the sale of the Sentenial Group in September 2024, the committed debt facilities reduced from $100,000,000 to $70,000,000 as the $70,000,000 two-year syndicated facility was reduced to $40,000,000. This two-year syndicated facility provides the Group access to $30,000,000 of working capital facilities as well as a $10,000,000 bank guarantee facility.

The drawn five-year term bilateral facility has a repayment date of 29 September 2029. As at 31 December 2024, the total undrawn amount of the two-year syndicated facility is $30,000,000 (30 June 2024: $10,000,000) and this undrawn facility expires on 29 September 2026.

Under the facility agreement the Group is required to provide collateral in the form of security over specific subsidiary's assets and shares, such that at all times:

- The aggregate EBITDA of those subsidiaries providing security over their assets and shares represents at least 85% of the annual EBITDA of the Group; and
- The net assets of those subsidiaries providing security over their assets and shares represents at least 85% of the net assets of the Group.

Loan covenants

Under the terms of the interest-bearing borrowing facility, the Group is required to comply with the following financial covenants:

- Gearing ratio, calculated as financial indebtedness including any borrowings and lease arrangements as a ratio to financial indebtedness plus equity of the Group, must not exceed 0.45:1 and not to be less than zero as at the compliance date (i.e. 31 December and 30 June annually);
- Senior debt ratio, calculated as the drawn amount under the facilities as a ratio to the Group's EBITDA as adjusted for specific items per the Syndicated Facilities Agreement including extraordinary non-recurring gains and losses, must not exceed 2.50:1 for any 12-month period ending on a compliance date and not to be less than zero; and
- Interest cover ratio, calculated as EBITDA (calculated as outlined above) as a ratio to interest expense including all interest, fees, discounts, premiums or other finance costs of a regular and recurring nature, must not be less than 5.00:1 for any 12-month period ending on a compliance date.

The Group has complied with these covenants as at 31 December 2024.

Notes to the Financial statements.

For the half year ended 31 December 2024.

D2 Discontinued operations

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

- represents a separate major line of business or geographic area of operations;
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographic area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale.

When an operation is classified as a discontinued operation, the comparative Statement of Profit or Loss and Other Comprehensive Income is re-presented as if the operation had been discontinued from the start of the comparative year.

Sentenial sale

In September 2024, the Group sold its investment in Sentenial Limited including its Nuapay services business to GoCardless Ltd. The current and comparative information contained in the Statement of Profit or Loss and Other Comprehensive Income has been restated for Sentenial, representing discontinued operations.

PFS Card Services Ireland Limited liquidation

Following the close of trading on 17 January 2024, the Board of PFS Card Services Ireland Limited (PCSIL) applied to the High Court of Ireland for the appointment of a provisional liquidator. Interpath Advisory was appointed and from that date took control of PCSIL's day to day activities and its wind down. As a result PCSIL was deconsolidated from the Group. The comparative information has been restated to reflect the discontinued operations of PCSIL.

The financial consequences of the deconsolidation of these two entities on the 31 December 2024 interim financial statements are outlined below.

Notes to the Financial statements.

For the half year ended 31 December 2024.

D2 Discontinued operations (continued)

(a) Results from discontinued operations

	Consolidated	
($'000)	31 December 2024	31 December 2023
Total revenue	2,480	50,951
Total expenses	(4,492)	(58,068)
Results from operating activities	**(2,012)**	**(7,117)**
Income tax benefit	85	170
Results from operating activities, net of tax	**(1,927)**	**(6,947)**
Gain/(loss) from deconsolidation of subsidiary after income tax	1,695	(684)
Loss from discontinued operations, net of tax	**(232)**	**(7,631)**
Basic loss cents per share	(0.06)	(2.04)
Diluted loss cents per share	(0.06)	(2.04)
Net assets, excluding cash	**44,975**	-
Net assets and liabilities disposed	**46,841**	-

(b) Cash flows from/(used in) discontinued operations

($'000)	31 December 2024	31 December 2023
Net cash used in operating activities	(791)	(2,171)
Net cash (used in)/from investing activities	(415)	2,154
Net cash from/(used in) financing activities	1,443	(3,766)
Impact of foreign exchange	34	(39)
Net cash flows for the year	**271**	**(3,822)**

Notes to the Financial statements.

For the half year ended 31 December 2024.

E1 Issued capital

	Consolidated	
($'000)	31 December 2024	30 June 2024
380,494,191 fully paid ordinary shares (30 June 2024: 375,155,763)	**496,431**	**494,208**

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

(a) Movements in issued capital

	31 December 2024		30 June 2024	
	No.	($'000)	No.	($'000)
Balance at the beginning of the period	375,155,763	494,208	373,984,129	494,208
Options/rights exercised[1]	5,338,428	2,223	1,171,634	-
Balance at the end of the period	**380,494,191**	**496,431**	**375,155,763**	**494,208**

1. Options/rights exercised during the period relate to the employee share options. Refer to Note E3 for further details.

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of applicable taxes, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a new business are not included in the purchase consideration of the acquisition.

E2 Key management personnel

During the interim period ended 31 December 2024, the Company appointed the Independent Non-executive Directors Anthony Hynes as Executive Chair and Ken Poutakidis as Non-executive Deputy Chair effective 23 December 2024.

Anthony's remuneration as Executive Chair will increase to $800,000 per annum, inclusive of his current Chair fee and Ken's remuneration as Deputy Chair will increase to $175,000 per annum in line with the Group's Non-executive Fee Structure as published in the 30 June 2024 Remuneration Report.

Luke Bortoli, Ron Hynes, Peter Lang, Kevin Murphy and Jim Pollock have all ceased to be key management personnel during the half year period.

Notes to the Financial statements.

For the half year ended 31 December 2024.

E3 Share-based payments

Share-based payments grants are disclosed in the annual financial report. During the half year, the Group has granted rights as an incentive for certain employees as part of a special promotion and sign-on bonuses for new senior leadership roles appointed during the half year.

Outlined in the table below are the share-based payments expense during the half year:

Type	31 December 2024 $
Expense relating to new grants during the half-year period	495,029
Expense relating to existing grants included in the 30 June 2024 Annual Report	816,825
	1,311,854

The fair value of equity-settled share rights granted during the half year is estimated, as at grant date, using the Black-Scholes model. The inputs into the model are as follows:

Grant name	Series 74	Series 75A	Series 75B	Series 76A	Series 76B	Series 76C
Number at the end of half year	724,923	530,769	530,769	500,000	500,000	500,000
Fair value at grant date	0.64	0.64	0.64	0.64	0.64	0.64
Grant date share price	0.64	0.64	0.64	0.64	0.64	0.64
Exercise price	0.00	0.00	0.00	0.00	0.00	0.00
Expected volatility	0.65	0.64	0.70	0.64	0.79	0.83
Risk-free interest rate	3.85%	4.18%	4.18%	3.90%	3.90%	3.90%
Term (vesting period)	1.07	1.00	2.00	1.11	2.11	3.11
Dividend yield	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Grant date	10/10/2024	4/11/2024	4/11/2024	23/09/2024	23/09/2024	23/09/2024
Vesting date	4/11/2025	4/11/2025	4/11/2026	4/11/2025	4/11/2026	4/11/2027
Expiry date	10/10/2039	4/11/2039	4/11/2039	23/09/2039	23/09/2039	23/09/2039
Performance measures	N/A	N/A	N/A	N/A	N/A	N/A

Grant name	Series 77	Series 78	Series 79
Number at the end of half year	200,000	671,642	870,323
Fair value at grant date	0.64	0.64	0.64
Grant date share price	0.64	0.64	0.64
Exercise price	0.00	0.00	0.00
Expected volatility	0.64	0.64	0.64
Risk-free interest rate	4.18%	3.90%	3.90%
Term (vesting period)	1.0	1.0	1.0
Dividend yield	0.00%	0.00%	0.00%
Grant date	4/11/2024	23/09/2024	25/07/2023
Vesting date	4/11/2025	25/09/2025	14/10/2025
Expiry date	4/11/2039	23/09/2039	23/09/2039
Performance measures	N/A	N/A	N/A

Notes to the Financial statements.

For the half year ended 31 December 2024.

F1 Subsequent events

There are no transactions or events of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company subsequent to 31 December 2024.

F2 Statement of material accounting policies

(a) Reporting entity

EML Payments Limited (the Company) is a for-profit company incorporated and domiciled in Australia whose shares are publicly traded on the Australian Stock Exchange. The condensed consolidated interim financial report of the Company for the half year ended 31 December 2024 comprises the Company and its subsidiaries (together referred to as the Group or consolidated entity or EML). The condensed consolidated interim financial report was authorised for issue in accordance with a resolution of the Directors on 26 February 2025.

(b) Basis of preparation

The condensed consolidated interim financial report is a general-purpose financial report prepared in accordance with the *Corporations Act 2001* and *AASB 134 Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 Interim Financial Reporting.

The condensed consolidated interim financial report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the most recent annual financial report.

The accounting policies and methods of computation adopted in the preparation of the condensed consolidated interim financial report are consistent with those adopted and disclosed in the Company's 2024 Annual financial report for the year ended 30 June 2024. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

The condensed consolidated interim financial report has also been prepared on a historical cost basis except where otherwise stated. Cost is based on the fair values of the consideration given in exchange for assets.

The condensed consolidated interim financial report is presented in Australian dollars and all values are rounded to the nearest thousand ($000), except when otherwise indicated, in accordance with ASIC Corporations *(Rounding in Financials/Directors' Reports) Instrument 2016/191*.

The Company is a listed public company, incorporated in Australia and operating in Australia. The entity's principal activities are the provision of payment services.

(c) Adoption of new and revised standards

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current reporting period.

Notes to the Financial statements.

For the half year ended 31 December 2024.

F2 Statement of material accounting policies (continued)

(d) Going concern

During the half year ended 31 December 2024, the Group reported a net profit after tax of $9,244,000 (31 December 2023: loss $12,364,000). Cash inflows were generated from operations for the half year ended 31 December 2024 of $4,593,000 (31 December 2023: $14,611,000). At balance date the Group had a net current asset deficiency of $437,755,000 (30 June 2024: deficiency of $464,572,000) and net assets of $178,598,000 (30 June 2024: $159,022,000).

The Directors note that the net current asset deficiency results from:

- The classification of Liabilities to stored value accounts holders as current liabilities on the basis these are on-demand cardholder liabilities; and
- A portion of the surplus segregated funds, $485,292,000 (30 June 2024: $423,832,000) being classified as non-current assets due to investment of these funds into secure, liquid and low credit risk bonds with maturities greater than 12 months.

The financial statements have been prepared on a going concern basis. To assess the appropriateness of the Group's going concern assumption, management have:

- Updated its economic outlook and prepared Group cash flow forecasts having regard to the working capital and liquidity requirements of the Group under various scenarios.
- Re-evaluated material areas of judgement and uncertainty;
- Re-assessed current cash resources and funding resources available to the Group alongside the expected future cash requirements. As at 31 December 2024 the Group had $50,579,000 of cash and cash equivalents and undrawn debt facilities of $30,000,000; and
- Considered the implications of the continuing regulatory and litigation matters.

As a result of the above analysis, the Directors have reached a conclusion that the Group is able to continue as a going concern for at least, but not limited to, 12 months from the date of this report.

(e) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Corporate information.

(as at 31 December 2024)

Directors

Anthony Hynes
Executive Chair

Ken Poutakidis
Non-executive Deputy Chair

Petrina Coventry
Non-executive Director

Manoj Kheerbat
Non-executive Director

Company Secretary

Sonya Tissera-Isaacs

ABN

93 104 757 904

Registered office and Principal place of business

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Facsimile: (07) 3607 0111

Website: www.emlpayments.com

Auditors

KPMG
Heritage Lanes
Level 11, 80 Ann Street
Brisbane QLD 4000

Telephone: (07) 3233 3111

Facsimile: (07) 3233 3100

Bankers

Australia and New Zealand Banking Group Limited
Level 5, 242 Pitt Street
Sydney NSW 2000

Share register

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Level 21, 10 Eagle Street
Brisbane City QLD 4000

Telephone (within Australia): 1300 554 474

Facsimile: (02) 9287 0303

Website: www.mpms.mufg.com

Securities exchange listing

EML Payments Limited is listed on the Australian Securities Exchange

(ASX: EML)

emlpayments.com

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Facsimile: (07) 3607 0111

Connect with us

Investors
emlpayments.com/company/investor-centre/

linkedin.com/company/emlpayments